Pan-International Industrial Corp.

Parent Company Only Financial Statements and Auditors' Report

2024 and 2023

(Stock code 2328)

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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 difference in the interpretation between the two versions, the Chinese language auditors' report and financial statements shall prevail.

Pan-International Industrial Corp.

2024 and 2023 Parent Company Only Financial Statements and Auditors' Report

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Auditors' Report

(2025) Cai-Shen-Bao-Zi No. 24004935

To Pan-International Industrial Corp.

We have audited the Parent Company Only Balance Sheet of Pan-International Industrial Corp. of December 31, 2024 and 2023, and the Parent Company Only Comprehensive Income Statement, Parent Company Only Statement of Changes in Shareholders Equity, the Parent Company Only Statement of Cash Flows, and the Notes to Parent Company Only Financial Statements (including the summary of significant accounting policies) covering the period of January 1 to December 31, 2024 and 2023.

In our opinion, on the basis of the result of our audit and the audit reports presented by other accountants (please refer to additional information section), all the material items prepared in these separate parent company only financial statements are in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. Therefore, they are able to properly express the separate financial position of Pan-International Industrial Corp. as of December 31, 2024 and 2023, and the parent company only financial performance and parent company only cash flows from January 1 to December 31, 2024 and 2023.

We have conducted the audit according to the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Taiwan Standards on Auditing (TWSA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Parent Company Only Financial Statements. We are independent of Pan-International Industrial Corp. according to the CPA Code of Professional Ethics of the Republic of China, and we have fulfilled our other ethical responsibilities according to these requirements. On the basis of the result of our audit and the audit reports presented by other certified public accountants, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of 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 parent company only financial statements of the Company in 2024. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters in the 2024 Parent Company Only Financial Statements of the Company are specified below:

Assessment of the provision for valuation loss on inventory

Description

For information on the accounting policy of valuation of inventory, refer to Note 4 (13) of the Notes to Parent Company Only Financial Statements. The accounting estimate, and the uncertainty of assumption of the valuation of inventory is specified in Note 5 (2) of the Notes to Parent Company Only Financial Statements. The inventory items are specified in Note 6 (4) of the Notes to Parent Company Only Financial Statements. As of December 31, 2024, the balance of inventory and provision for valuation loss for Pan-International Industrial Corp. amounted to NT$536,817 thousand and NT$20,187 thousand, respectively. The balance of inventory and provision for evaluation loss as stated in the consolidated financial statements of the same date amounted to NT$3,968,919 thousand and NT$175,847 thousand, respectively.

The Company and its subsidiaries mainly produces and sells computer peripherals, automobile cable harness, industrial control and medical devices, among other related electronic products. Rapid changes in the technological environment allow for only a short life cycle of the inventory. In addition, the inventory is highly vulnerable to price fluctuations in the market. The result is devaluation due to falling prices of inventory, or the risk of phase out is higher. Pan-International Industrial Corp. and its subsidiaries measure the normal sale of inventory using the lower of the cost or the net realizable value. The above provision for the valuation of inventory loss is mainly based on obsolete items or damaged items of inventory. The net realizable value is based on the experience of handling obsolete items of inventory in the estimation. Because the amount of inventory of Pan-International Industrial Corp. and subsidiaries is significant and the inventory covers a great variety of items, it requires human judgment in sorting out the obsolete or damaged items from the inventory. This requires further judgment in the audit. We therefore listed the provision for valuation loss of inventory of Pan-International Industrial Corp. and its subsidiaries as a key audit matter.

The appropriate audit procedure

We have conducted the following audit procedures on the provision for valuation loss of obsolete or damaged inventory:

1. Assess to determine if the policies for recognizing the provision for valuation loss of inventory in the financial statement period is consistent and reasonable.
2. Examine if the logic of the system of the inventory aging table for the valuation of inventory used by the management is appropriate, in order to confirm that the information presented in the financial statements is congruent with the policies.
3. Assess to determine if the provision for valuation loss of inventory is reasonable on the basis of the discussion with the management on the valuation of the net realizable value of the obsolete and damaged items of inventory and the supporting documents obtained.

Other matters - Audits conducted by other certified public accountants

Some of the investee companies of Pan-International Industrial Corp. accounted for under the equity method were presented in the Parent Company Only Financial Statements. We did not audit the financial statements of these companies. These financial statements were audited by other certified public accountants, and we have made adjustments to these financial statements to make them consistent in accounting policy and conducted necessary examination procedures. Therefore, the opinions on the aforementioned parent company only financial statements regarding the amount presented in the aforementioned financial statements of these subsidiaries before adjustment were based on the Auditors' Report of other certified public accountants. The investment of the above companies accounted for under the investment by equity method amounted to NT$2,664,663 thousand and NT$2,325,240 thousand as of December 31, 2024 and 2023, which accounted for 16% and 14% of the parent company only total assets, respectively. The comprehensive income recognized by the aforementioned companies in the period of January 1 to December 31, 2024 and 2023, amounted to NT$339,894 thousand and NT$519,174 thousand, and accounted for 22% and 42% of the parent company only comprehensive incomes, respectively.

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

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the 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 free from materials misstatement, whether due to fraud or error.

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

Those charged with governance (including the Auditing Committee) are responsible for overseeing the financial reporting process of Pan-International Industrial Corp.

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

Our objectives are to obtain reasonable assurance whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance refers to a high degree of assurance, but the audit performed according to the TWSA cannot guarantee that material misrepresentations in standalone financial statements will be detected. Misstatements can arise from fraud or error. These 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.

The CPA has exercised professional judgment and skepticism when conducting audits under the TWSA. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of Pan-International Industrial Corp.
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 Pan-International Industrial Corp. and its ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company only financial

statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Pan-International Industrial Corp. 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 notes to the statements), 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 within Pan-International Industrial Corp. to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the separate audit, and we are responsible for forming an audit opinion on the parent company only financial statements.

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 Company in 2024 and therefore are 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.

PwC Taiwan

Jen-Chieh Wu

Independent Auditors

Chieh-Ju Hsu

Financial Supervisory Commission
Approval No.: Jin-Guan-Zheng-Shen-Zi No. 1120348565
Jin-Guan-Zheng-Shen-Zi No. 1100348083

March 11, 2025

Pan-International Industrial Corp.
Parent company only balance sheet
December 31, 2024 and 2023

Unit: NTD thousand

	Assets	Note	December 31, 2024 Amount		%	December 31, 2023 Amount		%
	Current assets							
1100	Cash and cash equivalents	6 (1)	$	1,362,662	8	$	1,718,409	11
1170	Net accounts receivable	6 (3)		787,010	5		869,419	5
1180	Accounts receivable - Related parties net	7		1,404,770	8		1,232,756	8
1200	Other receivables	7		60,533	-		77,265	-
130X	Inventory	6 (4)		516,630	3		311,085	2
1479	Other current assets -others			4,949	-		5,512	-
11XX	**Total current assets**			4,136,554	24		4,214,446	26
	Non-Current Assets							
1517	Financial assets measured at fair value through other comprehensive income - Non-current	6 (5)		776,341	5		1,081,031	7
1535	Financial assets measured at after-amortization cost - Non-current	6 (2)		290,000	2		290,000	2
1550	Investment by equity method	6 (6)		11,310,706	66		9,967,974	62
1600	Property, plant, and equipment	6 (7)		538,613	3		17,776	-
1760	Net investment property	6 (8)		33,490	-		33,710	-
1780	Intangible asset			727	-		405	-
1840	Deferred tax assets	6 (21)		9,292	-		14,391	-
1900	Other non-current assets	6 (9)(11)		31,124	-		498,920	3
15XX	**Total non-current assets**			12,990,293	76		11,904,207	74
1XXX	**Total assets**		$	17,126,847	100	$	16,118,653	100

(continued)

Pan-International Industrial Corp.
Parent company only balance sheet
December 31, 2024 and 2023

Unit: NTD thousand

	Liabilities and Equity	Note	December 31, 2024 Amount	%	December 31, 2023 Amount	%
	Current liability					
2130	Contractual liabilities - Current	6 (16)	$ 70,301	-	$ 104,883	1
2170	Accounts payable		585,558	4	584,794	4
2180	Accounts payable - Related parties	7	1,665,585	10	1,352,194	8
2200	Other payables	6 (10)	259,397	2	311,137	2
2230	Current tax liabilities	6 (21)	46,453	-	131,939	1
2399	Other current liabilities - Other		576	-	504	-
21XX	**Total current liabilities**		2,627,870	16	2,485,451	16
	Non-current liabilities					
2570	Deferred tax liabilities	6 (21)	214,541	1	221,419	1
2670	Other noncurrent liabilities - others		5,387	-	5,386	-
25XX	**Total non-current liabilities**		219,928	1	226,805	1
2XXX	**Total liabilities**		2,847,798	17	2,712,256	17
	interests					
	Share capital	6 (12)				
3110	Common share capital		5,183,462	30	5,183,462	32
	Capital surplus	6 (13)				
3200	Capital surplus		1,503,606	9	1,503,606	10
	Retained earnings	6 (14)				
3310	Legal reserve		1,526,876	9	1,401,022	9
3320	Special reserve		1,410,735	8	1,385,207	8
3350	Undistributed earnings		5,664,293	33	5,343,835	33
	Other equities	6 (15)				
3400	Other equities		(1,009,923)	(6)	(1,410,735)	(9)
3XXX	**Total equity**		14,279,049	83	13,406,397	83
	Significant Contingent Liabilities and Unrecognized Commitments	9				
	Significant Subsequent Events	11				
3X2X	**Total liabilities and equity**		$ 17,126,847	100	$ 16,118,653	100

The notes to parent company only financial statements attached constitute an integral part of the statements, please refer to them, too.

Chairman: Lee, Kuang-Yao Managerial Officers: Tsai, Ming-Feng Accounting supervisor: Tai, Chih-Hao

Pan-International Industrial Corp.
Parent company only Statements of Comprehensive Income
January 1 to December 31, 2024 and 2023

Unit: NTD thousand
(except in NTD for earnings per share)

	Item	Note	2024 Amount	2024 %	2023 Amount	2023 %
4000	Operating revenue	6 (16) and 7	$ 8,152,703	100	$ 9,259,899	100
5000	Operating cost	6 (4)(19) and 7	(7,594,339)	(93)	(8,543,854)	(92)
5900	Operating profit margin		558,364	7	716,045	8
	Operating expenses	6 (19)				
6100	Selling and marketing expenses		(66,676)	(1)	(66,736)	(1)
6200	General and administrative expenses		(123,011)	(1)	(79,059)	(1)
6300	Research and development expenses		(14,849)	-	(18,209)	-
6450	Anticipated credit impairment (loss) benefit	12 (2)	(89)	-	560	-
6000	Total operating expenses		(204,625)	(2)	(163,444)	(2)
6900	Operating profit		353,739	5	552,601	6
	Non-operating income and expense					
7100	Interest income		39,454	1	28,604	-
7010	Other income	6 (17)	6,852	-	8,390	-
7020	Other gains and losses	6 (18)	12,929	-	(1,104)	-
7050	Financial costs	6 (20)	(11)	-	(29,944)	-
7070	The proportion of income from subsidiaries, associates, and joint ventures accounted for under the equity method	6 (6)	761,226	9	848,166	9
7000	Total non-operating income and expenses		820,450	10	854,112	9
7900	**Net income before tax**		1,174,189	15	1,406,713	15
7950	Income tax expense	6 (21)	(137,517)	(2)	(150,003)	(2)
8200	**Net profit of the current period**		$ 1,036,672	13	$ 1,256,710	13
	Other comprehensive income (net)					
	Items that will not be reclassified subsequently to profit or loss					
8311	Remeasured value of defined benefit plan	6 (11)	$ 7,546	-	$ 2,034	-
8316	Unrealized evaluation profit and loss of equity instrument investment measured at fair value through other comprehensive income	6 (15)	6,374	-	222,827	3
8330	The other comprehensive income from subsidiaries, associates, and joint ventures accounted for under the equity method- items not reclassified as income	6 (22)	(60,749)	(1)	(71,452)	(1)
8349	Income tax related to items not reclassified	6 (21)	(1,509)	-	(407)	-
8310	Total of items not reclassified to profit or loss		(48,338)	(1)	153,002	2

The notes to parent company only financial statements attached constitute an integral part of the statements, please refer to them, too.

Chairman: Lee, Kuang-Yao Managerial Officers: Tsai, Ming-Feng Accounting supervisor: Tai, Chih-Hao

Pan-International Industrial Corp.
Parent company only Statements of Comprehensive Income
January 1 to December 31, 2024 and 2023

Unit: NTD thousand
(except in NTD for earnings per share)

	Items that may be reclassified subsequently to profit or loss:					
8361	Currency translation difference	6 (15)	558,168	7	(176,695)	(2)
8360	Total of items that may be reclassified subsequently to profit or loss:		558,168	7	(176,695)	(2)
8300	**Other comprehensive income (net)**		$ 509,830	6	($ 23,693)	-
8500	**Total comprehensive income in the current period**		$ 1,546,502	19	$ 1,233,017	13
	Earnings per share (EPS)	6 (23)				
9750	Basic earnings per share		$	2.00	$	2.42
9850	Diluted earnings per share		$	1.99	$	2.41

The notes to parent company only financial statements attached constitute an integral part of the statements, please refer to them, too.

Chairman: Lee, Kuang-Yao Managerial Officers: Tsai, Ming-Feng Accounting supervisor: Tai, Chih-Hao

Pan-International Industrial Corp.
Parent Company Only Statement of Changes in Shareholders Equity
January 1 to December 31, 2024 and 2023

Unit: NTD thousand

	Note		Capital surplus			Retained earnings			Other equities		
	Note	Common share capital	Capital reserve - Issuance premium	Capital reserve - Treasury share transaction	Capital reserve - difference between the price and face value from the acquisition or disposal of equity with subsidiaries.	Legal reserve	Special reserve	Undistributed earnings	Currency translation difference	Unrealized Gain (Loss) on Financial Assets at Fair Value through Other Comprehensive Income	Total Equity
2023											
January 1		$ 5,183,462	$ 1,402,318	$ 98,543	$ 2,745	$ 1,269,138	$ 1,072,435	$ 5,255,632	($ 965,367)	($ 419,841)	$ 12,899,065
Net profit of the current period		-	-	-	-	-	-	1,256,710	-	-	1,256,710
Other comprehensive income recognized for the period	6 (15)(22)	-	-	-	-	-	-	1,834	(176,695)	151,168	(23,693)
Total comprehensive income in the current period		-	-	-	-	-	-	1,258,544	(176,695)	151,168	1,233,017
Earnings distribution and provisions for 2022:	6 (14)										
Provision of legal reserve		-	-	-	-	131,884	-	(131,884)	-	-	-
Reversal of special reserve		-	-	-	-	-	312,772	(312,772)	-	-	-
Cash dividends		-	-	-	-	-	-	(725,685)	-	-	(725,685)
December 31		$ 5,183,462	$ 1,402,318	$ 98,543	$ 2,745	$ 1,401,022	$ 1,385,207	$ 5,343,835	($ 1,142,062)	($ 268,673)	$ 13,406,397
2024											
January 1		$ 5,183,462	$ 1,402,318	$ 98,543	$ 2,745	$ 1,401,022	$ 1,385,207	$ 5,343,835	($ 1,142,062)	($ 268,673)	$ 13,406,397
Net profit of the current period		-	-	-	-	-	-	1,036,672	-	-	1,036,672
Other comprehensive income recognized for the period	6 (15)(22)	-	-	-	-	-	-	7,535	558,168	(55,873)	509,830
Total comprehensive income in the current period		-	-	-	-	-	-	1,044,207	558,168	(55,873)	1,546,502
Earnings distribution and provisions for 2023:	6 (14)										
Provision of legal reserve		-	-	-	-	125,854	-	(125,854)	-	-	-
Provision of special reserve		-	-	-	-	-	25,528	(25,528)	-	-	-
Cash dividends		-	-	-	-	-	-	(673,850)	-	-	(673,850)
Equity instruments measured at fair value through other comprehensive income	6 (5)	-	-	-	-	-	-	101,483	-	(101,483)	-
December 31		$ 5,183,462	$ 1,402,318	$ 98,543	$ 2,745	$ 1,526,876	$ 1,410,735	$ 5,664,293	($ 583,894)	($ 426,029)	$ 14,279,049

The notes to parent company only financial statements attached constitute an integral part of the statements, please refer to them, too.

