Stock Code: 1623

# Ta Tun Electric Wire & Cable Co., Ltd. and Subsidiaries

# Consolidated Financial Statements With Independent Auditors' Report

**For the Years Ended December 31, 2024, and 2023**

**Company Address: No. 3, Ln. 349, Sec. 2, Meishi Rd., Yangmei Dist., Taoyuan City 326014, Taiwan (R.O.C.)**
**Telephone: (03)4818138**

*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.*

# Table of Contents

## 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. and subsidiaries (Ta Tun Electric Group),which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the consolidated statements of comprehensive income, consolidated statements of changes in equity, and consolidated statements of cash flows for the years ended December 31, 2024 and 2023, and notes to the consolidated financial statements (including a summary of significant accounting policies).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Ta Tun Electric Group as of December 31, 2024 and 2023, and its consolidated financial performance and cash flows for the years then ended, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, Interpretations, and Interpretative Announcements as endorsed and issued into effect by the Financial Supervisory Commission.

**Basis for Opinion**

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of 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 Consolidated Financial Statements of our report. The personnel of our firm who are subject to independence requirements have maintained independence from Ta Tun Electric Group 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 consolidated financial statements of Ta Tun Electric Group for 2024. These matters were addressed in the context of our audit of the consolidated 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 consolidated financial statements. For details on significant accounting items related to revenue, please refer to Note 6(22) of the consolidated financial statements.

   Description of Key Audit Matter:

   Ta Tun Electric Group 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 consolidated financial statements of Ta Tun Electric Group.

   Audit Procedures Performed:

   The key audit procedures we performed for the above key audit matter include: understanding Ta Tun Electric Group'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 consolidated financial statements. For the estimation uncertainty of inventory valuation, please refer to Note 5(1) of the consolidated financial statements. For details on significant inventory accounting items, please refer to Note 6(5) of the consolidated financial statements.

   Description of Key Audit Matter:

   Ta Tun Electric Group'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 consolidated financial statements of Ta Tun Electric Group.

   Audit Procedures Performed:

Our key audit procedures for the above key audit matter include: understanding Ta Tun Electric Group'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.

**Other Matters**

Ta Tun Electric Wire & Cable Co., Ltd. has prepared its parent company only financial statements as of and for the years ended December 31, 2024 and 2023,, on which we have issued an unmodified opinion with Other Matter paragraph.

**Management and Governance Unit's Responsibilities for the Consolidated Financial Statements**

Management's responsibility is to prepare the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, Interpretations, and Interpretative Announcements as endorsed and issued into effect by the Financial Supervisory Commission, and to maintain necessary internal controls relevant to the preparation of consolidated financial statements to ensure that the consolidated financial statements are free from material misstatements, whether due to fraud or error.

In preparing the consolidated financial statements, management's responsibilities for assessing Ta Tun Electric Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The governance units of Ta Tun Electric Group (including the Audit Committee) are responsible for overseeing the financial reporting process.

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

The objective of our audit of the consolidated financial statements is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report. 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 consolidated financial statements will always be detected. Misstatements may result from fraud or error. Misstatements are considered material in the individual amounts or aggregates are likely to influence the economic decisions of users of the consolidated 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 consolidated 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. Since fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control, the risk of failing to detect a material misstatement due to fraud is higher than that 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 Group'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 Group'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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Ta Tun Electric Group to cease to continue as a going concern.

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

6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit, and for forming the group audit opinion.

We communicate with those charged with governance regarding various matters, including the planned scope and timing of the audit, as well as significant audit findings, such as any significant deficiencies in internal control identified 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 Group's consolidated 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 the adverse consequences of disclosing the matter would reasonably be expected to outweigh the public interest benefits of such communication.

KPMG

Accountants:

| | | |
|---|---|---|
| Document Number Approved by the Securities Regulatory Authority | : | Approval Document No. 1010004977 issued by the Financial Supervisory Commission<br>Approval Document No. 1120333238 issued by the Financial Supervisory Commission |

March 31, 2025

## Ta Tun Electric Wire & Cable co., ltd. and Subsidiaries

## Consolidated Balance Sheets

## For the Years Ended December 31, 2024, and 2023

## (In Thousands of New Taiwan Dollars)

| | | 2024.12.31 | | 2023.12.31 | |
|---|---|---|---|---|---|
| | **Assets** | **Amount** | **%** | **Amount** | **%** |
| | **Current Assets:** | | | | |
| 1100 | Cash and Cash Equivalents (Note 6(1)) | $ 719,477 | 11 | 210,167 | 4 |
| 1110 | Financial Assets Measured at Fair Value through Profit or Loss - Current (Notes 6(2) and 8) | 179,839 | 3 | 180,950 | 3 |
| 1140 | Contract Assets - Current (Note 6(22)) | 1,095,539 | 17 | 630,909 | 12 |
| 1170 | Notes and Accounts Receivable,net (Notes 6(4), (22) and 7) | 718,642 | 11 | 952,696 | 18 |
| 130X | Inventories (Note 6(5)) | 1,539,140 | 24 | 1,509,073 | 28 |
| 1470 | Other Current Assets (Notes 6(11) and 8) | 617,189 | 10 | 557,733 | 10 |
| | **Total Current Assets** | 4,869,826 | 76 | 4,041,528 | 75 |
| | **Non-current Assets:** | | | | |
| 1517 | Financial Assets Measured at Fair Value through Other Comprehensive Income - Non-current (Note 6(3)) | 76,109 | 1 | 69,034 | 2 |
| 1550 | Investments Accounted for Using the Equity Method (Note 6(6)) | 14,954 | - | 14,735 | - |
| 1600 | Property, Plant and Equipment (Notes 6(7) and 8) | 770,956 | 12 | 679,312 | 13 |
| 1755 | Right-of-use Assets (Note 6(8)) | 22,049 | - | 19,240 | - |
| 1760 | Investment Property, Net (Notes 6(9), 7 and 8) | 338,102 | 6 | 436,360 | 8 |
| 1780 | Intangible Assets (Note 6(10)) | 13,448 | - | 12,274 | - |
| 1840 | Deferred Income Tax Assets (Note 6(18)) | 8,694 | - | - | - |
| 1900 | Other Non-current Assets (Note 6(11)) | 287,969 | 5 | 98,847 | 2 |
| | **Total Non-current Assets** | 1,532,281 | 24 | 1,329,802 | 25 |
| | **Total Assets** | **$ 6,402,107** | **100** | **5,371,330** | **100** |

