Stock Code: 2397

DFI Inc.

Parent Company Only Financial Statements and Independent Auditors' Report

For the years ended December 31, 2024 and 2023

This is the translation of the financial statements. CPAs do not audit on this translation

Company Address: 10F, No. 97, Sec. 1, Xintai 5th Rd., Xizhi Dist., New Taipei City
Telephone: (02) 26972986

The independent auditors' report and the accompanying financial statements are the English translation of the Chinese version prepared and used in the Republic of China. The translation is not prepared by the independent auditor. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and financial statements, the Chinese version shall prevail.

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Independent Auditors' Report

To the Board of Directors of DFI Inc.:

Audit Opinion

We have audited the accompanying balance sheets of DFI Inc. as of December 31, 2024 and 2023, which comprise the comprehensive income statement, statement of changes in equity, and cash flow statement from January 1 to December 31, 2024 and 2023, as well as the notes to the parent company only financial statements (including the summary of significant accounting policies).

In our opinion, based on our audits and the reports of other certified public accountants (see Other Matters section), the aforementioned financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, as well as the Company's financial performance and cash flows from January 1 to December 31 in 2023 and 2024, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Generally Accepted Auditing Standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audit results and other certified public accountants' audit reports, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Company's parent company only financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. Key audit matters that we judge should be communicated in the audit reports are stated as follows:

I. Investment in subsidiaries

For details on accounting policies related to subsidiary investments and business combinations, please refer to Note IV (IX) and (XIX) of the parent company only financial statements. Additionally, for a description of significant accounting items concerning newly acquired subsidiaries, please consult Note VI (VII) of the parent company only financial statements.

Key audit matters are stated as follows:

In 2024, DFI Inc. and its subsidiaries acquired 70.65% of the ordinary shares of Tekpak Corporation and gained control. Due to the accounting treatment of business combinations, the management must determine the fair value of identifiable assets acquired and liabilities assumed.

Because the process involves numerous assumptions and estimates and is inherently complex, the addition of subsidiary investments for this period is a material evaluation matter for us when conducting the audit of the Company's parent company only financial statements.

The corresponding audit procedures:

Our main audit procedures for the above-mentioned key audit matters include: obtaining the fair value assessment and the purchase price allocation of intangible assets reports entrusted by the management to external experts, and assessing the assets and liabilities identified by management at the acquisition date and the reasonableness of their evaluations; appointing our experts of evaluation to assist in assessing the reasonableness of the evaluation methods used in the evaluation; we also assess the correctness of the accounting of DFI Inc. and whether relevant information about the acquisition has been properly disclosed.

II. Impairment assessment of goodwill arising from investment in subsidiaries

For accounting policies related to the impairment of non-financial assets, please refer to Note IV (XIV) of the parent company only financial statements; for an explanation on the uncertainty of assumptions and accounting estimates of a goodwill impairment assessment, please refer to Note V of the parent company only financial statements; for an explanation of a goodwill impairment test, please refer to Note VI (VII) of the parent company only financial statements.

Key audit matters are stated as follows:

The Company’s significant goodwill arising from the acquisition of DFI AMERICA, LLC and Tekpak Corporation was included in the book value of the investment accounted for using the equity method in the parent company only financial statements. The goodwill should be tested for impairment annually, or whenever there is an indication of impairment. Because assessing the recoverable amount of the cash-generating unit to which goodwill has been allocated involves a number of management assumptions and estimates, the goodwill impairment assessment is a material evaluation matter for us when conducting the audit of the Company's parent company only financial report.

The corresponding audit procedures:

Our audits of the above critical items include: obtaining management’s self-assessment of the goodwill impairment test form; evaluating the reasonableness of the bases of estimates and significant assumptions used by management to determine the recoverable amount, including the discount rate, expected rate of growth in revenues, and projections of future cash flows; comparing previously forecasted future cash flows with actual results to assess the accuracy of past management estimates; performing sensitivity analyses of significant assumptions; and reviewing whether the Company has appropriately disclosed information regarding the goodwill impairment assessment.

Other Matters

Some of the investments in subsidiaries under the equity method included in the Company's parent company only financial statements were not audited by us, but by other certified public accountants. Therefore, our opinion, insofar as it relates to the amounts included in the financial statements of the subsidiaries, is based on the reports of other certified public accountants. The investment in this subsidiary recognized under the equity method amounted to NTD 470,216 thousand and NTD 410,339 thousand as of December 31, 2024 and 2023, respectively, representing 7.65% and 8.02% of total assets. The share of profit or loss of subsidiaries recognized under the equity method from January 1 to December 31, 2024 and 2023 were NTD 16,545 thousand and NTD 22,661 thousand, respectively, which accounted for 3.47% and 4.92% of income before tax, respectively.

