JPC CONNECTIVITY INC.

PARENT COMPANY ONLY FINANCIAL

STATEMENTS AND INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2024 AND 2023

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Stockholders of JPC Connectivity Inc.

Opinion

We have audited the accompanying parent company only balance sheets of JPC Connectivity Inc.(the "Company") as at December 31, 2024 and 2023, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of material accounting policies.

In our opinion, based on our audits and the reports of other auditors (refer to the *Other matter* section), the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the parent company only financial statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audits and the reports of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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

Key audit matters for the Company's 2024 parent company only financial statements are stated as follows:

Appropriateness of cut-off on sales revenue

Description

For the accounting policy on revenue recognition, refer to Note 4(29).

The Company's sales mainly arise from manufacturing and sales of electronic components and the Company is primarily engaged in international sales. The revenue from international sales is recognized based on the transaction terms with customers. As there are a large number of customers, sales areas and transaction terms, we considered the cut-off on sales revenue as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained an understanding of the transaction terms of sales revenue and tested the internal controls over the recognition of sales revenue.
2. Selected samples of supporting documents used in revenue recognition, including verifying orders, delivery orders and other relevant documents to evaluate the appropriateness of the cut-off on revenue.
3. Performed cut-off test on sales transactions for a certain period before and after the end of the reporting period to assess the appropriateness of the cut-off on sales revenues.

Valuation of inventories

Description

Refer to Notes 4(13) and (14) for accounting policy on inventory valuation and investment accounted for under the equity method, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to inventory valuation, and Notes 6(6) and (7) for details of inventories. As at December 31, 2024, the Company's inventories and allowance for inventory valuation losses were NT$225,725 thousand and NT$10,994 thousand, respectively. As at December 31, 2024, the balances of inventories and allowance for inventory valuation losses in the consolidated financial statements amounted to NT$705,575 thousand and NT$67,613 thousand, respectively.

The Company and its subsidiaries are primarily engaged in the manufacture and sales of electronic components. As the electronic products' life cycles are relatively short and the market is highly competitive, there is a higher risk of incurring inventory valuation losses or having obsolete inventory. The Company and its subsidiaries' inventory are stated at the lower of cost and net realisable value, and the net realisable value of inventories over a certain age and individually identified as obsolete is evaluated based on the historical data on inventory clearance and discounts. The allowance for inventory valuation losses is presented under "inventories" and "investment accounted for using equity method" in the parent company financial statements.

The Company and its subsidiaries operate in an environment characterised by rapidly changing technology and the calculation of the net realisable value of obsolete inventories involves subjective judgment, which would result in a high degree of estimation uncertainty. Given that the inventory and allowance for inventory valuation losses are material to the financial statements, we considered the assessment of allowance for inventory valuation losses a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained an understanding of the Company’s operations and industry. Assessed the reasonableness of the policies and procedures used to recognize allowance for inventory valuation losses.
2. Obtained the report on net realisable value of each inventory item and checked whether the calculation logic was applied consistently to each inventory item.
3. Verified the appropriateness of system logic used in the inventory aging reports which management used to assess inventories to confirm whether the information on the reports is consistent with its policies.
4. Discussed with management the estimated net realisable value of inventory items aged over a certain period and individually identified as obsolete and damaged, obtained and corroborated against supporting documents and recalculated the allowance provision.

Other matter - Reference to the audits of other auditors

We did not audit the financial statements of certain investments accounted for under the equity method which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in the financial statements and the information disclosed in Note 13 in respect of these companies, is based solely on the reports of the other auditors. The balance of these investments accounted for under the equity method amounted to NT$797,633 thousand and NT$546,561 thousand, constituting 10% and 9% of the total assets as at December 31, 2024 and 2023, respectively, and the comprehensive income recognized from these investments accounted for under the equity method amounted to NT$98,244 thousand and NT$32,863 thousand, constituting 9% and 5% of the total comprehensive income for the years then ended, respectively.

Responsibilities of management and those charged with governance for the financial statements

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

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

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

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

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

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

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

Wu, Jen-Chieh	Lin, Ya-Hui

For and on Behalf of PricewaterhouseCoopers, Taiwan

February 25, 2025

The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

JPC CONNECTIVITY INC.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2024 AMOUNT	December 31, 2023 AMOUNT
	Current assets			
1100	Cash and cash equivalents	6(1)	$ 786,019	$ 428,051
1110	Current financial assets at fair value through profit or loss	6(2)	10,930	1,453
1120	Current financial assets at fair value through other comprehensive income	6(3)	290,495	150,188
1136	Current financial assets at amortised cost	6(4) and 8	985,455	214,970
1170	Accounts receivable	6(5) and 7	911,365	796,116
1200	Other receivables	7	121,424	279,476
130X	Inventory	6(6)	214,731	165,677
1410	Prepayments	7	28,175	52,981
11XX	**Total current assets**		3,348,594	2,088,912
	Non-current assets			
1510	Non-current financial assets at fair value through profit or loss	6(2)	30,697	23,342
1517	Non-current financial assets at fair value through other comprehensive income	6(3)	99,183	91,860
1550	Investments accounted for under equity method	6(7)	3,763,394	3,121,543
1600	Property, plant and equipment	6(8) and 8	639,507	340,260
1755	Right-of-use assets	6(9)	22,056	29,191
1760	Investment property	6(10) and 8	17,437	37,679
1780	Intangible assets	6(11)	7,794	5,317
1840	Deferred income tax assets	6(23)	5,750	6,606
1900	Other non-current assets	6(15) and 8	39,654	28,408
15XX	**Total non-current assets**		4,625,472	3,684,206
1XXX	**Total assets**		$ 7,974,066	$ 5,773,118

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JPC CONNECTIVITY INC.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2024 AMOUNT	December 31, 2023 AMOUNT
	Current liabilities			
2100	Short-term borrowings	6(12)	$ -	$ 100,000
2130	Current contract liabilities	6(20)	23,533	5,353
2170	Accounts payable		489,751	448,107
2180	Accounts payable - related parties	7	1,528,101	1,291,882
2200	Other payables	6(14)	338,795	224,360
2220	Other payables - related parties	7	61,660	60,079
2230	Current income tax liabilities	6(23)	107,230	115,293
2280	Current lease liabilities		7,845	7,469
2399	Other current liabilities		1,738	3,016
21XX	**Total current liabilities**		2,558,653	2,255,559
	Non-current liabilities			
2530	Bonds payable	6(13)	938,750	-
2570	Deferred income tax liabilities	6(23)	49,474	41,709
2580	Non-current lease liabilities		14,571	21,776
2600	Other non-current liabilities	6(14)	-	102,552
25XX	**Total non-current liabilities**		1,002,795	166,037
2XXX	**Total liabilities**		3,561,448	2,421,596
	Equity			
	Share capital	6(16)		
3110	Common stock		1,220,859	1,220,859
	Capital surplus	6(17)		
3200	Capital surplus		437,097	272,568
	Retained earnings	6(18)		
3310	Legal reserve		650,914	585,160
3320	Special reserve		233,667	256,966
3350	Unappropriated retained earnings		1,881,214	1,249,636
	Other equity interest	6(19)		
3400	Other equity interest		(11,133)	(233,667)
3XXX	**Total equity**		4,412,618	3,351,522
	Significant contingent liabilities and unrecognized contract commitments	9		
	Significant events after the balance sheet date	11		
3X2X	**Total liabilities and equity**		$ 7,974,066	$ 5,773,118

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

JPC CONNECTIVITY INC.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except for earnings per share amount)

			Year ended December 31	
			2024	2023
	Items	Notes	AMOUNT	AMOUNT
4000	Operating revenue	6(20) and 7	$ 4,463,660	$ 3,605,095
5000	Operating costs	6(6)(22) and 7	(3,050,863)	(2,609,069)
5900	Net operating margin		1,412,797	996,026
	Operating expenses	6(22)		
6100	Selling expenses		(302,522)	(195,308)
6200	General and administrative expenses		(178,028)	(156,081)
6300	Research and development expenses		(152,310)	(125,345)
6450	Impairment gain (expected credit loss)		740	(1,542)
6000	Total operating expenses		(632,120)	(478,276)
6900	Operating profit		780,677	517,750
	Non-operating income and expenses			
7100	Interest income		30,269	27,074
7010	Other income	6(3)	33,656	65,101
7020	Other gains and losses	6(21)	93,358	3,090
7050	Finance costs		(36,792)	(11,267)
7070	Share of profit of associates and joint ventures accounted for under equity method	6(7)	343,661	153,445
7000	Total non-operating income and expenses		464,152	237,443
7900	**Profit before income tax**		1,244,829	755,193
7950	Income tax expense	6(23)	(184,185)	(119,798)
8200	**Profit for the year**		$ 1,060,644	$ 635,395
	Other comprehensive income			
	Components of other comprehensive income that will not be reclassified to profit or loss			
8311	Actuarial gains (losses) on defined benefit plan	6(15)	$ 2,060	($ 365)
8316	Unrealized gains on financial assets at fair value through other comprehensive income	6(3)(19)	37,544	72,952
8330	Share of other comprehensive income of associates and joint ventures accounted for under equity method, components of other comprehensive income that will not be reclassified to profit or loss	6(19)	167,098	20,540
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(23)	(412)	73
8310	Other comprehensive income that will not be reclassified to profit or loss		206,290	93,200
	Components of other comprehensive income that will be reclassified to profit or loss			
8361	Financial statements translation differences of foreign operations	6(19)	80,066	(47,159)
8380	Share of other comprehensive income (loss) of associates and joint ventures accounted for under equity method	6(19)	142	(593)
8360	Other comprehensive income (loss) that will be reclassified to profit or loss		80,208	(47,752)
8300	**Total other comprehensive income for the year**		$ 286,498	$ 45,448
8500	**Total comprehensive income for the year**		$ 1,347,142	$ 680,843
	Earnings per share (in dollars)	6(24)		
9750	Basic earnings per share		$ 8.69	$ 5.20
9850	Diluted earnings per share		$ 8.55	$ 5.15

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

JPC CONNECTIVITY INC.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars)

			Capital Reserves			Retained Earnings			Other Equity Interest		
	Notes	Share capital - common stock	Total capital surplus, additional paid-in capital	Stock warrants	Others	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Total equity
Year ended December 31, 2023											
Balance at January 1, 2023		$ 1,220,859	$ 381,815	$ -	$ 12,839	$ 537,680	$ 191,539	$ 973,587	($ 166,032)	($ 90,933)	$ 3,061,354
Profit for the year		-	-	-	-	-	-	635,395	-	-	635,395
Other comprehensive income (loss)	6(19)	-	-	-	-	-	-	(292)	(47,752)	93,492	45,448
Total comprehensive income (loss)		-	-	-	-	-	-	635,103	(47,752)	93,492	680,843
Appropriations of 2022 earnings:	6(18)										
Legal reserve		-	-	-	-	47,480	-	(47,480)	-	-	-
Special reserve		-	-	-	-	-	65,427	(65,427)	-	-	-
Cash dividends		-	-	-	-	-	-	(268,589)	-	-	(268,589)
Cash dividends from capital surplus	6(17)	-	(122,086)	-	-	-	-	-	-	-	(122,086)
Disposal of financial assets at fair value through other comprehensive income	6(3)(19)	-	-	-	-	-	-	21,410	-	(21,410)	-
Disposal of financial assets at fair value through other comprehensive income from subsidiaries	6(19)	-	-	-	-	-	-	1,032	-	(1,032)	-
Balance at December 31, 2023		$ 1,220,859	$ 259,729	$ -	$ 12,839	$ 585,160	$ 256,966	$ 1,249,636	($ 213,784)	($ 19,883)	$ 3,351,522
Year ended December 31, 2024											
Balance at January 1, 2024		$ 1,220,859	$ 259,729	$ -	$ 12,839	$ 585,160	$ 256,966	$ 1,249,636	($ 213,784)	($ 19,883)	$ 3,351,522
Profit for the year		-	-	-	-	-	-	1,060,644	-	-	1,060,644
Other comprehensive income	6(19)	-	-	-	-	-	-	1,648	80,208	204,642	286,498
Total comprehensive income		-	-	-	-	-	-	1,062,292	80,208	204,642	1,347,142
Appropriations of 2023 earnings:	6(18)										
Legal reserve		-	-	-	-	65,754	-	(65,754)	-	-	-
Special reserve		-	-	-	-	-	(23,299)	23,299	-	-	-
Cash dividends		-	-	-	-	-	-	(439,509)	-	-	(439,509)
Cash dividends from capital surplus	6(18)	-	(73,252)	-	-	-	-	-	-	-	(73,252)
Proceeds from issuance of bonds	6(13)	-	-	237,781	-	-	-	-	-	-	237,781
Disposal of financial assets at fair value through other comprehensive income	6(3)(19)	-	-	-	-	-	-	44,721	-	(44,721)	-
Disposal of financial assets at fair value through other comprehensive income from subsidiaries	6(19)	-	-	-	-	-	-	17,595	-	(17,595)	-
Changes in ownership interests in subsidiaries		-	-	-	-	-	-	(11,066)	-	-	(11,066)
Balance at December 31, 2024		$ 1,220,859	$ 186,477	$ 237,781	$ 12,839	$ 650,914	$ 233,667	$ 1,881,214	($ 133,576)	$ 122,443	$ 4,412,618

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

JPC CONNECTIVITY INC.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2024 AND 2023

(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 1,244,829	$ 755,193
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(22)	43,295	38,063
Amortisation	6(11)(22)	5,663	5,425
(Impairment gain) expected credit loss	12(2)	(740)	1,542
Dividend income	6(3)	(15,300)	(17,310)
Interest income		(30,269)	(27,074)
Net gain on financial assets or liabilities at fair value through profit or loss	6(21)	(22,675)	(7,206)
Gain on disposal of property, plant and equipment	6(21)	(55,368)	-
Interest expense		36,792	11,267
Share of (profit) loss of associates and joint ventures accounted for under equity method	6(7)	(343,661)	(153,445)
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets or liabilities at fair value through profit or loss		8,943	9,627
Accounts receivable		(114,509)	78,693
Other receivables		220,612	(232,883)
Inventory		(49,054)	19,521
Prepayments		24,806	55,520
Other non-current assets		(235)	(253)
Changes in operating liabilities			
Current contract liabilities		18,180	(86,058)
Accounts payable		41,644	55,035
Accounts payable - related parties		236,219	140,649
Other payables		(32,133)	29,553
Other payables - related parties		1,582	(3,730)
Other current liabilities		(1,278)	(15)
Cash inflow generated from operations		1,217,343	672,114
Interest received		30,237	25,340
Interest paid		(3,774)	(1,955)
Income tax paid		(184,039)	(108,501)
Net cash flows from operating activities		1,059,767	586,998
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at fair value through other comprehensive income		(189,632)	(30,848)
Proceeds from disposal of financial assets at fair value through other comprehensive income	6(3)	79,546	110,597
Increase in financial assets at amortized cost		(770,485)	(184,470)
Dividends received	6(3)	15,300	53,989
Acquisition of investments accounted for under equity method		(124,478)	(469,960)
Acquisition of property, plant and equipment	6(25)	(414,544)	(67,480)
Proceeds from disposal of property, plant and equipment		175,355	-
Acquisition of intangible assets	6(11)	(8,140)	(4,322)
(Increase) decrease in refundable deposits		(4,099)	198
Acquisition of other non-current assets		(9,018)	(4,424)
Net cash flows used in investing activities		(1,250,195)	(596,720)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term borrowings	6(26)	1,161,000	265,000
Decrease in short-term borrowings	6(26)	(1,261,000)	(165,000)
Payment of lease liabilities	6(26)	(7,659)	(7,442)
Decrease in guarantee deposits received		(150)	-
Cash dividends paid	6(18)	(439,509)	(268,589)
Cash dividends from capital surplus	6(18)	(73,252)	(122,086)
Proceeds from issuance of bonds	6(25)	1,168,966	-
Net cash flows from (used in) financing activities		548,396	(298,117)
Net increase (decrease) in cash and cash equivalents		357,968	(307,839)
Cash and cash equivalents at beginning of year		428,051	735,890
Cash and cash equivalents at end of year		$ 786,019	$ 428,051

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

JPC CONNECTIVITY INC..
NOTES TO THE PARENT COMPANY ONLY FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2024 AND 2023
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. History and Organization

JPC Connectivity Inc. (the "Company") was incorporated as a company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.). The Company and its subsidiaries (collectively referred herein as the "Group") are primarily engaged in the trading and import and export of various computer software and hardware and its peripherals as well as electronic products and components, manufacture and wholesale of wireless communication equipment and apparatus, data storage and processing equipment, wired communication equipment and apparatus and printers.