| | | 2024.12.31 | | 2023.12.31 | |
|---|---|---|---|---|---|
| | **Liabilities and Equity** | **Amount** | **%** | **Amount** | **%** |
| | **Current Liabilities:** | | | | |
| 2100 | Short-term debt (Notes 6(12) and 8) | $ 1,777,664 | 28 | 2,038,185 | 38 |
| 2120 | Financial Liabilities Measured at Fair Value through Profit or Loss - Current (Note 6(2)) | - | - | 1,580 | - |
| 2130 | Contract Liabilities - Current (Notes 6(22) and 7) | 152,830 | 2 | 582,909 | 10 |
| 2170 | Notes and Accounts Payable (Note 7) | 458,182 | 7 | 325,239 | 6 |
| 2230 | Income Tax Liabilities for the Period | 132,949 | 2 | 91,637 | 2 |
| 2280 | Lease Liabilities - Current (Note 6(14)) | 4,876 | - | 4,419 | - |
| 2322 | Current portion of long- term loans payable (Notes 6(13) and 8) | 167,706 | 3 | 103,108 | 2 |
| 2300 | Other Current Liabilities (Note 7) | 124,406 | 2 | 91,190 | 2 |
| | **Total Current Liabilities** | 2,818,613 | 44 | 3,238,267 | 60 |
| | **Non-current Liabilities:** | | | | |
| 2540 | Long-term debt payable (Notes 6(13) and 8) | 922,243 | 15 | 488,264 | 9 |
| 2570 | Deferred Income Tax Liabilities (Note 6(18)) | 871 | - | - | - |
| 2580 | Lease Liabilities - Non-current (Note 6(14)) | 17,483 | - | 15,493 | - |
| 2640 | Net Defined Benefit Liabilities - Non-current (Note 6(17)) | 8,520 | - | 11,296 | - |
| 2600 | Other Non-current Liabilities (Note 6(15)) | 106,275 | 2 | 127,644 | 3 |
| | **Total Non-current Liabilities** | 1,055,392 | 17 | 642,697 | 12 |
| | **Total Liabilities** | 3,874,005 | 61 | 3,880,964 | 72 |
| | Equity Attributable to Owners of the Parent: (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 Attributable to Owners of the Parent** | 2,528,102 | 39 | 1,490,366 | 28 |
| | **Total Equity** | 2,528,102 | 39 | 1,490,366 | 28 |
| | **Total Liabilities and Equity** | **$ 6,402,107** | **100** | **5,371,330** | **100** |



**(See accompanying notes to the consolidated financial statements)**

## Ta Tun Electric Wire & Cable Co., Ltd. and Subsidiaries
## Consolidated 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 | General and Administrative Expenses | 85,969 | 2 | 139,715 | 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 | 156,473 | 3 |
| 6900 | **Operating Income** | 841,942 | 15 | 489,800 | 12 |
| 7000 | **Non-operating Income and Expenses:** | | | | |
| 7100 | Interest income (Notes 6(24) and 7) | 19,015 | - | 17,067 | - |
| 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 | 28,861 | 1 |
| 7050 | Financial 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 the Equity Method (Note 6(6)) | 219 | - | (107) | - |
| | **Total Non-operating Income and Expenses** | 63,620 | 1 | 11,106 | - |
| 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** |



**(See accompanying notes to the consolidated financial statements)**

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

| | Equity Attributable to Owners of the Parent | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Share Capital | | Retained Earnings | | | Other Equity Items | | | | |
| | Common Stock | Additional paid-in capital | Legal Reserve | Undistributed Earnings | Total | Unrealized Valuation Gains and Losses on Financial Assets Measured at Fair Value through Other Comprehensive Income | Total Equity Attributable to Owners of the Parent | Interests under Common Control | Non-controlling Interests | Total Equity |
| **Balance on January 1, 2023** | $ 300,000 | - | 289,522 | 651,067 | 940,589 | 15,103 | 1,255,692 | - | 4,058 | 1,259,750 |
| Retrospective Adjustment of Successor Interests in a Reorganization under Common Control | - | - | - | - | - | - | - | (33,551) | (4,058) | (37,609) |
| Restated Balance on January 1, 2023 | 300,000 | - | 289,522 | 651,067 | 940,589 | 15,103 | 1,255,692 | (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) | - | - | (800,000) |
| | | | 13,963 | (813,963) | (800,000) | | (800,000) | | | (800,000) |
| Profit for the Period | - | - | - | 406,487 | 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 | - | - | 29,205 |
| Total Comprehensive Net Income or Loss for Current Period | - | - | - | 408,493 | 408,493 | 27,199 | 435,692 | 2,464 | - | 438,156 |
| Cash Capital Increase | 236,600 | 352,300 | - | - | - | - | 588,900 | - | - | 588,900 |
| Reorganization | - | 3,263 | - | - | - | - | 3,263 | 31,087 | - | 34,350 |
| Share-based Payment Transactions | - | 6,819 | - | - | - | - | 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 | - | - | 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) | - | - | (160,980) |
| | - | - | 14,375 | (175,355) | (160,980) | - | (160,980) | - | - | (160,980) |
| Profit for the Period | - | - | - | 733,007 | 733,007 | - | 733,007 | - | - | 733,007 |
| Other Comprehensive Net Income or Loss for Current Period | - | - | - | 2,695 | 2,695 | 48,511 | 51,206 | - | - | 51,206 |
| Total Comprehensive Net Income or Loss for Current Period | - | - | - | 735,702 | 735,702 | 48,511 | 784,213 | - | - | 784,213 |
| Cash Capital Increase | 63,400 | 348,700 | - | - | - | - | 412,100 | - | - | 412,100 |
| Share-based Payment Transactions | - | 2,403 | - | - | - | - | 2,403 | - | - | 2,403 |
| Disposal of Equity Instruments Measured 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** | **-** | **-** | **2,528,102** |