Responsibility of Management and Governance Units for 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 statement that are free from material misstatement, whether due to fraud or error.

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

DFI Inc.'s governance unit (including the Audit Committee) is responsible for overseeing the financial reporting process.

Auditors' Responsibilities for the Audit of Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance regarding 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 is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error. If the individual amounts or sums that the material misstatement involved may be reasonably expected to affect the financial decision making of users of the parent company only financial statements, such misstatement will be considered material.

As part of an audit in accordance with the auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

I. 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.

II. 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 DFI Inc.'s internal control.

III. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

IV. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the DFI Inc.'s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause DFI Inc. to cease to continue as a going concern.

V. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the related notes, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

VI. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements of equity-method investees in order to express an opinion on the financial statements. We are responsible for directing, supervising, and performing the audit and for forming an opinion on the financial statements of DFI Inc.

We communicate with the governance unit about the scope and timing of planned audit and significant audit findings, including significant deficiencies in internal control identified in the course of the audit.

We also provide the governance unit with a statement of independence from the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, which is followed by those who are subject to the independence requirements of the firm to which we belong, and we communicate with the governance unit about all relationships and other matters (including relevant safeguards) that might be perceived as affecting the independence of the accountant.

From the matters communicated with the governance unit, we determine the key audit matters of the Company's parent company only financial statements for the year ended December 31, 2024. We describe these matters in our certified public accountants' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KPMG Taiwan

CPA:

Assurance Document Number Approved by Securities Authority	:	Financial-Supervisory-Securities-Auditing-1060005191 (88) Taiwan-Finance-Securities-VI-18311

February 25, 2025

Notes to Readers

The accompanying financial statements are intended only to present the financial position, financial performance and cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' audit report and the accompanying financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' audit report and financial statements, the Chinese version shall prevail.

DFI Inc.

Balance Sheets

As of December 31, 2024 and 2023

Unit: In Thousands of New Taiwan Dollars

		2024.12.31		2023.12.31	
	Assets	**Amount**	**%**	**Amount**	**%**
	Current assets:				
1100	Cash and cash equivalents (Note VI (I))	$ 418,043	7	443,832	9
1110	Financial assets measured at fair value through profit or loss - current (Notes VI (II))	22,457	-	32,617	1
1136	Financial assets measured at amortized cost - current (Notes VI (IV) & VIII)	1,500	-	1,500	-
1170	Net of notes and accounts receivable (Notes VI (V) & (XX))	306,775	5	291,998	6
1180	Accounts receivable - related parties (Notes VI (V), (XX) and VII)	293,886	5	145,921	3
1200	Other receivables (Notes VI (V) & VII)	26,082	1	8,201	-
130X	Inventories (Notes VI (VI))	477,050	8	437,094	8
1410	Prepayments	23,275	-	23,253	-
1470	Other current assets	1,200	-	302	-
	Total current assets	1,570,268	26	1,384,718	27
	Non-current assets:				
1517	Financial assets measured at fair value through other comprehensive income - non-current (Note VI (III))	-	-	77,314	2
1550	Investment under the equity method (Notes VI (III) & (VII))	3,507,786	57	2,478,590	48
1600	Property, plant and equipment (Notes VI (VIII) & VII)	765,019	12	1,003,301	20
1755	Right-of-use assets (Notes VI (IX) & VII)	84,620	1	102,953	2
1760	Net of investment properties (Note VI (X))	174,881	3	-	-
1780	Intangible assets (Notes VI (VII), (XI) & VII)	9,303	-	9,244	-
1840	Deferred income tax assets (Notes VI (XVII)	36,773	1	53,930	1
1990	Other non-current assets	1,043	-	4,525	-
	Total non-current assets	4,579,425	74	3,729,857	73
	Total assets	**$ 6,149,693**	**100**	**5,114,575**	**100**

(Please refer to notes to parent company only financial statements)

Chairman: Chen Chi-Hong **President: Tien Chih-Yin** **Accounting Supervisor: Huang Li-Min**

DFI Inc.