2. The Date of Authorization for Issuance of the Financial Statements and Procedures for Authorization

These parent company only financial statements were authorized for issuance by the Board of Directors on February 25, 2025.

3. Application of New Standards, Amendments and Interpretations

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards ("IFRS®") Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission ("FSC")

New standards, interpretations and amendments endorsed by the FSC and became effective from 2024 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 16, 'Lease liability in a sale and leaseback'	January 1, 2024
Amendments to IAS 1, 'Classification of liabilities as current or non-current'	January 1, 2024
Amendments to IAS 1, 'Non-current liabilities with covenants'	January 1, 2024
Amendments to IAS 7 and IFRS 7, 'Supplier finance arrangements'	January 1, 2024

The above standards and interpretations have no significant impact to the Company's financial condition and financial performance based on the Company's assessment.

(2) Effect of new issuances of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted by the Company

New standards, interpretations and amendments endorsed by the FSC effective from 2025 are as follows:.

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IAS 21, 'Lack of exchangeability'	January 1, 2025

The above standards and interpretations have no significant impact to the Company's financial condition and financial performance based on the Company's assessment.

(3) IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRS Accounting Standards as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 9 and IFRS 7, ‘Amendments to the classification and measurement of financial instruments’	January 1, 2026
Amendments to IFRS 9 and IFRS 7, ‘Contracts referencing nature-dependent electricity’	January 1, 2026
Amendments to IFRS 10 and IAS 28, ‘Sale or contribution of assets between an investor and its associate or joint venture’	To be determined by International Accounting Standards Board
IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendments to IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendment to IFRS 17, ‘Initial application of IFRS 17 and IFRS 9 – comparative information’	January 1, 2023
IFRS 18, ‘Presentation and disclosure in financial statements’	January 1, 2027
IFRS 19, ‘Subsidiaries without public accountability: disclosures’	January 1, 2027
Annual Improvements to IFRS Accounting Standards—Volume 11	January 1, 2026

The above standards and interpretations have no significant impact to the Company’s financial condition and financial performance based on the Company’s assessment.

A. IFRS 18, 'Presentation and disclosure in financial statements'

IFRS 18, 'Presentation and disclosure in financial statements' replaces IAS 1. The standard introduces a defined structure of the statement of profit or loss, disclosure requirements related to management-defined performance measures, and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes.

B. Amendments to IFRS 9 and IFRS 7, 'Amendments to the classification and measurement of financial instruments'

The IASB issued the amendments to update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI). The entity shall disclose the fair value of each class of investment and is no longer required to disclose the fair value of each investment. In addition, the amendments require the entity to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately the fair value gain or loss other comprehensive income during the period, showing separately the fair value gain or loss related to investments derecognised during the reporting period and the fair value gain or loss related to investments held at the end of the reporting period; and any transfers of the cumulative gain or loss within equity during the reporting period related to the investments derecognized during that reporting period.

4. Summary of Material Accounting Policies

The principal accounting policies applied in the preparation of these parent company only financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

The parent company only financial statements of the Company have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

(2) Basis of preparation

A. Except for the following items, the parent company only financial statements have been prepared under the historical cost convention:

(a) Financial assets at fair value through profit or loss.

(b) Financial assets at fair value through other comprehensive income.

(c) Defined benefit liabilities recognized based on the net amount of pension fund assets less present value of defined benefit obligation.

(d) Contingent consideration recognized at fair value because of business combinations.

B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC® Interpretations, and SIC® Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the "IFRSs") requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Foreign currency translation

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the "functional currency"). The parent company only financial statements are presented in New Taiwan dollars, which is the Company's functional and presentation currency.

A. Foreign currency transactions and balances

(a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in profit or loss in the period in which they arise.

(b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognized in profit or loss.

(c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

(d) All foreign exchange gains and losses are presented in the statement of comprehensive income within 'other gains and losses'.

B. Translation of foreign operations

(a) The operating results and financial position of all the Company entities, associates and joint arrangements that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

iii. All resulting exchange differences are recognized in other comprehensive income.

(b) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even when the Company retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

(4) <u>Classification of current and non-current items</u>

A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

(a) Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle;

(b) Assets held mainly for trading purposes;

(c) Assets that are expected to be realized within twelve months from the balance sheet date;

(d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than twelve months after the balance sheet date.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

(a) Liabilities that are expected to be settled within the normal operating cycle;

(b) Liabilities arising mainly from trading activities;

(c) Liabilities that are to be settled within twelve months from the balance sheet date;

(d) It does not have the right at the end of the reporting period to defer settlement of the liability at least twelve months after the reporting period.

(5) <u>Cash equivalents</u>

Cash equivalents refer to 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 definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

(6) <u>Financial assets at fair value through profit or loss</u>

A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortized cost or fair value through other comprehensive income.

B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognized and derecognized using trade date accounting.

C. At initial recognition, the Company measures the financial assets at fair value and recognizes the transaction costs in profit or loss. The Company subsequently measures the financial assets at fair value, and recognizes the gain or loss in profit or loss.

D. The Company recognizes the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

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

A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Company has made an irrevocable election at initial recognition to recognize changes in fair value in other comprehensive income.

B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognized and derecognized using trade date accounting.

C. At initial recognition, the Company measures the financial assets at fair value plus transaction costs. The Company subsequently measures the financial assets at fair value. The changes in fair value of equity investments that were recognized in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognized as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

(8) Financial assets at amortized cost

A. Financial assets at amortized cost are those that meet all of the following criteria:

(a) The objective of the Company's business model is achieved by collecting contractual cash flows.

(b) The assets' contractual cash flows represent solely payments of principal and interest.

B. On a regular way purchase or sale basis, financial assets at amortized cost are recognized and derecognized using trade date accounting.

C. At initial recognition, the Company measures the financial assets at fair value plus transaction costs. Interest income from these financial assets is included in finance income using the effective interest method. A gain or loss is recognized in profit or loss when the asset is derecognized or impaired.

D. The Company's time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(9) Accounts and notes receivable

A. Accounts and notes receivable entitle the Company a legal right to receive consideration in exchange for transferred goods or rendered services.

B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(10) Impairment of financial assets

For financial assets at amortised cost, at each reporting date, the Company recognizes the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognizes the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable that do not contain a significant financing component, the Company recognizes the impairment provision for lifetime ECLs.

(11) Derecognition of financial assets

The Company derecognizes a financial asset when one of the following conditions is met:

A. The contractual rights to receive the cash flows from the financial asset expire.

B. The contractual rights to receive cash flows of the financial asset have been transferred and the Company has transferred substantially all risks and rewards of ownership of the financial asset.

C. The contractual rights to receive cash flows of the financial asset have been transferred; however, the Company has not retained control of the financial asset.

(12) Leasing arrangements (lessor)－lease receivables / operating leases

Lease income from an operating lease (net of any incentives given to the lessee) is recognized in profit or loss on a straight-line basis over the lease term.

(13) Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the weighted-average method. The cost of finished goods and work in progress comprises raw materials, direct labor, other direct costs and related production overheads (allocated based on normal operating capacity). It excludes borrowing costs. The item by item approach is used in applying the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and applicable variable selling expenses.

(14) Investments accounted for using the equity method / subsidiaries

A. Subsidiaries are all entities (including structured entities) controlled by the Company. The Company controls an entity when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

B. Inter-company transactions, balances and unrealized gains or losses on transactions between subsidiaries are eliminated. Accounting policies of subsidiaries are consistent with the policies adopted by the Company.

C. The Company's share of its subsidiaries' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. When the Company's share of losses in a subsidiary equals or exceeds its interest in the subsidiary, the Company continues to recognize the losses in proportion to its ownership interest.

D. Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity.

E. When the Company loses control of a subsidiary, the Company remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognized in profit or loss. All amounts previously recognized in other comprehensive income in relation to the subsidiary are reclassified to profit or loss on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Company loses control of a subsidiary, all gains or losses previously recognized in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

F. In the case that an associate issues new shares and the Company does not subscribe or acquire new shares proportionately, which results in a change in the Company's ownership percentage of the associate but maintains significant influence on the associate, then 'capital surplus' and 'investments accounted for under the equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Company's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.

G. When the Company disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognized in other comprehensive income in relation to the associate, are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it retains significant influence over this associate, the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.

H. Pursuant to the "Rules Governing the Preparation of Financial Statements by Securities Issuers," profit (loss) of the current period and other comprehensive income in the parent company only financial statements shall equal to the amount attributable to owners of the parent in the consolidated financial statements. Owners' equity in the parent company only financial statements shall equal to equity attributable to owners of the parent in the consolidated financial statements.

I. Contingent consideration included in the consideration of acquisition in business combinations is recognized at fair value at the acquisition date. If the changes in fair value of contingent consideration after the acquisition date belong to adjustments during the measurement period, the acquisition cost shall be retrospectively adjusted. Adjustments during the measurement period pertains to the adjustments made based on the additional information, in relation to the facts and circumstances existing on the acquisition date, acquired by the Company after the acquisition date. The measurement period shall not exceed one year from the acquisition date. If the changes in fair value of contingent consideration after the acquisition date do not belong to adjustments during the measurement period, the changes in fair value shall be recognized in profit or loss.

(15) Property, plant and equipment

A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalized.

B. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.

D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Buildings and structures	15~50 years
Machinery and equipment	2~10 years
Office and other equipment	3~10 years

(16) Leasing arrangements (lessee)－right-of-use assets / lease liabilities

A. Leases are recognized as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Company. For short-term leases or leases of low-value assets, lease payments are recognized as an expense on a straight-line basis over the lease term.

B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of the following:

(a) Fixed payments, less any lease incentives receivable; and

(b) Variable lease payments that depend on an index or a rate.

The Company subsequently measures the lease liability at amortized cost using the interest method and recognizes interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognized as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

C. At the commencement date, the right-of-use asset is stated at cost comprising the following:

(a) The amount of the initial measurement of lease liability;

(b) Any lease payments made at or before the commencement date; and

(c) Any initial direct costs incurred by the lessee.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognized as an adjustment to the right-of-use asset.

D. When the lease liability is remeasured to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease, the Company accounts for the remeasurement of the lease liability by decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease, and recognize in profit or loss any gain or loss relating to the partial or full termination of the lease.

(17) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Except for land, investment property is depreciated on a straight-line basis over its estimated useful life of 50 years.

(18) Intangible assets

Computer software is stated at cost and amortized on a straight-line basis over its estimated useful life of 1 to 8 years.

(19) Impairment of non-financial assets

The Company assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortized historical cost would have been if the impairment had not been recognized.

(20) Borrowing

A. Borrowings comprise short-term bank borrowings. Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.

B. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs.

(21) Accounts and notes payable

A. Accounts payable are liabilities for purchases of raw materials, goods or services and notes payable are those resulting from operating and non-operating activities.

B. The short-term notes and accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(22) Convertible corporate bonds

Convertible corporate bonds issued by the Company contain conversion options (that is, the bondholders have the right to convert the bonds into the Company's common shares by exchanging a fixed amount of cash for a fixed number of common shares) and call options. The Company classifies the bonds payable upon issuance as a financial asset, a financial liability or an equity instrument in accordance with the contract terms. They are accounted for as follows:

A. The embedded call options are recognised initially at net fair value as 'financial assets or financial liabilities at fair value through profit or loss'. They are subsequently remeasured and stated at fair value on each balance sheet date; the gain or loss is recognised as 'gain or loss on valuation of financial assets or financial liabilities at fair value through profit or loss'.

B. The host contracts of bonds are initially recognised at fair value. Any difference between the initial recognition and the redemption value is accounted for as the premium or discount on bonds payable and subsequently is amortised in profit or loss as an adjustment to 'finance costs' over the period of circulation using the effective interest method.

C. The embedded conversion options which meet the definition of an equity instrument are initially recognised in 'capital surplus - share options' at the residual amount of total issue price less the amount of financial assets or financial liabilities at fair value through profit or loss and bonds payable as stated above. Conversion options are not subsequently remeasured.

D. Any transaction costs directly attributable to the issuance are allocated to each liability or equity component in proportion to the initial carrying amount of each abovementioned item.

E. When bondholders exercise conversion options, the liability component of the bonds (including 'bonds payable' and 'financial assets or liabilities at fair value through profit or loss') shall be remeasured on the conversion date. The book value of common shares issued due to the conversion shall be based on the adjusted book value of the abovementioned liability component plus the book value of capital surplus - share options.

(23) Derecognition of financial liabilities

A financial liability is derecognized when the obligation specified in the contract is either discharged or cancelled or expires.

(24) Offsetting financial instruments

Financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

(25) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognized as expense in that period when the employees render service.

B. Pensions

(a) Defined contribution plan

For the defined contribution plan, the contributions are recognized as pension expense when they are due on an accrual basis. Prepaid contributions are recognized as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plan

i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Company in current period or prior periods. The liability recognized in the balance sheet in respect of defined benefit pension plan is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability; when there is no deep market in this type of corporate bonds, the Company uses interest rates of government bonds (at the balance sheet date) instead.

ii. Remeasurements arising on the defined benefit plan are recognized in other comprehensive income in the period in which they arise and are recorded as retained earnings.

iii. Past service costs are recognized immediately in profit or loss.

C. Employees' compensation and directors' remuneration

Employees' compensation and directors' remuneration are recognized as expense and liability, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates. If employee compensation is paid by shares, the Company calculates the number of shares based on the closing price at the previous day of the board meeting resolution. If employee compensation is paid by shares, the Group calculates the number of shares based on the closing price at the previous day of the board meeting resolution.

(26) Income tax

A. The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.

B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

C. Deferred tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the parent company only balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

D. Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognized and recognized deferred tax assets are reassessed.

(27) Share capital

A. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

B. Where the Company repurchases the Company's equity share capital that has been issued, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders. Where such shares are subsequently reissued, the difference between their carrying amount and any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

(28) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are resolved by the Company's shareholders. Cash dividends are recorded as liabilities.

(29) Revenue recognition

A. The Company manufactures and sells electronic components. Revenue is measured at the fair value of the consideration received or receivable taking into account of business tax, returns, rebates and discounts for the sale of goods to external customers in the ordinary course of the Company's activities. Sales are recognized when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have 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 products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied. The sales usually are made with a credit term of 30 ~ 150 days, which is consistent with market practice. As the time interval between the transfer of committed goods or service and the payment of customer does not exceed one year, the Company does not adjust the transaction price to reflect the time value of money.