Chairman: Lee, Kuang-Yao Managerial Officers: Tsai, Ming-Feng Accounting supervisor: Tai, Chih-Hao

Pan-International Industrial Corp.
Parent company only Statement of Cash Flows
January 1 to December 31, 2024 and 2023

Unit: NTD thousand

	Note	January 1 to December 31, 2024	For the years ended December 31, 2023
Cash flows from operating activities			
Income before income tax		$ 1,174,189	$ 1,406,713
Adjustments			
income and expenses items			
Depreciation expenses and amortizations	6 (19)	3,192	510
Reversal of anticipated credit impairment loss)	12 (2)	89	(560)
Net benefits of financial assets and liabilities measured at fair value through the income	6 (18)	-	(8,991)
Interest expense	6 (20)	11	29,944
Interest income		(39,454)	(28,604)
The proportion of income from subsidiaries, associates, and joint ventures accounted for under the equity method	6 (6)	(761,226)	(848,166)
Changes in assets/liabilities related to operating activities			
Net change in assets related to operating activities			
Financial assets and liabilities measured at fair value through the income		-	8,991
Accounts receivable		82,420	137,170
Accounts receivable - Related parties		(172,115)	1,157,116
Inventory		(205,545)	96,108
Other receivables		8,926	(4,266)
Decrease of receivables from purchase of materials for a third party		9,886	3,370
Other current assets		563	(3,908)
Net change in liabilities related to operating activities			
Accounts payable		763	(155,663)
Accounts payable - Related parties		313,392	(524,032)
Other payables		(51,668)	2,597
Net defined benefit asset		(10,131)	-
Contractual liabilities		(34,582)	(43,224)
Cash inflow from operations		318,710	1,225,105
Income tax paid		(226,291)	(132,671)
Net cash inflow from operating activities		92,419	1,092,434
Cash flows from investing activities			
Increase in financial assets measured at after-amortization cost - non-current		-	(290,000)
Refund of capital investment in financial assets measured at fair value through other comprehensive income	6 (5)	68,968	37,424
Proceeds from disposal of financial assets measured at fair value through other comprehensive income	6 (5)	242,096	-
Refunds of shares due to capital decrease by the investee using the investment by equity method	6 (6)	92,501	1,712,760
Acquisition of investment by equity method		(176,587)	-
Purchase of property, plant and equipment	6 (7)(24)	(37,537)	-
Increase in intangible assets		(637)	(350)
Decrease (increase) in refundable deposits		90	(13,382)
Increase in other non-current assets		(573)	(400,753)
Interest received		37,374	26,671
Net cash inflow from investment activities		225,695	1,072,370
Cash flows from financing activities			
Decrease in short-term borrowings	6 (25)	-	(1,366,595)
Interest paid		(11)	(29,944)
Cash dividend payment	6 (14)	(673,850)	(725,685)
Net cash outflow from financing activities		(673,861)	(2,122,224)
Increase (decrease) in cash and cash equivalents in the current period		(355,747)	42,580
Cash and cash equivalents at the beginning of the period		1,718,409	1,675,829
Cash and cash equivalents at the end of the period		$ 1,362,662	$ 1,718,409

The notes to parent company only financial statements attached constitute an integral part of the statements, please refer to them, too.

Chairman: Lee, Kuang-Yao   Managerial Officers: Tsai, Ming-Feng   Accounting supervisor: Tai, Chih-Hao

Pan-International Industrial Corp.
Notes to Parent company only financial reports
2024 and 2023

Unit: NTD thousand
(unless otherwise noted)

I. Organization and operations

Pan-International Industrial Corp. (hereinafter referred to as the "Company") was incorporated in the Republic of China. The main operations of the Company are the development, manufacturing, and sales of electronic signal cables, connectors, connecting wires, precision molds, various plugs, sockets for telecommunication communication, wireless Bluetooth, PCB and other computer peripheral products, medical device related products, industrial control products, automotive cable harnesses, automotive components and accessories, smart in-vehicle equipment, and other products .

II. The Authorization of Financial Reports

The Parent Company Only Financial Statements have been passed by the Board on March 11, 2025, for announcement.

III. Application of Newly Released and Revised Standards and Interpretations

(I) The impact of adopting the new and revised International Financial Reporting Standards (IFRS) recognized and promulgated by the FSC

The following table sets forth the standards and interpretations for the new issues, amendments, and revisions of IFRS recognized and promulgated by the FSC for application in 2024:

New issued/amended/revised standards and interpretations	Effective date of the release of the International Accounting Standards Board
Amendment to IFRS 16 "Lease Liabilities for Sale and Leaseback"	January 1, 2024
Amendment to IAS 1 "Classification of current or non-current liabilities"	January 1, 2024
Amendment to IAS 1 "Non-current liabilities with contract terms and conditions"	January 1, 2024
Amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements"	January 1, 2024

The Company has assessed that the standards and interpretations above have no significant impact on the financial position and financial performance of the Company.

(II) Impact of not adopting the new and revised International Financial Reporting Standards approved by the FSC

The following table sets forth the standards and interpretations for the new issues, amendments, and revisions of International Financial Reporting Standards (IFRS) recognized by the FSC for application in 2025:

New issued/amended/revised standards and interpretations	Effective date of the release of the International Accounting Standards Board
Amendments to IAS No. 21 "Lack of Exchangeability"	January 1, 2025

The Company has assessed that the standards and interpretations above have no significant impact on the financial position and financial performance of the Company.

(III) Impact of International Financial Reporting Standards issued by the International Accounting Standards Board not yet approved by the FSC

The following table summarizes the newly issued, amended, and revised standards and interpretations of International Financial Reporting Standards issued by the IASB but not yet recognized by the FSC:

New issued/amended/revised standards and interpretations	Effective date of the release of the International Accounting Standards Board
Amendments to IFRS 9,, and IFRS 7 "classification and measurement amendments of financial instruments"	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Contracts for Nature-dependent Electricity”	January 1, 2026
Amendments to IFRS 10 and IAS 28 "Asset sales or investments between investors and their associated enterprises or joint ventures"	To be decided by IASB
IFRS 17 “Insurance contracts”	January 1, 2023
Amendment to IFRS 17 “Insurance contracts”	January 1, 2023
Amendment to IFRS 17 “Initial Application of IFRS 17 and IFRS 9 - Information Comparison”	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 - Volume 11	January 1, 2026

In addition to the following, the Group has assessed that the standards and interpretations above have no significant impact on the financial position and financial performance of the Group.

1. Amendments to IFRS 9 and IFRS 7 "classification and measurement amendments of financial instruments"

   After the amendment, only the fair value of the category of the equity instruments designated as at fair value through other comprehensive income or loss through an irrevocable election FVOCI）shall be disclosed. It is no longer necessary to disclose fair value information on a per-object basis. The amount of fair value gains and losses recognized in other comprehensive income during the reporting period should also be disclosed as the amount of fair value gains and losses related to investments derecognized during the reporting period and the amount of fair value gains and losses related to investments held at the end of the reporting period, respectively; and accumulated gains and losses on investments derecognized and transferred to equity during the reporting period.

2. IFRS 18 "Presentation and Disclosure in Financial Statements"

   IFRS No. 18 "Financial Statement Presentation and Disclosure" replaces IAS No. 1 and updates the structure of the comprehensive income statement, adds the disclosure of management performance measurement, and strengthens the application in the summary of the main financial statements and notes and segmentation.

IV. Summary of Significant Accounting Policies

The major accounting policies adopted in the preparation of the parent company only financial statements are as follows. Unless otherwise stated, these policies apply consistently throughout the reporting period.

(I) Statement of compliance

The parent company only financial statements were compiled in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

(II) Basis of preparation

1. The parent company only financial statements were compiled on the basis of historical cost except for the following important items:
   (1) Financial assets and liabilities (including derivatives) are measured at fair value through income.
   (2) Financial assets measured at fair value through other comprehensive income.
   (3) Defined benefit liabilities are recognized according to the net amount of retirement fund assets minus the present value of defined benefit obligations.
2. The preparation of financial reports in accordance with the International Financial Reporting Standards, International Accounting Standards, Interpretation and Interpretation Announcements (hereinafter referred to as IFRSs) recognized by the Financial Supervisory Commission requires the use of some important accounting estimates. In the application of the Company's accounting policies, the management also needs to use its judgment, involving items with high judgment or complexity, or major assumptions and estimates involving parent company only financial statements. Please refer to note 5 for details.

(III) Foreign exchange conversion

1. The parent company only financial statements were presented in the functional currency of the Company, which is "NTD".
2. Foreign currency transactions and balances
   (1) Foreign currency transactions are converted into the functional currency at the spot exchange rate on the transaction date or measurement date, and the conversion difference arising from the conversion of such transactions is recognized as current profit and loss.
   (2) The balance of foreign currency monetary assets and liabilities shall be evaluated and adjusted at the spot exchange rate on the balance sheet date, and the conversion difference arising from the adjustment shall be recognized as the current profit and loss.
   (3) The balance of foreign currency non-monetary assets and liabilities measured at fair value through income shall be evaluated and adjusted according to the spot exchange rate on the balance sheet date, and the exchange difference arising from the adjustment shall be recognized as the current profit and loss; if the balance is measured at fair value through other comprehensive income, it shall be evaluated and adjusted according to the spot exchange rate on the balance sheet date, and the exchange difference arising from the adjustment shall be recognized in others comprehensive income; if it is not measured by fair value, it is measured according to the historical exchange rate on the initial trading day.
   (4) All exchange gains and losses are reported in "other gains and losses" in the income statement.
3. Conversion of foreign operations
   (1) For all group individuals and affiliated enterprises whose functional currency is different from the presentation currency, their operating results and financial status shall be converted into the presentation currency in the following ways:

A. Assets and liabilities expressed on each balance sheet are converted at the closing exchange rate on that balance sheet date;

B. The income and expense losses expressed in each consolidated income statement are converted at the current average exchange rate; and

C. All exchange differences arising from the conversion are recognized in other comprehensive income.

(2) When the foreign operation which is partially disposed of or sold is a subsidiary, the accumulated exchange difference recognized in other comprehensive income is returned to the non-controlling interest of the foreign operation on a pro-rata basis. If the Company still has the equity of the former subsidiaries in part but lost the control of the foreign operations, it should be treated as the disposal of the equity of the foreign operations in whole.

(3) Goodwill and fair value adjustments arising from the acquisition of a foreign individual entity are treated as assets and liabilities of the foreign individual entity and are converted at the exchange rate at the end of the period.

(IV) Classification criteria for current and non-current assets and liabilities

1. Assets that meet one of the following conditions are classified as current assets:

(1) The asset is expected to be realized in the normal business cycle or intended to be sold or consumed.

(2) Held mainly for trading purposes.

(3) Expected to be realized within 12 months after the balance sheet date.

(4) Cash or cash equivalents, except for those to be exchanged or used to settle liabilities in at least 12 months after the balance sheet date.

The Company classified all the assets not conforming to the above conditions as noncurrent assets.

2. Liabilities that meet one of the following conditions are classified as current liabilities:

(1) Those that are expected to be settled in the normal business cycle.

(2) Held mainly for trading purposes.

(3) Expected to be settled within 12 months after the balance sheet date.

(4) Those without the right to defer the settlement of liabilities for at least 12 months after the reporting period.

The Company classified all the liabilities not conforming to the above conditions as noncurrent assets.

(V) Cash equivalents

Cash equivalents refer to short-term and highly liquid investments that can be converted into a fixed amount of cash at any time with little risk of change in value. Time deposits that meet the definition above and are held to meet short-term cash commitments in operation are classified as cash equivalents.

(VI) Financial assets at FVTPL

1. Financial assets that are not measured at amortized cost or at fair value through other comprehensive income.

2. The Company adopts transaction day accounting for financial assets measured at fair value through income in compliance with trading practices.

3. The Company measures their fair value at the time of initial recognition, and the relevant transaction costs are recognized in profit or loss; subsequently, they are measured at fair value, and the profit or loss is recognized in profit or loss.

4. If the right to dividend has been determined, economic benefits related to the dividend may flow in, and when the amount of dividend can be measured with reliability, the Company recognizes dividend income in profit and loss.

(VII) <u>Financial assets at FVTOCI</u>

1. Refers to an irrevocable choice at the time of initial recognition to report changes in the fair value of equity instrument investments that are not held for trading in other comprehensive income; or debt instrument investments that meet the following conditions at the same time:

   (1) The financial asset is held under the business model to collect contractual cash flow and for sale.

   (2) The cash flow generated on a specific date from the contractual terms of the financial assets is entirely the interest in the payment of the principal and the outstanding principal amount.

2. The Company adopts transaction day accounting for financial assets measured at fair value through other comprehensive income in accordance with trading practices.

3. At initial recognition, the Company measured at fair value plus the cost of transactions, and measured at fair value in subsequent recognition:

   (1) Changes in the fair value of equity instruments are recognized in other comprehensive income. At the time of derecognition, the accumulated profits or losses previously recognized in other comprehensive income shall not be reclassified to profit or loss but transferred to retained earnings. If the right to dividend has been determined, economic benefits related to the dividend may flow in, and when the amount of dividend can be measured with reliability, the Company recognizes dividend income in profit and loss.

   (2) Changes in the fair value of debt instruments are recognized in other comprehensive income, and the impairment loss, interest income, and foreign currency exchange gain or loss before derecognition are recognized in profit or loss. At the time of derecognition, the accumulated gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss.

(VIII) <u>Financial assets measured at after-amortization cost</u>

1. Refers to those who meet the following conditions at the same time:

   (1) Holding the financial asset under the business model to collect the contractual cash flow.

   (2) The cash flow generated on a specific date from the contractual terms of the financial assets is entirely the interest in the payment of the principal and the outstanding principal amount.

2. The Company adopts transaction day accounting for financial assets measured at after-amortization cost in accordance with trading practices.

3. The Company measures its fair value plus transaction cost at the time of original recognition. Subsequently, the effective interest method is adopted to recognize interest income and impairment loss in the current period according to the amortization procedure, and the profit

or loss is recognized in profit and loss at the time of derecognition.

4. Due to the short holding period, the fixed deposits held by the Company that do not conform to cash equivalents have an insignificant discount effect and are therefore measured by the investment amount.

(IX) Accounts and notes receivable

1. Refer to accounts and notes which, according to the contract, have the unconditional right to receive the amount of consideration obtained from the transfer of goods or services.

2. For short-term accounts receivable and notes receivable without interest payment, the effect of discount is marginal, therefore the Company measures at the initial invoice amount.

(X) Impairment of financial assets

On each balance sheet date, the Company takes into account all reasonable and verifiable information (including forward-looking) for financial assets measured at amortized cost. If the credit risk does not increase significantly after the original recognition, the loss allowance is measured at 12 months expected credit loss; if the credit risk has increased significantly since the original recognition, the loss allowance is measured according to the expected credit loss amount during the duration; for accounts receivable that do not contain significant financial components or contract assets, the loss allowance is measured according to the expected credit loss amount in the period.

(XI) Derecognition of financial assets

When the Company’s contractual right to receive cash flows from financial assets lapses, the financial assets will be derecognized.

(XII) Lessor’s lease transaction - Operating lease

Lease income from operating leases, after deducting any incentives given to the lessee, is amortized and recognized as current income on a straight-line method during the lease period.

(XIII) Inventory

Inventories are measured by the lower of cost and net realizable value, and the cost is determined by the weighted average method. The cost of finished products and work-in-progress includes raw materials, direct labor, other direct costs, and production-related manufacturing expenses (allocated according to normal production capacity), but does not include borrowing costs. When comparing whether the cost or the net realizable value is lower, the item-by-item comparison method is adopted. The net realizable value refers to the balance of the estimated selling price in the normal business process after subtracting the estimated cost that must be invested before completion and the estimated costs necessary to make the sale.

(XIV) Investment by equity method/Subsidiaries and associates

1. Subsidiaries refer to individual entities (including structured individual entities) controlled by the Company. When the Company is exposed to or entitled to variable remuneration from participation in an individual entity, and can influence such remuneration through the power over the individual entity, the Company controls such an individual entity.

2. The unrealized income derived from the transactions between the Company and subsidiaries has been eliminated. Necessary changes in the accounting policies of the subsidiaries have been made for consistency with the accounting policies of the Company.

3. The share of income after the acquisition of the subsidiary by the Company is recognized

as income in the current period. Other comprehensive income after the acquisition of the subsidiary is recognized as other comprehensive income. If the share of loss of the subsidiary recognized by the Company is greater than or equal to the equity of the subsidiary, the Company shall continue to recognize for loss in proportion to the holding of shares.

4. If the changes in the proportion of shareholding over the subsidiary do not result in the loss of control (transactions with non-controlling interests), it is processed as equity transaction and seen as transactions among owners. The difference between the adjustment amount of a non-controlling interest and the fair value of the consideration paid or received is directly recognized under equity.
5. Associates are entities over which the Company has significant influence but no control. In general, these are the entities where the Company directly or indirectly holds more than 20% of their shares with voting rights. The Company's investment in associates is treated with the equity method and recognized at cost when acquired.
6. The share of income after the acquisition of the associate by the Company shall be recognized as income in the current period. Other comprehensive income after the acquisition is recognized as other comprehensive income. If the share of loss from any of the associates of the Company is greater than or equal to the equity of the associate (including any other unsecured receivables), the Company will not recognize for further loss unless the Company has legal obligations, presumed obligations or has paid for the loss.
7. When there is a change in equity from a related company that is not profit or loss or other comprehensive profit or loss and does not affect the shareholding ratio of the related company, the Company shall recognize the change in ownership as a "capital reserve" based on the shareholding ratio.
8. The unrealized profit and loss from the transactions between the Company and associates shall be written off in proportion to the equity of the associate held by the Company; unless there is evidence indicating the assets transferred in the transaction have been impaired, the unrealized loss shall also be written off. Necessary changes in the accounting policies of the associates have been made for consistency with the accounting policies of the Company.
9. If the Company loses significant influence over an associate when disposing of it, the full amount related to the associate previously recognized as other comprehensive income shall be treated the same as the direct disposal of related assets or liabilities in accounting. In other words, the Company shall reclassify the disposed assets or liabilities as income or loss previously recognized as profit or loss under other comprehensive income. When losing significant influence over the associate, the profit or loss shall be reclassified as income from equity. If the Company still has a significant influence on the affiliated enterprise, the amount previously recognized in other comprehensive income shall be transferred out in the above manner only in proportion.
10. According to the Regulations Governing the Preparation of Financial Reports by Securities Issuers, the income and other comprehensive income presented in the parent company only financial statements of the current period shall be identical with the share of income and other comprehensive income attributable to the parent company as presented in the separate financial statements of the current period. Likewise, the shareholders equity presented in the parent company only financial statements shall be the same as the shareholders equity attributable to the parent company presented in the

separate financial statements.