**(See accompanying notes to the consolidated financial statements)**

## Ta Tun Electric Wire & Cable Co., Ltd. and Subsidiaries

## Consolidated Statements of Cash Flows

## For the Years Ended December 31, 2024, and 2023

**(Expressed in Thousands of New Taiwan Dollars)**

| | | 2024 | 2023 |
|---|---|---|---|
| **Cash Flows from Operating Activities:** | | | |
| **Profit before Tax** | $ | 905,562 | 500,906 |
| **Adjustments:** | | | |
| Income and Expense Items | | | |
| Depreciation Expenses | | 49,549 | 51,339 |
| Amortization Expenses | | 4,384 | 2,355 |
| Expected Credit Gain on Reversal of Impairment Loss | | (1,922) | (49,756) |
| Net Gain on Financial Assets and Liabilities Measured 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 Associates and Joint Ventures Accounted for Using the Equity Method | | (219) | 107 |
| Loss (Gain) on Disposal and Retirement of Property, Plant and Equipment | | 419 | (1,157) |
| Gain on Disposal of Investment Properties | | (43,805) | - |
| Loss on Disposal of Investments | | - | 8,376 |
| Gain on Lease Modification | | (450) | - |
| Total Revenue and Expense Items | | 39,917 | 28,679 |
| 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 |
| Inventories | | (30,067) | (73,940) |
| Other Current Assets | | (64,098) | (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 | 50,609 |
| Net Defined Benefit Liabilities | | (81) | (4,216) |
| Total Net Changes in Assets and Liabilities Related to Operating Activities | | (605,293) | (763,202) |
| Cash Inflow (Outflow) Generated from Operations | | 340,186 | (233,617) |
| Interest Received | | 19,015 | 17,054 |
| Interest Paid | | (76,142) | (52,558) |
| Income Tax Paid | | (135,366) | (31,579) |
| **Net Cash Inflow (Outflow) from Operating Activities** | | 147,693 | (300,700) |

## Ta Tun Electric Wire & Cable Co., Ltd. and Subsidiaries
## Consolidated Statements of Cash Flows (Continued)
## For the Years Ended December 31, 2024, and 2023

**Unit: NT$ Thousand**

| | 2024 | 2023 |
|---|---|---|
| **Cash Flows from Investing Activities:** | | |
| Acquisition of Financial Assets Measured at Fair Value through Other Comprehensive Income | - | (1,766) |
| Disposal of Financial Assets Measured at Fair Value through Other Comprehensive Income | 41,436 | - |
| Disposal of Financial Assets Measured at Fair Value through Profit or Loss | 19,823 | - |
| Acquisition of Investments Accounted for Using the 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) | 18,006 |
| 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) | 53,591 |
| **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) |
| Decrease in Other Accounts Payable to Related Parties | - | (5,714) |
| 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 | (79,087) |
| Increase (Decrease) in Cash and Cash Equivalents for the Period | 509,310 | (326,196) |
| Cash and Cash Equivalents at Beginning of Period | 210,167 | 536,363 |
| Cash and Cash Equivalents at End of Period | **$ 719,477** | **210,167** |



**(See accompanying notes to the consolidated financial statements)**

**Ta Tun Electric Wire & Cable Co., Ltd. and Subsidiaries**
**Notes to the Consolidated 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 and its subsidiaries (the Consolidated Company) are primarily engaged in the manufacturing, processing, trading and installation of electric wires and cables.

## 2. Approval Date and Procedure of Financial Statements

This consolidated 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 Consolidated 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 consolidated 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 Consolidated 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 consolidated 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 Consolidated Company are as follows:

| Newly Issued or Amended Standards | Main Amendments | Effective Date Announced by the Board |
|---|---|---|
| IFRS 18 "Presentation and Disclosure in Financial Statements" | 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.<br>• 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.<br>• 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.<br>• 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 Consolidated Company is currently evaluating the impact of the above standards and interpretations on its financial position and operating results. The relevant impacts will be disclosed upon completion of the assessment.

The Consolidated Company expects that the following new and amended standards that have not yet been endorsed will not have a significant impact on the consolidated financial statements.

- Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"
- IFRS 17 "Insurance Contracts" and amendments to IFRS 17
- 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 consolidated financial statements are summarized as follows. The following accounting policies have been consistently applied to all periods presented in these consolidated financial statements.

(1) Statement of Compliance

This consolidated financial report has been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (the Regulations) and the International Financial Reporting Standards, International Accounting Standards, Interpretations, and Interpretative Announcements as endorsed and issued into effect by the Financial Supervisory Commission,R.O.C. (altogether referred to IFRS Accouting Standards endorsed by the FSC).

(2) Basis of Preparation

1. Basis of Measurement

Except for the following significant items on the balance sheet, these consolidated 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).

2. Functional and Presentation Currency

The Consolidated Company uses the currency of the primary economic environment in which it operates as its functional currency. The consolidated financial statements are 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) Basis of Consolidation

1. Principles of Preparing Consolidated Financial Statements

The consolidated financial statements include the Company and entities controlled by the Company (i.e., subsidiaries). When the Company is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee, the Company controls that entity.

From the date control is obtained over a subsidiary, its financial statements are included in the consolidated financial statements until the date control is lost. Intra-group transactions, balances, and any unrealized income and expenses have been eliminated in full when preparing the consolidated financial statements. The total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

The financial statements of subsidiaries have been appropriately adjusted to ensure their accounting policies are consistent with those used by the Consolidated Company.

Changes in the Consolidated Company's ownership interests in subsidiaries that do not result in the loss of control over the subsidiaries are accounted for as equity transactions with owners. The difference between the adjustment to non-controlling interests and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

2. Subsidiaries included in the consolidated financial statements

Subsidiaries included in these consolidated financial statements include:

| Name of Investing Company | Name of Subsidiary | Nature of Business | Percentage of Ownership | | Description |
|---|---|---|---|---|---|
| | | | 2024.12.31 | 2023.12.31 | |
| The Company | Zhe Ming Investment Co., Ltd. (Zhe Ming Investment) | General Investment Industry | - % | - % | Note 1 |

Note 1: Zhe Ming Investment was dissolved on October 23, 2023.

Note 2: On November 13, 2023, the Company disposed of 55% equity of the subsidiary Guan Shan Lin and 100% equity of Dong Ting Green Energy for cash of NT$9,350 thousand and NT$25,000 thousand, respectively. The transactions are reorganization under common control and should be considered as derecognized from the beginning.

3. Subsidiaries not included in the consolidated financial statements: None.

(4) Foreign Currencies

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 (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.

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

The Consolidated 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.

   The Consolidated 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.

(6) 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.

(7) 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 Consolidated 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 Consolidated 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 Consolidated 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 meet the 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 Consolidated 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 Consolidated 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 Consolidated 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.

(4) Impairment of financial assets

The Consolidated 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 Consolidated 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 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 Consolidated 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 Consolidated 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 Consolidated Company assesses whether financial assets measured at amortized cost and debt securities measured at fair value through other 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 Consolidated 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 loss allowances on financial assets measured at amortized cost is deducted from the carrying amount of the assets. The loss allowances 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 Consolidated 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 Consolidated Company analyzes the timing and amount of write-offs on an individual basis, based on whether recovery can reasonably be expected. The Consolidated 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 Consolidated Company's procedures for recovery of overdue amounts.