B. A receivable is recognized when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(30) Government grants

Government grants are recognized at their fair value only when there is reasonable assurance that the Company will comply with any conditions attached to the grants and the grants will be received. Government grants are recognized in profit or loss on a systematic basis over the periods in which the Company recognizes expenses for the related costs for which the grants are intended to compensate.

5. Critical Accounting Judgements, Estimates and Key Sources of Assumption Uncertainty

The preparation of these parent company only financial statements requires management to make critical judgements in applying the Company's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and the related information is addressed below:

(1) Critical judgements in applying the Company's accounting policies

None.

(2) Critical accounting estimates and assumptions

The Company makes estimates and assumptions based on the expectation of future events that are believed to be reasonable under the circumstances at the end of the balance sheet date. The resulting accounting estimates might differ from the actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

Evaluation of inventories

As inventories are stated at the lower of cost and net realizable value, the Company must determine the net realizable value of inventories on balance sheet date using judgements and estimates. Due to the rapid technology innovation, the Company evaluates the amounts of normal inventory consumption, obsolete inventories or inventories without market selling value on balance sheet date, and writes down the cost of inventories to the net realizable value. Such an evaluation of inventories is principally based on the demand for the products within the specified period in the future. Therefore, there might be material changes to the evaluation.

Information on the carrying amount of inventories as of December 31, 2024 is provided in Note 6(6).

6. Details of Significant Accounts

(1) Cash

	December 31, 2024	December 31, 2023
Petty cash and cash on hand	$ 781	$ 669
Demand deposits	565,962	181,702
Time deposits	219,276	245,680
	$ 786,019	$ 428,051

A. The Company transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. The Company has no cash and cash equivalents pledged to others.

(2) Financial assets at fair value through profit or loss

Items	December 31, 2024	December 31, 2023
Current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Derivative instruments	$ 8,630	$ 1,453
Call options of the convertible bonds issued	2,300	-
	$ 10,930	$ 23,342
Non-current items:		
Financial assets mandatorily measured at fair value through profit or loss		
Limited partnership	$ 30,697	$ 23,342

A. The nature of financial assets at fair value through profit or loss are as follows:

(a) Derivative instruments: Including forward foreign exchange contracts and foreign exchange swap contracts.

(b) Limited partnership: The Group made capital contributions to a limited partnership during the duration specified in the limited partnership agreement. Upon the expiration of the agreement, the net assets of the limited partnership will be allocated to investors in proportion to their capital contributions and the limited partnership will be dissolved and liquidated. Based on the Group's assessment, the net assets of the limited partnership approximated to its fair value

(c) Call options of the convertible bonds issued: It refers to the call options embedded in the convertible bonds issued by the Company. Please refer to Note 6(13) for details.

B. Amounts recognized in profit or loss in relation to financial assets at fair value through profit or loss are listed below:

	Year ended December 31,	
	2024	2023
Financial assets/liabilities mandatorily measured at fair value through profit or loss		
Derivative instruments	$ 22,120	$ 8,366
Limited partnership	1,355	(1,160)
Call options of the convertible bonds issued	(800)	-
	$ 22,675	$ 7,206

C. The Company entered into contracts relating to derivative instruments which were not accounted for under hedge accounting. The information is listed below:

Derivative financial instruments	Year ended December 31, 2024 Contract amount (notional principal)(in thousands)		Contract period
Current items:			
Foreign exchange forward contracts	USD (BUY)	5,000	2024.11.14~
	CNY (SELL)	36,156	2025.04.07
Foreign exchange swap contracts	USD (BUY)	8,000	2024.05.16~
	TWD (SELL)	251,647	2025.07.07

Derivative financial instruments	Year ended December 31, 2023 Contract amount (notional principal)(in thousands)		Contract period
Current items:			
Foreign exchange swap contracts	USD (BUY)	2,500	2023.06.27~
	TWD (SELL)	75,322	2024.12.31

The Company entered into forward foreign exchange contracts and foreign exchange swap contracts to hedge exchange rate risk of import proceeds and hedge exchange rate risk of assets and liabilities denominated in foreign currencies whose values would be affected by the exchange rate fluctuation, However, these forward foreign exchange contracts are not accounted for under hedge accounting.

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

Items	December 31, 2024	December 31, 2023
Current items:		
Listed stocks	$ 270,228	$ 115,421
Valuation adjustment	20,267	34,767
	$ 290,495	$ 150,188
Non-current items:		
Unlisted stocks	$ 92,800	$ 92,800
Valuation adjustment	6,383	(940)
	$ 99,183	$ 91,860

A. The Company has elected to classify investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income.

B. The Company sold financial assets at a consideration of $79,546 and $110,597 for the years ended December 31, 2024 and 2023, respectively.

C. Amounts recognized in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	Year ended December 31	
	2024	2023
Equity instruments at fair value through other comprehensive income		
Fair value change recognized in other comprehensive income	$ 37,544	$ 72,952
Cumulative gains reclassified to retained earnings due to derecognition	$ 44,721	$ 21,410
Dividend income recognized in profit or loss (shown as other income)	$ 15,300	$ 17,310

(4) Financial assets at amortized cost

Items	December 31, 2024	December 31, 2023
Current items:		
Time deposits with maturity over three months	$ 985,455	$ 214,970

A. The Company recognized $21,941 and $13,237 of interest income arising from the financial assets at amortised cost for the years ended December 31, 2024 and 2023, respectively.

B. The counterparties of the Company's investments in certificates of deposits are financial institutions with high credit quality, so the Company expects that the probability of counterparty default is remote. Information relating to credit risk of financial assets at amortized cost is provided in Note 12(2).

(5) Notes and accounts receivable

	December 31, 2024	December 31, 2023
Notes receivable	$ -	$ 47
Accounts receivable	913,865	799,309
Less: Allowance for uncollectible accounts	(2,500)	(3,240)
	$ 911,365	$ 796,116

A. As of December 31, 2024 and 2023, accounts receivable and notes receivable were all from contracts with customers. As of January 1, 2023, the balance of receivables from contracts with customers amounted to $878,049.

B. The Company does not hold any collateral.

C. Information relating to credit risk of accounts receivable and notes receivable is provided in Note 12(2).

(6) Inventories

	December 31, 2024		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 48,469	($ 6,447)	$ 42,022
Work in progress	35,551	-	35,551
Finished goods	137,594	(4,546)	133,048
Merchandise inventory	4,111	(1)	4,110
	$ 225,725	($ 10,994)	$ 214,731

	December 31, 2023		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 72,128	($ 18,995)	$ 53,133
Work in progress	25,015	-	25,015
Finished goods	93,746	(9,828)	83,918
Merchandise inventory	3,711	(100)	3,611
	$ 194,600	($ 28,923)	$ 165,677

The cost of inventories recognized as expense for the year:

	Year ended December 31	
	2024	2023
Cost of goods sold	$ 3,027,629	$ 2,569,937
Valuation loss on inventories	23,555	39,373
Others	(321)	(241)
	$ 3,050,863	$ 2,609,069

(7) Investments accounted for using equity method

	Year ended December 31	
	2024	2023
Subsidiaries:		
BEST LINK PROPERTIES LTD.	$ 2,295,203	$ 2,055,944
JPCPT INC. (SACO ENTERPRISES, INC.)	551,668	452,202
CHA SHIN CHI INVESTMENT CO., LTD.	382,242	260,260
JPC CONNECTIVITY CO., LTD.	142,859	162,675
ASTRON CONNECTIVITY CO., LTD	85,042	29,396
MAINSUPER ENTERPRISES CO., LTD.	82,773	54,960
SWS GROUP COMPANY LIMITED	65,658	73,632
TECHILL CO., LTD.	21,357	20,644
JBL CONNECTIVITY CO., LTD.	15,328	-
ULTRASPEED ELECTRONICS CO., LTD.	11,938	11,830
Associate:		
JUN CHEN GLOBAL CO.,LTD	91,309	-
APEX CONNECTIVITY LTD.	12,665	-
JS CONNECTIVITY CO., LTD.	5,352	-
	$ 3,763,394	$ 3,121,543

A. Information on the Company's subsidiaries is provided in Note 4(3) in the Company's consolidated financial statements as of and for the year ended December 31, 2024.

B. The investees in Mainland China invested through BEST LINK PROPERTIES LTD. are primarily engaged in the manufacture and processing of electronic products. The relevant information is disclosed in Note 13.

C. In October 2024, the Company invested in APEX CONNECTIVITY LTD. at a total price of $12,848, and held a 49% equity interest in APEX CONNECTIVITY LTD. As the Company does not acquire over 50% of the seats in the Board of Directors of APEX connectivity LTD. and has no ability to direct the relevant activities of the entity, which indicates that the Company has no control, but only has significant influence, over the investee since the effective date of the incorporation. The entity is primarily engaged in the manufacture and sales of connector and cable assemblies and cables for Datacenter/Networking/Telecom and liquid cooling coupler. For the year ended December 31, 2024, the Company's loss on investment in APEX connectivity LTD. amounted to $183.

D. In June 2024, the Company invested in JUN CHEN GLOBAL CO., LTD. at a total price of $91,000, and held a 40% equity interest in JUN CHEN GLOBAL CO., LTD. As the Company does not acquire over 50% of the seats in the Board of Directors of JUN CHEN GLOBAL CO., LTD. and has no ability to direct the relevant activities of the entity, which indicates that the Company has no control, but only has significant influence, over the investee since the effective date of the capital increase. The entity is primarily engaged in planning of production line and optimization of the capacity in North Vietnam. For the year ended December 31, 2024, the Company's loss on investment in JUN CHEN GLOBAL CO., LTD. amounted to $29.

E. In May 2024, the Company incorporated and held a 100% equity interest in JBL CONNECTIVITY CO., LTD. and obtained control over the company. The company is primarily engaged in the manufacture and sales of connector and cable assemblies and cables for Datacenter/Networking/Telecom and smart connection products. For the year ended December 31, 2024, the Company's loss on investment in JBL CONNECTIVITY CO., LTD. amounted to $175.

F. In May 2024, the Company incorporated and held a 49% equity interest in JS CONNECTIVITY CO., LTD. As the Company does not acquire over 50% of the seats in the Board of Directors of JS CONNECTIVITY CO., LTD. and has no ability to direct the relevant activities of the entity, which indicates that the Company has no control, but only has significant influence, over the investee since the effective date of the incorporation. The entity is primarily engaged in the promotion and sales of new products in Japan. For the year ended December 31, 2024, the Company's loss on investment in JS CONNECTIVITY CO., LTD. amounted to $89.

G. On July 1, 2023, the Company acquired a 100% equity interest in SACO ENTERPRISES, INC. (SACO) at a total price of USD 15.5 million, including the amount of USD 6.2 million, which represents the contingent consideration upon the achievement of a certain rate for the operating performance within a specific period, and obtained the control over SACO. SACO is primarily engaged in the introduction of new products, trial production and sales in North America. SACO ENTERPRISES, INC. has been renamed as JPCPT INC. in the fourth quarter of 2024 For the years ended December 31, 2024 and 2023, the Company's gain on investment in SACO ENTERPRISES, INC. amounted to $93,038 and $13,120.

H. In July 2023, the Company incorporated and held a 100% equity interest in JPC CONNECTIVITY CO., LTD. and obtained control over the company. The company is primarily engaged in the manufacture and sales of connector and cable assemblies and cables for Datacenter/Networking/Telecom, Internet of Things, and smart connection products. For the years ended December 31, 2024 and 2023, the Company's loss on investment in JPC CONNECTIVITY CO., LTD. amounted to $22,434and $2,258.

I. In April 2023, the Company incorporated and held a 51% equity interest in ASTRON CONNECTIVITY CO., LTD. and obtained control over the company. The company is primarily engaged in the operation of integral design and manufacturing of computer connectors and consumer electronic products. For the years ended December 31, 2024 and 2023, the Company's gain on investment in ASTRON CONNECTIVITY CO., LTD. amounted to $64,285 and $19,196.

J. The company's share of profit or loss of associated enterprises and joint ventures recognized using the equity method in 2024 and 2023 were profits amounted to of $343,661and $153,445.

(8) Property, plant and equipment

	2024					
	Land	Buildings and structures	Machinery and equipment	Office equipment	Other equipment	Total
At January 1						
Cost	$ 190,629	$ 96,538	$ 172,017	$ 13,630	$ 19,695	$ 492,509
Accumulated depreciation	-	(31,982)	(104,084)	(7,008)	(9,175)	(152,249)
	$ 190,629	$ 64,556	$ 67,933	$ 6,622	$ 10,520	$ 340,260
Opening net book amount as at January 1	$ 190,629	$ 64,556	$ 67,933	$ 6,622	$ 10,520	$ 340,260
Additions	363,178	5,281	48,094	11,244	2,359	430,156
Disposals	(98,027)	(10,254)	(11,664)	-	(42)	(119,987)
Reclassification	16,170	3,745	4,166	-	-	24,081
Depreciation charge	-	(2,272)	(26,688)	(3,022)	(3,021)	(35,003)
Closing net book amount as at December 31	$ 471,950	$ 61,056	$ 81,841	$ 14,844	$ 9,816	$ 639,507
At December 31						
Cost	$ 471,950	$ 93,425	$ 135,039	$ 21,010	$ 17,407	$ 738,831
Accumulated depreciation	-	(32,369)	(53,198)	(6,166)	(7,591)	(99,324)
	$ 471,950	$ 61,056	$ 81,841	$ 14,844	$ 9,816	$ 639,507

	2023					
	Land	Buildings and structures	Machinery and equipment	Office equipment	Other equipment	Total
At January 1						
Cost	$ 169,812	$ 91,655	$ 125,355	$ 11,282	$ 14,652	$ 412,756
Accumulated depreciation	-	(29,740)	(81,168)	(4,882)	(6,269)	(122,059)
	$ 169,812	$ 61,915	$ 44,187	$ 6,400	$ 8,383	$ 290,697
Opening net book amount as at January 1	$ 169,812	$ 61,915	$ 44,187	$ 6,400	$ 8,383	$ 290,697
Additions	20,817	4,883	46,662	2,348	5,043	79,753
Depreciation charge	-	(2,242)	(22,916)	(2,126)	(2,906)	(30,190)
Closing net book amount as at December 31	$ 190,629	$ 64,556	$ 67,933	$ 6,622	$ 10,520	$ 340,260
At December 31						
Cost	$ 190,629	$ 96,538	$ 172,017	$ 13,630	$ 19,695	$ 492,509
Accumulated depreciation	-	(31,982)	(104,084)	(7,008)	(9,175)	(152,249)
	$ 190,629	$ 64,556	$ 67,933	$ 6,622	$ 10,520	$ 340,260

Information about the property, plant and equipment that were pledged to others as collateral is provided in Note 8.

(9) Leasing arrangements－lessee

A. The Company leases various assets including buildings, business vehicles and multifunction printers. Rental contracts are typically made for periods of 1 to 5 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

B. Short-term leases with a lease term of 12 months or less comprise buildings and business vehicles. Low-value assets comprise multifunction printers.

C. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	Year ended December 31	
	2024	2023
	Carrying amount	Carrying amount
Buildings	$ 20,607	$ 27,880
Transportation equipment (Business vehicles)	965	618
Office equipment (Photocopiers)	469	591
Other equipment	15	102
	$ 22,056	$ 29,191

	Year ended December 31	
	2024	2023
	Depreciation charge	Depreciation charge
Buildings	$ 7,273	$ 6,826
Transportation equipment (Business vehicles)	483	450
Office equipment (Photocopiers)	122	104
Other equipment	87	87
	$ 7,965	$ 7,467

D. For the years ended December 31, 2024 and 2023, the additions to right-of-use assets were $830 and $29,947, respectively.