(XV) Property, plant, and equipment

1. Property, plant and equipment are accounted for at the acquisition cost.
2. Subsequent cost could be included as asset in the book value of assets or recognized as an independent asset only when the future economic benefit related to the cost of the item will likely flow into the Company in the future and the cost of the item can be reliably measured. The book value of the reset part should be derecognized. All other maintenance costs are recognized in current profit or loss when incurred.
3. For property, plant and equipment, the cost model is adopted for the subsequent measurement. Except that land is not depreciated, the depreciation is calculated by the straight-line method according to the estimated service life. If the components of property, plant and equipment are significant, they are separately depreciated.
4. The Company reviews the residual value, service life, and depreciation method of each asset at the end of each fiscal year. If the expected value of the residual value or service life is different from the previous estimate, or the expected consumption pattern of the future economic benefits contained in the asset has changed significantly, then from the date of the change, it shall be handled in accordance with the provisions of the International Accounting Standard No. 8 "Accounting Policies, Changes and Errors in Accounting Estimates." The service life of each asset is as follows:

Buildings	15 ~ 51 years
Equipment	3 ~ 9 years
Others	1 ~ 6 years

(XVI) Investment property

Investment property is recognized at the acquisition cost, and the cost model is adopted for the subsequent measurement. Except for land, depreciation is made on a straight-line method based on the estimated service life, and the service life is 15–51 years.

(XVII) Impairment of non-financial assets

The Company estimates the recoverable amount of assets with signs of impairment on the balance sheet date. When the recoverable amount is lower than its book value, the impairment loss is recognized. The recoverable amount refers to the fair value of an asset minus disposal cost or its right-of-use value, whichever is higher.

(XVIII) Borrowings

Refers to short-term borrowings from a bank. The Company measures their fair value minus transaction costs at the time of initial recognition, and subsequently, for any difference between the price after deducting transaction costs and the redemption value, the effective interest method is used to recognize interest expenses in profit and loss during the outstanding period according to the amortization procedure.

(XIX) Accounts and notes payable

1. Refers to debts arising from the purchase of raw materials, commodities, or labor services on credit and notes payable due to business and non-business reasons.
2. For short-term accounts and notes payable that belong to unpaid interest, as the discounting effect is insignificant, the Company uses the original invoice amount to measure the value.

(XX) Derecognition of financial liabilities

The Company will derecognize financial liabilities if the contractual obligation has been performed, canceled or expired.

(XXI) The offset of financial assets and liabilities

When there is a legally enforceable right to offset the recognized amount of financial assets and liabilities, and the intention is to settle on a net basis or to realize assets and settle liabilities at the same time, the financial assets and financial liabilities can offset each other and be expressed in the net amount on the balance sheet.

(XXII) Employee welfare

1. Short-term employee benefits

   Short-term employee benefits are measured by the non-discounted amount expected to be paid and recognized as expenses when the related services are provided.

2. Pension

   (1) Defined allocation plan
   For a defined allocation plan, the amount of pension funds to be allocated is recognized as the current pension cost on an accrual basis. Advance allocations are recognized as assets to the extent that cash is refundable or future payments are reduced.

   (2) Defined benefit plan

   A. The net obligation under a defined benefit plan is calculated by discounting the future benefit amount earned by the employee in the current or past service, and the fair value of the plan asset is deducted from the present value of the defined benefit obligation on the balance sheet date. The net obligation of defined benefits is calculated annually by an actuary using the projected unit benefit method. The discount rate is determined by reference to the market yield of high-quality corporate bonds that are consistent with the currency and period of the defined benefit plan on the balance sheet date; in countries where there is no deep market for high-quality corporate bonds, the market yield of government bonds (on the balance sheet date) is used.

   B. The remeasured amount arising from a defined benefit plan is recognized in other comprehensive income in the period in which it occurs and is expressed in retained earnings.

   C. Expenses related to cost of service of the previous period shall be recognized as profit or loss at once.

3. Employee remuneration and director’s remuneration

   Employee remuneration and director's remuneration are recognized as expenses and liabilities when they have legal or constructive obligations and the amount can be reasonably estimated. If there is any difference between the actual distribution amount and the estimated amount, it shall be treated as the change of accounting estimate.

(XXIII) Income tax

1. Income tax expense includes current and deferred income tax. Income tax is recognized in profit or loss, except for income tax related to items included respectively in other comprehensive income or directly included in equity.

2. The Company calculates the income tax in the current period on the basis of the tax

rate already legislated or actually in force in the country of operation or where payable tax is realized as of the balance sheet day. The management assesses the status of income tax returns regularly concerning the applicable income tax laws and regulations, and, where applicable, assesses income tax liabilities based on the amount of tax expected to be paid to the tax authorities. Undistributed earnings are subject to income tax in accordance with the income tax law, and the income tax expense of undistributed earnings shall be recognized in accordance with the actual distribution of earnings in the year following the year in which the earnings are generated after the earnings distribution proposal is passed by the shareholders' meeting.

3. Deferred income tax is recognized according to the temporary difference between the tax base of assets and liabilities and their book value in the parent company only balance sheet by using the balance sheet method. Deferred income tax liabilities arising from originally recognized goodwill are not recognized. If the deferred income tax comes from the originally recognized assets or liabilities in a transaction (excluding business merger), and the accounting profit or tax income (tax loss) is not affected at the time of the transaction nor does it generate a equal taxable and deductible temporary difference, then it is not recognized. If there is a temporary difference arising from the investment in subsidiaries and associates, the Company may control the time point for the reversal of the temporary difference, and does not recognize the temporary difference if it could not be reversed in the foreseeable future. Deferred income tax is subject to the tax rate (and tax law) that has been enacted or substantively enacted on the balance sheet date and is expected to apply when the relevant deferred income tax assets are realized or the deferred income tax liabilities are settled.
4. Deferred income tax assets are recognized to the extent that the temporary differences are likely to be used to offset future taxable income, and the unrecognized and recognized deferred income tax assets are reassessed on each balance sheet date.
5. The current income tax assets and current income tax liabilities can be offset when there is a legal enforcement right to offset the recognized current income tax assets and liabilities and there is an intention to pay off on a net basis or to realize assets and liabilities at the same time. When there is a legal enforcement right to offset the current income tax assets and current income tax liabilities, and the deferred income tax assets and liabilities are generated by the same taxpayer, or different taxpayers of the same tax authority and each entity intends to pay off the assets and liabilities on a net basis or realize the assets and settle the liabilities at the same time, then the deferred income tax assets and liabilities can be offset against each other.
6. The portion of unused income tax deduction for deferred use generated from the procurement of equipment or technology, R&D spending and investment in equity shall be recognized as deferred income tax assets within the scope of using unused income tax deduction for taxation with a high probability in the future.

(XXIV) Share capital

Common shares are classified as equity. Incremental costs directly attributable to the issuance of new shares or share options, net of income tax, are recognized in equity as a deduction of the consideration.

(XXV) Dividend distribution

Dividends distributed to the Company's shareholders are recognized in the financial reports when the Company's shareholders' meeting decides to distribute such dividends.

Cash dividends are recognized as liabilities, and stock dividends are recognized as stock dividends to be distributed and transferred to common shares on the base date of issuing new shares.

(XXVI) Revenue recognition

1. The Company manufactures and sells electronic components. Revenue from sales is recognized when the control of the product is transferred to the customer, which is when the product is delivered to the buyer. The buyer has discretion over the price of the product, and the Company has no outstanding performance obligation that may affect the customer's acceptance of the product. When the product is delivered to the designated place, the risk of obsolescence and loss has been transferred to the customer, and the customer accepts the product according to the sales contract, or if there is objective evidence to prove that all acceptance criteria have been met. Accounts receivable are recognized when the goods are delivered to the customer. After that, the Company has unconditional rights to the contract price, and the consideration can be collected from the customer after a certain period of time.
2. The terms of payment for sale transactions are usually due 30 to 120 days after the date of shipment. Since the time interval between the transfer of the promised goods or services to the customer and the customer‘s payment does not exceed one year, the Company has not adjusted the transaction price to reflect the time value of the currency.

V. Major Sources of Uncertainty in Significant Accounting Judgments, Estimates, and Assumptions

When the Company prepares the parent company only financial statements, the management has used its judgment to determine the adopted accounting policies and has made accounting estimates and assumptions based on the reasonable expectations of future events based on the situation on the balance sheet date. Significant accounting estimates and assumptions made may differ from the actual results. Historical experience and other factors will be considered for continuous evaluation and adjustment. These estimates and assumptions contain risk that may result in significant adjustments to the book values of assets and liabilities in the next fiscal year. Please see below for a detailed description of the uncertainties of significant accounting judgments, estimates, and assumptions:

(I) Important judgment on the adoption of accounting policies

Recognition of gross or net income

According to the type of transaction and its economic essence, the Company determines whether the nature of its commitment to customers is the performance obligation of providing specific goods or services by itself (i.e. the Company is the principal), or is the performance obligation of another party providing such goods or services (i.e. the Company is the agent). When the Company controls a particular product or service before transferring it to a customer, the Company acts as the principal and recognizes the total amount of consideration that it is expected to be entitled to receive for the transfer of the particular product or service as income. If the Company does not control the specific product or service before transferring it to customers, the Company acts as an agent to arrange for another party to provide the particular product or service to customers, and any fee or commission that the Group is entitled to receive via this arrangement is recognized as income.

The Company determines whether it controls a particular product or service before it is transferred to a customer based on the following indicators:

1. Being responsible for fulfilling the promise of providing a particular product or service.
2. Bearing the inventory risk before transferring the particular product or service to the customer,

or bearing the inventory risk after transferring the control.

3. Having the discretion to fix the price of a particular product or service.

(II) Important accounting estimates and assumptions

Inventory evaluation

Since inventory must be priced at the lower of the cost and net realizable value, the Company must use judgment and estimation to determine the net realizable value of inventory on the balance sheet date. Due to rapid changes in technology, the Company assesses the amount of inventory on the balance sheet due to normal wear and tear, obsolescence, or lack of market sales value, and writes off the cost of inventory to net realizable value. This inventory evaluation is mainly based on the estimated product demand in a specific period in the future, so significant changes may occur. Please refer to Note 12 (4) for the carrying amount of the Group's inventory as of December 31, 2024.

VI. Note to important account items

(I) Cash and cash equivalents

	December 31, 2024	December 31, 2023
Cash on hand and working capital	$ -	$ 80
Time deposit	222,662	635,319
Time deposit	1,040,000	502,733
Cash equivalents - Bond repos	100,000	580,277
	$ 1,362,662	$ 1,718,409

The credit quality of the financial institutions with which the Company interacts is good, and the Company interacts with several financial institutions to diversify credit risks. The probability of default is expected to be very low.

(II) Financial assets measured at after-amortization cost

Item	December 31, 2024	December 31, 2023
Non-current items:		
Ordinary corporate bonds	$ 290,000	$ 290,000

1. The details of financial assets measured at amortized cost recognized in profit or loss are as follows:

	2023	2023
Interest income	$ 11,747	$ 1,933

2. The counterparties of the Company are financial institutions with good credit quality, and the possibility of default is expected to be very

low.

3. Please refer to Note 12 (2) for the credit risk information of financial assets measured at amortized cost.

(III) Accounts receivable

	December 31, 2024	December 31, 2023
Accounts receivable	$ 787,348	$ 869,769
Less: Allowance for impairment loss	(338)	(350)
	$ 787,010	$ 869,419

1. The balance of accounts receivable on December 31, 2024 and 2023 are generated from customer contracts. As of January 1, 2023, the balance of accounts receivable from customer contracts amounted to NT$1,006,938.
2. Without considering the collateral held or other credit enhancements, the exposure amount that best represents the Company's accounts receivable as of December 31, 2024 and 2023, with the largest credit risk being the book value of each type of accounts receivable.
3. The Company does not hold any collateral.
4. Please refer to Note 12(2) for details of relevant credit risk information.

(IV) Inventory

	December 31, 2024					
	Cost		Allowance for valuation losses		Carrying amount	
Raw materials	$	16,403	($	3,294)	$	13,109
Finished products		520,414	(	16,893)		503,521
	$	536,817	($	20,187)	$	516,630

	December 31, 2023					
	Cost		Allowance for valuation losses		Carrying amount	
Raw materials	$	9,434	($	1,008)	$	8,426
Finished products		305,632	(	2,973)		302,659
	$	315,066	($	3,981)	$	311,085

Cost of inventory recognized by the Company as expense losses in current period:

	2024		2023	
Cost of inventory sold	$	7,578,133	$	8,596,207
Inventory valuation loss (rebound profit)	(	16,206)	(	52,353)
	$	7,594,339	$	8,543,854

Because the Company got rid off part of the inventory of which the net realizable value fell below the cost in 2023, the net realizable value of inventory rebounded.

(V) Financial assets measured at fair value through other comprehensive income - Non-current

Item	December 31, 2023		December 31, 2023	
Non-current items:				
Equity instruments				
Listed and OTC stocks	$	711,425	$	1,016,823
Non-public offering company stocks		64,916		64,208
Total	$	766,341	$	1,081,031

1. The Company has elected to classify its strategic equity investments as financial assets at fair value through other comprehensive profit or loss.
2. The Company has recognized the changes in fair values as other comprehensive income in

2024 and 2023, and the detail is specified in Note 6(15), other equities.

3. The Company did not pledge any of the financial assets measured at fair value through other comprehensive income on December 31, 2024 and 2023.

4.From January 1 to December 31, 2024, due to working capital requirements, the Company sold shares of listed companies with a fair value of $242,096, and the cumulative disposal gain (accounted for in unappropriated earnings) was $101,483. From January 1 to December 31, 2024, no shares of the listed company were sold.

5. The shares of a listed company held by the Company were refunded due to capital decrease in 2024 and 2023, with the amounts of NT$68,968 and NT$37,424, respectively.

(VI) Investment by equity method

	December 31, 2024	December 31, 2023
Pan Global Holding Co., Ltd. (PGH)	$ 10,759,602	$ 9,565,251
PAN-INTERNATIONAL ELECTRONICS INC.(PIU)	268,4711	233,711
PAN-INTERNATIONAL ELECTRONICS (Thailand) Co. Ltd. (PIT)	180,989	-
Yann-Yang Investments Corp. (Yann-Yang)	101,644	169,012
	$ 11,310,706	$ 9,967,974

1. The Company's share of profit or loss of the subsidiaries accounted for using the equity method in 2024 and 2023 is as follows:

	2024	2023
Pan Global Holding Co., Ltd. (PGH)	$ 820,009	$ 875,838
PAN-INTERNATIONAL ELECTRONICS INC.(PIU)	18,538	10,856
PAN-INTERNATIONAL ELECTRONICS (Thailand) Co. Ltd. (PIT)	(7,110)	-
Yann-Yang Investments Corp. (Yann-Yang)	(70,211)	(38,528)
	$ 761,226	$ 848,166

2. In 2024, the Company subscribed to 4,090,900 newly issued shares of Pan-International Electronics (Thailand) Co. Ltd. (PIT) at a price of 50 Thai Baht per share, acquiring a 45% equity stake.
3. In 2023, the Company's subsidiary, Pan Global Holding Co., Ltd. (PGH), conducted a cash capital reduction, resulting in a cash refund of $1,712,760.
4. In 2024, the Company received cash dividends from equity method investments of $92,501. There were no cash dividends received from equity method investments in 2023.
5. For information on the subsidiaries of the Company, refer to Note 4 (3) of the 2024 consolidated financial statements of the Company.
6. 3. The income in investment accounted under equity method entitled by the Company was recognized based on the evaluation of the audited financial statements of these subsidiaries covering the same period.

(VII) Property, plant, and equipment

	Land	Buildings	Equipment	Others	Unfinished construction and equipment to be accepted	Total
January 1, 2024						
Cost	$ 17,567	$ 15,943	$ 173,515	$ 19,702	$ -	$ 226,727
Cumulative depreciation	-	(15,943)	(173,448)	(19,418)	-	(208,951)
	$ 17,567	$ -	$ -	$ 209	$ -	$ 17,776
2024						
January 1	$ 17,567	$ -	$ -	$ 209	$ -	$ 17,776
Addition	-	-	-	1,448	36,529	37,977
Transfer	334,349	141,168	-	-	-	485,517
Depreciation expenses	-	(2,588)	-	(69)	-	(2,657)
December 31	$ 361,916	$ 138,580	$ -	$ 1,588	$ 36,529	$ 538,613
December 31, 2024						
Cost	$ 361,916	$ 157,111	$ 173,515	$ 21,150	$ 36,529	$ 750,221
Cumulative depreciation	-	(18,531)	(173,515)	(19,562)	-	(211,608)
	$ 361,916	$ 138,580	$ -	$ 1,588	$ 36,529	$ 538,613

	Land	Buildings	Equipment	Others	Total
January 1, 2023					
Cost	$ 17,567	$ 15,943	$ 173,515	$ 19,702	$ 226,727
Cumulative depreciation	-	(15,943)	(173,448)	(19,418)	(208,809)
	$ 17,567	$ -	$ 67	$ 284	$ 17,918
2023					
January 1	$ 17,567	$ -	$ 67	$ 284	$ 17,918
Depreciation expenses	-	-	(67)	(75)	(142)
December 31	$ 17,567	$ -	$ -	$ 209	$ 17,776
December 31, 2023					
Cost	$ 17,567	$ 15,943	$ 173,515	$ 19,702	$ 226,727
Cumulative depreciation	-	(15,943)	(173,515)	(19,493)	(208,951)
	$ 17,567	$ -	$ -	$ 209	$ 17,776

On November 30, 2021, the Company's board of directors resolved to purchase pre-sale factory and office buildings, and it would be transferred from prepayment for land and building (presented as other non-current assets) to land and buildings in the state available for use in the first quarter of 2024.