(5) Derecognition of financial assets

The Consolidated 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 Consolidated 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.

2. Financial liabilities and equity instruments

(1) Classification of liability or equity

The Consolidated 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 Consolidated Company after deducting all of its liabilities. Equity instruments issued by the Consolidated 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 measured 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 measured 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 Consolidated Company derecognizes financial liabilities when contractual obligations have been fulfilled, canceled, or expired. If the terms of a financial liability are modified such that resulting the cash flows differ significantly, the original financial liability is derecognized and a one 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 Consolidated 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 liabilities simultaneously.

3. Derivative Financial Instruments

The Consolidated 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.

(8) 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.

(9) Investment in Associates

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

The Consolidated 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 consolidated financial statements include the amount of profit or loss and other comprehensive income of associates recognized by the Consolidated Company in proportion to its equity interest, after adjustments to align with the accounting policies of the Consolidated 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 Consolidated Company's ownership percentage, the Consolidated Company recognizes its proportionate share of such equity changes as additional paid-in capital.

Unrealized profits and losses arising from transactions between the Consolidated 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 Consolidated

Company's proportionate share of losses in an associate equals or exceeds its interest in the associate, it 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.

(10) Investment property

Investment property refers to property held to earn rent /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 impairment losses. Its depreciation method, useful life, and residual value are treated in accordance with the provisions applicable to 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.

(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.

Significant components of property, plant and equipment with different useful lives are accounted for separately as major components.

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 Consolidated 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 Consolidated 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 Consolidated 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 Consolidated 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 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 Consolidated 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 on the commencement date. If the interest rate implicit in the lease is readily determinable, it is used as the discount rate; if not, the Consolidated Company's incremental borrowing rate is applied. Generally, the Consolidated 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 expected payments under a residual value guarantee, and changes in assessments of purchase, extension or termination options as mentioned above, the carrying amount of the right-of-use asset is adjusted accordingly. If the carrying amount of the right-of-use asset is reduced to zero, any remaining remeasurement amount is recognized in profit 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 Consolidated 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 Consolidated 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 Consolidated 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 Consolidated 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 Consolidated 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 Consolidated 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 Consolidated 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 for which the Consolidated Company applies the recognition exemption, the sublease transaction shall be classified as an operating lease.

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

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

(13) Intangible Assets

1. Recognition and Measurement

The Consolidated 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 Consolidated 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 Consolidated 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 are present, 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 those from other individual assets or groups of assets. Goodwill acquired in a business combination is allocated to each cash-generating unit, or group of 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 specific risk associate with the asset or cash-generating unit.

If the recoverable amount of an individual asset or cash-generating unit is less than its 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 Consolidated 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 specific risk associate with 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 Consolidated Company expects to be entitled in exchange for transferring goods or services. The Consolidated Company recognizes revenue when it satisfies a performance obligation by transferring control of goods or services to a customer. The Consolidated Company's primary revenue items are described as follows:

(1) Sale of Goods

The Consolidated Company manufactures and sells wires and cables to customers. The Consolidated Company recognizes revenue when control of the products is transferred. Control of the product is considered transferred 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 Consolidated 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.

(2) Construction contracts

The Consolidated 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 Consolidated 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 Consolidated 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 Consolidated 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 Consolidated Company does not adjust the transaction price for the time value of money.

(17) Government Grants

Government grants that compensate the Consolidated 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 Consolidated Company's net obligation to defined benefit plans is calculated by the amount of 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 Consolidated 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 Consolidated 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 Consolidated 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 Consolidated 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 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 Consolidated Company's share-based payments is the date when employees are notified.

(20) 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 Consolidated 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. These assets are reassessed at each reporting date, and are reduced to the extent that the 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 Consolidated 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 Consolidated 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 Consolidated 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 consolidated financial statements. In preparing the comparative balance sheets and statements of changes in equity for prior periods, the original equity held by the Consolidated 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 Consolidated Company is attributed to "Net Income Attributable to Interests under Common Control."

(22) Earnings Per Share

The Consolidated Company presents the basic and diluted earnings per share attributable to the common equity holders of the Company. The Consolidated 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 common 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

Operating segments are components of the Consolidated Company that engage in business activities capable of earning revenues and incurring expenses (including revenues and expenses relating to transactions with other components of the Consolidated Company). The results of all operating segment are regularly reviewed by the Consolidated Company's chief operating decision maker to make decisions about resources to be allocated to the segment and to assess its performance. Each operating segment has separate financial information.

## 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 consolidated 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 Consolidated 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 consolidated 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 Consolidated 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 changes due to rapid industry changes. For information on inventory valuation provisions, please refer to Note 6(5)

The Consolidated Company's accounting policies and disclosures include the use of fair value measurements for its financial, non-financial assets and liabilities. The

Consolidated 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 Consolidated 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 Consolidated 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 Accounts

(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 | 210,087 |
| Cash and cash equivalents as listed in the statement of cash flows | **$ 719,477** | **210,167** |

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

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

1. Details are as follows:

| | 2024.12.31 | 2023.12.31 |
|---|---|---|
| **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 Consolidated 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

| 2023.12.31 | | | | |
|---|---|---|---|---|
| **Contract amount (thousands)** | **Currency** | **Interest rate to be paid** | **Interest rate to be received** | **Maturity date** |
| USD1,000<br>TWD32,355 | USD to TWD | FixedTWD0.88% | FixedUSD4.27% | 2024.04.30 |

(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 Measured at Fair Value through Other Comprehensive Income

| | | 2024.12.31 | 2023.12.31 |
|---|---|---|---|
| **Equity Instruments Measured 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 Consolidated 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 Consolidated 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 Consolidated 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 Consolidated 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 Consolidated 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)

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

The Consolidated 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 Consolidated 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 Consolidated Company's statement of changes in loss allowance on notes and accounts receivable 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 | **$ -** | **7,989** |

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

For 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 | - |
| | **$ 1,539,140** | **1,509,073** |

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 Consolidated Company's inventories were pledged as collateral.