Balance Sheets (Continued from the previous page)

As of December 31, 2024 and 2023

Unit: In Thousands of New Taiwan Dollars

		2024.12.31		2023.12.31	
	Liabilities and equity	**Amount**	**%**	**Amount**	**%**
	Current liabilities:				
2100	Short-term borrowings (Notes VI (XII))	$ 1,000,000	16	650,000	13
2120	Financial liabilities measured at fair value through profit or loss - current (Note VI (II))	3,751	-	135	-
2130	Contract liabilities - current (Note VI (XX))	12,090	-	10,732	-
2170	Accounts payable	551,860	9	345,065	7
2180	Accounts payable - related parties (Note VII)	58,131	1	11,600	-
2200	Other payables (Note VI (XXI) & VII)	208,456	4	165,649	3
2230	Current income tax liabilities	3,732	-	87,264	2
2250	Provisions - current (Note VI (XV))	30,437	1	41,764	1
2280	Lease liabilities - current (Note VI (XIV) & VII)	17,166	-	18,567	-
2322	Long-term borrowings - current portion (Note VI (XIII))	80,000	1	-	-
2399	Other current liabilities	6,012	-	18,064	-
	Total current liabilities	1,971,635	32	1,348,840	26
	Non-current liabilities:				
2540	Long-term borrowings (Notes VI (XIII))	470,000	8	400,000	8
2570	Deferred income tax liabilities (Notes VI (XVII))	109,039	2	95,287	2
2580	Lease liabilities - non-current (Note VI (XIV) & VII)	72,118	1	89,283	2
2640	Net defined benefit liabilities - non-current (Note (XVI))	15,159	-	19,129	-
	Total non-current liabilities	666,316	11	603,699	12
	Total liabilities	2,637,951	43	1,952,539	38
	Equity (Notes VI (VII) and (XVIII)):				
3110	Share capital - ordinary shares	1,144,889	19	1,144,889	23
3200	Capital reserve	898,131	14	629,767	12
3300	Retained earnings	1,538,288	25	1,443,171	28
3400	Other equity	(69,566)	(1)	(55,791)	(1)
	Total equity	3,511,742	57	3,162,036	62
	Total liabilities and equity	$ 6,149,693	100	5,114,575	100

(Please refer to notes to parent company only financial statements)

Chairman: Chen Chi-Hong **President: Tien Chih-Yin** **Accounting Supervisor: Huang Li-Min**

DFI Inc.

Statement of Comprehensive Income

From January 1 to December 31, 2024 and 2023

Unit: In Thousands of New Taiwan Dollars

		2024		2023	
		Amount	%	Amount	%
4000	**Net operating revenue (Notes VI (XX) and VII)**	$ 3,222,248	100	4,009,122	100
5000	**Operating costs (Note VI (VI), (VIII), (IX), (XI), (XIV), (XV), (XVI), (XXI), VII & XII)**	(2,365,100)	(74)	(3,058,894)	(77)
	Gross profit	857,148	26	950,228	23
5910	Gain on realized (unrealized) sales	49,770	2	24,604	1
	Gross profit	906,918	28	974,832	24
	Operating expenses (Note VI (V), (VIII), (IX), (X), (XI), (XIV), (XVI), (XXI), VII & XII):				
6100	Selling and marketing expenses	(187,233)	(6)	(177,845)	(4)
6200	General and administrative expenses	(112,764)	(3)	(119,192)	(3)
6300	Research and development expenses	(281,775)	(9)	(271,658)	(7)
6450	Gain on reversal of expected credit impairment	242	-	877	-
6000	**Total operating expenses**	(581,530)	(18)	(567,818)	(14)
	Net operating income	325,388	10	407,014	10
	Non-operating income and expenses (Notes VI (VII), (XIV), (XXII) & VII)				
7100	Interest income	7,482	-	7,564	-
7010	Other income	27,362	1	35,164	1
7020	Other gain and loss	(30,994)	(1)	(17,837)	-
7050	Finance costs	(22,786)	(1)	(31,114)	(1)
7070	Shares of profit (loss) of subsidiaries accounted for using the equity method	170,050	5	59,574	1
	Total non-operating income and expenses	151,114	4	53,351	1
7900	**Profit before tax**	476,502	14	460,365	11
7950	**Less: Income tax expense (Note VI (XVII))**	(79,891)	(2)	(98,680)	(2)
8200	**Net profit for the period**	396,611	12	361,685	9
	Other comprehensive income (Note VI (XVI), (XVII) and (XVIII)):				
8310	**Items that will not be reclassified to profit or loss**				
8311	Remeasurement of defined benefit plans	1,756	-	9,469	-
8316	Unrealized gain (loss) on investments in equity instruments measured at fair value through other comprehensive income	(1,419)	-	8,474	-
8330	Shares of other comprehensive income of subsidiaries accounted for using the equity method	1,637	-	1,929	-
8349	Income tax relating to items that will not be reclassified	(351)	-	(1,894)	-
		1,623	-	17,978	-
8360	**Items that may be reclassified subsequently to profit or loss**				
8361	Exchange differences on translating the financial statements of foreign operations	26,356	1	8,353	1
8399	Income tax relating to items that may be reclassified	-	-	-	-
		26,356	1	8,353	1
	Other comprehensive income (loss) for the period	27,979	1	26,331	1
8500	**Total comprehensive income (loss) for the period**	**$ 424,590**	**13**	**388,016**	**10**
	Earnings per Share (Unit: In New Taiwan Dollars, Note VI (XIX))				
9750	**Basic earnings per share**	**$**	**3.46**		**3.16**
9850	**Diluted earnings per share**	**$**	**3.45**		**3.14**