(VIII) Investment property

	Land		Buildings		Total	
January 1, 2024						
Cost	$	32,413	$	43,647	$	76,060
Cumulative depreciation and impairment		-	(	42,350)	(	42,350)
	$	32,413	$	1,297	$	33,710
2024						
January 1	$	32,413	$	1,297	$	33,710
Depreciation expenses		-	(	220)	(	220)
December 31	$	32,413	$	1,077	$	33,490
December 31, 2024						
Cost	$	32,413	$	43,647	$	76,060
Cumulative depreciation and impairment		-	(	42,570)	(	42,570)
	$	32,413	$	1,077	$	33,490

	Land		Buildings		Total	
January 1, 2023						
Cost	$	32,413	$	43,647	$	76,060
Cumulative depreciation and impairment		-	(	42,129)	(	42,129)
	$	32,413	$	1,518	$	33,931
2023						
January 1	$	32,413	$	1,518	$	3,931
Depreciation expenses		-	(	221)	(	221)
December 31	$	32,413	$	1,297	$	33,710
December 31, 2023						
Cost	$	32,413	$	43,647	$	76,060
Cumulative depreciation and impairment		-	(	42,350)	(	42,350)
	$	32,413	$	1,297	$	33,710

1. Rental income and direct operating expenses of investment property:

	2024	2023
Rental income of investment property	$ 5,144	$ 5,524
Direct operating expenses of investment property that generates rental income in the current period	($ 220)	($ 221)

2. The fair value of the investment property held by the Company on December 31, 2024 and 2023, amounted to $227,886 and $217,002, respectively, which was obtained from the evaluation from public information announced by the government. The result indicated Level 3 fair value.

(IX) Other non-current assets

	December 31, 2024	December 31, 2023

Refundable deposits	$ 13,392	$ 13,482
Prepayments for building and land	-	477,837
Others	17,732	7,601
	$ 31,124	$ 498,920

For the Company’s prepayments for building and land, please refer to Note 6(7).

(X) Other payables

	December 31, 2024	December 31, 2023
Salary, bonus, and employee remuneration payable	$ 165,414	$ 147,800
Others	93,983	163,337
	$ 259,397	$ 311,137

(XI) Pension

1. Measures for defined retirement benefits

(1) The Company has instituted measures for defined benefit retirement in accordance with the provisions of the “Labor Standards Act”, which apply to the seniority of service of formal employees prior to the enactment of the “Labor Pension Act” on July 1, 2005, and to the seniority of service for employees who choose to continue to adopt the seniority of service defined by the Labor Standards Act after the enactment of the “Labor Pension Act”. If an employee is eligible for retirement, the pension payment shall be based on the service years and the average monthly salary of the six months before retirement. Two base numbers shall be given for each full year of service within 15 years (inclusive), and one base number shall be given for each full year of service over 15 years, but the cumulative maximum is 45 base numbers. The Company appropriates 6% of the total salary to the retirement fund every month which is deposited with the Trust Department of the Bank of Taiwan in the name of the Labor Pension Fund Supervisory Committee. In addition, before the end of each year, the Company estimates the balance of the labor retirement reserve account mentioned in the above. If the balance is insufficient to pay the pension amount of the workers who meet the retirement conditions estimated in the next year according to the above calculation, the Company will provide funding to make up of the shortage before the end of March in the following year. paragraph.

(2) The amount recognized at the balance sheet is specified below:

	December 31, 2024	December 31, 2023
Present value of defined benefit obligation	$ 44,784	$ 56,030
Fair value of plan assets	(62,516)	(63,631)
Net defined benefit liabilities "Other non-current assets” listed in the table	$ 17,732	$ 7,601

(3) Changes in net defined benefit (assets) liabilities are as follows:

	Present value of defined benefit obligation	Fair value of plan assets	Net defined benefit liabilities
2024			
Balance on January 1	$ 56,030	$ 63,631	($ 7,601)
Cost of service in current period	299	-	299
Interest expense (income)	625	719	(94)
	56,954	64,350	(7,396)
Remeasurement:			
Return on plan assets (Note)	-	6,500	(6,500)
Impact of demographic assumption changes	(4)	-	(4)
Effect of the change in financial assumption	(994)	-	(994)
Experience adjustment	(48)	-	(48)
	(1,046)	6, 500	(7,546)
Appropriation of pension reserve	-	1,649	(1,649)
Payment of pension	(11,124)	(9,983)	(1,141)
Balance on December 31	$ 44,784	$ 62,516	($ 17,732)

(Note) This does not include the amount contained in interest income or expense

	Present value of defined benefit obligation	Fair value of plan assets	Net defined benefit liabilities
2023			
Balance on January 1	$ 74,650	$ 76,877	($ 2,227)
Cost of service in current period	464	-	464
Interest expense (income)	854	890	(36)
	75,968	77,767	(1,799)
Remeasurement:			
Return on plan assets (Note)	-	666	(666)
Effect of the change in financial assumption	171	-	171
Experience adjustment	(1,539)	-	(1,539)
	(1,368)	666	(2,034)
Appropriation of pension reserve	-	3,768	(3,768)
Payment of pension	(18,570)	(18,570)	-
Balance on December 31	$ 56,030	$ 63,631	($ 7,601)

(Note) This does not include the amount contained in interest income or expense

(4) The defined pension plan assets of the Company fall within the ratio and scope of items entrusted to the Bank of Taiwan in using the plan for investment in the year under appointment pursuant to Article 6 of the Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund (deposits in domestic and foreign financial institutions, investments in domestic and foreign listed or OTC equity securities or through private placement, and investments in domestic

and foreign products through securitization of real estate). The Labor Pension Fund Supervisory Committee is responsible for the supervision of the use of the fund. In using the fund, the minimum return from annual account settlement shall not fall below the return from interest paid by local banks on 2-year time deposits. If there are insufficiencies, the national treasury shall make up the difference after approval by the competent authority. Because the Company has no right to participate in the operation and management of the fund, it cannot disclose the categories of the plan assets at fair value under IAS 19 and IAS 142. The fair value forming the total assets of the fund as of December 31, 2024 and 2023, is stated in the labor pension fund utilization report announced by the government for the respective years.

(5) The actuarial assumption of pension fund is specified below:

	2024	2023
Discount rate	1.55%	1.15%
Salary increase rate in the future	2.00%	2.00%

The assumption of the mortality rate in the future is based on the statistics released by relevant countries and estimation by experience.

The analysis of the change in the principal actuarial assumption and the influence on the present value of defined benefit obligation is shown below:

	Discount rate		Salary increase rate in the future	
	Increase by 0.25%	Decrease by 0.25%	Increase by 0.25%	Decrease by 0.25%
December 31, 2024				
Effect on the present value of defined benefit obligations	($ 600)	$ 616	$ 612	($ 599)
December 31, 2023				
Effect on the present value of defined benefit obligations	($ 846)	$ 869	$ 860	($ 841)

The aforementioned sensitivity analysis is under the assumption that all other assumptions remain unchanged, in order to analyze the effect of a change in a single assumption. In practice, changes in several assumption could be linked. The sensitivity analysis is consistent with the method adopted for the net pension liabilities presented in the balance sheet. The method and assumption adopted for the sensitivity analysis in current period is identical with the previous period.

(6) The Company expected to appropriate NT$0 for payment to the pension plan in 2025. As of December 31, 2024, the weighted average duration of the pension plan was 5 years.

2. Regulations for the defined appropriation of pension fund

(1) Since July 1, 2005, the Company instituted the regulations for the appropriation of pension fund in accordance with the “Labor Pension Act”, which applies for Taiwanese employees. For employees choosing the labor pension system under the “Labor Pension Act”, the Company appropriates 6% of the monthly salary for contribution to the personal accounts of the employees as pension fund at the Labor Insurance Bureau. The payment of pension to employees will be made monthly or in lump sum from the personal pension special account and the accumulated return to the accounts.

In 2024 and 2023, the Company recognized the cost of pension of NT$1,876 and

NT$3,982 under the above pension fund regulations, respectively.

(XII) Share capital

As of December 31, 2024, the authorized capital of the Company comprised 600,000,000 shares (including 30,000,000 shares under employee subscription warrants or subscription rights of convertible bonds); 518,346,282 shares were outstanding with a par value of NT$10 per share.

(XIII) Capital surplus

In accordance with the Company Act, the premium from the issuance of shares above par value and the capital reserve from the receipt of gifts may be used to make up for the losses. When the Company has no accumulated loss, new shares or cash shall be issued or paid in proportion to the original shares of the shareholders. In addition, according to the relevant provisions of the Securities and Exchange Act, when the capital reserve above is appropriated to capital, its total amount each year shall not exceed 10% of the paid-in capital. The Company shall not use the capital reserve to make up for the capital loss unless the earnings reserve is still insufficient to make up for the capital loss.

(XIV) Retained earnings

1. According to the articles of association of the company, if there is any surplus in the annual final accounts, in addition to paying all taxes according to law, the company shall first make up for the losses of previous years, and then set aside 10% as the legal reserve. If there is still a surplus, it shall be retained or distributed according to the resolution of the shareholders' meeting.
2. The Company authorizes the Board of Directors to distribute all or part of the dividends and bonuses that shall be distributed, capital surplus, or legal reserves in cash, which shall be approved through a resolution by more than half of the directors present at a Board meeting attended by more than two-thirds of all directors, and the rule that a resolution by a shareholders' meeting is required as in the preceding paragraph shall not apply.
3. The Company is in a growth stage, and the dividend distribution policy shall be based on the Company's current and future investment environment, capital demand, domestic and foreign competition status, capital budget, and other factors, while taking into account the shareholders' interests and the Company's long-term financial planning. The shareholders' dividend shall be allocated from the cumulative distributable earnings and shall not be less than 15% of the distributable earnings of the current year, and the cash dividend ratio shall not be less than 10% of the total dividend.
4. The legal reserve shall not be used except to make up for the Company's losses and issuing new shares or paying cash in proportion to the original number of shares held by the shareholders. However, if new shares or cash are issued, the amount of such reserve shall exceed 25% of the paid-in capital.
5. When the Company distributes earnings, it is required by laws and regulations to set aside a special reserve for the debit balance of other equity items on the balance sheet date of the current year before distribution. When the debit balance of other equity items is subsequently reversed, the amount of reversal can be included in the earnings available for distribution.
6. The shareholders resolved to pass distribution of 2023 and 2022 earnings during the meetings held on May 31, 2023 and June 9, 2023; details are as follows:

	2023		2022	
	Amount	Dividend per share (NT$)	Amount	Dividend per share (NT$)
Legal reserve	$ 125,854		$ 131,884	
Special reserve	25,528		312,772	
Cash dividends	673,850	$ 1.30	725,685	$ 1.40
	$ 825,232		$ 1,170,341	

The above resolutions are no different from the resolutions of the Company's board of directors dated March 13, 2024 and April 8, 2023. Please visit the MOPS of the Taiwan Stock Exchange for details.

7. The Board of the Company passed the proposal for the distribution of earnings in 2024 on March 11, 2025, specified as follows：

	2024	
	Amount	Dividend per share (NT$)
Legal reserve	$ 114,569	
Special reserve	(400,813)	
Cash dividends	570,181	$ 1.10
	$ 283,937	

(XV) Other equities

	Financial assets at FVTOCI	Adjustment for currency conversion	Total
January 1, 2024	($ 268,673)	($ 1,142,062)	($ 1,410,735)
Unrealized gain or loss of financial products:			
-The Company	6,374	-	6,374
-Subsidiary	(62,247)	-	(62,247)
Transfer of valuation adjustment to retained earnings - subsidiary	(101,483)	-	(101,483)
Foreign currency exchange difference:			
-The Company	-	558,168	558,168
December 31, 2024	($ 426,029)	($ 583,894)	($ 1,009,923)

	Financial assets at FVTOCI	Adjustment for currency conversion	Total
January 1, 2023	($ 419,841)	($ 965,367)	($ 1,385,208)
Unrealized gain or loss of financial products:			
-The Company	222,827	-	222,827
-Subsidiary	(71,659)	-	(71,659)

Foreign currency exchange difference:			
-The Company	-	(176,695)	(176,695)
December 31, 2023	($ 268,673)	($ 1,142,062)	($ 1,410,735)

(XVI) Operating revenue

	2024	2023
Revenue from customer contracts	$ 8,152,703	$ 9,259,899

1. Details of revenue from customer contracts

The revenue of the Company came from the transfer of merchandise at a particular point in time and the revenue could be allocated to the following major product lines:

2024	Electronic Components	Consumer Electronics and Computer Peripherals	Total
Segment Revenue	$ 6,312,118	$ 1,840,585	$ 8,152,703

2023	Electronic Components	Consumer Electronics and Computer Peripherals	Total
Segment Revenue	$ 7,341,556	$ 1,918,343	$ 9,259,899

2. Contractual liabilities

The contractual liabilities related to the contractual income recognized by the Company are as follows:

	December 31, 2024	December 31, 2023	January 1, 2023
Contractual liabilities	$ 70,301	$ 104,883	$ 148,107

Recognized income of contract liabilities at the beginning of the period:

	2024	2023
Opening balance of contract liabilities recognized as income in the current period	$ 54,415	$ 107,929

(XVII) Other income

	2024	2023
Rental income	5,144	5,524
Other income - Other	1708	2,866
	$ 6,852	$ 8,390

(XVIII) Other gains and losses

	2024	2023
Net foreign currency conversion loss	$ 13,149	($ 9,874)
Net gain from financial assets and liabilities measured at fair value through income	-	$ 8,991
Others	(220)	(221)
	$ 12,929	($ 1,104)

(XIX) Employee benefit, depreciation and amortization expenses

	2024			
	Attributable to cost of operation	Attributable to operating expense	Attributable to non-operating expense	Total
Employee benefits expense				
Salary expenses (Note)	$ 54	$ 85,620	$ -	$ 85,674
Labor and national health insurance expenses	88	6,087	-	6,175
Pension expenses	67	2,014	-	2,081
Remuneration to the Directors	-	7,653	-	7,653
Other HR expenses	264	5,046	-	5,310
	$ 473	$ 106,420	$ -	$ 106,893
Depreciation expenses	$ -	$ 2,657	$ 220	$ 2,877
Amortization expenses	$ -	$ 315	$ -	$ 315

Note: Including salary expenses and remuneration to employees.

	2023			
	Attributable to cost of operation	Attributable to operating expense	Attributable to non-operating expense	Total
Employee benefits expense				
Salary expenses (Note)	$ 9,733	$ 82,842	$ -	$ 92,575
Labor and national health insurance expenses	462	6,251	-	6,713
Pension expenses	294	4,116	-	4,410
Remuneration to the Directors	-	8,733	-	8,733
Other HR expenses	702	5,664	-	6,366
	$ 11,191	$ 107,606	$ -	$ 118,797
Depreciation expenses	$ 67	$ 75	$ 221	$ 363

Amortization expenses	$ -	$ 147	$ -	$ 147

Note: Including salary expenses and remuneration to employees.

5. The average monthly number of employees for the current year and the previous year were 54 and 51 , respectively. Among them, the number of directors who were not concurrently employees was 7 and 5, respectively.
2. The average employee benefit expenses in 2024 and 2023 were NT$2,111 and NT$2,393, respectively. The average salary expenses of employees were NT$1,823 and NT$2,013, respectively. The average salary expense adjustment of employees was a decrease of 9.44%.
3. The Remuneration Committee established the salary and remuneration policies for the Directors and the Managers with routine review of the performance in regards to the policy, standard, and structure of the remuneration. The evaluation of the performance of Directors and Managers, and the salary structure was made with reference to the overall performance of the operation, the future industrial operation trends, while also considering the industry level, individual contributions and achievements. The Remuneration Committee will present the result of the review to the Board for approval. The policy for salaries and remuneration to employees was made with reference to the industry level. Bonuses will be granted with reference to the overall performance of the Company, individual performance and contribution.
4. According to the Articles of Incorporation of the Company, if the company has any profit in the year (the so-called profit refers to the gains before deducting the distribution of employee remuneration and directors' remuneration), it shall appropriate at least 5% of it as remuneration to the employees, and no more than 0.5% as remunerations to the Directors. The Board shall determine the distribution and report to the Shareholders Meeting for final approval. However, where the Company still has accumulated losses, amount shall be reserved for making up the accumulated loss first.
5. The Company's remuneration to employees in 2024 and 2023 was estimated at NT$62,126 and NT$74,429, respectively. The remuneration to the Directors was estimated at $6,213 and $7,443, respectively. The aforementioned amount was presented as salary expense in the book.