(6) Investments Accounted for the Using Equity Method

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

| | 2024.12.31 | 2023.12.31 |
|---|---|---|
| Associates | $ 14,954 | 14,735 |

1. Associates

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

| | 2024.12.31 | 2023.12.31 |
|---|---|---|
| Aggregate carrying amount of individually immaterial associates at the end of the period | $ 14,954 | 14,735 |

| | 2024 | 2023 |
|---|---|---|
| Share attributable to the Consolidated Company: | | |
| Loss for the period | $ 219 | (107) |
| Other comprehensive income | - | - |
| Total comprehensive income | $ 219 | (107) |

2. Collateral

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

(7) Property, Plant and Equipment

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

| | | Land | Buildings | Machinery and equipment | Other Equipment | Construction 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 | **$** | **390,039** | **219,967** | **417,342** | **240,109** | **83,304** | **1,350,761** |
| 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 | **$** | **390,039** | **239,263** | **447,790** | **366,075** | **-** | **1,443,167** |
| 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 | **$** | **-** | **198,217** | **317,846** | **63,742** | **-** | **579,805** |
| 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 | **$** | **-** | **220,311** | **355,197** | **188,347** | **-** | **763,855** |
| Carrying Amount: | | | | | | | |
| December 31, 2024 | **$** | **390,039** | **21,750** | **99,496** | **176,367** | **83,304** | **770,956** |
| January 1, 2023 | **$** | **390,039** | **19,875** | **104,895** | **74,091** | **7,344** | **596,244** |
| December 31, 2023 | **$** | **390,039** | **18,952** | **92,593** | **177,728** | **-** | **679,312** |

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

(8) Right-of-use Assets

The Consolidated 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 costs: | | | | | |
| 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 Expenses | | **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 Expenses | | **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** |

(9) Investment Property

The Consolidated Company's investment property changes are as follows:

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

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 Consolidated 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 Consolidated Company's intangible assets are as follows:

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

1. Recognition of amortization and impairment

The amortization expenses of intangible assets for 2024 and 2023 are reported in the following items of the consolidated 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 Consolidated 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 Consolidated 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 | 17,275 |
| Others | 45,817 | 15,865 |
| Less: Loss allowance on other receivables | (12,000) | (12,000) |
| | $ 617,189 | 557,733 |

| | 2024.12.31 | 2023.12.31 |
|---|---|---|
| Other non-current assets: | | |
| Equipment prepayment | $ 249,792 | 90,158 |
| Refundable deposits | 38,177 | 8,689 |
| | $ 287,969 | 98,847 |

As of December 31, 2024 and 2023, details of the Consolidated 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 Consolidated 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.

(12) Short-term debt

| | 2024.12.31 | 2023.12.31 |
|---|---|---|
| Unsecured bank loans | $ 804,888 | 942,736 |
| Secured bank loans | 972,776 | 1,095,449 |
| Total | **$ 1,777,664** | **2,038,185** |
| Unused credit lines | **$ 2,189,231** | **2,400,773** |
| Interest rate range | **1.10%~6.75%** | **0.90%~2.90%** |

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

(13) Long-term debt payable

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

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

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

**Notes to the Consolidated Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. and Subsidiaries (Continued)**

(14) Lease liabilities

The carrying amount of the Consolidated 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 Consolidated 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 Consolidated Company leases transport equipment for official use, with lease terms ranging from three to five years.

2. Other leases

   The Consolidated 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 Consolidated Company has elected to apply the exemption from recognition and does not recognize the related right-of-use assets and lease liabilities.

(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 | **$ 101,823** |
| Balance as of January 1, 2023 | **$ 120,296** |
| Balance as of December 31, 2023 | **$ 120,296** |

Differences in interpretation with the tax authorities regarding income from housing and land transactions in the Consolidated 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 Consolidated 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 Consolidated Company has already made a provision for liabilities in 2022. For more information, please refer to Note 9(2).

The Consolidated 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 Consolidated 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:

| | 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 Consolidated 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 Consolidated 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 Consolidated 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 Consolidated Company's labor pension reserve account at the Bank of Taiwan amounted to NT$8,142 thousand. For information on the utilization of labor retirement fund assets, including the fund's rate of return and asset allocation, please refer to the official website of the Bureau of Labor Funds, Ministry of Labor.

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

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

| | | 2024 | 2023 |
|---|---|---|---|
| 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 | **$** | **16,758** | **17,993** |

(3) Changes in fair value of plan assets

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

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

(4) Expenses recognized in profit or loss

The Consolidated 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 Consolidated 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 Consolidated 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 Consolidated 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.

(7) Sensitivity Analysis

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

| | Impact on the net defined benefit liability | |
|---|---|---|
| | **Increase by 0.1%** | **Decrease by 0.1%** |
| December 31, 2024 | | |
| Discount rate of 1.60% | $ (128) | 130 |
| Salary adjustment rate of 4.00% | 110 | (109) |
| December 31, 2023 | | |
| 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 the period are the same as those used in the previous period.

2. Defined Contribution Plans

The Consolidated 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 Consolidated Company has no legal or constructive obligation to pay additional amounts.

The Consolidated 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.

(18) Income tax

1. Income tax expenses

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

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

The Consolidated 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 | **$ -** | **(502)** |

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

The reconciliation between income tax expense and profit before tax for the Consolidated 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 Consolidated 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) |
| | **$ 172,555** | **91,955** |

2. Deferred Income Tax Assets and Liabilities

(1) Unrecognized Deferred Income Tax Assets

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

| | 2024.12.31 | 2023.12.31 |
|---|---|---|
| Deductible temporary differences | $ - | 8,287 |

(2) Recognized Deferred Income Tax Assets and Liabilities

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

| | Unrealized expected credit impairment losses | Unrealized inventory valuation and obsolescence losses | Unrealized unused vacation bonus | Total |
|---|---|---|---|---|
| **Deferred Income Tax Assets:** | | | | |
| January 1, 2024 | $ - | - | - | - |
| (Debit)/Credit to Profit or Loss | 2,400 | 5,159 | 1,135 | 8,694 |
| December 31, 2024 | $ 2,400 | 5,159 | 1,135 | 8,694 |

| | Unrealized foreign exchange gains |
|---|---|
| **Deferred Income Tax Liabilities:** | |
| January 1, 2024 | $ - |
| Debit/(Credit) to Profit or Loss | 871 |
| December 31, 2024 | $ 871 |

3. Tax Return Filing Status

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

The reconciliation of the Company's outstanding shares for 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 | $ 701,000 | 352,300 |
| Reorganization | 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 a realized additional paid-in capital. The aforementioned realized additional paid-in capital includes premiums from 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. In principle, the amount of shareholder dividends distributed shall 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 in the form of new shares or cash. However, such distribution is limited to the portion of the legal reserve that exceeds twenty-five percent of the paid-in capital.