E. The information on profit and loss accounts relating to lease contracts is as follows:

	Year ended December 31	
	2024	2023
Items affecting profit or loss		
Interest expense on lease liabilities	$ 576	$ 156
Expense on short-term lease contracts	173	360
Expense on leases of low-value assets	-	18

F. For the years ended December 31, 2024 and 2023, the Company’s total cash outflow for leases were $8,408 and $7,976, respectively.

(10) Investment property

	2024		
	Land	Buildings and structures	Total
At January 1			
Cost	$ 25,918	$ 20,324	$ 46,242
Accumulated depreciation	-	(8,563)	(8,563)
	$ 25,918	$ 11,761	$ 37,679
Opening net book amount as at January 1	$ 25,918	$ 11,761	$ 37,679
Depreciation charge	-	(327)	(327)
Transfer in this period	(16,170)	(3,745)	(19,915)
Closing net book amount as at December 31	$ 9,748	$ 7,689	$ 17,437
At December 31			
Cost	$ 9,748	$ 12,650	$ 22,398
Accumulated depreciation	-	(4,961)	(4,961)
	$ 9,748	$ 7,689	$ 17,437

	2023		
	Land	Buildings and structures	Total
At January 1			
Cost	$ 25,918	$ 20,324	$ 46,242
Accumulated depreciation	-	(8,157)	(8,157)
	$ 25,918	$ 12,167	$ 38,085
Opening net book amount as at January 1	$ 25,918	$ 12,167	$ 38,085
Depreciation charge	-	(406)	(406)
Closing net book amount as at December 31	$ 25,918	$ 11,761	$ 37,679
At December 31			
Cost	$ 25,918	$ 20,324	$ 46,242
Accumulated depreciation	-	(8,563)	(8,563)
	$ 25,918	$ 11,761	$ 37,679

A. The Company leases various assets including land and buildings. Rental contracts are typically made for periods of 2 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

B. The maturity analysis of the lease payments under the operating leases is as follows:

	December 31, 2024		December 31, 2023
2024	$ -	2024	$ 818
2025	36	2025	36
	$ 36		$ 854

C. Rental income from investment property and direct operating expenses arising from investment property are shown below:

	Year ended December 31	
	2024	2023
Rental income from investment property	$ 435	$ 1,353
Direct operating expenses arising from the investment property that generated rental income during the year	$ 314	$ 406

D. The fair value of the investment property held by the Company as at December 31, 2024 and 2023 was $37,070 and $74,391, respectively, which was valued based on the market information of transactions that are similar to the above assets, and appropriate adjustments are made on the valuation results. Valuations were made using the comparison approach which is categorized within Level 3 in the fair value hierarchy.

E. Information about the investment property that was pledged to others as collateral is provided in Note 8.

(11) Intangible assets

	Software cost	
	2024	2023
At January 1		
Cost	$ 50,945	$ 46,623
Accumulated amortization	(45,628)	(40,203)
	$ 5,317	$ 6,420
Opening net book amount as at January 1	$ 5,317	$ 6,420
Additions	8,140	4,322
Amortization charge	(5,663)	(5,425)
Closing net book amount as at December 31	$ 7,794	$ 5,317
At December 31		
Cost	$ 59,085	$ 50,945
Accumulated amortization	(51,291)	(45,628)
	$ 7,794	$ 5,317

Details of amortization on intangible assets are as follows:

	Year ended December 31	
	2024	2023
Operating costs	$ 60	$ 20
Selling expenses	9	65
Administrative expenses	1,415	2,687
Research and development expenses	4,179	2,653
	$ 5,663	$ 5,425

(12) Short-term borrowings

Type of borrowings	December 31, 2023	Interest rate	Collateral
Bank borrowings			
Secured borrowings	$ 50,000	1.65%	See Note 8
Credit borrowings	50,000	1.70%	None
	$ 100,000		

A. As of December 31, 2024, the Company had no short-term borrowings.

B. Interest expense recognized in profit or loss amounted to $3,198 and $1,799 for the years ended December 31, 2024 and 2023, respectively.

(13) Bonds payable

	December 31, 2024
Bonds payable	$1,000,000
Less: Discount on bonds payable	(61,250)
	$ 938,750

A. As of December 31, 2024, the Company had no bonds payable.

B. The terms of the third domestic unsecured convertible bonds issued by the Company are as follows:

(a) The Company issued $1,000,000, 0% third domestic unsecured convertible bonds, as approved by the regulatory authority. The bonds mature 3 years from the issue date (October 15, 2024 ~ October 15, 2027) and will be redeemed in cash at face value at the maturity date. The bonds were listed on the Taipei Exchange on October 15, 2024.

(b) The bondholders have the right to ask for conversion of the bonds into common shares of the Company during the period from the date after 3 months (January 16, 2025) of the bonds issue to the maturity date (October 15, 2027), except for the stop transfer period as specified in the terms of the bonds or the laws/regulations. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding common shares.

(c) The conversion price of the bonds was NT$160 per share. The conversion price of the bonds is set up based on the pricing model specified in the terms of the bonds, and is subject to adjustments if the condition of the anti-dilution provisions occurs subsequently. The conversion price will be reset based on the pricing model specified in the terms of the bonds on each effective date regulated by the terms.

(d) The Company may repurchase all the bonds outstanding in cash at the bonds' face value in accordance with the terms of bonds after the following events occur: (i) the closing price of the Company's common shares is above the then conversion price by at least 30% for 30 consecutive trading days during the period from the date after three months of the bonds issue (January 16, 2025) to 40 days before the maturity date (September 5, 2027), or (ii) the outstanding balance of the bonds is less than 10% of total face value during the period from the date after three months of the bonds issue (January 16, 2025) to 40 days before the maturity date (September 5, 2027).

(e) Under the terms of the bonds, all bonds redeemed (including bonds repurchased from the Traded Over the Counter), matured and converted will be retired and cannot be resold or re-issued. The conversion rights attached to the bonds are also extinguished.

C. Regarding the issuance of convertible bonds, the equity conversion options amounting to $237,781 were separated from the liability component and were recognised in 'capital surplus—share options' in accordance with IAS 32.The call options embedded in bonds payable were separated from their host contracts and were recognised in 'financial assets at fair value through profit or loss' in net amount in accordance with IFRS 9 because the economic characteristics and risks of the embedded derivatives were not closely related to those of the host contracts. The effective interest rate of the bonds payable after such separation ranged was 2.2916%.

(14) Other payables

	December 31, 2024	December 31, 2023
Employees' bonus payable	$ 141,804	$ 84,510
Current contingent liabilities	99,474	59,744
Wages and salaries payable	37,879	37,581
Payables on equipment	27,885	12,273
Others	31,753	30,252
	$ 338,795	$ 224,360

The non-current portion of contingent liabilities recognized because of business combinations on December 31, 2024 and 2023 amounted to $0 and $102,402, respectively (shown as 'other non-current liabilities'). Refer to Note 6(7) for details.

(15) Pensions

A. Defined benefit plan

(f) The Company has a defined benefit pension plan in accordance with the Labor Standards Act, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contributions for the deficit by next March.

(g) The amounts recognized in the balance sheet are as follows:

	December 31, 2024	December 31, 2023
Present value of defined benefit obligations	$ 5,359	$ 5,050
Fair value of plan assets	(28,545)	(25,941)
Net defined benefit assets (shown as other non-current assets)	($ 23,186)	($ 20,891)

(h) Movements in net defined benefit asset are as follows:

	2024		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit (asset) liability
At January 1	$ 5,050	$ 25,941	($ 20,891)
Current service cost	15	-	15
Interest expense (income)	61	311	(250)
	5,126	26,252	(21,126)
Remeasurements:			
Return on plan assets (Note)	-	2,293	(2,293)
Change in financial assumptions	(179)	-	(179)
Experience adjustments	412	-	412
	233	2,293	(2,060)
At December 31	$ 5,359	$ 28,545	($ 23,186)

Note: Excluding amounts included in interest income or expense.

	2023		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit (asset) liability
At January 1	$ 4,498	$ 25,501	($ 21,003)
Current service cost	20	-	20
Interest expense (income)	59	332	(273)
	4,577	25,833	(21,256)
Remeasurements:			
Return on plan assets (Note)	-	108	(108)
Change in financial assumptions	44	-	44
Experience adjustments	429	-	429
	473	108	365
At December 31	$ 5,050	$ 25,941	($ 20,891)

Note: Excluding amounts included in interest income or expense.

(i) The Bank of Taiwan was commissioned to manage the Fund of the Company's defined benefit pension plan in accordance with the Fund's annual investment and utilization plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund" (Article 6: The scope of utilization for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilization of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorized by the Regulator. The Company has no right to participate in managing and operating that fund and hence the Company is unable to disclose the classification of plan assets fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2024 and 2023 is given in the Annual Labor Retirement Fund Utilization Report announced by the government.

(j) The principal actuarial assumptions used were as follows:

	Year ended December 31	
	2024	2023
Discount rate	1.60%	1.20%
Future salary increases	3.00%	3.00%

Future mortality rate was estimated based on the 6th Taiwan Standard Ordinary Experience Mortality Table.

(k) Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	Discount rate		Future salary increases	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
December 31, 2024				
Effect on present value of defined benefit obligation	($ 107)	$ 111	$ 96	($ 93)
December 31, 2023				
Effect on present value of defined benefit obligation	($ 108)	$ 111	$ 96	($ 94)

The sensitivity analysis above is based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analysing sensitivity and the method of calculating net pension liability in the balance sheet are the same.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

(l) Expected contributions to the defined benefit pension plan of the Company for the year ending December 31, 2025 amount to $0.

(m) As of December 31, 2024, the weighted average duration of the retirement plan is 9 years.

B. Defined contribution plan

(a) Effective July 1, 2005, the Company has established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contributes monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

(b) The pension costs under the defined contribution pension plan of the Company for the years ended December 31, 2024 and 2023 were $11,036 and $10,072, respectively.

(16) Share capital

As of December 31, 2024, the Company's authorized capital was $2,000,000, consisting of 200 million shares of ordinary stock, and the paid-in capital was $1,220,859 with a par value of NT$10 (in dollars) per share.

(17) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalized mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

	Share premium	Treasury share transactions
At January 1	$ 272,568	$ 394,654
Stock options at issuance of the bonds	237,781	-
Capital surplus used to issue cash to shareholders	(73,252)	(122,086)
At December 31	$ 437,097	$ 272,568

(18) Retained earnings

A. The current year's net profit after tax, if any, shall first be used to offset prior years' operating losses (including adjusted undistributed profits) and then 10% of the remaining amount shall be set aside as legal reserve, if legal reserve has accumulated to an amount equal to the paid-in capital, then legal reserve is not required to be set aside any more. After that, special reserve shall be set aside or reversed in accordance with the related laws or the regulations made by the Competent Authority. The remainder, if any, along with the unappropriated earnings of prior years (including adjusted undistributed profits) shall be proposed by the Board of Directors and resolved by the shareholders as dividends to shareholders.

B. In accordance with the Company Act, the resolution, for all or part of distributable dividends and bonus, capital surplus or legal reserve which are distributed in the form of cash, will be adopted if more than 2/3 of the directors attend the Board of Directors' meeting and more than 1/2 of the directors present agree to the resolution. This will then be reported to the shareholders during their meeting. The regulation which requires approval by the shareholders is not applicable for the above.

C. The Company may distribute earnings or cover accumulated deficit on a semi-annual basis after the close of each half fiscal year in compliance with the Company Act. The Company shall pay all taxes, offset operating losses and set aside legal reserve before distributing earnings. However, if legal reserve has accumulated to an amount equal to the paid-in capital, then legal reserve is not required to be set aside any more. The distribution of earnings shall be resolved by the Board of Directors if earnings are distributed in the form of cash and shall be resolved by the shareholders if earnings are distributed in the form of new shares.

D. The Company's dividend policy aligns with the overall environment and industrial growth characteristics by taking into consideration the Company's capital needs, financial structure and earnings. Since the Company aims to continuously add capital for investment, research and development to create a competitive advantage and enhance shareholders' interest, at least 50% of the current year's earnings after tax shall be appropriated as shareholders' dividends and bonuses in the form of cash or shares each year and cash dividends shall account for at least 30% of the total dividends distributed.

E. In accordance with the regulations, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve until the legal reserve has accumulated to an amount equal to the paid-in capital. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.

F. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

G. The appropriations of 2023 and 2022 earnings resolved by the shareholders on June 13, 2024 and June 26, 2023, respectively, are as follows:

	2023		2022	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	$ 65,754		$ 47,480	
Special reserve	(23,299)		65,427	
Cash dividends	439,509	$ 3.60	268,589	$ 2.20
	$ 481,964		$ 381,496	

The abovementioned appropriations of 2023 and 2022 earnings were in agreement with those amounts proposed by the Board of Directors in March of 2024 and 2023, respectively. In addition, the Company distributed cash from capital surplus amounting to $73,252 at $0.6 (in dollars) per share, and $122,086 at $1.0 (in dollars) per share as approved by the shareholders on June 13, 2024 and June 26, 2023, respectively.

H. During its meeting on August 6, 2024, the Board of Directors resolved not to distribute the earnings for the first half of 2024.

I. On February 25, 2025, the Board of Directors proposed for the distribution of dividends from the 2024 earnings in the amount of $854,601 at $7.0 (in dollars) per share. The abovementioned surplus earnings distribution proposal and the capital reserve issuance of cash have not yet been approved by the shareholders as of the date of the audit report.

J. For the information relating to employees' compensation and directors' remuneration, refer to Note 6(20).

(19) Other equity items

	2024		
	Unrealised gains (losses) on valuation	Currency translation	Total
At January 1	($ 19,883)	($ 213,784)	($ 233,667)
Revaluation			
- The Company	37,544	-	37,544
- Subsidiary	167,098	-	167,098
Revaluation transferred to retained earnings			
- The Company	(44,721)	-	(44,721)
- Subsidiary	(17,595)	-	(17,595)
Currency translation differences:			
- Subsidiary	-	80,066	80,066
- Subsidiary and associates	-	142	142
At December 31	$ 122,443	($ 133,576)	($ 11,133)

	2023		
	Unrealised gains (losses) on valuation	Currency translation	Total
At January 1	($ 90,933)	($ 166,032)	($ 256,965)
Revaluation			
- The Company	72,952	-	72,952
- Subsidiary	20,540	-	20,540
Revaluation transferred to retained earnings			
- The Company	(21,410)	-	(21,410)
- Subsidiary	(1,032)	-	(1,032)
Currency translation differences:			
- Subsidiary	-	(47,159)	(47,159)
- Subsidiary and associates	-	(593)	(593)
At December 31	($ 19,883)	($ 213,784)	($ 233,667)

(20) Operating revenue

	Year ended December 31	
	2024	2023
Revenue from contracts with customers	$ 4,449,980	$ 3,582,206
Other operating revenue	13,680	22,889
	$ 4,463,660	$ 3,605,095

The Company derives revenue from the transfer of goods at a point in time. Details of components of revenue are provided in statement 6.