   For 2024, employees' remuneration and directors/supervisors' remuneration were estimated at 5% and 0.5% of the current period's (this year's) profitability, respectively. The Company's board of directors passed a resolution on March 11, 2025, to distribute the employees' remuneration of NT$62,126 and the directors' remuneration of NT$6,213 for 2024 in cash. There is no difference between the preceding allocation amounts and the amounts stated as expenses by the Company in 2024.

   The 2023 employee, director, and supervisor remunerations approved by the board of directors are consistent with the amounts recognized in the 2023 annual financial report.

   The above information on the remuneration of employees and directors approved by the Board of Directors of the Company can be obtained on MOPS.

(XX) Financial costs

	2024	2023
Interest expense - bank loans	$ 11	$ 10
Interest expense - others	-	29,934

	$ 11	$ 29,944

(XXI) Income tax

1. Income tax expense

(1) Components of income tax expenses:

	2024	2023
Income tax for the current period:		
Income tax arising from current income	$ 119,139	$ 126,963
Extra tax on undistributed earnings	21,666	7,425
Income tax over estimates of previous year	-	(4,600)
Total income tax for the current period	140,805	129,788
Deferred income tax:		
The original value and reversal of temporary differences	(3,288)	20,215
Income tax expense	$ 135,517	$ 150,003

(2) Income tax amount related to other comprehensive incomes:

	2024	2023
Remeasurement of defined benefit obligation	$ 1,509	$ 407

2. Relation between income tax expense and accounting profit

	2024	2023
Calculation of income tax on earnings before taxation at the mandatory tax rate	$ 234,838	$ 281,342
Income exempted from taxation under the tax law	14,042	7,707
Temporary difference not recognized as deferred income tax liabilities	(133,029)	(141,871)
Extra tax on undistributed earnings	21,666	7,425
Income tax over estimates of previous year	-	(4,600)
Income tax expense	$ 137,517	$ 150,003

3. Deferred income tax assets or liabilities under temporary difference and taxation loss are specified as follows:

	2024			
	January 1	Recognized as income	Recognized as other comprehensive net income	December 31
Temporary difference:				
-Deferred income tax assets:				

Provision for valuation loss on inventory	$ 796	$ 3,241	$ -	$ 4,037
Unrealized exchange loss	6,968	(6,424)	-	544
Others	6,627	(407)	(1,509)	4,711
	$ 14,391	($ 3,590)	($ 1,509)	$ 9,292
-Deferred tax liabilities:				
Return on foreign investment accounted for under the equity method	($ 221,419)	$ 6,878	$ -	($ 214,541)

	2023			
	January 1	Recognized as income	Recognized as other comprehensive net income	December 31
Temporary difference:				
-Deferred income tax assets:				
Provision for valuation loss on inventory	$ 11,267	($ 10,471)	$ -	$ 796
Pension reserve pending on appropriation	-	6,968	-	6,968
Others	7,527	(493)	(407)	6,627
	$ 18,794	($ 3,996)	($ 407)	$ 14,391
-Deferred tax liabilities:				
Return on foreign investment accounted for under the equity method	($ 202,920)	($ 18,499)	$ -	($ 221,419)
Unrealized foreign exchange gain	(2,280)	2,280	-	-
	($ 205,200)	($ 16,219)	$ -	($ 221,419)

4. The Company evaluated the taxable temporary difference of some investee companies on December 31, 2024 and 2023, and expected no reversal in the foreseeable future, and therefore recognized as deferred income tax liabilities in full value. Temporary difference of deferred income tax liabilities amounted to NT$8,122,495 and NT$6,859,001, respectively.

5. The corporate income tax return of the Company has been approved by the tax collection authorities up to 2022.

6. The Company has applied the exceptions for the deferred income tax assets and liabilities related to the income tax of Pillar 2, and the disclosure of its related information.

7. The Company falls within the scope of the Pillar Two Model Rules promulgated by the Organization for Economic Co-operation and Development. The second pillar has not yet taken effect in the place where the Group's subsidiaries are registered. Therefore, as of December 31, 2024, the Company did not have significant exposure to current income tax.

The Company has applied the amendments to IAS No. 12 "Income Tax" issued on May

23, 2023, and applied the exception to the recognition of deferred tax assets and liabilities and related information related to Pillar Two income tax.

(XXII) The share of other comprehensive income of subsidiaries, associates, and joint ventures recognized under the equity method.

	2024	2023
Subsidiaries and associates:		
- Evaluation adjustment of equity instruments	($ 62,247)	($ 71,659)
- Remeasured value of defined benefit plan	1,498	207
	($ 60,749)	($ 71,452)

(XXIII) Earnings per share (EPS)

	2024		
	After-tax amount	The weighted average number of outstanding shares (1000 shares)	Earnings per share (NT$)
Basic earnings per share			
Net profit of the current period	$ 1,036,672	518,346	$ 2.00
Diluted earnings per share			
Net profit of the current period	$ 1,036,672		
Dilutive effects of the potential common shares			
-Employee remuneration	-	1,971	
The effect of net income for the period inherent to common shares	$ 1,036,672	520,317	1.99

	2023		
	After-tax amount	The weighted average number of outstanding shares (1000 shares)	Earnings per share (NT$)
Basic earnings per share			
Net profit of the current period	$ 1,256,710	518,346	$ 2.42
Diluted earnings per share			
Net profit of the current period	$ 1,256,710		
Dilutive effects of the potential common shares			
-Employee remuneration	-	2,520	
The effect of net income for the period inherent to common shares	$ 1,256,710	520,866	$ 2.41

(XXIV) Supplementary information on cash flow

	2024	2023
Purchase of property, plant and equipment	$ 37,977	$ -
Add: equipment payable at the beginning of the period	-	-

Less: equipment payable at the end of the period	(440)	-
Cash paid during the period	$ 37,537	$ -

(XXV) Changes in liabilities from financing activities

	Short-term borrowings	
	2024	2023
January 1	$ -	$ 1,366,595
Changes in financing cash flow	-	(1,366,595)
December 31	$ -	$ -

VII. Related Party Transactions

(I) Related party's name and relationship

Related Party Name	Relationship with the Company
Pan-International Precision Electronic Co., Ltd.	Subsidiary of the Company
PAN GLOBAL HOLDING CO.,LTD.	Subsidiary of the Company
Honghuasheng Precision Electronics (Yantai) Co., Ltd.	Subsidiary of the Company
Hon Hai Precision Industry Co., Ltd. and subsidiaries (Hon Hai and subsidiaries)	Significant influence over the Company
Sharp Corporation and subsidiaries (Sharp and subsidiaries)	Other related parties
Foxconn Technology Co., Ltd. and subsidiaries (FTC and subsidiaries)	Other related parties
General Interface Solution Limited	Other related parties
Cyber TAN Technology, Inc and Subsidiaries	Other related parties
ENNOCONN CORPORATION	Other related parties
Long Time Tech. Co., Ltd.	Affiliates

(II) Major transactions with related parties

1. Operating income

	2024	2023
Product sales:		
Significant influence over the Company		
- Hon Hai Precision Industry Co., Ltd. and subsidiaries	$ 3,283,260	$ 4,037,048
Subsidiary	276,520	427,339
Other related parties	300,130	364,901
	$ 3,859,910	$ 4,829,288

The price and credit period were determined by both sides after consultation, except where there is no similar transaction for reference. For the remainders of the Company's sale to abovementioned related parties, the price is similar to the sale price of other general customers. The Company's period of payment for the related parties ranged from 30 to 120.

2. Purchase

	2024	2023
Product purchases:		
Significant influence over the Company		

	December 31, 2024	December 31, 2023
- Hon Hai Precision Industry Co., Ltd. and subsidiaries	$ 1,387,382	$ 1,196,153
Subsidiary		
- Honghuasheng Precision Electronics (Yantai) Co., Ltd.	3,569,823	4,490,454
- Pan-International Precision Electronic Co., Ltd.	775,601	851,790
- Others	56,016	46,533
Other related parties	$ 5,788,822	$ 6,584,930

The above amount includes purchase, discount, and sale return. The purchase price and payment term were determined by both sides through consultation. The payment term offered by the Company to related parties ranged from 30 to 120 days on monthly settlement of open account

3. Receivables from related parties

	December 31, 2024	December 31, 2023
Receivables from related parties:		
Significant influence over the Company		
- Hon Hai Precision Industry Co., Ltd. and subsidiaries	$ 1,272,567	$ 1,110,947
Subsidiary	48,237	69,918
Other related parties	84,532	52,356
	1,405,336	1,233,221
Less: Allowance for impairment loss	(566)	(465)
	$ 1,404,770	$ 1,232,756

Receivables from related parties are mainly from sales. The payment term ranged from 30 to 120 days. The receivables are not secured and not interest bearing.

4. Other receivables

	December 31, 2024	December 31, 2023
Other receivables from related parties:		
Subsidiary		
－PAN GLOBAL HOLDING CO., LTD.	$ 47,605	$ 58,756
- Others	9,895	15,441
	$ 57,500	$ 74,197

Other receivables from related parties are mostly the receivables of advance payment for the related parties.

5. Accounts payable

	December 31, 2024	December 31, 2023
Accounts payable to related parties:		
Significant influence over the Company		
- Hon Hai Precision Industry Co., Ltd. and subsidiaries	$ 436,462	$ 505,984
Subsidiary		
- Honghuasheng Precision Electronics (Yantai) Co., Ltd.	1,083,073	671,476

- Pan-International Precision Electronic Co., Ltd.	128,448	156,663
- Others	17,602	18,071
	$ 1,665,585	$ 1,352,194

Accounts payable from related parties mainly comes from purchasing and purchase on behalf of others, and there is no interest attached to the accounts payable.

6. Property transactions

Acquisition of financial assets

	2024			
	Account item	Number of shares traded (unit: shares)	Asset traded	Acquisition cost
Pan-international Electronics (Thailand) Co. Ltd. (PIT)	Investment by equity method	4,090,900	Shares	$ 176,587

(III) Compensation of key management personnel

	December 31, 2024	December 31, 2023
Salaries and other short-term employee benefit	$ 16,943	$ 13,897
Post-employment benefits	240	240
	$ 17,183	$ 14,137

VIII. Pledged Assets

No such situation.

IX. Significant Contingent Liabilities and Unrecognized Commitments

(I) Contingent matters

The Company has no contingent liabilities for material legal claims arising from daily operating activities.

(II) Commitments

No such situation.

X. Major Disaster Losses

No such situation.

XI. Significant Subsequent Events

The Board of the Company passed the proposal for the distribution of earnings in 2024 on March 11, 2025. Additional information is specified in Note 6 (14).

XII. Others

(I) Capital management

The objective of capital management of the Company is to ensure the sustainable operation of the Company, maintaining the best capital structure to reduce the cost of capital, and to provide returns to the shareholders. In order to maintain or adjust the capital structure, the

Company may adjust the number of dividends paid to shareholders, issue new shares, or sell assets to reduce liabilities. To monitor its capital, the Company uses the net debt ratio which is calculated by dividing net debt by total net worth. The net debt is calculated as total loans (including the “current and noncurrent loans” as stated in the parent company only balance sheet) net of cash and cash equivalents. Total net value is calculated by subtracting total intangible assets from “equity” as stated in the parent company only balance sheet.

The Company’s strategy for 2024 is the same as that in 2023, both of which are committed to maintaining the net debt ratio below 70%.

(II) Financial instrument

1. Types of financial instruments

The book amounts of the Company's financial assets are classified as measured at amortized cost under IFRS 9 (including cash and cash equivalents, financial assets measured at amortized costs notes receivable, accounts receivable [including related parties], and other receivables). For the relevant amounts and information of financial liabilities classified as amortized costs (including notes payable, accounts payable [including related parties], and other payables), please refer to the balance sheets and Note 6 for details. For additional information on the book value classified as financial assets measured at fair value through comprehensive income, refer to Note 6 (5).

2. Risk management Policy

(1) Types of risks

The Company adopts a comprehensive financial risk management and control system for the clear identification, measurement and control of all forms of financial risks to the Company, including market risk (including exchange rate risk, interest rate risk, and price risk), credit risk, and liquidity risk.

(2) Management objectives

A. All the risks above can be eliminated by internal control or operation process, except that market risk is controlled by external factors. Therefore, each risk can be reduced to zero through management.

B. In terms of market risk, the objective is to optimize the overall position through rigorous analysis, proposal, implementation and process, with due consideration of the overall external trend, internal operating conditions and the actual impact of market fluctuations.

C. The overall risk management policy of the Company is focused on unanticipated events in the financial market, to seek and reduce the potential unfavorable influence on the financial position and performance.

(3) Management system

A. The Finance Department of the Company is charged with the task of risk management in accordance with the policies approved by the Board. It is responsible for identifying, assessing and avoiding financial risks through close cooperation with group operating units.

B. The board of directors has written principles for overall risk management, and also provides written policies for specific areas and matters, such as exchange rate risk, interest rate risk, credit risk, use of derivatives and non-derivative financial instruments, and investment of surplus working capital.

3. Nature and extent of significant financial risks

(1) Market risk

Exchange rate risk

A. Nature: The Company is a multinational OEM electronics manufacturer and most of the exchange rate risk from business activities comes from:

a. As the posting times of non-functional foreign currency accounts receivable and accounts payable are different, the exchange rate of the functional currency is different, thus resulting in an exchange rate risk. Because the amount of assets and liabilities after offsetting is not large, the amount of profit or loss is not large.

b. In addition to the commercial transactions (operating activities) on the above-mentioned income, the assets and liabilities recognized on the balance sheet, and the net investment in foreign operations also have exchange rate risks.

B. Management

a. The Company has made policies to deal with this kind of risk that requires all Group companies to manage the exchange rate risk corresponding to their functional currency.

b. The exchange rate risk deriving from respective functional currencies on the functional currency used in the Parent Company Only Financial Statements will be coordinated and managed by the Group's Financial Division.

C. Extent

The business of the Company involves many non-functional currencies (the functional currency of the Company is NTD), therefore it is exposed to fluctuations of exchange rates. Assets and liabilities denominated in foreign currencies that are exposed to the effects of significant fluctuations of the exchange rate are as follows:

	December 31, 2024				
				Sensitivity analysis	
	Foreign currency (thousand)	Exchange rate	Book value (NTD)	Range of change	Impact on profit and loss
(Foreign currency: functional currency)					
Financial assets					
Monetary item					
USD: NTD	$ 70,379	32.79	$2,307,727	5%	$115,386
Non-monetary items					
USD: NTD	341,844	32.79	11,209,062		
Financial liabilities					
Monetary item					
USD: NTD	70,449	32.79	2,310,023	5%	115,501

	December 31, 2023				
				Sensitivity analysis	
	Foreign currency (thousand)	Exchange rate	Book value (NTD)	Range of change	Impact on profit and loss
(Foreign currency: functional currency)					

Financial assets					
Monetary item					
USD: NTD	$ 86,088	30.71	$2,643,762	5%	$132,188
Non-monetary items					
USD: NTD	319,080	30.71	9,798,962		
Financial liabilities					
Monetary item					
USD: NTD	67,202	30.71	2,063,773	5%	103,189

D. Nature

The Company's currency items were under significant influence of exchange rate fluctuations in 2024 and 2023, with recognition of exchange income (including realized and unrealized items) amounting to a gain of NT$13,149 and a loss of NT$9,874, respectively.

Price risk

A. The equity instruments of the Company exposed to price risk are financial assets measured at fair value through other comprehensive incomes. The Company diversified its investment portfolio to manage the price risk of investment in equity instruments. The method of diversification was based on the limits set forth by the Company.

B. The Company mainly invested in equity instruments offered by domestic companies. The prices of these equity instruments are affected by the uncertainty of the future values of these investment objects. If there is an upward or downward adjustment of the equity instruments by 1% with all other factors remaining unchanged, the influence on other comprehensive income of gains or losses of financial assets classified as measured at fair value through other comprehensive income would increase or decrease by $7,763, and $10,810 in 2024 and 2023, respectively.

Cash flow and fair value interest rate risk

The interest rate risk to the Company mainly comes from short-term borrowings. Borrowings at fixed interest rates exposed the Company to interest rate risk at fair value. After assessment, there is no significant interest rate risk to the Company.

(2) Credit risk

A. The credit risk to the Company mainly comes from the failure of customers or counterparties of financial instruments to perform contractual obligations resulting in financial losses for the Company. This mainly comes from the inability of counterparties to repay the accounts receivable in accordance with the collection conditions, and the contractual cash flow classified as debt instrument investment measured at amortized cost. The financial assets measured at amortized cost recorded in the Company's accounts are ordinary corporate bonds with low credit risk. Therefore, the loss allowance for the period is measured based on the 12-month expected credit loss, without significant loss allowance provided.

B. The credit policy of the Company explicitly states that each new customer of the operating entities within the Company shall be subject to credit management and credit risk analysis before proposing the terms and conditions for payment and delivery of goods. Internal risk control is to evaluate the credit quality of customers by considering their financial status, past experience, and other factors. The limits of individual risks are determined by the Board of Directors based on internal or external ratings, and the use of credit lines is regularly monitored.