(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$)** | **Amount** | **Dividend per share (NT$)** | **Amount** |
| Dividends distributed to common shareholders: | | | | |
| Cash | $ 3.00 | **160,980** | 26.67 | **800,000** |

(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 Measured at Fair Value through Other Comprehensive Income | 48,511 |
| Disposal of Equity Instruments Measured at Fair Value through Other Comprehensive Income | (30,216) |
| Balance as of December 31, 2024 | **$ 60,597** |
| Balance as of January 1, 2023 | $ 15,103 |
| Unrealized Valuation Gain on Financial Assets Measured at Fair | 27,199 |

| | |
|---|---|
| Value through Other Comprehensive Income | |
| Balance as of December 31, 2023 | $ 42,302 |

(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 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.

(21) Earnings Per Share

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

| | 2024 | 2023 |
|---|---|---|
| **Basic Earnings Per Share** | | |
| Net Income Attributable to Common Equity Holders of the Company | $ 733,007 | 406,487 |
| Weighted Average Number of Outstanding Common Stocks (in thousands) | 58,250 | 33,401 |
| Basic Earnings Per Share (NT$) | $ 12.58 | 12.17 |

| | 2024 | 2023 |
|---|---|---|
| **Diluted Earnings Per Share** | | |
| Net Income Attributable to Common Equity Holders of the Company | $ 733,007 | 406,487 |
| Weighted Average Number of Outstanding Common Stocks (in thousands) | 58,250 | 33,401 |
| Effect of Potentially Dilutive Common Stocks | | |
| Impact of Employee Stock Compensation | 61 | 82 |
| Weighted Average Number of Outstanding Common Stocks (after adjustment for the effect of dilutive potential common stocks) (in thousands) | 58,311 | 33,483 |
| Diluted Earnings Per Share (NT$) | $ 12.57 | 12.14 |

(22) Revenue from Contracts with Customers

1. Disaggregation of Revenue

| | 2024 | 2023 |
|---|---|---|
| Main Geographical Markets | | |
| Taiwan | $ 5,480,438 | 4,204,807 |
| Others | 2,551 | 11,489 |
| | **$ 5,482,989** | **4,216,296** |
| Main Product/Service Lines | | |
| 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 | **$ 5,482,989** | **4,216,296** |
| Revenue Recognition Timing | | |
| Revenue Recognized at a Point in Time | $ 5,283,587 | 4,135,001 |
| Revenue Recognized Over Time | 199,402 | 81,295 |
| | **$ 5,482,989** | **4,216,296** |

2. Contract Balances

| | 2024.12.31 | 2023.12.31 | 2023.1.1 |
|---|---|---|---|
| Accounts and Notes Receivable | $ 771,642 | 960,685 | 728,222 |
| Less: Loss Allowances | - | (7,989) | (7,989) |
| Total | **$ 771,642** | **952,696** | **720,233** |
| Contract Assets | **$ 1,095,539** | **630,909** | **257,090** |
| Contract Liabilities | **$ 152,830** | **582,909** | **362,877** |

For the disclosure of notes and 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.

(23) Compensation for Employees, Directors, and Supervisors

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 employees' 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 compensation for employee. director, 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 consolidated financial statements for 2024 and 2023.

**Notes to the Consolidated Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. and Subsidiaries (Continued)**

(24) Non-operating Income and Expenses

1. Interest income

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

| | 2024 | 2023 |
|---|---|---|
| Cash in band interest | $ 8,593 | 5,421 |
| Interest income from financial assets measured at fair value through profit or loss | 9,611 | 8,083 |
| Other Interest income | 811 | 3,563 |
| | **$ 19,015** | **17,067** |

2. Other Income

The details of other revenue for the Consolidated 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 Consolidated 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 Properties | 43,805 | - |
| Loss on Disposal of Investments | - | (8,375) |
| Gain on Lease Modification | 450 | - |
| Net foreign exchange gains | 7,065 | 9,782 |
| Net gain on valuation of financial measured assets at fair value through profit or loss | 20,292 | 20,633 |
| Others | (4,599) | 5,664 |
| | **$ 66,594** | **28,861** |

## Notes to the Consolidated Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. and Subsidiaries (Continued)

4. Financial Costs

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

| | | 2024 | 2023 |
|---|---|---|---|
| Interest Expense | $ | 76,14[illegible] | 52,779 |

(25) Financial Instruments

1. Categories of Financial Instruments

(1) Financial Assets

| | | 2024.12.31 | 2023.12.31 |
|---|---|---|---|
| Financial assets measured at fair value through profit or loss | $ | 179,839 | 180,950 |
| Financial assets measured at fair value through other comprehensive income | | 76,109 | 69,034 |
| Financial assets measured at amortized cost: | | | |
| Cash and cash equivalents | | 719,477 | 210,167 |
| Notes and accounts receivable (including related parties) | | 718,642 | 952,696 |
| Other receivables | | 17,729 | 17,275 |
| Other financial assets - current (restricted deposits) | | 490,273 | 406,501 |
| Refundable deposits | | 38,177 | 8,689 |
| Total | **$** | **2,240,246** | **1,845,312** |

(2) Financial liabilities

| | | 2024.12.31 | 2023.12.31 |
|---|---|---|---|
| Financial liabilities measured at fair value through profit or loss | $ | - | 1,580 |
| Financial liabilities measured 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 | **$** | **3,348,154** | **2,976,288** |

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 Consolidated 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 Consolidated Company continuously evaluates customers' financial conditions. However, collateral or guarantees are usually not required from customers. The Consolidated 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 Consolidated Company's accounts receivable balances, respectively, were attributable to 4 and 2 customers, resulting in a concentration of credit risk for the Consolidated Company.

3. Liquidity risk

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

| | Carrying Amount | Contractual 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 |
| | **$3,348,154** | **3,424,256** | **2,442,143** | **982,113** |
| **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 |
| | **$2,974,708** | **3,030,967** | **2,493,008** | **537,959** |

The Consolidated 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.