A. Disaggregation of revenue from contracts with customers

The Company derives revenue from the transfer of goods at a point in time in the following geographical regions:

	Year ended December 31	
Revenue from external customer contracts	2024	2023
US	$ 1,640,777	$ 1,141,299
China	494,806	725,493
Japan	758,959	675,948
Taiwan	731,467	549,563
Netherlands	259,285	63,943
Thailand	142,980	144,115
Others	435,386	304,734
	$ 4,463,660	$ 3,605,095

B. Information on products

	Year ended December 31	
	2024	2023
Datacenter/Networking/Telecom	$ 2,874,496	$ 1,912,822
Smart Connection Industry	1,475,177	1,513,359
Internet of Things	100,307	131,025
Others	13,680	47,889
	$ 4,463,660	$ 3,605,095

C. Contract assets and liabilities

The Company has recognized the following revenue-related contract liabilities:

	December 31, 2024	December 31, 2023	January 1, 2023
Contract liabilities	$ 23,533	$ 5,353	$ 91,411

The amount of revenue recognized that was included in the contract liability balance at the beginning for the years ended December 31, 2024 and 2023 was $3,328 and $89,308, respectively

(21) Other gains and losses

	Year ended December 31	
	2024	2023
Gains on disposals of property, plant and equipment	$ 55,368	$ -
Gains on financial assets and liabilities at fair value through profit or loss	22,675	7,206
Net foreign exchange losses	15,298	(4,116)
Others	17	-
	$ 93,358	$ 3,090

(22) Expenses by nature

	Year ended December 31	
	2024	2023
Employee benefit		
Wages and salaries	$ 372,774	$ 283,748
Labour and health insurance fees	22,886	21,509
Pension costs	10,801	9,819
Directors' remuneration	5,400	5,400
Other personnel expenses	11,308	8,742
	$ 423,169	$ 329,218
Depreciation charges (Note)	$ 43,295	$ 38,063
Amortisation charge	$ 5,663	$ 5,425

Note: Including current depreciation charges on property, plant and equipment, right-of-use assets and investment properties.

A. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year, if any, shall be distributed as employees 'compensation and directors' remuneration as resolved by the Board of Directors. The ratio shall not be lower than 7% for employees' compensation. However, if the Company has accumulated deficit, earnings should first be reserved to cover losses.

B. For the years ended December 31, 2024 and 2023, employees' compensation was accrued at $138,914 and $84,510, respectively; while directors' remuneration was accrued at $5,400 and $5,400, respectively. The aforementioned amounts were recognized in salary expenses.

For the years ended December 31, 2024 and 2023, employees' compensation was estimated and accrued based on 10% and 10% of distributable profit of current year, respectively; directors'remuneration was determined based on the extent of their participation in the Company's operations and the value of their contribution.

Employees' compensation and directors' remuneration for 2023 as resolved at the meeting of Board of Directors were in agreement with those amounts recognized in the 2023 financial statements. Employees' compensation and directors' remuneration for 2023 were all distributed in the form of cash.

Information about employees' compensation and directors' remuneration of the Company as resolved at the meeting of Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(23) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Year ended December 31	
	2024	2023
Current tax:		
Current tax on profits for the year	$ 170,407	$ 113,528
Tax on undistributed surplus earnings	2,176	4,665
Prior year income tax underestimation (overestimation)	3,393	(3,193)
Total current tax	175,976	115,000
Deferred tax:		
Origination and reversal of temporary differences	8,209	4,798
Total deferred tax	8,209	4,798
Income tax expense	$ 184,185	$ 119,798

(b) The income tax (charge)/credit relating to components of other comprehensive income is as follows:

	Year ended December 31	
	2024	2023
Remeasurement of defined benefit obligations	$ 412	($ 73)

B. Reconciliation between income tax expense and accounting profit:

	Year ended December 31	
	2024	2023
Tax calculated based on profit before tax and statutory tax rate	$ 248,966	$ 151,039
Effects from items disallowed by tax regulation	(70,350)	(29,250)
Tax-exempt income	-	(3,463)
Tax on undistributed earnings	2,176	4,665
Prior year income tax underestimation (overestimation)	3,393	(3,193)
Income tax expense	184,185	119,798
Net changes in deferred tax	(8,209)	(4,798)
Prior year income tax overestimation	(3,393)	3,193
Less: Prepaid income tax	(65,353)	(2,900)
Current income tax liabilities	$ 107,230	$ 115,293

C. Amounts of deferred tax assets or liabilities as a result of temporary differences are as follows:

	2024			
	January 1	Recognized in profit or loss	Recognized in other comprehensive income	December 31
- Deferred tax assets:				
Temporary differences				
Unrealised valuation loss on inventories	$ 5,784	($ 3,586)	$ -	$ 2,198
Others	822	2,730	-	3,552
	$ 6,606	($ 856)	$ -	$ 5,750
- Deferred tax liabilities:				
Temporary differences				
Gain on investments accounted for using equity method	($ 28,283)	$ -	$ -	($ 28,283)
Unrealised exchange gain	(8,107)	(7,306)	-	(15,413)
Others	(5,319)	(47)	(412)	(5,778)
	($ 41,709)	($ 7,353)	($ 412)	($ 49,474)
	($ 35,103)	($ 8,209)	($ 412)	($ 43,724)

	2023			
	January 1	Recognized in profit or loss	Recognized in other comprehensive income	December 31
- Deferred tax assets:				
Temporary differences				
Unrealised valuation loss on inventories	$ 6,936	($ 1,152)	$ -	$ 5,784
Others	745	77	-	822
	$ 7,681	($ 1,075)	$ -	$ 6,606
- Deferred tax liabilities:				
Temporary differences				
Gain on investments accounted for using equity method	($ 28,283)	$ -	$ -	($ 28,283)
Unrealised exchange gain	(4,435)	(3,672)	-	(8,107)
Others	(5,341)	(51)	73	(5,319)
	($ 38,059)	($ 3,723)	$ 73	($ 41,709)
	($ 30,378)	($ 4,798)	$ 73	($ 35,103)

D. The Company has not recognised taxable temporary differences associated with investment accounted for under equity method as deferred tax liabilities. For the years ended December 31, 2024 and 2023, the amounts of temporary differences unrecognised as deferred tax liabilities were $186,964 and $91,950, respectively.

E. The Company's income tax returns through 2022 have been assessed and approved by the Tax Authority.

(24) Earnings per share

	Year ended December 31, 2024		
	Amount after tax	Number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit for the year	$ 1,060,644	122,086	$ 8.69
Diluted earnings per share			
Profit for the year	$ 1,060,644		
Assumed conversion of all dilutive potential ordinary shares			
Convertible bonds	3,572	1,318	
Employees' compensation	-	1,080	
Profit plus assumed conversion of all dilutive potential ordinary shares	$ 1,064,216	124,484	$ 8.55

	Year ended December 31, 2023		
	Amount after tax	Number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit for the year	$ 635,395	122,086	$ 5.20
Diluted earnings per share			
Profit for the year	$ 635,395		
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	1,265	
Profit plus assumed conversion of all dilutive potential ordinary shares	$ 635,395	123,351	$ 5.15

(25) Supplemental cash flow information

Investing activities with partial cash payments:

	Year ended December 31	
	2024	2023
Acquisition of property, plant and equipment	$ 430,156	$ 79,753
Add: Opening balance of payable on equipment	12,273	-
Less: Ending balance of payable on equipment	(27,885)	(12,273)
Cash paid during the year	$ 414,544	$ 67,480

(26) Changes in liabilities from financing activities

	2024			
	Short-term borrowings	Lease liabilities	Bonds Payable	Liabilities from financing activities - gross
At January 1	$ 100,000	$ 29,245	$ -	$ 129,245
Changes in cash flow from financing activities	(100,000)	(7,659)	1,168,966	1,061,307
Increase in lease liability	-	830	-	830
Stock options arising from bonds	-	-	(237,781)	(237,781)
Amortisation charges on bonds	-	-	4,465	4,465
Changes in other non-cash items	-	-	3,100	3,100
At December 31	$ -	$ 22,416	$ 938,750	$ 961,166

	2023		
	Short-term borrowings	Lease liabilities	Liabilities from financing activities - gross
At January 1	$ -	$ 6,740	$ 6,740
Changes in cash flow from financing activities	100,000	(7,442)	92,558
Increase in lease liability	-	29,947	29,947
At December 31	$ 100,000	$ 29,245	$ 129,245

7. Related Party Transactions

(1) Names of related parties and relationship

Names of related parties	Relationship with the Company
JPC (HK) COMPANY LIMITED (JPC (HK))	Subsidiary
CELESTA INTERNATIONAL ELECTRONICS (SHEN ZHEN) CO., LTD.	Subsidiary
ASKA TECHNOLOGIES INC. (ASKA)	Subsidiary
DONGGUAN HOUJIE HUA-BAO ELECTRONICS	Subsidiary
DONGGUAN HUNG FU ELECTRONIC TECHNOLOGY CO., LTD. (HUNG FU)	Subsidiary
MAINSUPER ENTERPRISES CO., LTD. (MAINSUPER)	Subsidiary
ULTRASPEED ELECTRONICS CO., LTD.	Subsidiary
PEC MANUFACTURING VIET NAM COMPANY LIMITED (PEC VN)	Subsidiary
JPCCO CORP.(JPCCO)	Subsidiary
ASTRON CONNECTIVITY CO., LTD. (Note 1)	Subsidiary
JPCPT INC.(SACO ENTERPRISES, INC.) (Note 2)	Subsidiary
JPC CONNECTIVITY CO., LTD.(JPC CONNECTIVITY) (Note 3)	Subsidiary
SWS GROUP COMPANY LIMITED(SWS)	Subsidiary
JYH ENG TECHNOLOGY CO., LTD.	Associate
FSP TECHNOLOGY INC. (Note 1)	Other related party

Note 1: In April 2023, the Company incorporated and held a 51% equity interest in ASTRON Connectivity Co., Ltd. and obtained control over the company, thus it became a subsidiary of the Company since then.

Note 2: In July 2023, the Company acquired a 100% equity interest in SACO ENTERPRISES INC. and obtained control over the company, thus it became a subsidiary of the Company since then. The entity has been renamed as JPCPT INC. in the fourth quarter of 2024.

Note 3: In July 2023, the Company incorporated and held a 100% equity interest in JPC Connectivity Co., Ltd. and obtained control over the company, thus it became a subsidiary of the Company since then.

(2) Significant related party transactions

A. Operating revenue:

	Year ended December 31	
	2024	2023
Sales of goods:		
Others	$ 9,594	$ 634

Except for circumstances in which there are no similar transactions for reference and the prices and credit periods are negotiated by both parties, the aforementioned related party is offered prices very close to those offered to other customers and given a payment period of 90 days.

B. Purchases

	Year ended December 31	
	2024	2023
Purchases of goods:		
－Subsidiaries		
HUNG FU	$ 611,991	$ 411,671
HUA -BAO	469,945	563,799
PEC VN	252,152	132,829
MAINSUPER	208,020	115,724
ASKA	146,940	103,280
Others	63,454	50,822
－Associate	40,162	23,575
－Other related party	49,432	61,005
	$ 1,842,096	$ 1,462,705

(a) Goods are purchased from aforementioned subsidiaries based on the negotiated prices stated in the trading terms and by product categories. The payment term is 180 to 210 days after monthly billings, which is the same with third parties.

(b) Goods are purchased from associate and other related parties with a payment term of 60 to 90 days. Purchase prices are determined based on product types after taking into consideration other transaction terms

(c) The Company purchases raw materials on behalf of aforementioned subsidiaries and charges on purchase costs. Those subsidiaries subsequently commission other subsidiaries to manufacture goods for the Company to repurchase and resell. The Company does not recognize sales revenues on purchase of materials, and the receivables or payables arising from the transactions with those subsidiaries are accounted for on a net basis.

C. Receivables from related parties:

	December 31, 2024	December 31, 2023
Accounts receivable:		
Others	$ 2,933	$ 588

There are no allowances for uncollectible accounts held against receivables from related parties.

D. Payables to related parties

	Year ended December 31	
	2024	2023
Accounts payable：		
－Subsidiaries		
HUA - BAO	$ 670,124	$ 618,805
HUNG FU	624,883	455,241
ASKA	107,255	85,755
MAINSUPER	69,647	91,131
Others	29,265	18,478
－Associate	12,587	4,344
－Other related party	14,340	18,128
	$ 1,528,101	$ 1,291,882

The payables to related parties arise mainly from purchase transactions. The payables bear no interest.

E. Other receivables

Information on raw materials purchased and payments made on behalf of subsidiaries for the years ended December 31, 2024 and 2023 is as follows:

	December 31, 2024	December 31, 2023
Other receivables:		
－Subsidiaries		
ASTRON	$ 31,776	$ 228,901
PEC VN	56,297	33,513
JPC CONNECTIVITY	8,403	-
JPCCO	-	2,024
Others	6,558	6,579
	$ 103,034	$ 271,017

For the years ended December 31, 2024 and 2023, the amounts of raw materials purchased on behalf of subsidiaries were $298,188 and $552,947, respectively.

F. Other payables

Information on mold purchased from subsidiaries for the years ended December 31, 2024 and 2023 is as follows:

	December 31, 2024	December 31, 2023
－Subsidiaries		
HUNG FU	$ 24,184	$ 23,018
HUA - BAO	13,991	22,682
ASKA	6,799	-
Others	16,686	14,379
	$ 61,660	$ 60,079

G. Prepayments

Information on payments paid by the Company on behalf of subsidiaries for the years ended December 31, 2024 and 2023 is as follows:

	Year ended December 31,	
	2024	2023
－Subsidiaries		
JPC CONNECTIVITY	$ 8,860	$ 29,634
ULTRASPEED	-	1,667
	$ 8,860	$ 31,301

(3) Key management compensation

	Year ended December 31	
	2024	2023
Salaries and other short-term employee benefits	$ 43,583	$ 33,063

8. Pledged Assets

The Company's assets pledged as collateral are as follows:

	Book value		
Pledged asset	December 31, 2024	December 31, 2023	Purpose
Property, plant and equipment			
- Land and buildings and structures	$ 125,201	$ 126,725	Line of credit for short-term borrowings
Investment property	17,437	37,679	"
Time deposits (shown as other non-current assets)	3,113	3,113	Business tax of import goods and line of credit for short-term borrowings
	$ 145,751	$ 167,517	

9. Significant Contingent Liabilities and Unrecognized Contract Commitments

Details of contingent consideration arising from a business combination are provided in Note 6(7).

10. Significant Disaster Loss

None.

11. Significant Events after the Balance Sheet Date

Information on the appropriations of 2024 earnings approved by the Board of Directors is provided in Note 6(18).

12. Others

(1) Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

During the years ended December 31, 2024 and 2023, the Company's strategy was to maintain the gearing ratio under 50%.

(2) <u>Financial instruments</u>

A. Financial instruments by category

The Company’s financial instruments are classified as financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income, financial assets at amortized cost (including cash and cash equivalents, financial assets at amortized cost, accounts receivable other receivables, and certain other noncurrent assets), financial liabilities at amortized cost (including short-term borrowings, accounts payable (including related parties), other payables (including related parties), lease liabilities and contingent consideration arising from a business combination in accordance with IFRS 9. Related information is provided in Note 6 and the parent company only balance sheets.

B. Financial risk management policies

The Company’s activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Company’s overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company’s financial position and financial performance.