C. The basis for the Company to judge whether the credit risk of financial instruments has increased significantly since the original recognition is as follows:
When the contract payment is overdue for more than 60 days according to the agreed payment terms, it is deemed that the credit risk of the financial asset has increased significantly since the original recognition.

D. If the contract amount is overdue for more than 90 days under the conditions of payment, the Company shall deem it a breach of contract.

E. The Company classified notes and accounts receivable of customers according to the characteristics of the customer rating, and adopted the simple method of loss rate to estimate expected credit loss.

F. The indicators used by the Company for determining credit impairment of the debt instruments are shown below:
(A) The issuer encounters major financial difficulties, or the possibility of going into bankruptcy or other financial restructuring is greatly increased;
(B) The issuer makes the active market of the financial asset disappear due to its financial difficulties;
(C) The issuer delays or fails to pay the interest or principal;
(D) Adverse changes in national or regional economic conditions leading to issuer default.

G. Aging analysis of accounts receivable (including related parties):

	December 31, 2024	December 31, 2023
Not Past Due	$ 2,188,173	$ 2,093,934
Less than 90 days	4,511	8,453
91 ~ 180 days	-	603
More than 181 days	-	-
	$ 2,192,684	$ 2,102,990

The above is an aging analysis based on the number of overdue days.

H. Other receivables (including those of related parties)
The other receivables of the Company are mainly receivable tax rebates, and receivable advance payments for a third party. There is no concern for material breach of contract or declined payment. Therefore, the Company recognized provision for loss on the basis of the amount of expected credit loss in a period of 12 months. As of December 31, 2024 and 2023, the Company recognized a provision for loss amounting to $0.

I. The Company classified the accounts receivable of the customers according to the characteristics of the credit rating of the customers, and considered the adjustment of rate of loss on the basis of historical information and information at present time with foresight to estimate the provision for loss from accounts receivable. The method for estimating the loss rate on December 31, 2024 and 2023 is as follows:

	Group 1	Group 2	Group 3	Group 4	Total
December 31, 2024					
Expected loss rate	0.04%	0.04%	0.09%	0.10%	
Total Book value	$ 1,933,808	$ 246,998	$ -	$ 11,878	$ 2,192,684

Allowance for loss	$ 781	$ 111	$ -	$ 12	$ 904

	Group 1	Group 2	Group 3	Group 4	Total
December 31, 2023					
Expected loss rate	0.04%	0.04%	0.09%	0.10%	
Total Book value	$1,804,801	$ 294,941	$ -	$ 3,248	$2,102,990
Allowance for loss	$ 694	$ 118	$ -	$ 3	$ 815

Group 1: Rated A by Standard & Poor’s, Fitch, or Moody’s, or rated A by the credit rating standard of the Company in the absence of rating by external institutions.

Group 2: Rated BBB by Standard & Poor’s or Fitch, Baa by Moody’s, or rated B or C by the credit rating standard of the Company in the absence of rating by external institutions.

Group 3: Rated BB+ or below by Standard & Poor's or Fitch, or Ba1 or below by Moody's.

Group 4: No rating by external institutions, but customers rated non-A, B, or C by the credit rating standard of the Company.

J. The Company’s table showing the changes in the provision for loss from accounts receivable and other receivables using a simplified method is as follows:

	2024	2023
January 1	$ 815	$ 1,375
Reversal of impairment loss	89	(560)
December 31	$ 904	$ 815

K. All the Company’s investments in debt instruments measured at amortized cost as were at low credit risk as of December 31, 2024 and 2023. Therefore, the book value was measured on the basis of the expected credit loss in a period of 12 months after the balance sheet day.

(3) Liquidity risk

A. The cash flow forecast is carried out by each operating entity within the Company, and aggregated by the Company’s Finance Department. The Finance Department monitors and tracks the forecast of working capital requirements to assure adequate funding for operations, and maintains sufficient unspent loan commitments at all times so that the Company will not exceed the relevant borrowing limits or violate the terms. The forecast is based on the debt financing plan, compliance with debt terms, conformity with the targeted financial ratios of the balance sheet, and external regulatory requirements such as foreign exchange control.

B. When the remaining cash held by the Company exceeds the requirement for the management of working capital, the Finance Department will invest the remaining funds in interest-bearing demand deposits, time deposits, money market deposits and securities, and the instruments selected to have appropriate maturities or sufficient liquidity to meet the forecast above and provide sufficient liquidity, and it is expected that cash flow will be generated immediately for the management of liquidity risk.

C. The non-derivative financial liabilities of the Company will mature in the year ahead.

(III) Fair value information

1. The levels of evaluation techniques used to measure the fair value of financial and non-financial instruments are defined as follows:

Level 1: The quoted price (unadjusted) is available to the enterprise in an active market for the same assets or liabilities on the measurement date. An active market refers to a market in which assets or liabilities are traded in sufficient frequency and quantity to provide pricing information on an ongoing basis. They include the fair value of the listed or OTC stock investments invested by the Company.

Level 2: The input value of assets or liabilities is directly or indirectly observable, except those in Level 1. The fair value of the derivative instruments invested by the Company belongs to this level.

Level 3: The input value of assets or liabilities is unobservable. The equity instruments invested by the Company without an active market belong to this level.

2. Please refer to Note 6 (8) for the information on the fair value of the investment property measured at cost.

3. Financial instruments not measured at fair value

The book value of the Company's financial instruments not measured at fair value (including cash and cash equivalents, financial assets measured at amortized cost, accounts receivable (related parties included), other receivables, other current assets, payables (related parties included), other payables, and other current liabilities) reasonably approximates the fair value.

4. The Company's financial and non-financial instruments measured at fair value will be classified according to the nature, specific features, risks, and fair value of the assets and liabilities. Relevant information is as follows:

(1) Classification according to the nature of the assets and liabilities, relevant information is as follows:

December 31, 2024	Level 1	Level 2	Level 3	Total
Financial assets:				
Repetitive fair value				
Financial assets at FVTOCI				
- Equity securities	$ 711,425	$ -	$ 64,916	$ 776,341

December 31, 2023	Level 1	Level 2	Level 3	Total
Financial assets:				
Repetitive fair value				
Financial assets at FVTOCI				
- Equity securities	$ 1,016,823	$ -	$ 64,208	$ 1,081,031

(2) The methods and assumptions adopted by the Company for measurement at fair value is as specified below:

A. The Company adopts market quotation as the input value of fair value (i.e., Level 1), and divides them as follows according to specific features:

	Listed and OTC stocks	Open-end funds
Market quotation	Closing price	Net value

B. Except for the above-mentioned financial instruments with active markets, the fair values of other financial instruments are obtained through evaluation techniques or reference to the quotations of counterparties. Fair value obtained through evaluation techniques can be calculated by referring to the current fair value of other financial instruments with similar conditions and characteristics, or the value can be obtained through other evaluation techniques, including the use of models to calculate market information available on the parent company only balance sheet date.

C. The evaluation of derivative financial instruments is based on evaluation models widely accepted by market users, such as the discount method and the option pricing model. Foreign exchange forward contracts are usually evaluated according to the current forward exchange rate.

D. The output of the evaluation model is the estimated value, and the evaluation technique may not reflect all the factors related to the Company's holding of financial instruments and non-financial instruments. Therefore, the estimated value of the evaluation model will be adjusted according to additional parameters, such as model risk or liquidity risk. According to the Company's fair value evaluation model management policies and related control procedures, the management believes that the evaluation adjustment is appropriate and necessary to properly express the fair value of financial instruments and non-financial instruments in the parent company only balance sheet. The price information and parameters used in the evaluation process have been carefully evaluated and appropriately adjusted according to current market conditions.

E. The Company has incorporated credit risk assessment adjustments into its calculation for the fair values of financial instruments and non-financial instruments in order to reflect counterparty credit risks and the Company's credit quality, respectively.

5. There were no transfers between Level 1 and Level 2 in 2024 and 2023.

6. The following table shows the changes in Level 3 in 2024 and 2023:

	Equity securities	Equity securities
	2024	2023
January 1	$ 64,208	$ 68,548
Profit(loss) recognized in other comprehensive income	708	(4,340)
December 31	$ 64,916	$ 64,208

7. There was no transfer in or out from Level 3 in 2024 and 2023.

8. For the fair value of Level 3 instruments of the Company, the investment management department is responsible for the independent verification of the fair value of such financial instruments in the evaluation process. Through independent sources of information, the evaluation results approximate market conditions, and the data sources are confirmed to be independent, reliable, consistent with other resources, and to represent executable prices. The evaluation model is calibrated regularly, backtracked, and updated for the input values and information required by the evaluation model, and any other

necessary fair value adjustments are made to ensure that the evaluation results are reasonable.

In addition, the investment management department formulates the fair value evaluation policies, evaluation procedures, and confirmation of financial instruments in accordance with the relevant international financial reporting standards and accounting standards.

9. The quantitative information about the significant unobservable input value of the evaluation model used for level 3 fair value measurement and the sensitivity analysis of the significant unobservable input value changes are as follows:

	Fair value on December 31, 2024	Evaluation techniques	Significant unobservable input value	Range (weighted average)	Relationship between input value and fair value
Non-derivative equity instruments:					
Non-listed and non-OTC stocks	$ 64,916	Comparable public company approach	Price–to-book ratio	1.12	The higher the multiplier, the higher the fair value.
			Lack of market liquidity discount	20%	The higher the market liquidity discount, the lower the fair value.

	December 31, 2023 Fair value	Evaluation techniques	Material unobservable Input value	Range (weighted average)	Relationship of input value and Relations with fair value
Non-derivative equity instruments:					
Non-listed and non-OTC stocks	$ 64,208	Comparable public company approach	Price–to-book ratio	1.17	The higher the multiplier, the higher the fair value.
			Lack of market liquidity discount	20%	The higher the market liquidity discount, the lower the fair value.

10. The Company carefully selects the evaluation model and evaluation parameters; however, different evaluation models or parameters may lead to different evaluation results. For financial assets and financial liabilities classified as level 3, if the evaluation parameters change, the impact on current profit and loss or other comprehensive income is as follows:

				Recognized in other comprehensive income	
Financial assets	Period	Input value	Change	Favorable change	Unfavorable change
Equity instruments	December 31, 2024	Price–to-book ratio	±1%	$ 580	($ 580)

		Lack of market liquidity discount	±1%	$ 811	($ 811)

				Recognized in other comprehensive income	
Financial assets	Period	Input value	Change	Favorable change	Unfavorable change
Equity instruments	December 31, 2023	Price–to-book ratio	±1%	$ 549	($ 549)
		Lack of market liquidity discount	±1%	$ 803	($ 803)

XIII. Notes disclosure

(I) Information about significant transactions

1. Loans to others: Please refer to Table 1.
2. Endorsements/guarantees provided: Please refer to Table 2.
3. Marketable securities held at the end of the period (excluding investment in subsidiaries, affiliated enterprises and jointly controlled entities): Please refer to Table 3.
4. The cumulative amount of buying or selling the same securities reaches NT$300 million or more, or 20% of the paid-in capital: No such situation.
5. The cumulative amount of property acquired reaches NT$300 million or more, or 20% of the paid-in capital: No such situation.
6. The cumulative amount of property disposal reaches NT$300 million or more, or 20% of the paid-in capital: No such situation.
7. Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital: Please refer to Table 4.
8. Total accounts receivable from related parties amounting to at least NT$100 million or 20% of the paid-in capital: Please refer to Table 5.
9. Engagement in derivatives trading: Please refer to Note 12 (3).
10. Significant Inter-company Transactions during the Reporting Period: Please refer to Table 6.

(II) Information about investees

The name and location of the investee company and other relevant information (excluding mainland China investee companies): Please refer to Table 7.

(III) Information on investments in mainland China

1. Basic information: Please refer to Table 8.
2. Major transactions directly with investee companies in the mainland China or indirectly through a third regional enterprise: Please refer to Tables 4, 5 and 6.

(IV) Information on major shareholders

Information of major shareholders: Please refer to Table 9.

XIV. Operating Departments Information

Not applicable.

Pan-International Industrial Corp.
Loans to others
January 1 to December 31, 2024

Table 1

Unit: NTD thousand
(unless otherwise noted)

Serial No. (note 1)	Loan extending company	Borrower	Dealing items (note 2)	Whether a related party	Maximum amount of the period (note 3)	Ending balance (note 9)	Transaction Amounts	Interest Rate	Loan nature (note 4)	Business Transaction Amounts (note 5)	Reason for short-term financing (note 6)	Provision for allowance for loss for bad debt	Collateral Name	Collateral Value	Loans limits for individual entities	Total loan limit	Remarks
1	Honghuasheng Precision Electronics (Yantai) Co., Ltd.	CJ Electric Systems Co., Ltd.	Other receivables - related parties	Yes	$ 583,310	$ 313,460	$ 313,460	3.10%	Short-term financing	$ -	Operating turnover	$ -	None.	None.	$ 8,803,072	$ 17,606,144	Note 7
2	Dongguan Pan-International Precision Electronics Co., Ltd.	Tekcon Huizhou Electronics Co., Ltd.	Other receivables - related parties	Yes	45,450	-	-	3.45%	Short-term financing	-	Operating turnover	-	None.	None.	181,049	724,195	Note 8

Note 1: The explanation of the number column is as follows:

(1) Fill in 0 for the issuer.

(2) Investee companies are numbered in sequence in each company type starting numerically from 1.

Note 2: This field is to be filled in with accounts receivable from affiliated enterprises, receivables from related parties, transactions with shareholders, prepayments, provisional payments, etc. if nature is a loan to others.

Note 3: The maximum balance of loans to others in the current year.

Note 4: The loan nature of the fund shall be filled in if it is a business transaction or if there is a need for short-term financing.

Note 5: Where the nature of the loan is a business transaction, the amount of the business transaction shall be filled in. The business transaction amount refers to the number of business transactions between the lending company and the borrowing object in the most recent year.

Note 6: If the nature of the loan is necessary for short-term financing, the reason for the loan and the purpose of the loan borrower shall be specified, such as loan repayment, purchase of equipment, business turnover, etc.

Note 7: Loans to external parties by Honghuasheng Precision Electronics (Yantai) Co., Ltd. are capped at 400% of the lender's net worth in total and at 200% of the lender's net worth per individual counterparty.

Note 8: Loans to external parties by Dongguan Pan-International Precision Electronics Co., Ltd. are capped at 40% of the lender's net worth in total and at 10% of the lender's net worth per individual counterparty.

Note 9: If a public company submits its lending to the board of directors' meeting for resolution one by one in accordance with paragraph 1, Article 14 of the Regulations Governing Loaning of Funds and Making of Endorsements/ Guarantees by Public Companies, the amount of the resolution of the board of directors' meeting shall be included in the announced balance to disclose the risks it bears before the funds are lent out; if the funds are repaid later, the balance after repayment shall be disclosed to reflect the adjustment of risks. If the Board of Directors' meeting of a public company authorizes the chairman of the board to extend loans in several trenches or recycle the loan balance within a certain limit in a year in accordance with paragraph 2, Article 14 of the Regulations, the loan limit approved by the Board of Directors' meeting shall still be used as the balance for the public announcement and declaration. Although the funds will be repaid later, other loans may still be extended again, so the loan limit approved by the Board of Directors' meeting shall still be used as the balance for the public announcement and declaration.

Pan-International Industrial Corp.
Endorsement/guarantee provided
January 1 to December 31, 2024

Table 2

Unit: NTD thousand
(unless otherwise noted)

Serial No. (note 1)	Name of company of the endorsement/ guarantee	Guaranteed Party: Company name	Guaranteed Party: Relation (note 2)	Endorsement/ guarantee limit for a single enterprise (note 3)	Maximum endorsement/ guarantee balance of the period (note 4)	Endorsement/ guarantee balance of the period (note 5)	Transaction Amounts (note 6)	Amount of endorsement/ guarantee backed by assets	Ratio of the cumulative endorsement/ guarantee amount to the net value in the latest financial report	Endorsement/ guarantee limit (note 3)	Endorsement/ guarantee from the parent company to subsidiary (note 7)	Endorsement/ guarantee from subsidiary to parent company (note 7)	Endorsement/ guarantee to mainland China (note 7)	Remarks
1	P.I.E Industrial Berhad	Pan-International Electronics(M) Sdn.Bhd.	2	$ 2,341,750	$ 1,269,224	$ 1,269,224	$ 432,912	$ -	8.89	$ 4,683,500	N	N	N	
2	P.I.E Industrial Berhad	PAN-INTERNATIONAL WIRE&CABLE (M) SDN.BHD.	2	2,341,750	97,425	96,863	5,106	-	0.68	4,683,500	N	N	N	
3	Dongguan Pan-International Precision Electronics Co., Ltd.	CJ Electric Systems Co., Ltd.	4	1,810,487	872,640	859,776	532,931	-	6.02	1,810,487	N	N	Y	
4	Dongguan Pan-International Precision Electronics Co., Ltd.	Chaohu Ruichang Electric System Co., Ltd.	4	1,810,487	45,450	44,780	44,780	-	0.31	1,810,487	N	N	Y	
5	Dongguan Pan-International Precision Electronics Co., Ltd.	Wuhu Herzhong Automotive Electronics Co., Ltd.	4	1,810,487	22,725	22,390	-	-	0.16	1,810,487	N	N	Y	
6	CJ Electric Systems Co., Ltd.	Wuhu Herzhong Automotive Electronics Co., Ltd.	4	1,103,145	22,725	-	-	-	0.00	1,103,145	N	N	Y	

Note 1: The explanation of the number column is as follows:

(1) Fill in 0 for the issuer.