4. Foreign exchange risk

(1) Exposure to foreign exchange risk

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

| | 2024.12.31 | | | 2023.12.31 | | |
|---|---|---|---|---|---|---|
| | **Foreign currency** | **Exchange rate** | **NTD** | **Foreign currency** | **Exchange rate** | **NTD** |
| Financial assets | | | | | | |
| Monetary items | | | | | | |
| USD | $ 1,139 | 32.79 | 37,348 | 1,639 | 30.71 | 50,334 |
| JPY | 47,565 | 0.21 | 9,989 | 25,572 | 0.22 | 5,666 |
| Financial liabilities | | | | | | |
| Monetary items | | | | | | |
| USD | 914 | 32.79 | 29,970 | 185 | 30.71 | 5,680 |
| JPY | 1,016,785 | 0.21 | 213,525 | 379,597 | 0.22 | 83,511 |

(2) Sensitivity Analysis

The exchange rate risk of the Consolidated 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 Consolidated 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 Consolidated 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 reporting date was outstanding throughout the entire year. When reporting interest rates to key management, the Consolidated 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 Consolidated 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 | |
|---|---|---|---|---|
| **Reporting Date Security Prices** | **Other Comprehensive Income After Tax** | **Net Profit After Tax** | **Other Comprehensive Income After Tax** | **Net Profit After Tax** |
| 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 Consolidated 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 of various types of financial assets and liabilities (including fair value hierarchy information, but excluding the carrying amounts of financial instruments not measured at fair value, where the carrying amount approximates fair value) are presented as follows:

| | 2024.12.31 | | | | |
|---|---|---|---|---|---|
| | | Fair Value | | | |
| | Carrying Amount | Level 1 | Level 2 | Level 3 | Total |
| Financial assets measured 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 measured 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 | | | | |
|---|---|---|---|---|---|
| | | Fair Value | | | |
| | Carrying Amount | Level 1 | Level 2 | Level 3 | Total |
| Financial assets measured 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 measured at fair value through profit or loss | | | | | |
| Financial liabilities designated as measured at fair value through profit or loss | $ 1,580 | - | 1,580 | - | 1,580 |
| Financial assets measured 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 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

(OTC) equity instruments and debt instruments with quoted prices in active markets.

A financial instrument is considered to have a quoted price in an active market, 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. If the aforementioned conditions are not met, 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 Consolidated 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 Consolidated 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 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.

(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 Consolidated 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 |

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

The Consolidated 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 Consolidated 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 one another, meaning no interrelationship exists between them.

| Item | Valuation technique | Significant unobservable inputs | Relationship between significant unobservable inputs and fair value |
|---|---|---|---|
| Financial assets measured at fair value through other comprehensive income - Equity instrument investments in inactive markets | Comparable company method | • Discount for lack of marketability (30% for both 2024/12/31 and 2023/12/31)<br>Price-to-book ratio (1.29–3.19 and 1.32–1.59 for 2024/12/31 and 2023/12/31, respectively) | • The higher the discount for lack of marketability, the lower the fair value<br>• The higher the price-to-book ratio, the higher the fair value |
| Financial assets measured at fair value through other comprehensive income - Equity instrument investments in inactive markets | Net Asset Value Method | • Net asset value | • 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 Consolidated 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:

| | Input value | Up or down Change | Fair value changes reflected in other comprehensive income | |
|---|---|---|---|---|
| | | | **Favorable change** | **Unfavorable change** |
| **December 31, 2024** | | | | |
| Financial assets measured at fair value through other comprehensive income | | | | |
| Investment in equity instruments in inactive market | Lack of market liquidity discount, price-to-book ratio | ±1% | 628 | (628) |
| **December 31, 2023** | | | | |
| Financial assets measured at fair value through other comprehensive income | | | | |
| Investment in equity instruments in inactive market | Lack of market liquidity discount, price-to-book ratio | ±1% | 463 | (463) |

The favorable and unfavorable changes of the Consolidated 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 multiple input, the above table reflects only the impact of a single input change, without accounting for the correlation and variability between inputs.

(26) Financial Risk Management

1. Overview

The Consolidated 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 Consolidated 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 consolidated financial statements.

2. Risk management framework

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

The establishment of the Consolidated Company's risk management policies is to identify and analyze the risks faced by the Consolidated Company, set appropriate risk limits and controls, and monitor risks and compliance with risk limits. Risk management policies and systems are regularly reviewed to reflect changes in market conditions and the Consolidated Company's operations. The Consolidated 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 Consolidated 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 Consolidated Company. Internal auditors assist the Consolidated 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 Consolidated Company due to customers or counterparties failing to meet their contractual obligations, primarily from the Consolidated Company's accounts receivable from customers and security investments.

(1) Accounts Receivable and Other Receivables

The Consolidated Company's credit risk exposure is primarily affected by the individual circumstances of each customer. However, management also considers the statistical information of the Consolidated 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 Consolidated 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 Consolidated 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 Consolidated Company's standard credit rating can only transact with the Consolidated Company on a prepayment basis. To reduce credit risk, the Consolidated 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 Consolidated Company's Finance Department. Since the Consolidated Company's counterparties and performing parties are all banks with good credit and financial institutions, corporate organizations, and government agencies with investment grade and above ratings, there are no significant performance concerns, hence no significant credit risk.

(3) Guarantees

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

4. Liquidity risk

The Consolidated Company manages and maintains sufficient positions in cash and cash equivalents to support its operations and mitigate the impact of cash flow fluctuations. The Consolidated 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 Consolidated Company. As of December 31, 2024, and 2023, the Consolidated 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 Consolidated 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 Consolidated 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 USD and JPY.

(2) Interest Rate Risk

As the Consolidated Company's interest rate risk comes from short-term debt 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 Consolidated 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 Consolidated 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.

(27) Capital Management

The Consolidated 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 Consolidated Company may adjust dividends paid to shareholders, reduce capital to return funds to shareholders, issue new shares, or sell assets to repay liabilities.

The Consolidated 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 Consolidated 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 | 719,477 | 210,167 |
| Net debt | **$ 3,154,528** | **3,670,797** |
| Total Equity | **$ 2,528,102** | **1,490,366** |
| Debt-to-capital ratio | **55.51%** | **71.12%** |

(28) Non-cash investing and financing activities

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

| | | | Non-cash changes | | |
|---|---|---|---|---|---|
| | 2024.1.1 | Cash flows | Acquisition /Obtaining | Others | 2024.12.31 |
| 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** |

| | | | Non-cash changes | | |
|---|---|---|---|---|---|
| | 2023.1.1 | Cash flows | Acquisition /Obtaining | Others | 2023.12.31 |
| 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 Consolidated Company. In 2023, due to its failure to subscribe to the Consolidated Company's cash capital increase in proportion to its shareholding ratio, its ownership of the Consolidated 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 Consolidated Company.

(2) Names and Relationships of Related Parties

During the periods covered by these consolidated financial statements, the related parties that had transactions with the Consolidated 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.

(3) Significant transactions with related parties

1.Operating revenue

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

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

The Consolidated 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 Consolidated 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 Consolidated 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 Consolidated 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 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 Consolidated 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 Consolidated Company to the renovation contractors. As of December 31, 2024, the Consolidated 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 Consolidated 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 Consolidated 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 2024, there were no loans provided to others.