Risk management is carried out by a central treasury department (Company treasury) under policies approved by the Board of Directors. Company treasury identifies, evaluates and hedges financial risks in close cooperation with the Company’s operating units.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Exchange rate risk

i. The Company operates internationally and is exposed to exchange rate risk arising from the transactions of the Company and its subsidiaries used in various functional currency, primarily with respect to the USD and RMB. Foreign exchange rate risk arises from future commercial transactions and recognized assets and liabilities.

ii. The Company’s businesses involve some non-functional currency operations (the Company’s functional currency is NTD). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	December 31, 2024			
	Foreign currency amount (In thousands)	Exchange rate		Book value (NTD)
(Foreign currency: functional currency)				
Financial assets				
Monetary items				
USD:NTD	70,760	32.79	$	2,320,220
USD:RMB	269	7.3206		8,821
Foreign operations				
RMB:NTD	403,164	4.48	$	1,806,173
USD:NTD	36,771	32.79	$	1,205,721
Financial liabilities				
Monetary items				
USD:NTD	22,556	32.79	$	739,611
USD:RMB	777	7.3206		25,478

	December 31, 2023			
	Foreign currency amount (In thousands)	Exchange rate		Book value (NTD)
(Foreign currency: functional currency)				
Financial assets				
Monetary items				
USD:NTD	45,113	30.71	$	1,385,420
USD:RMB	11	7.0922		338
Foreign operations				
RMB:NTD	384,780	4.33	$	1,666,096
USD:NTD	33,216	30.71	$	1,020,063
Financial liabilities				
Monetary items				
USD:NTD	20,378	30.71	$	625,808
USD:RMB	282	7.0922		8,660

	December 31, 2024		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	5%	$ 116,011	$ -
USD:RMB	5%	$ 441	-
Foreign operations			
RMB:NTD	5%	$ -	$ 90,309
USD:NTD	5%	$ -	$ 60,286
Financial liabilities			
Monetary items			
USD:NTD	5%	$ 36,981	$ -
USD:RMB	5%	$ 1,274	$ -

	December 31, 2023		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	5%	$ 69,271	$ -
USD:RMB	5%	$ 17	-
Foreign operations			
RMB:NTD	5%	$ -	$ 83,305
USD:NTD	5%	$ -	$ 51,003
Financial liabilities			
Monetary items			
USD:NTD	5%	$ 31,290	$ -
USD:RMB	5%	$ 433	$ -

iii. The total exchange loss arising from significant foreign exchange variation on the monetary items held by the Company for the years ended December 31, 2024 and 2023, amounted to $15,298 and $4,116, respectively.

Price risk

i. The Company's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

ii. The Company's investments in equity securities comprise shares issued domestically. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 20% with all other variables held constant, post-tax profit for the years ended December 31, 2024 and 2023 would have increased/decreased by $6,139 and $4,668, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity would have increased/decreased by $77,936 and $48,410, respectively, as a result of other comprehensive income classified as equity investment at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

As short-term borrowings for short-term working capital needs are mostly issued at variable rates, most of the risks could be offset by cash with variable interest rates.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Company arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of debt instruments stated at amortised cost.

ii. The Company manages its credit risk taking into consideration the entire Company's concern. For banks and financial institutions, only banks with good credit and financial institutions with investment grade or above are accepted. According to the Company's credit policy, the Company is responsible for managing and analysing the credit risk for each of the new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.

iii. If the contract payments were past due over 90 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition; the default occurs when the contract payments are past due over 360 days.

iv. The ageing analysis of accounts receivable and notes receivable that were past due but not impaired is as follows:

	December 31, 2024		December 31, 2023	
	Accounts receivable	Notes receivable	Accounts receivable	Notes receivable
Not past due	$ 866,430	$ -	$ 767,210	$ 47
Up to 90 days	44,991	-	32,099	-
91 to 180 days	176	-	-	-
271 to 360 days	2,268	-	-	-
	$ 913,865	$ -	$ 799,309	$ 47

The above ageing analysis was based on past due date.

v. The Company assesses the expected credit losses of its accounts receivable as follows:

(i) Accounts receivable that are significantly past due are assessed individually for their expected credit losses;

(ii) The provision matrix is used to estimate the expected credit losses from the remaining customers.

(iii) The Company used the forecastability to adjust historical and timely information to assess the default possibility of accounts receivable. As of December 31, 2024 and 2023, the provision matrix is as follows:

December 31, 2024	Individual	Not past due	1 to 90 days	91 to 180 days	271 to 360 days	Total
Expected loss rate	100%	0.0779%	1.1269%	32.39%	55.60%	
Total book value	$ -	$ 866,430	$ 44,991	$ 176	$ 2,268	$ 913,865
Loss allowance	$ -	$ 675	$ 507	$ 57	$ 1,261	$ 2,500

December 31, 2023	Individual	Not past due	1 to 90 days	91 to 180 days	91 to 180 days	Total
Expected loss rate	100%	0.1863%	3.3428%	-	-	
Total book value	$ 739	$ 766,518	$ 32,099	$ -	$ -	$ 799,356
Loss allowance	$ 739	$ 1,428	$ 1,073	$ -	$ -	$ 3,240

vi. Movements in relation to the Company applying the modified approach to provide loss allowance for accounts receivable are as follows:

	Accounts receivable	
	2024	2023
At January 1	$ 3,240	$ 1,698
Provision for impairment loss	(740)	1,542
At December 31	$ 2,500	$ 3,240

vii. Financial assets at amortised cost are deposited in banks with good credit and financial institutions with investment grade so there is no significant default concerns and credit risk.

(c) Liquidity risk

i. The Company monitors and manages liquidity requirements using the cash flow forecasting. The Company uses its cash positions and borrowing facilities to ensure it has sufficient working capital and repayment abilities so that the Company does not breach any commitments or contracts.

ii. As at December 31, 2024 and 2023, the Company held money market position of $786,019 and $428,051, respectively, which are expected to readily generate cash inflows for managing liquidity risk.

iii. The Company's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities are analysed into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows:

December 31, 2024	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
Non-derivative financial liabilities:				
Lease liability	$ 8,236	$ 8,031	$ 6,588	$ 22,855
Contingent consideration	101,649	-	-	101,649
	$ 109,885	$ 8,031	$ 6,588	$ 124,504

December 31, 2023	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
Non-derivative financial liabilities:				
Lease liability	$ 8,036	$ 7,985	$ 14,624	$ 30,645
Contingent consideration	66,691	66,691	66,691	200,073
	$ 74,727	$ 74,676	$ 81,315	$ 230,718

Except for those listed in the table below, the Company's non-derivative financial liabilities (including short-term borrowings, accounts payable (including related parties) and other payables) will expire within 1 year.

(3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Company's investment in listed stocks is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Company's investment in listed stocks is included in Level 2.

Level 3:Unobservable inputs for the asset or liability. The fair value of the Company's investment in equity investment without active market contingent consideration payable is included in Level 3.

B. Fair value information of investment property at cost is provided in Note 6(10).

C. Fair value information of financial instruments: Except for financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and contingent consideration payable arising from a business combination, financial instruments not measured at fair value are described in Note 12(2).

D. Financial instruments not measured at fair value

(a) Except for those listed in the table below, the carrying amounts of cash and cash equivalents, notes receivable, accounts receivable (including related parties), other receivables (including related parties), short-term borrowings, notes payable, accounts payable (including related parties) and other payables (including related parties) are approximate to their fair values：

	December 31, 2024			
		Fair value		
	Book value	Level 1	Level 2	Level 3
Financial liabilities:				
Bonds payable	$ 938,750	$ -	$ 940,900	$ -

i. As at December 31, 2023, the Company had no bonds payable.

ii. The methods and assumptions the Company used to measure fair value are included as follows:

E. The related information on financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets at December 31, 2024 and 2023 are as follows:

(a) The related information on the nature of the assets is as follows:

December 31, 2024	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Limited partnership	$ -	$ -	$ 30,697	$ 30,697
Derivative instruments	-	8,630	-	8,630
Call options of the convertible bonds issued	-	2,300	-	2,300
Financial assets at fair value through other comprehensive income				
Equity securities	290,495	-	99,183	389,678
	$ 290,495	$ 10,930	$ 129,880	$ 431,305
Liabilities				
Recurring fair value measurements				
Contingent consideration (shown as other payables and other current liabilities)	$ -	$ -	$ 99,474	$ 99,474

December 31, 2023	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
Limited partnership	$ -	$ -	$ 23,342	$ 23,342
Derivative instruments	-	1,453	-	1,453
Financial assets at fair value through other comprehensive income				
Equity securities	150,188	-	91,860	242,048
	$ 150,188	$ 1,453	$ 115,202	$ 266,843
Liabilities				
Recurring fair value measurements				
Contingent consideration (shown as other payables and other current liabilities)	$ -	$ -	$ 162,146	$ 162,146

(b) The methods and assumptions the Company used to measure fair value are as follows:

i. The instruments the Company used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	Listed shares
Market quoted price	Closing price

ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date.

iii. When assessing non-standard and low-complexity financial instruments, for example, foreign exchange swap contracts, the Company adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.

iv. For high-complexity financial instruments, the fair value is measured by using self-developed valuation model based on the valuation method and technique widely used within the same industry. The valuation model is normally applied to derivative financial instruments, debt instruments with embedded derivatives or securitized instruments. Certain inputs used in the valuation model are not observable at market, and the Company must make reasonable estimates based on its assumptions. The effect of unobservable inputs to the valuation of financial instruments is provided in Note 12(3) I.

v. The valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques and option pricing models. Forward exchange contracts are usually valued based on the current forward exchange rate. Structured interest derivative instruments are measured by using appropriate option pricing models (i.e. Black-Scholes model) or other valuation methods, such as Monte Carlo simulation.

vi. The fair value of contingent consideration arising from a business combination is estimated using the discounted cash flow method. Its main assumptions consider the probability of achievement for various payment terms in individual contracts to estimate the payments to be paid which will be discounted, and thus the fair value is estimated based on the present value after the discount.

vii. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Company's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Company's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

viii. The Company takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Company's credit quality.

F. For the years ended December 31, 2024 and 2023, there was no transfer between Level 1 and Level 2.

G. The following chart is the movement of Level 3 for the years ended December 31, 2024 and 2023:

	2024		2023	
	Equity instrument	Contingent consideration	Equity instrument	Contingent consideration
At January 1	$ 115,202	$ 162,146	$ 109,042	$ -
Acquired during the year	6,000	-	6,000	-
Gains and losses recognized in profit or loss	1,355	-	(1,160)	-
Recorded as unrealised gains (losses) on valuation of investments in equity instruments measured at fair value through other comprehensive	7,323	-	1,320	-
Increase during the year	-	28,553	-	155,176
Interest expense	-	(100,130)	-	9,312
Effect due to changes in exchange rate	-	8,905	-	(2,342)
At December 31	$ 129,880	$ 99,474	$ 115,202	$ 162,146

H. Treasury segment is in charge of valuation procedures for fair value measurements being categorized within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model and making any other necessary adjustments to the fair value.

I. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement.

	Fair value at December 31, 2024	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	$ 99,183	Discounted cash flow	Weighted Average Cost of Capital	16%	The higher the weighted average cost of capital, the lower the fair value
			Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value
Limited partnership	$ 30,697	Net asset value	N/A	-	N/A
Non-derivative equity instrument:					
Contingent consideration	$ 99,474	Discounted cash flow	Discount rate	11.22%	The higher the discount rate, the lower the fair value
			Based on the terms of individual contracts	N/A	Based on the terms of individual contracts

	Fair value at December 31, 2023	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	$ 91,860	Discounted cash flow	Weighted Average Cost of Capital	16%	The higher the weighted average cost of capital, the lower the fair value
			Discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value
Limited partnership	$ 23,342	Net asset value	N/A	-	N/A
Non-derivative equity instrument:					
Contingent consideration	$ 162,146	Discounted cash flow	Discount rate	11.22%	The higher the discount rate, the lower the fair value
			Based on the terms of individual contracts	N/A	Based on the terms of individual contracts

J. The Company has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. The following is the effect on profit or loss or on other comprehensive income from financial assets categorized within Level 3 if the inputs used to valuation models have changed:

			December 31, 2024			
			Recognized in profit or loss		Recognized in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Discount for lack of marketability	±1%	$ 307	$ 307	$ 992	$ 992

			December 31, 2023			
			Recognized in profit or loss		Recognized in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Discount for lack of marketability	±1%	$ 233	$ 233	$ 919	$ 919

13. Supplementary Disclosures

(1) Significant transactions information

A. Loans to others: None.

B. Provision of endorsements and guarantees to others: None.

C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Refer to table 1.

D. Acquisition or sale of the same security with the accumulated cost exceeding $300 million or 20% of the Company’s paid-in capital: None.

E. Acquisition of real estate reaching $300 million or 20% of paid-in capital or more: Refer to table 2.

F. Disposal of real estate reaching $300 million or 20% of paid-in capital or more: None.

G. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Refer to table 3.

H. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: Refer to table 4.

I. Trading in derivative instruments undertaken during the reporting periods: Refer to Note 6(2).

J. Significant inter-company transactions during the reporting periods: Refer to table 5.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Refer to table 6.

(3) Information on investments in Mainland China

A. Basic information: Refer to table 7.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Refer to table 3,4 and 5.

(4) Major shareholders information

Major shareholders information: Refer to table 8.

14. Operating Segment Information

None.

JPC Connectivity Inc.

Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

December 31, 2024

Table 1

Expressed in thousands of NTD

(Except as otherwise indicated)

Securities held by	Marketable securities (Note)	Relationship with the securities issuer	General ledger account	As of December 31, 2024 Number of shares	Book value	Ownership (%)	Fair value	Footnote
	Stock							
CHA SHIN CHI INVESTMENT CO., LTD.	HD Renewable Energy Co., Ltd.	N	Current financial assets at fair value through profit or loss	140,213	$ 29,375	0%	$ 29,375	
CHA SHIN CHI INVESTMENT CO., LTD.	Trio Technology International Group Co., Ltd.	〃	〃	16,000	2,648	0%	2,648	
CHA SHIN CHI INVESTMENT CO., LTD.	Ocean Plastics Co., Ltd.	〃	〃	210,000	6,867	0%	6,867	
CHA SHIN CHI INVESTMENT CO., LTD.	QST INTERNATIONAL CORP.	〃	〃	299,930	18,326	0%	18,326	
CHA SHIN CHI INVESTMENT CO., LTD.	TAIWAN MICROLOOPS CORP.	〃	〃	11,000	929	0%	929	
CHA SHIN CHI INVESTMENT CO., LTD.	GRAND PROCESS TECHNOLOGY CORP.	〃	〃	3,000	4,455	0%	4,455	
CHA SHIN CHI INVESTMENT CO., LTD.	LandMark Optoelectronics Corporation	〃	〃	30,000	11,610	0%	11,610	
CHA SHIN CHI INVESTMENT CO., LTD.	Unimicron Technology Corp.	〃	〃	50,000	7,050	0%	7,050	
CHA SHIN CHI INVESTMENT CO., LTD.	Chroma ATE (Dongguan) Co., Ltd.	〃	〃	36,000	14,724	0%	14,724	

JPC Connectivity Inc.

Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

December 31, 2024

Table 1

Expressed in thousands of NTD

(Except as otherwise indicated)

Securities held by	Marketable securities (Note)	Relationship with the securities issuer	General ledger account	As of December 31, 2024 Number of shares	Book value	Ownership (%)	Fair value	Footnote
	Corporate bonds							
CHA SHIN CHI INVESTMENT CO., LTD.	Mercedes-Benz Finance North America LLC	N	Current financial assets at fair value through profit or loss	67,000	$ 2,545	-	$ 2,545	
CHA SHIN CHI INVESTMENT CO., LTD.	The Walt Disney Co.	〃	〃	74,000	2,680	-	2,680	
CHA SHIN CHI INVESTMENT CO., LTD.	Lockheed Martin Corp.	〃	〃	80,000	2,629	-	2,629	
CHA SHIN CHI INVESTMENT CO., LTD.	INTEL CORP.	〃	〃	70,000	2,198	-	2,198	
CHA SHIN CHI INVESTMENT CO., LTD.	PHILIP MORRIS INTERNAT. INC.	〃	〃	75,000	2,475	-	2,475	
	Beneficiary certificates							
SWS GROUP COMPANY LIMITED	KTF2YA-BR	N	Current financial assets at fair value through profit or loss					
SWS GROUP COMPANY LIMITED	K Short Term Fixed Income Fund-A	〃	〃	266,856	3,008	-	3,008	
SWS GROUP COMPANY LIMITED	KGB6MBJ	〃	〃	3,000,000	28,999	-	28,999	
BPPG SERVICE CO., LTD.	B-Treasury	〃	〃	622,904	6,970	-	6,970	
BPPG SERVICE CO., LTD.	B19/24	〃	〃	500,000	4,836	-	4,836	
	Limited partnership							
JPC Connectivity Inc.	Mesh Cooperative Ventures Fund LP	N	Non-current financial assets at fair value through profit or loss	30,000,000	30,697	3%	30,697	

JPC Connectivity Inc.

Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

December 31, 2024

Table 1

Expressed in thousands of NTD

(Except as otherwise indicated)

				As of December 31, 2024				
Securities held by	Marketable securities (Note)	Relationship with the securities issuer	General ledger account	Number of shares	Book value	Ownership (%)	Fair value	Footnote
	Stock							
JPC Connectivity Inc.	FSP TECHNOLOGY INC.	The company is the Company's institutional shareholder	Current financial assets at fair value through other comprehensive income	2,000,000	$ 122,600	0%	$ 122,600	
JPC Connectivity Inc.	CHENBRO MICOM CO., LTD.	〃	〃	630,000	167,895	0%	167,895	
CHA SHIN CHI INVESTMENT CO., LTD.	Yusin Holding Corp.	〃	〃	180,000	22,140	0%	22,140	
CHA SHIN CHI INVESTMENT CO., LTD.	Harris Technology Group Limited	〃	〃	5,488,969	1,119	0%	1,119	
JPC Connectivity Inc.	JYH ENG TECHNOLOGY CO., LTD.	The Company is the director of the company	Non-current financial assets at fair value through other comprehensive income	3,200,000	99,183	7%	99,183	
CHA SHIN CHI INVESTMENT CO., LTD.	Huang Chieh Metal Holdings Co., Ltd.	N	〃	1,220,984	-	2%	-	
CHA SHIN CHI INVESTMENT CO., LTD.	EASTERN UNION INTERACTIVE CORP.	〃	〃	785,000	116,541	3%	116,541	
CHA SHIN CHI INVESTMENT CO., LTD.	TAIWAN TRUEWIN TECHNOLOGY CO., LTD.	〃	〃	740,046	23,586	1%	23,586	
CHA SHIN CHI INVESTMENT CO., LTD.	LINCO TECHNOLOGY CO., LTD.	〃	〃	500,000	60,000	0%	60,000	
BEST LINK PROPERTIES LTD.	Diamond Creative Holding Limited	〃	〃	625,879	80,743	14%	80,743	

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities.

JPC Connectivity Inc.

Acquisition of real estate reaching NT$300 million or 20% of paid-in capital or more

Year ended December 31, 2024

Table 2

Expressed in thousands of NTD

(Except as otherwise indicated)

							If the counterparty is a related party, information as to the last transaction of the real estate is disclosed below:							
Real estate acquired by	Real estate acquired	Date of the event	Transaction currency	Transaction amount	Status of payment	Counterparty	Relationship with the counterparty	Original owner who sold the real estate to the counterparty	Relationship between the original owner and the acquirer	Date of the original transaction	Amount	Basis or reference used in setting the price	Reason for acquisition of real estate and status of the real estate	Other commitments
JPC Connectivity Inc.	Land and Buildings	2024/1/22	TWD	$ 365,000	$ 365,000	EVER PLASTIC CO., LTD.	The Company's indirect investee	-	-	-	-	Lee & Lin Real Estate Consultant Appraisal $372,145	In response to future operational expansion and improvement of integrated warehouse management.	N

JPC Connectivity Inc.

Purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in capital or more

Year ended December 31, 2024

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

			Transaction				Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote (Note 2)
PEC Manufacturing, Viet Nam Company Limited	JPC Connectivity Inc.	The Company's indirect investee	Sales	($ 252,152)	99%	180 to 210 days at the end of the month	The same with the third parties	No significant difference	$ -	0%	
JPC Connectivity Inc.	PEC Manufacturing, Viet Nam Company Limited	"	Purchases	252,152	8%	180 to 210 days at the end of the month	"	"	-	0%	
MAINSUPER ENTERPRISES CO., LTD.	JPC Connectivity Inc.	"	Sales	(208,020)	61%	180 to 210 days at the end of the month	"	"	69,647	82%	
JPC Connectivity Inc.	MAINSUPER ENTERPRISES CO., LTD.	"	Purchases	208,020	6%	180 to 210 days at the end of the month	"	"	(69,647)	3%	
DONGGUAN HOUJIE HUA-BAO ELECTRONICS TECHNICAL LIMITED COMPANY	JPC Connectivity Inc.	"	Sales	(469,945)	68%	180 to 210 days at the end of the month	"	"	670,124	78%	
JPC Connectivity Inc.	DONGGUAN HOUJIE HUA-BAO ELECTRONICS TECHNICAL LIMITED COMPANY	"	Purchases	469,945	14%	180 to 210 days at the end of the month	"	"	(670,124)	33%	
DONGGUAN HUNG FU ELECTRONIC TECHNOLOGY CO., LTD.	JPC Connectivity Inc.	"	Sales	(611,991)	77%	180 to 210 days at the end of the month	"	"	624,883	91%	
JPC Connectivity Inc.	DONGGUAN HUNG FU ELECTRONIC TECHNOLOGY CO., LTD.	"	Purchases	611,991	18%	180 to 210 days at the end of the month	"	"	(624,883)	31%	
ASKA TECHNOLOGIES INC.	JPC Connectivity Inc.	"	Sales	(146,940)	31%	180 to 210 days at the end of the month	"	"	107,255	44%	
JPC Connectivity Inc.	ASKA TECHNOLOGIES INC.	"	Purchases	146,940	4%	180 to 210 days at the end of the month	"	"	(107,255)	5%	

Note 1: If terms of related-party transactions are different from third-party transactions, explain the differences and reasons in the 'Unit price' and 'Credit term' columns.

Note 2: In case related-party transaction terms involve advance receipts (prepayments) transactions, explain in the footnote the reasons, contractual provisions, related amounts, and differences in types of transactions compared to third-party transactions.

JPC Connectivity Inc.

Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more

December 31, 2024

Table 4

Expressed in thousands of NTD

(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2024	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
DONGGUAN HUNG FU ELECTRONIC TECHNOLOGY CO., LTD.	JPC Connectivity Inc.	The Company’s indirect investee	$ 624,883	1.13	$ 70,123	Collected subsequent to the balance sheet date	$ 49,413	$ -
DONGGUAN HOUJIE HUA-BAO ELECTRONICS TECHNICAL LIMITED COMPANY	JPC Connectivity Inc.	"	670,124	0.73	292,435	"	30,086	-
ASKA TECHNOLOGIES INC.	JPC Connectivity Inc.	"	107,255	1.52	-	"	9,247	-

JPC Connectivity Inc.

Significant inter-company transactions during the reporting period

Year ended December 31, 2024

Table 5

Expressed in thousands of NTD

(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction: General ledger account	Transaction: Amount	Transaction: Transaction terms	Transaction: Percentage of consolidated total operating revenues or total assets (Note 3)
1	PEC Manufacturing, Viet Nam Company Limited	JPC Connectivity Inc.	2	Sales revenue	$ 252,152	180 to 210 days at the end of the month	4%
2	MAINSUPER ENTERPRISES CO., LTD.	JPC Connectivity Inc.	2	Sales revenue	208,020	180 to 210 days at the end of the month	3%
3	DONGGUAN HOUJIE HUA-BAO ELECTRONICS TECHNICAL LIMITED COMPANY	JPC Connectivity Inc.	2	Sales revenue	469,945	180 to 210 days at the end of the month	7%
3	DONGGUAN HOUJIE HUA-BAO ELECTRONICS TECHNICAL LIMITED COMPANY	JPC Connectivity Inc.	2	Accounts receivable	670,124	180 to 210 days at the end of the month	9%
4	DONGGUAN HUNG FU ELECTRONIC TECHNOLOGY CO., LTD.	JPC Connectivity Inc.	2	Sales revenue	611,991	180 to 210 days at the end of the month	9%
4	DONGGUAN HUNG FU ELECTRONIC TECHNOLOGY CO., LTD.	JPC Connectivity Inc.	2	Accounts receivable	624,883	180 to 210 days at the end of the month	8%
5	ASKA TECHNOLOGIES INC.	JPC Connectivity Inc.	2	Sales revenue	146,940	180 to 210 days at the end of the month	2%
5	ASKA TECHNOLOGIES INC.	JPC Connectivity Inc.	2	Accounts receivable	107,255	180 to 210 days at the end of the month	1%

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

(1) Parent company is ‘0’.

(2)T he subsidiaries are numbered in order starting from ‘1’.

Note 2: Relationship between transaction company and counterparty is classified into the following three categories; fill in the number of category each case belongs to (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.):

(1) Parent company to subsidiary.

(2) Subsidiary to parent company.

(3) Subsidiary to subsidiary.

Note 3: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.

Note 4: The above significant inter-company transactions are purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in capital or more.

JPC Connectivity Inc.

Information on investees

Year ended December 31, 2024

Table 6

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2024			Net profit (loss) of the investee for the year ended December 31, 2024	Investment income (loss) recognised by the Company for the year ended December 31, 2024	Footnote
				Balance as at December 31, 2024	Balance as at December 31, 2023	Number of shares	Ownership (%)	Book value			
JPC Connectivity Inc.	BEST LINK PROPERTIES LTD.	British Virgin Islands	Investment holdings	$ 953,793	$ 953,793	29,200,000	100	$ 2,295,203	$ 105,898	$ 104,119	Note 1
JPC Connectivity Inc.	CHA SHIN CHI INVESTMENT CO., LTD.	Taiwan	Investing	280,000	280,000	28,000,000	100	382,242	45,431	45,431	
JPC Connectivity Inc.	MAINSUPER ENTERPRISES CO., LTD.	Taiwan	Electronics manufacturing	120,000	120,000	1,500,000	100	82,773	46,343	46,343	
JPC Connectivity Inc.	TECHILL CO., LTD.	Taiwan	Sales of electronic components	15,850	15,850	1,275,000	51	21,357	1,399	713	
JPC Connectivity Inc.	Ultraspeed Electronics Co., Ltd.	Taiwan	Sales of electronic components	20,000	20,000	1,092,895	70.11	11,938	545	108	
JPC Connectivity Inc.	SWS GROUP COMPANY LIMITED	Thailand	Sales of electronic components	41,565	41,565	198,000	49.87	65,658	25,131	12,533	
JPC Connectivity Inc.	ASTRON Connectivity CO., LTD.	Taiwan	Sales of electronic components	10,200	10,200	1,020,000	51	85,042	126,049	64,285	Note 6
JPC Connectivity Inc.	JPCPT INC.	U.S.A	Introduction of new products, trial production and sales	439,942	439,942	10,000	100	551,668	108,716	93,039	Note 7
JPC Connectivity Inc.	JPC CONNECTIVITY CO., LTD.	Vietnam	Electronics manufacturing	174,994	174,994	111,394,000	100	142,859	(22,434)	(22,434)	Note 8
JPC Connectivity Inc.	JBL CONNECTIVITY COMPANY LIMITED	Hong kong	Sales of electronic components	15,362	-	3,675,000	49	15,328	(358)	(175)	Note 4
JPC Connectivity Inc.	JS CONNECTIVITY CO.,LTD	Japan	Sales of electronic components	5,268	-	24,500	49	5,352	(182)	(89)	Note 5
JPC Connectivity Inc.	JUN CHEN GLOBAL CO.,LTD	Seychelles	Investment holdings	91,000	-	2,800,000	40	91,309	(74)	(29)	Note 3
JPC Connectivity Inc.	APEX connectivity LTD.	Taiwan	Electronics manufacturing	12,848	-	1,470,000	49	12,665	105,898	(183)	Note 2
BEST LINK PROPERTIES LTD.	JPCCO CORP.	U.S.A	Investment holdings	109,853	109,853	288,283	98.3	68,460	13,819	13,584	
BEST LINK PROPERTIES LTD.	BRIGHTON NET CO., LTD.	Japan	Electronics manufacturing	4,720	4,720	320	24.9	7,423	(1,294)	(323)	
CHA SHIN CHI INVESTMENT CO., LTD.	JPCCO CORP.	U.S.A	Investment holdings	1,563	1,563	5,000	1.7	1,184	13,819	235	
JPCCO CORP.	PEC MANUFACTURING VIET NAM COMPANY LIMITED	Vietnam	Electronics manufacturing	57,972	57,972	23,000,000,000	100	37,448	15,106	15,106	
SWS GROUP COMPANY LIMITED	BPPG SERVICES CO., LTD.	Thailand	Electronic components services	3,179	3,179	30,000	60	17,374	11,135	6,681	

Note 1: The Company also have Mainland China subsidiaries held through JPC (HK) COMPANY LTD., BEST MATCH INVESTMENTS LIMITED, BEST SKY LIMITED, HUNG FU(SAMOA) INTERNATIONAL CO., LTD. and LUCKY STAR INVESTMENT CORP. whose details are provided in table 7.

Note 2: In October 2024, the Company invested and held a 49% equity interest in APEX connectivity LTD.

Note 3: In June 2024, the Company invested and held a 40% equity interest in JUN CHEN GLOBAL CO., LTD.

Note 4: In May 2024, the Company incorporated and held a 49% equity interest in JBL CONNECTIVITY COMPANY LIMITED.

Note 5: In May 2024, the Company incorporated and held a 49% equity interest in JS CONNECTIVITY CO., LTD.

Note 6: In April 2023, the Company incorporated and held a 51% equity interest in ASTRON Connectivity Co., Ltd.

Note 7: In July 2023, the Company acquired a 100% equity interest in SACO ENTERPRISES INC. The entity has been renamed as JPCPT INC. in the fourth quarter of 2024.

Note 8: In July 2023, the Company incorporated and held a 100% equity interest in JPC Connectivity Co., Ltd.

JPC Connectivity Inc.

Information on investments in Mainland China

Year ended December 31, 2024

Table 7

Expressed in thousands of NTD

(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2024	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2024		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2024	Net income of investee for the year ended December 31, 2024	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2024 (Note 2)	Book value of investments in Mainland China as of December 31, 2024	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2024	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
DONGGUAN JIEXUN ELECTRONIC TECHNOLOGY CO., LTD.	Manufacture and sale of connector cables, connectors, computer peripheral devices and optoelectronic products	$ 131,160	(2)	$ 131,160	-	-	$ 131,160	$ -	100	$ -	$ -	$ -	Note 3
DONGGUAN CELESTA ELECTRONICS LIMITED COMPANY	Trade of electronic products	21,100	(2)	21,100	-	-	21,100	1,619	100	1,619	18,671	-	
ASKA TECHNOLOGIES INC.	Manufacture and sale of connector and cable assemblies and cables for the cloud network and consumer electronics	165,590	(3)	189,526	-	-	189,526	29,216	100	29,216	404,996	-	Note 4
DONGGUAN HUNG FU ELECTRONIC TECHNOLOGY CO., LTD.	Manufacture and sale of connector and cable assemblies and cables for the cloud network, Internet of Things, and consumer electronics	196,740	(2)	131,160	-	-	131,160	50,122	100	50,122	571,492	-	Notes 5 and 6
DONGGUAN HOUJIE HUA-BAO ELECTRONICS TECHNICAL LIMITED COMPANY	Manufacture and sale of connector and cable assemblies and cables for the cloud network and consumer electronics	163,950	(2)	-	-	-	-	6,458	100	6,829	811,014	-	Note 7
GUANGZHOU JPC ELECTRONICS TECHNICAL LIMITED COMPANY	Manufacture and sale of connector and cable assemblies for automotive electronics	22,400	(3)	-	-	-	-	(371)	100	(371)	18,470	-	Note 8

Note 1: Investment methods are classified into the following three categories; fill in the number of category each case belongs to:

(1) Directly invest in a company in Mainland China

(2) Through investing in an existing company in the third area, which then invested in the investee in Mainland China

(3) Others

Note 2: Investment profit or loss for the period was recognised based on the investees' financial statements which were reviewed by independent auditors.