(2) Investee companies are numbered in sequence in each company type starting numerically from 1.

Pan-International Industrial Corp.
Endorsement/guarantee provided
January 1 to December 31, 2024

Table 2

Unit: NTD thousand
(unless otherwise noted)

Note 2: There are 7 types of relations between the endorsement guarantor and the endorsement guaranteed as follows; simply mark the type:

(1). A company with business relations.
(2). A company with more than 50% of its voting shares is directly or indirectly held by the company.
(3). A company directly or indirectly holding more than 50% of the voting shares of the company.
(4). A company with more than 90% of its voting shares is directly or indirectly held by the company.
(5). A company with mutual guarantees in accordance with the contract in the same industry or a joint constructor to contract the project.
(6). A company that has been endorsed/guaranteed by all the contributing shareholders in accordance with their shareholding ratios due to a joint investment relationship.
(7). Joint and several guarantees for the performance of a contract for the sale of pre-sold houses among companies in the same industry in accordance with the provisions of the Consumer Protection Act.

Note 3: The sum of endorsements and guarantees granted by the Company to external parties are capped at 100% of the Company's net worth overall, and 50% of the Company's net worth per endorsed/guaranteed party; the sum of endorsements and guarantees granted by the Company and subsidiaries to external parties are capped at 100% of the Company's net worth overall, and 50% of the Company's net worth per endorsed/guaranteed party. The total amount of PIE INDUSTRIAL BERHAD's endorsements or guarantees to others shall not exceed 100% of its net worth; the limit of its endorsement or guarantee to others shall not exceed 50% of its net worth. The total amount of endorsements/guarantees shall not exceed 100% of the net worth of the parties making the endorsements/guarantees between the Company and overseas subsidiaries in which the Company holds, directly or indirectly, 100% of the voting shares limit.

Note 4: The maximum balance of endorsements/guarantees for others in the current year.

Note 5: The amount approved by the board of directors' meeting shall be filled in. However, if the Board of Directors' meeting authorizes the chairman of the board to decide in accordance with subparagraph 8, Article 12 of the Regulations Governing Loaning of Funds and Making of Endorsements/ Guarantees by Public Companies, it refers to the amount decided by the chairman of the board.

Note 6: The actual amount of the company's disbursement within the range of using the balance of the endorsements/guarantees shall be entered.

Note 7: Y is required only for an endorsement/guarantee of a listed parent company to a subsidiary, an endorsement/guarantee of a subsidiary to a listed parent company, and an endorsement/guarantee to mainland China.

Pan-International Industrial Corp.
Marketable securities held at period end (excluding investment in subsidiaries, associates and jointly controlled entities).
December 31, 2024

Table 3

Unit: NTD thousand
(unless otherwise noted)

Holding Company Name	Type of marketable securities	Name of marketable securities	Relationship with the Holding Company	Financial report Account	End of the period: Number of shares/beneficiary certificates	End of the period: Carrying amount	End of the period: Shares Ratio	End of the period: Fair value	Remarks
Pan-International Industrial Corp.	Ordinary corporate bonds	Shin Kong Life Insurance Co., Ltd: 2023 1st unsecured cumulative subordinated ordinary corporate bonds	None.	Financial assets measured at after-amortization cost - Non-current	-	$ 290,000	-	$ 290,000	
Pan-International Industrial Corp.	Common share	Innolux Corporation	None.	Financial assets measured at fair value through other comprehensive income - Non-current	49,576,655	711,425	0.62	711,425	
Pan-International Industrial Corp.	Common share	Syntrend Creative Park Co., Ltd.	The largest shareholder of this company is the largest shareholder of Hon Hai Precision Industry Co., Ltd.	Financial assets measured at fair value through other comprehensive income - Non-current	12,831,500	64,916	5.23	64,916	
Yann-Yang Investments Corp.	Common share	Lico Technology Corporation	None.	Financial assets measured at fair value through income - Non-current	3,400,000	-	2.73	-	
P.I.E. INDUSTRIAL BERHAD	Open-end funds	EASTSPRING INVESTMENTS ISLAMIC INCOME FUND	None.	Financial assets measured at fair value through income - Current	23,923	97	-	97	
P.I.E. INDUSTRIAL BERHAD	Open-end funds	AFFIN HWANG AIIMAN MONEY MARKET FUND I	None.	Financial assets measured at fair value through income - Current	546,942	2,332	-	2,332	
P.I.E. INDUSTRIAL BERHAD	Open-end funds	AFFIN HWANG USD CASH FUND	None.	Financial assets measured at fair value through income - Current	255,915	9,338	1.87	9,338	
PAN GLOBAL HOLDING CO., LTD.	Common share	FSK HOLDINGS LIMITED	The investment company is evaluated by the equity method; the same as the Company.	Financial assets measured at fair value through other comprehensive income - Non-current	50,400,000	37,349	17.50	37,349	
PAN GLOBAL HOLDING CO., LTD.	B share	CYBERTAN TECHNOLOGY CORP.	The investment company is evaluated by the equity method; the same as the Company.	Financial assets measured at fair value through other comprehensive income - Non-current	28,498,993	776,288	16.87	776,288	

Pan-International Industrial Corp.
Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital or more.
January 1 to December 31, 2024

Table 4

Unit: NTD thousand
(unless otherwise noted)

				Transaction details			Transaction terms different from general ones and reasons		Note/Accounts Receivable (Payable)		
Buyer/Seller	Related Party	Relation	Purchase/Sale	Amount	Percentage of total purchase (sale)	Credit period	Unit Price	Credit period	Balance	Percentage of total notes and accounts receivable (payable)	Remarks
Pan-International Industrial Corp.	PAN-INTERNATIONAL ELECTRONICS (USA) INC.	Subsidiary of the Company's indirect reinvestment	Sales	$ 205,342	3	Monthly settlement 90 days T/T	No sale to other customers with no basis for comparison	No significant difference	$ 17,651	1	
Pan-International Industrial Corp.	Hongfujin Precision Industry (Wuhan) Co., Ltd.	Subsidiary of the indirect reinvestment of Hon Hai Precision Industry Co., Ltd.	Sales	820,421	10	Monthly settlement 90 days T/T	No sale to other customers with no basis for comparison	No significant difference	276,913	13	
Pan-International Industrial Corp.	Hon Hai Precision Industry Co., Ltd.	A company that evaluates the Company by the equity method	Sales	1,817,432	22	Monthly settlement 90 days T/T	No sale to other customers with no basis for comparison	No significant difference	662,042	30	
Pan-International Industrial Corp.	Kunshan Fuchengke Precision Electronical Co., Ltd.	Subsidiary of the indirect reinvestment of Hon Hai Precision Industry Co., Ltd.	Sales	110,118	1	Monthly settlement 90 days T/T	No sale to other customers with no basis for comparison	No significant difference	135,693	6	
Pan-International Industrial Corp.	FIH (Hong Kong) Mobil Limited	Subsidiary of the indirect reinvestment of Hon Hai Precision Industry Co., Ltd.	Sales	335,161	4	Monthly settlement 90 days T/T	No sale to other customers with no basis for comparison	No significant difference	85,444	4	
Pan-International Industrial Corp.	Foxconn Technology Co., Ltd.	Other related parties	Sales	277,963	3	Monthly settlement 90 days T/T	No sale to other customers with no basis for comparison	No significant difference	74,654	30	
PAN-INTERNATIONAL ELECTRONICS(M) SDN.BHD.	SHARP NORTH MALAYSIA SDN.BHD.	Other related parties	Sales	501,725	7	Monthly settlement of 30 days	No sale to other customers with no basis for comparison	No significant difference	2,364	-	
New Ocean Precision Component (Jiangxi) Co., Ltd.	Foxconn Interconnect Technology Limited	Subsidiary of the indirect reinvestment of Hon Hai Precision Industry Co., Ltd.	Sales	1,293,169	98	Monthly settlement of 60 days	No sale to other customers with no basis for comparison	No significant difference	304,407	97	
Dongguan Pan-International Precision Electronics Co., Ltd.	Hong-qi Mechatronics (Anhui) Co., Ltd.	Subsidiary of the indirect reinvestment of Hon Hai Precision Industry Co., Ltd.	Sales	134,503	9	Monthly settlement of 90 days	No sale to other customers with no basis for comparison	No significant difference	16,455	6	

Pan-International Industrial Corp.
Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital or more.
January 1 to December 31, 2024

Table 4

Unit: NTD thousand
(unless otherwise noted)

CJ Electric Systems Co., Ltd.	YiBing Pan-International Vehicle Wire Co., Ltd.	Subsidiary of the Company's indirect reinvestment	Sales	267,127	6	Monthly settlement of 30 days	No sale to other customers with no basis for comparison	No significant difference	272,630	21
Pan-International Industrial Corp.	Honghuasheng Precision Electronics (Yantai) Co., Ltd.	Subsidiary of the Company's indirect reinvestment	Purchase	3,569,823	46	Monthly settlement of 90 days	A single supplier with no basis for comparison	No significant difference	(1,083,073)	(48)
Pan-International Industrial Corp.	Dongguan Pan-International Precision Electronics Co., Ltd.	Subsidiary of the Company's indirect reinvestment	Purchase	775,601	10	Monthly settlement of 90 days	A single supplier with no basis for comparison	No significant difference	(128,448)	(6)
Pan-International Industrial Corp.	Foxconn Interconnect Technology Limited	Subsidiary of the indirect reinvestment of Hon Hai Precision Industry Co., Ltd.	Purchase	1,387,382	18	Monthly settlement of 90 days	A single supplier with no basis for comparison	No significant difference	(436,462)	(19)
Tekcon Electronics Corporation	Foxconn Interconnect Technology Limited	Subsidiary of the indirect reinvestment of Hon Hai Precision Industry Co., Ltd.	Purchase	294,736	81	Monthly settlement of 120 days	A single supplier with no basis for comparison	No significant difference	(73,042)	(69)
CJ Electric Systems Co., Ltd.	Chaohu Ruichang Electric System Co., Ltd.	Subsidiary of the Company's indirect reinvestment	Purchase	1,110,898	29	Monthly settlement of 30 days	A single supplier with no basis for comparison	No significant difference	(168,391)	(9)

Pan-International Industrial Corp.
Total accounts receivable from related parties amounting to at least NT$100 million or 20% of the paid-in capital or more.
December 31, 2024

Table 5

Unit: NTD thousand
(unless otherwise noted)

Company Name	Related Party	Relation	Balance of accounts receivable from related parties (Note 1)	Turnover Rate	Overdue Amount	Overdue Actions Taken	Accounts receivable from related parties recovered after the period	Provision for bad debt
Pan-International Industrial Corp.	Hongfujin Precision Industry (Wuhan) Co., Ltd.	Subsidiary of the indirect reinvestment of Hon Hai Precision Industry Co., Ltd.	$ 276,913	3.67	$ -	-	$ 63,788	$ 111
Pan-International Industrial Corp.	Hon Hai Precision Industry Co., Ltd.	A company that evaluates the Company by the equity method	662,042	2.76	617	Payment received after the period	151,422	265
Pan-International Industrial Corp.	Kunshan Fuchengke Precision Electronical Co., Ltd.	Subsidiary of the indirect reinvestment of Hon Hai Precision Industry Co., Ltd.	135,693	3.87	-	-	37,085	55
Honghuasheng Precision Electronics (Yantai) Co., Ltd.	Pan-International Industrial Corp.	The Company’s parent company	1,083,073	4.07	-	-	165,832	423
- Pan-International Precision Electronic Co., Ltd.	Pan-International Industrial Corp.	The Company’s parent company	128,448	5.44	-	-	67,387	-
New Ocean Precision Component (Jiangxi) Co., Ltd.	Foxconn Interconnect Technology Limited	Subsidiary of the indirect reinvestment of Hon Hai Precision Industry Co., Ltd.	304,407	2.93	-	-	28,810	122
CJ Electric Systems Co., Ltd.	YiBing Pan-International Vehicle Wire Co., Ltd.	Subsidiary of the Company’s indirect reinvestment	272,630	0.94	-	-	-	-

Note 1: Please refer to the description in Table 1 for the transaction information of the related party's capital loan and its receivables amounting to NT$100 million or over 20% of the paid-in capital.

Pan-International Industrial Corp.
Significant Inter-company Transactions during the Reporting Period
January 1 to December 31, 2024

Table 6

Unit: NTD thousand
(unless otherwise noted)

Serial No. (note 1)	Transaction Company	Counterparty	Relationship with the transaction parties (Note 2)	Description of Transactions (note 4 and note 7) Account	Amount	Transaction Terms	Percentage over consolidated total revenue or total assets (note 3)
0	Pan-International Industrial Corp.	Honghuasheng Precision Electronics (Yantai) Co., Ltd.	1	Purchase	3,569,823	Note 5	16
0	Pan-International Industrial Corp.	Dongguan Pan-International Precision Electronics Co., Ltd.	1	Purchase	775,601	Note 5	4
0	Pan-International Industrial Corp.	Pan-International Electronics (USA) Inc.	1	Sales	205,342	Note 5	1
1	Honghuasheng Precision Electronics (Yantai) Co., Ltd.	Pan-International Industrial Corp.	2	Accounts receivable	1,083,073	Note 5	4
2	Dongguan Pan-International Precision Electronics Co., Ltd.	Pan-International Industrial Corp.	2	Accounts receivable	128,448	Note 5	1
3	CJ Electric Systems Co., Ltd.	Chaohu Ruichang Electric System Co., Ltd.	3	Purchase	1,110,898	Note 6	5
3	CJ Electric Systems Co., Ltd.	YiBing Pan-International Vehicle Wire Co., Ltd.	3	Sales	267,127	Note 6	1
3	CJ Electric Systems Co., Ltd.	YiBing Pan-International Vehicle Wire Co., Ltd.	3	Accounts receivable	272,630	Note 6	1

Note 1: The business information between the parent company and the subsidiary shall be indicated in the number column respectively, and the number shall be filled in as follows:

(1) Fill in 0 for the parent company

(2) Subsidiaries are numbered in sequence in each company type starting numerically from 1.

Note 2: There are three types of relationship with the transaction party; just mark the type (there is no need to repeatedly disclose the same transaction between parent and subsidiary companies or between subsidiary companies. For example, if a parent company discloses a transaction with a subsidiary, the subsidiary does not have to repeat the disclosure of the transaction; if a subsidiary discloses a transaction with another subsidiary, the other subsidiary does not have to disclose the transaction again):

(1) Parent company with a subsidiary.

(2) A subsidiary with the parent company.

(3) A subsidiary with a subsidiary.

Note 3: For the calculation of the ratio of the transaction amount to the total consolidated revenue or total assets, if it belongs to the account of assets and liabilities, it shall be calculated in the way that the ending balance accounts for the total consolidated assets; if it belongs to the account of income it shall be calculated in the way that the accumulated amount in the period end accounts for the total consolidated revenue.

Note 4: The standard for disclosing the transaction information above between the parent company and a subsidiary is that the amount of purchase, sale and receivables from related parties reaches NT$100 million or 20% of the paid-in capital.

Note 5: Transaction prices are negotiated and the collection period is monthly settlement 90 days.

Note 6: Transaction prices are negotiated and the collection period is monthly settlement 30 days.

Note 7: Please refer to the description in Table 1 for the transaction information of the related party's capital loan and its receivables amounting to NT$100 million or over 20% of the paid-in capital.