7. Other related party transactions

The Consolidated 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 Consolidated 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 Consolidated 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 Consolidated 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 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 |
| | **$** | **20,878** | **27,752** |

In 2024 and 2023, the Consolidated 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 Consolidated 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.

## 8. Pledged Assets

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

| Asset Name | Pledged Collateral Purpose | 2024.12.31 | 2023.12.31 |
|---|---|---|---|
| Property, Plant and Equipment | Long-term and Short-term debt | $ 552,027 | 560,009 |
| Investment Properties | Long-term and Short-term debt | 292,341 | 390,886 |
| Other Current Financial Assets (Demand Deposits) | Long-term and Short-term debt | 10,527 | - |
| Other Current Financial Assets (Time Deposits) | Long-term and Short-term debt | 120,000 | - |
| Other Current Financial Assets (Time Deposits) | Guarantee Margin for Financial Instrument 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 Consolidated 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 Consolidated Company is as follows:

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

3. The amount of guarantee letters issued by banks for the Consolidated 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 Consolidated Company to obtain bank financing and letter of credit facilities is as follows:

| | 2024.12.31 | 2023.12.31 |
|---|---|---|
| NTD | $ 150,000 | 100,000 |
| USD | $ 14,000 | 14,000 |

(2) In 2007, the Consolidated 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 Consolidated Company's land. Subsequently, the Consolidated 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 Consolidated 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 Consolidated Company disagreed and filed for administrative review and appeal, both of which were rejected. The Consolidated 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 currently in settlement negotiations with the National Tax Bureau of Taipei.

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

The Consolidated 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).

**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 Consolidated Company is summarized as follows:

| Functional Classification / Nature of Expense | 2024 | | | 2023 | | |
|---|---|---|---|---|---|---|
| | Operating Costs | Operating Expenses | Total | Operating Costs | Operating Expenses | Total |
| 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 Expenses | 41,290 | 8,259 | 49,549 | 35,814 | 15,525 | 51,339 |
| Amortization Expenses | 1,986 | 2,398 | 4,384 | 1,249 | 1,106 | 2,355 |

## 13. Additional Disclosures

(1) Information on Significant Transactions

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

1. Loans to Others: None.
2. Endorsements or Guarantees for Others: None.
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 Title | End of Period | | | | Maximum Shareholding During the Period | | Remarks |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Number of Shares (Thousand Shares) | Carrying Amount | Shareholding Ratio | Fair Value | Number of Shares (Thousand Shares) | Ratio | |
| The Company | Stocks Teladoc Health Inc | None | Financial assets measured at fair value through profit or loss | 3.8 | 1,132 | - % | 1,132 | 3.8 | - % | |
| The Company | Stocks Palantir Technologies Inc. | None | Financial assets measured at fair value through profit or loss | - | - | - % | - | 31.2 | 0.16% | |
| The Company | Stocks HOLD-KEY ELECTRIC WIRE & CABLE CO., LTD. | None | Financial assets measured at fair value through profit or loss | 312 | 14,711 | 0.16% | 14,711 | - | - % | |
| The Company | Bonds HSBC USD fixed bonds | None | Financial assets measured at fair value through profit or loss | - | 24,970 | - % | 24,970 | | | |
| The Company | Bonds Standard Chartered Bank USD fixed bonds | None | Financial assets measured at fair value through profit or loss | - | 38,573 | - % | 38,573 | - | - % | |
| The Company | Bonds Societe Generale USD fixed bonds | None | Financial assets measured at fair value through profit or loss | - | 7,052 | - % | 7,052 | - | - % | |
| The Company | Bonds General Electric Company USD fixed bonds | None | Financial assets measured at fair value through profit or loss | - | 21,594 | - % | 21,594 | - | - % | |
| The Company | Bonds STANN Bonds | None | Financial assets measured at fair value through profit or loss | - | 17,919 | - % | 17,919 | - | - % | |
| The Company | Bonds STANDARD CHARTERED PLC Bonds | None | Financial assets measured at fair value through profit or loss | - | 17,687 | - % | 17,687 | - | - % | |
| The Company | Bonds Cathay corporate bonds | None | Financial assets measured at fair value through profit or loss | - | 31,152 | - % | 31,152 | - | - % | |
| The Company | Funds Allianz Multi Asset Fund | None | Financial assets measured at fair value through profit or loss | - | 5,049 | - % | 5,049 | - | - % | |
| The Company | Stocks J & V ENERGY TECHNOLOGY CO., LTD. | None | Financial assets measured at fair value through other comprehensive income | 75 | 13,313 | 0.05% | 13,313 | 240 | 0.21% | |
| The Company | Stocks Wei Li De Optoelectronics Co., Ltd. | None | Financial assets measured at fair value through other comprehensive income | 3 | - | 15.00% | - | 3 | 15.00% | |
| The Company | Stocks WEISHENG ENVIROTECH CO., LTD. | None | Financial assets measured at fair value through other comprehensive income | 7 | - | 0.02% | - | 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).

(2) Information on investees:

The information on the Consolidated 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 | Maximum Shareholding During the Period | | Remarks |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | End of Current Period | End of Last Year | Number of Shares | Ratio | | | | 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 | - | 29.50% | Associates |

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

## 14. Segment Information

(1) General Information

The Consolidated Company is primarily engaged in the manufacturing, processing, trading, and installation of wires and cables. The chief operating decision maker evaluates performance based on the overall operating results. Accordingly, the Consolidated Company is reported as a single operating segment. The segment profit and loss, segment assets, and segment liabilities for 2024 and 2023 are consistent with the consolidated financial statements. Please refer to the consolidated balance sheet and consolidated statement of comprehensive income.

(2) Product Information

For product information of the Consolidated Company for 2024 and 2023, please refer to Note 6(22).

**Notes to the Consolidated Financial Statements of Ta Tun Electric Wire & Cable Co., Ltd. and Subsidiaries (Continued)**

(3) Geographic Information

The Consolidated Company's geographic revenue for 2024 and 2023 is classified based on the geographical location of customers. For more information, please refer to Note 6(22). Additionally, all of the Consolidated Company's non-current assets are located in Taiwan.

(4) Major Customer Information

The information of major customers accounting for 10% or more of the Consolidated Company's net operating revenue is as follows:

| | 2024 | 2023 |
|---|---|---|
| Company A | $ 3,075,490 | 1,879,790 |
| Company B | 567,250 | 540,744 |
| Total | **$ 3,642,740** | **2,420,534** |