Note 3: The Company established and acquired 100% of the share in JESS-LINK (DG) PRODUCTS COMPANY LIMITED in the amount of USD 4,000 thousand through the investee company, JPC CO., LTD. JESS-LINK (DG) PRODUCTS COMPANY LIMITED has been deregistered in 2017. The unused amount of investments in Mainland China was USD 4,000 thousand.

Note 4: The Company acquired 100% of the share in ASKA TECHNOLOGIES INC. in the amount of USD 3,030 thousand through the investee company, BEST LINK PROPERTIES LTD., and its subsidiary, BEST SKY LIMITED.

Note 5: The Company established and acquired 100% of the share in DONGGUAN HUNG FU ELECTRONIC TECHNOLOGY CO., LTD. at the amount of USD 1,800 thousand through the investee company, HUNG FU (SAMOA) INTERNATIONAL CO., LTD.

Note 6: DONGGUAN HUNG FU ELECTRONIC TECHNOLOGY CO., LTD. obtained approval from the Investment Commission in June 2018 to merge with JPC CABLE & WIRE INC..

Note 7: The Company established and acquired 100% of the share in DONGGUAN HOUJIE HUA-BAO ELECTRONICS TECHNICAL LIMITED COMPANY and HePing Hua-Bao Electronics CO ., LTD. in the amount of USD 750 thousand and USD 500 thousand, respectively, through the investee company, LUCKY STAR INVESTMENT CORP. HePing Hua-Bao Electronics CO ., LTD. has been deregistered in 2012. The unused amount of investment in Mainland China was USD 500 thousand.

Note 8: The Company reinvested in the China investee company, DONGGUAN HOUJIE HUA-BAO ELECTRONICS TECHNICAL LIMITED COMPANY, through the investing business in Mainland China, GUAMGZHOU JPC ELECTRONICS TECHNICAL LIMITED COMPANY, Since the investing business in Mainland China is not a controlling company, there was no need to apply the reinvestment with the Investment Commission.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2024	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
JPC connectivity Inc.	$ 538,445	$ 1,203,695	$ 2,766,268

Note 1: The approved investment amount of USD 32,778 thousand includes USD 290 thousand of investment of purchasing plant equipment, machinery and equipment and components from the third parties approved by the Investment Commission of the MOEA.

Note 2: The Company sold the share in Wuxi Jiaqi Technology Co., Ltd. during 2005. As of December 31, 2023, the unused amount of investment in Mainland China was USD 1,250 thousand.

Note 3: The numbers in this table are expressed in New Taiwan Dollars.

JPC Connectivity Inc.

Major shareholders information

December 31, 2024

Table 8

Name of major shareholders	Shares	
	Number of shares held	Ownership (%)
CHANG, SHU-MEI	18,472,480	15.13%
FSP TECHNOLOGY INC.	10,000,000	8.19%
Dingzhun Investment Co., Ltd.	6,144,750	5.03%

JPC CONNECTIVITY INC.
STATEMENT OF CASH AND CASH EQUIVALENTS
DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 1

Item	Description				Amount
Petty cash and cash on hand					$ 781
Bank deposits					
Demand deposits					188,894
Foreign currency deposits	USD	8,302	thousand, exchange rate	32.790	272,223
	RMB	21,745	thousand, exchange rate	4.478	97,374
	All other currencies				7,471
Time deposits					219,276
					$ 786,019

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JPC CONNECTIVITY INC.
STATEMENT OF ACCOUNTS RECEIVABLE
DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 2

Client Name	Amount	Note
Client E	$ 127,119	
Client F	97,282	
Client C	93,881	
Client J	80,731	
Client H	55,886	
Client L	51,427	
Others (including notes receivable)	407,539	None of the balances of each remaining client is greater than 5% of this account balance
	913,865	
Less: Allowance for bad debts	(2,500)	
	$ 911,365	

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JPC CONNECTIVITY INC.
STATEMENT OF INVENTORIES
DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 3

Item	Description	Amount: Cost	Amount: Net Realisable Value	Note
Raw materials and supplies		$ 48,469	$ 59,989	Use net realisable value as market price
Work in progress		35,551	35,551	"
Finished goods		137,594	193,391	"
Merchandise inventory		4,111	8,476	"
		225,725	$ 297,407	
Less: Allowance for inventory valuation loss		(10,994)		
		$ 214,731		

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JPC CONNECTIVITY INC.
STATEMENT OF MOVEMENT IN INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 4

	Beginning Balance		Investment Income (Loss)	Addition (Note 1)		Decrease		Ending Balance			Market Value or Net Assets Value		
Name of investee	Shares in thousands	Amount	Amount	Shares in thousands	Amount	Shares in thousands	Amount	Shares in thousands	Ownership (%)	Amount	Unit Price	Total Amount	Collateral
BEST LINK PROPERTIES LTD.	29,200	$ 2,055,944	$ 104,119	-	$ 68,640	-	$ 66,500	29,200	100%	$ 2,295,203	$ -	$ 2,295,203	None
CHA SHIN CHI INVESTMENT CO., LTD.	28,000	260,260	45,431	-	96,506	-	(19,955)	28,000	100%	382,242	-	382,242	〃
MAINSUPER ENTERPRISES CO., LTD.	1,500	54,960	46,343	-	1,953	-	(20,483)	1,500	100%	82,773	-	82,773	〃
TECHILL CO., LTD.	1,275	20,644	713	-	-	-	-	1,275	51%	21,357	-	21,357	〃
SWS GROUP COMPANY LIMITED	198	73,632	12,533	-	-	-	(20,507)	198	49.87%	65,658	-	65,658	〃
Ultraspeed Electronics Co., Ltd.	1,093	11,830	108	-	-	-	-	1,093	70.11%	11,938	-	11,938	〃
ASTRON Connectivity Co., Ltd.	1,020	29,396	64,285	-	-	-	(8,639)	1,020	51%	85,042	-	85,042	〃
JPCPT INC.	10	452,202	93,039	-	-	-	6,427	10	100%	551,668	-	551,668	〃
JPC Connectivity Co., Ltd.	111,394	162,675	(22,434)	-	-	-	2,618	111,394	100%	142,859	-	142,859	〃
JS Connectivity Co., Ltd.	-	-	(89)	25	5,268	-	173	25	49%	5,352	-	5,352	〃
JUN CHEN GLOBAL Co.,Ltd.	-	-	(29)	2,800	91,000	-	338	2,800	40%	91,309	-	91,309	〃
APEX connectivity Ltd.	-	-	(183)	1,470	12,848	-	-	1,470	49%	12,665	-	12,665	〃
JBL Connectivity Co.,Ltd.	-	-	(175)	3,675	15,362	-	141	3,675	49%	15,328	-	15,328	〃
		$ 3,121,543	$ 343,661		$ 291,577		$ 6,613			$ 3,763,394		$ 3,763,394	

(Note 1) The additions for the year arose from investment increase, currency translation differences and unrealised gains on financial assets measured at fair value through other comprehensive income.

(Note 2) The decreases for the year arose from earnings distribution, currency translation differences, unrealised losses from financial assets measured at fair value through other comprehensive income.

JPC CONNECTIVITY INC.
STATEMENT OF ACCOUNTS PAYABLE (INCLUDING RELATED PARTIES)
DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 5

Supplier Name	Amount	Note
Non-related party		
Client B	$ 120,518	
Client D	82,451	
Client J	79,371	
Client L	46,102	
Client M	34,511	
Others	126,798	None of the balances of each remaining supplier is greater than 5% of this account balance
	$ 489,751	
Related party		
DONGGUAN HOUJIE HUA-BAO ELECTRONICS TECHNICAL LIMITED COMPANY	$ 670,124	
DONGGUAN HUNG FU ELECTRONIC TECHNOLOGY CO., LTD.	624,883	
ASKA ECHNOLOGIES INC.	107,255	
Others	125,839	None of the balances of each remaining supplier is greater than 5% of this account balance
	$ 1,528,101	

JPC CONNECTIVITY INC.
STATEMENT OF BONDS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 6

Bonds Name	Trustee	Release date	term	Interest payment date	interest rate	Amount: Total Issued	Amount: Amount of repayment	Amount: Ending balance	Amount: Unamortized Discount	Amount: Carrying amount	Repayment method	guarantee situation	Note
The third domestic unsecured convertible bonds	Yuanta Securities Co., Ltd.	2024/10/15	three years	Note	0%	$ 1,000,000	$ -	$ 1,000,000	($ 61,250)	$ 938,750		None	

Note: The coupon rate of the convertible bonds was 0%. Therefore, it was not required to set the interest payment date.

JPC CONNECTIVITY INC.
STATEMENT OF OPERATING REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 7

Item	Volume (In Thousands)	Amount	Note
Datacenter/Networking/Telecom	24,535	$ 2,874,496	
Smart Connection Industry	74,954	1,475,177	
Internet of Things	168	100,307	
Others		13,680	
		$ 4,463,660	

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JPC CONNECTIVITY INC.
STATEMENT OF OPERATING COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 8

	Amount
Beginning raw materials and supplies	$ 72,128
Add: Raw materials and supplies purchased for the year	560,768
Less: Loss on physical inventory	34
Ending raw materials and supplies	(48,469)
Transfers to expenses (Note 1)	(3,715)
Scrapping	(34,287)
Raw materials used for the year	546,459
Direct labor	46,680
Manufacturing expense	37,992
Manufacturing cost for the year	631,131
Add: Beginning work in progress	25,015
Less: Ending work in progress	(35,551)
Cost of finished goods for the year	620,595
Add: Beginning finished goods	93,746
Finished goods purchased	2,447,288
Gain on physical inventory	(23)
Less: Ending finished goods	(137,594)
Transfers to expenses (Note 1)	(4,343)
Scrapping	(7,532)
Cost of goods manufactured and sold	3,012,137
Beginning merchandise inventory	3,711
Add: Merchandise inventory purchased for the year	16,285
Gain on physical inventory	(14)
Less: Ending merchandise inventory	(4,111)
Transfers to expenses (Note 1)	(42)
Scrapping	(337)
Cost of goods purchased and sold	15,492
Cost of goods sold	3,027,629
Allowance for valuation loss on inventories	23,555
Revenue from sale of scraps	(324)
Loss on physical inventory	3
Operating costs	$ 3,050,863

(Note 1) It refers to the transfers from sample expenses to raw materials for research and development used.

JPC CONNECTIVITY INC.
STATEMENT OF SELLING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 9

Item	Amount		Note
Wages and salaries	$	142,942	
Sample expenses		27,178	
Sales service fee		42,179	
Others		90,223	None of the balances of each remaining item is greater than 5% of this account balance
	$	302,522	

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JPC CONNECTIVITY INC.
STATEMENT OF GENERAL AND ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 10

Item	Amount	Note
Wages and salaries	$ 101,594	
Professional service expenses	12,677	
Depreciation charge	9,102	
Insurance fee	8,387	
Others	46,268	None of the balances of each remaining item is greater than 5% of this account balance
	$ 178,028	

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JPC CONNECTIVITY INC.
STATEMENT OF RESEARCH DEVELOPMENT EXPENSE
FOR THE YEAR ENDED DECEMBER 31, 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 11

Item	Amount	Note
Wages and salaries	$ 81,558	
Sample expenses	21,252	
Depreciation charge	20,062	
Others	29,438	None of the balances of each remaining item is greater than 5% of this account balance
	$ 152,310	

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JPC CONNECTIVITY INC.

SUMMARY STATEMENT OF CURRENT PERIOD EMPLOYEE BENEFITS, DEPRECIATION AND AMORTIZATION EXPENSES BY FUNCTION

FOR THE YEAR ENDED DECEMBER 31, 2024

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 12

	Year ended December 31, 2024			Year ended December 31, 2023		
	Classified as Operating Costs	Classified as Operating Expenses	Total	Classified as Operating Costs	Classified as Operating Expenses	Total
Employee benefit expense						
Wages and salaries	$ 46,680	$ 326,094	$ 372,774	$ 47,128	$ 236,620	$ 283,748
Labour and health insurance fees	2,709	20,177	22,886	2,491	19,018	21,509
Pension costs	1,326	9,475	10,801	1,125	8,694	9,819
Directors' emoluments	-	5,400	5,400	-	5,400	5,400
Other employee benefit expense	2,592	8,716	11,308	2,039	6,703	8,742
	$ 53,307	$ 369,862	$ 423,169	$ 52,783	$ 276,435	$ 329,218
Depreciation	$ 6,305	$ 36,990	$ 43,295	$ 6,876	$ 31,187	$ 38,063
Amortisation	$ 50	$ 5,613	$ 5,663	$ 20	$ 5,405	$ 5,425

Note:

1. As at December 31, 2024 and 2023, the average number of employees per quarter were 274 and 260, including 8 and 8 non-employee directors, respectively.
2. Average employee benefit expense for the years ended December 31, 2024 and 2023 were $1,571 and $1,285, respectively.
3. Average employee salaries for the years ended December 31, 2024 and 2023 were $1,401 and $1,126, respectively, and the adjustment of average employee salaries was 24.4%
4. The Company had no supervisors' remuneration for the years ended December 31, 2024 and 2023 as the Company has set up an audit committee.

JPC CONNECTIVITY INC.

SUMMARY STATEMENT OF CURRENT PERIOD EMPLOYEE BENEFITS, DEPRECIATION AND AMORTIZATION EXPENSES BY FUNCTION (Cont.)

FOR THE YEAR ENDED DECEMBER 31, 2024

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

STATEMENT 12

5. Salary and Compensation Policy:

(1) Directors and managers: The Company pays directors’ remuneration from earnings distribution in accordance with the Articles of Incorporation of the Company. The Company's remuneration committee regularly assesses and determines the directors' and managers' salaries and remuneration based on a comprehensive consideration of the Company's profitability, directors' and managers' education and work experience, performance, seniority and professional expertise and by reference to the general pay levels in the same industry. The directors' and mangers' salaries and remuneration are reviewed by the remuneration committee and approved by the directors.

(2) Employees: The Company determines the employees’ salaries based on the semi-annual employee performance evaluations, and each employee's position, education and work experience, seniority and work performance, and the salaries are adjusted in time to the market situation. Also, the Company offers good welfare, education and training, and enacts a set of work rules, covering recruitment, promotion and retirement, pursuant to the Labour Standards Act and related laws and regulations and approved by the Department of Labor, Taipei City Government. The Company has maintained a harmonious employer and employee relationship since the incorporation. In order for the harmonious employer and employee relationship to continue, all of the Company's management pays attention to the communication channels between employer and employees.