Pan-International Industrial Corp.
The name and location of the investee company and other relevant information (excluding mainland China investee companies)
December 31, 2024

Table 7

Unit: NTD thousand
(unless otherwise noted)

Investor	Investor Company	Location	Main Businesses and Products	Original Investment Amount: End of the period	Original Investment Amount: End of last year	Shares held as at end of the period: Shares	Shares held as at end of the period: Ratio	Shares held as at end of the period: Carrying amount	Net income (loss) of the Investee for current period	Investment gains and losses recognized in the current period	Remarks
Pan-International Industrial Corp.	PAN GLOBAL HOLDING CO., LTD.	British Virgin Islands	Holding company	$ 1,759,731	$ 1,759,731	8,220	100	$10,759,602	$ 820,001	$ 820,001	
Pan-International Industrial Corp.	PAN-INTERNATIONAL ELECTRONICS INC.	USA	Sale of electronic products	73,142	73,142	28,000	100	268,471	18,538	18,538	
Pan-International Industrial Corp.	Yann-Yang Investments Corp.	Taiwan	Investment company	363,997	363,997	33,316,236	100	101,644	(70,211)	(70,211)	
Pan-International Industrial Corp.	PAN-INTERNATIONAL ELECTRONICS (THAILAND) CO. LTD.	Thailand	Production and sales of connection cables	176,587	-	4,090,900	45	180,989	(15,800)	(7,110)	
Yann-Yang Investments Corp.	Tekcon Electronics Corporation	Taiwan	Manufacturing and sale of connectors for electronic signal cables	393,898	393,898	21,960,504	83.58	92,864	(84,006)	(70,213)	
PAN GLOBAL HOLDING CO., LTD.	P.I.E. INDUSTRIAL BERHAD (PIB)	Malaysia	Holding company	45,742	45,742	197,459,985	51.42	2,316,518	360,271	188,907	Note 1
PAN GLOBAL HOLDING CO., LTD.	BEYOND ACHIEVE ENTERPRISE LTD. (BAE)	British Virgin Islands	Holding company	314,784	314,784	9,600,000	100	759,772	43,670	43,670	Note 2
PAN GLOBAL HOLDING CO., LTD.	TEAM UNION INTERNATIONAL LTD. (TUI)	Hong Kong	Holding company	603,336	537,756	18,768,601	100	1,874,700	191,118	191,118	Note 3
PAN GLOBAL HOLDING CO., LTD.	EAST HONEST HOLDINGS LIMITED (EHH)	Hong Kong	Holding company	3,515,658	3,515,658	665,799,420	100	4,401,957	515,469	515,469	Note 4
PAN GLOBAL HOLDING CO., LTD.	Long Time Tech. Co., Ltd.	Taiwan	Electronic Components	646,000	646,000	20,187,500	16.93	411,155	(394,783)	(66,835)	
Tekcon Electronics Corporation	Long Time Tech. Co., Ltd.	Taiwan	Electronic Components	250,000	250,000	7,812,500	5.48	159,124	(394,783)	(25,852)	
PAN-INTERNATIONAL ELECTRONICS (MALASIA) SDN. BHD.	PAN-INTERNATIONAL CORPORATION (S) PTE. LIMITED. (PIS)	Singapore	Manufacturing and sale of connectors for electronic signal cables	2,413	2,413	100,000	30	13,065	(43)	-	Note 5

Note 1: The Company mainly reinvests in Pan-International Electronics (MALAYSIA) SDN. BHD. and Pan-International Wire & Cable (MALAYSIA) SDN. BHD. indirectly through PIB to engage in the production of cable connector or electronic products and of sales in the Malaysia region.
Note 2: The company mainly reinvests in New Ocean Precision Component (Jiangxi) Co., Ltd. indirectly through BAE. Please refer to Table 8 for details on the disclosure of information about the investment in the mainland China.
Note 3: The company mainly reinvests in Dongguan Pan-International Precision Electronics Co., Ltd. indirectly through TUI. Please refer to Table 8 for details on the disclosure of information about the investment in the mainland China.
Note 4: The company mainly reinvests in Honghuasheng Precision Electronics (Yantai) Co., Ltd. indirectly through EHH. Please refer to Table 8 for details on the disclosure of information about the investment in the mainland China.
Note 5: PIS, the Company's sub-subsidiary, conducted a cash capital increase in the first quarter of 2023. The Group did not subscribe for the shares in proportion to the shareholding, resulting in a drop of the shareholding by 30%.
Note 6: The relevant figures in this table are in NTD. Where foreign currencies are involved, they will be converted into NTD at the exchange rate on the date of financial reporting.

Pan-International Industrial Corp.
Mainland China investment information - Basic information
January 1 to December 31, 2024

Table 8

Unit: NTD thousand
(unless otherwise noted)

Name of the investee in mainland China	Main Businesses and Products	Paid-in Capital	Method of Investments (Note 2)	Cumulative outward remittance of investment amount from Taiwan at the beginning of the period	Investment Flows of current period Outward	Investment Flows of current period Inward	Cumulative outward remittance of the investment amount from Taiwan in the period end	Net income (loss) of the Investee for current period	% Ownership of Direct or Indirect Investment	Investment gains and losses recognized in the current period (note 3)	Book value of the investment at the end of the period	Investment gains repatriated as of the end of the period	Remarks
Honghuasheng Precision Electronics (Yantai) Co., Ltd.	Production and sale of hard single (double) side printed circuit boards, hard multi-layer printed circuit boards, flexible multi-layer printed circuit boards, and other printed circuit boards	$ 2,813,382	2	$ 2,901,915	$ -	$ -	$ 2,901,915	$515,618	100	$ 515,618	$ 4,401,536	$517,097	Note 4
Dongguan Pan-International Precision Electronics Co., Ltd.	Manufacturing and sale of wires, cables, connecting wires, connecting wire connectors, and wire plugs.	537,756	2	409,875	-	-	409,875	191,118	100	191,118	1,810,487	-	Note 6
Pan-International Sunrise Trading Corp.	Sales of electrical cables, computer accessories, wireless bluetooth, turnkey, etc.	13,434	3	-	-	-	-	10,103	100	10,103	115,172	-	
Fuyu properties (Shanghai) Co., Ltd.	Engaging in the e-commerce business of industrial design, other specialized design services, car rental, retail of other commodities, sale of computer and peripheral equipment and software, retail of communication equipment, retail of audio-visual equipment, retail of spare parts and supplies for locomotives, and e-commerce of retail goods and equipment above.	5,246,089	2	893,528	-	-	893,528	180,884	16.87	-	776,288	-	Note 8
New Ocean Precision Component (Jiangxi) Co., Ltd.	Manufacturing and operation of various types of plugs and sockets and telecommunications.	314,784	2	-	-	-	-	43,670	100	43,670	759,771	-	
CJ Electric Systems Co., Ltd.	Manufacture and sales of automotive wiring harness products	349,256	3	-	-	-	-	74,814	100	74,814	1,103,145	-	
YiBing Pan-International Vehicle Wire Co., Ltd.	Auto parts and accessories, smart vehicle equipment manufacturing, etc.	167,835	3	-	-	-	-	(32,369)	100	(32,369)	74,619	-	

Company name	The cumulative amount of outward remittance of investment from Taiwan to mainland China at the end of the period (notes 5 and 6)	Investment amount approved by the Investment Commission, MOEA	In compliance with the investment limit stipulated by the Investment Commission, MOEA for investment in mainland China. (note 7).
Pan-International Industrial Corp.	$ 4,649,327	$ 6,703,568	$ -

Note 1: The relevant figures in this table are in NTD. Where foreign currencies are involved, they will be converted into NTD at the exchange rate on the date of financial reporting.

Note 2: There are three investment modes:

1. Direct investment in mainland China.
2. Re-investment in mainland China through Pan Global Holding Co., Ltd. of a third region.
3. Other modes.

The Company invests in investee companies in Mainland China through its investment business in China, including Pan-International Sunrise Trading Corp., CJ Electric Systems Co., Ltd., and YiBing Pan-International Vehicle Wire Co., Ltd. Except that the Company shall apply to the Department of Investment Review, MOEA for permission in advance, other reinvestments do not need to apply to the Department of Investment Review.

Note 3: The field of investment gains and losses recognized in the current period is recognized under the audited financial statements.

Note 4: In the first quarter of 2012, the company acquired 100% of the equity of East Honest Holdings Limited through the subsidiary Pan Global Holding Co., Ltd. and indirectly acquired Honghuasheng Precision Electronics (Yantai) Co., Ltd.; the investment amount approved by the Investment Commission, MOEA was USD 107,217 thousand.

Note 5: As of December 31, 2023, the Company has the following investment withdrawal cases approved by the Department of Investment Review, MOEA:

Date	Approval letter No.	Investor Company	Original investment amount remitted from Taiwan
September 5, 2003	0920028972	Dongguan Junwang Technology Co., Ltd.	US$91 thousand
December 9, 2010	09900496780	Saibo Digital Technology (Guangzhou) Co., Ltd.	476 thousand
May 30, 2011	10000205680	Yunnan Saibo Digital Technology Co., Ltd.	190 thousand
May 30, 2011	10000205690	Chongqing Saibotel Digital Square Co., Ltd.	454 thousand
May 30, 2011	10000205700	Nanchong Saibo Digital Square Co., Ltd.	58 thousand
			USD 1,269 thousand

Because these reinvestment companies suffer losses, the amount of investment originally remitted from Taiwan cannot offset the amount of investment in mainland China.

Note 6: The company received the letter from the Investment Commission, MOEA referenced Jing-Shen-II No. 10000518690 in November 2011 for cancellation of the approved investment amount of US$500 thousand in Dongguan Pan-International Precision Electronics Co., Ltd. which had not yet been invested; on October 30, 2014, the company received the letter from the Investment Commission, MOEA referenced Jing-Shen-Er-Zi No. 10300233110 for transfer of 42 companies including Qingdao Saiboter Digital Technology Square Co., Ltd. to Samoa Le Zhiwan Ranch Holding Investment Limited; in March 2017, the company received the letter from the Investment Commission, MOEA referenced Jing-Shen-Er-Zi No. 10600038030 for cancellation of the approved investment amount of US$5,200 thousand in UER Battery Technology (Shenzhen) Co., Ltd. which had not yet been invested.

Note 7: The Company received a letter from the Industrial Development Bureau, MOEA referenced Jing-Shou-Gong-Zi No.11120436260 in December 2022 certifying the compliance with the operation scope of operation headquarters, and no investment limit is required from November 29, 2022 to November 28, 2025.

The Company’s subsidiary Pan Global Holding Co., Ltd. sold 16.87% of its-owned Class A shares of CYBERTAN TECHNOLOGY CORP. in the second quarter of 2021. The reinvestment business Fuyu Property (Shanghai) Co., Ltd. was indirectly disposed of. As of September 30, 2024, the Company indirectly held 16.87% of Class B shares of its reinvestment business Fuyu Property (Shanghai) Co., Ltd.

Pan-International Industrial Corp.
Information on major shareholders
December 31, 2024

Table 9

	Share	
Name of major shareholders	Number of shares held	Shares Ratio
Hon Hai Precision Industry Co., Ltd.	107,776,254	20.79%

Note 1: The information of major shareholders in this table is based on the information from the Central Depository on the last business day at the end of each quarter, covering shareholders holding more than 5% of the company’s common and special shares that have completed scriptless registration (including treasury shares). The share capital reported in the financial report and the actual number of shares that have completed the scriptless registration may be different due to differences in the basis of compilation and calculation.

Note 2: If the shareholder puts the shares into a trust, the aforementioned information will be disclosed by the trustors’ individual account opened by the trustee. As for shareholders’ insider declaration of the ownership percentage over 10% according to the Securities and Exchange Act, including the shares on hand and those being put in a trust but with the decision power over the usage of the trust assets, please refer to the insider declaration information on MOPS.

Note 3: The preparation principle of this table is to calculate the distribution of the balance of each credit transaction based on the shareholders’ register on the book-close day of the extraordinary shareholders' meeting (short-sale securities are not purchased back).

Note 4: Shareholding ratio (%) = total number of shares held by the shareholder/total number of shares that have completed scriptless registration.

Note 5: The total number of shares (including treasury shares) that have completed scriptless registration is 518,346,282 shares = 518,346,282 (common shares) + 0 (special shares).

Pan-International Industrial Corp.
Cash and cash equivalents
December 31, 2024

Subsidiary Ledger 1 Unit: NTD thousand

Item	Summary					Amount
Cash on hand						$ -
Time deposit	NTD	101,825	Thousand			101,825
	USD	3,500	Thousand	Exchange rate	32.7900	114,758
	HKD	1,217	Thousand	Exchange rate	4.2220	5,140
	RMB	207	Thousand	Exchange rate	4.4780	926
	JPY	64	Thousand	Exchange rate	0.2099	13
Time deposit	NTD	1,040,000	Thousand			1,040,000
Cash equivalents - Bond repos	NTD	100,000	Thousand			100,000
						$ 1,362,662

Pan-International Industrial Corp.
Net accounts receivable
December 31, 2024

Subsidiary Ledger 2 | Unit: NTD thousand

Item	Summary	Amount	Remarks
Non-related Parties：			
Luxshare Precision Industry Co., Ltd.		$ 190,618	
Jiangxi Luxshare Intelligent Manufacture Co., Ltd.		121,055	The balance of each sporadic account falls below 5% of the total under this title.
Others		475,675	
Less: Allowance for impairment loss		(338)	
		787,010	
Related Parties:			
Hon Hai Precision Industry Co., Ltd.		662,041	
Hongfujin Precision Electronics (Wuhan) Co., Ltd.		276,913	
Others		466,382	The balance of each sporadic account falls below 5% of the total under this title.
Less: Allowance for impairment loss		(566)	
		1,404,770	
		$ 2,191,780	

Pan-International Industrial Corp.
Inventory
December 31, 2024

Subsidiary Ledger 3 | Unit: NTD thousand

Item	Summary	Amount: Cost	Net realizable value	Remarks
Raw materials		$ 16,403	$ 16,497	Net realizable value as market price
Finished products		520,414	538,311	”
		536,817	$ 554,808	
Less: provision for valuation loss of inventory		(20,187)		
		$ 516,630		

Pan-International Industrial Corp.
Financial assets measured at fair value through other comprehensive income - noncurrent
January 1 to December 31, 2024

Subsidiary Ledger 4 Unit: NTD thousand

Name	Beginning of period		Increase for the period (Note 1)		Decrease in current period (Note 2)		End of period		Guarantee or pledge	Remark
	Shares	Fair value	Shares	Amount	Shares	Amount	Shares	Fair value		
Innolux Corporation	71,106,472	$ 1,016,823	-	$ -	(21,529,817)	($ 305,398)	49,576,655	$ 711,425	None.	
Syntrend Creative Park Co., Ltd.	12,831,500	64,208	-	708	-	-	12,831,500	64,916	”	
		$ 1,081,031		$ 708		($ 305,398)		$ 776,341		

Note 1: The increase in current period is the adjustment of the unrealized valuation gain/loss of financial assets measured at fair value through other comprehensive income.
Note 2: The decrease in current period is the adjustment of the unrealized gain/loss, the proceeds from refunded investment of financial assets at fair value through other comprehensive income.

Pan-International Industrial Corp.
Changes in long-term equity investment accounted for under the equity method
January 1 to December 31, 2024

Subsidiary Ledger 5 Unit: NTD thousand

	Opening balance		Increase in current period (Note)		Decrease in current period (Note)		Closing balance			Net value of equity		
Investee company	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Number of shares	Shareholding %	Amount	Unit price ($)	Total price	Guarantee or pledge
PAN GLOBAL HOLDING CO., LTD.	6,726	$ 9,565,251	-	$ 1,349,092	-	($ 154,741)	6,726	100	10,759,602	$ -	$10,759,602	無
PAN-INTERNATIONAL ELECTRONICS INC.	28,000	233,711	-	34,760	-	-	28,000	100	268,471	-	268,471	〃
PAN-INTERNATIONAL Electronics (Thailand) Co., Ltd. (PIT)	-	-	4,090,900	180,989	-	-	4,090,900	45	180,989	-	180,989	〃
Yann-Yang Investments Corp.	33,316,236	169,012	-	2,843	-	(70,211)	33,316,236	100	101,644	-	101,644	〃
		$ 9,967,974		$ 1,567,684		($ 224,952)			$ 11,310,706		$ 11,310,706	

Note: The amount of increase and decrease in the current period includes the share of profits and losses of subsidiaries, affiliates, and joint ventures using the equity method; currency exchange differences arising from foreign operating agency financial statements; actuarial gains and losses of defined benefit plans; unrealized gains and losses of the investee company's financial assets measured at fair value through other comprehensive gains and losses; and changes in the net worth of the investee company's equity and the return of the share capital due to the capital reduction of the investee company.

Pan-International Industrial Corp.
Accounts payable
December 31, 2024

Subsidiary Ledger 6 | Unit: NTD thousand

Supplier name	Summary	Amount	Remarks
Non-related Parties：			
Innolux Corporation		$ 266,605	
Others		318,953	The balance of each sporadic supplier does not exceed 5% of the total amount of the subject
		585,558	
Related Parties:			
Honghuasheng Precision Electronics (Yantai) Co., Ltd.		1,083,073	
Foxconn Interconnect Technology Limited		436,462	
Pan-International Precision Electronic Co., Ltd.		128,448	
Others		17,602	The balance of each sporadic supplier does not exceed 5% of the total amount of the subject
		1,665,585	
		$ 2,251,143	

Pan-International Industrial Corp.
Operating revenue
January 1 to December 31, 2024

Subsidiary Ledger 7 Unit: NTD thousand

Item	Quantity	Amount	Remarks
Electronic Components	Note	$ 6,312,207	
Computers and peripherals	〃	1,841,184	
		8,153,391	
Less: sale return and discount		(688)	
		$ 8,152,703	

Note: The products for sale come in a great variety and the pricing per unit also differs, as such the quantity is not specified here.

Pan-International Industrial Corp.
Operating cost
January 1 to December 31, 2024

Subsidiary Ledger 8 Unit: NTD thousand

Item	Amount
Inventory at beginning of period	$ 315,066
Add: purchase in current period	7,792,173
Inventory at the end of period	(536,817)
Other cost of operation	7,711
Gain on appreciation of inventories	16,206
	$ 7,594,339

Pan-International Industrial Corp.
Operating expenses
January 1 to December 31, 2024

Subsidiary Ledger 9 | Unit: NTD thousand

Item	Selling and marketing expenses	Administrative and general affairs expense	Research and development expenses	Expected credit impairment gain	Total	Remarks
Salary expense	$ 25,527	$ 49,648	$ 10,445	$ -	$ 85,620	
Import and export fee	6,357	38,772	-	-	45,129	
Professional service charge	16,452	661	-	-	17,113	
Commission expense	5,570	385	1	-	5,956	
Employee welfare	1,324	2,633	690	-	4,647	
Freight costs	3,471	-	-	-	3,471	
Expected credit impairment gain	-	-	-	89	89	
Others	7,975	30,912	3,713	-	42,600	The balance of each sporadic title falls below 5% of the total under this title
	$ 66,676	$ 123,011	$ 14,849	$ 89	$204,625	