(Please refer to notes to parent company only financial statements)

Chairman: Chen Chi-Hong **President: Tien Chih-Yin** **Accounting Supervisor: Huang Li-Min**

DFI Inc.

Statement of Changes in Equity

From January 1 to December 31, 2024 and 2023

Unit: In Thousands of New Taiwan Dollars

			Retained earnings				Other equity items			
	Share capital - ordinary shares	Capital reserve	Legal reserve	Special reserve	Unappropriated earnings	Total	Exchange differences on translating the financial statements of foreign operations	Unrealized gain (loss) on financial assets measured at fair value through other comprehensive income	Total	Total equity
Balance as of January 1, 2023	$ 1,144,889	608,586	887,332	114,822	529,843	1,531,997	(69,315)	31,274	(38,041)	3,247,431
Net profit for the period	-	-	-	-	361,685	361,685	-	-	-	361,685
Other comprehensive income (loss) for the period	-	-	-	-	7,444	7,444	8,353	10,534	18,887	26,331
Total comprehensive income (loss) for the period	-	-	-	-	369,129	369,129	8,353	10,534	18,887	388,016
Amend 2022 legal reserve provision	-	-	(15,964)	-	15,964	-	-	-	-	-
Profit distribution:										
Legal reserve	-	-	52,689	-	(52,689)	-	-	-	-	-
Special reserve reversal	-	-	-	(76,782)	76,782	-	-	-	-	-
Cash dividends for ordinary shares	-	-	-	-	(457,955)	(457,955)	-	-	-	(457,955)
Changes in ownership interests in subsidiaries	-	39	-	-	-	-	-	-	-	39
Disposal of subsidiaries	-	20,999	-	-	-	-	(36,637)	-	(36,637)	(15,638)
Disposal of unearned funds of employee stock ownership trust	-	143	-	-	-	-	-	-	-	143
Balance as of December 31, 2023	1,144,889	629,767	924,057	38,040	481,074	1,443,171	(97,599)	41,808	(55,791)	3,162,036
Net profit for the period	-	-	-	-	396,611	396,611	-	-	-	396,611
Other comprehensive income (loss) for the period	-	-	-	-	3,326	3,326	26,356	(1,703)	24,653	27,979
Total comprehensive income (loss) for the period	-	-	-	-	399,937	399,937	26,356	(1,703)	24,653	424,590
Profit distribution:										
Legal reserve	-	-	36,913	-	(36,913)	-	-	-	-	-
Special reserve reversal	-	-	-	17,750	(17,750)	-	-	-	-	-
Cash dividends for ordinary shares	-	-	-	-	(343,467)	(343,467)	-	-	-	(343,467)
Changes in ownership interests in subsidiaries	-	84,571	-	-	-	-	-	-	-	84,571
Differences between the actual price for acquisition or disposal of the subsidiaries and their carrying amount	-	183,410	-	-	-	-	268	(49)	219	183,629
Disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	-	38,647	38,647	-	(38,647)	(38,647)	-
Disposal of unearned funds of employee stock ownership trust	-	383	-	-	-	-	-	-	-	383
Balance as of December 31, 2024	$ 1,144,889	898,131	960,970	55,790	521,528	1,538,288	(70,975)	1,409	(69,566)	3,511,742

(Please refer to notes to parent company only financial statements)

Chairman: Chen Chi-Hong **President: Tien Chih-Yin** **Accounting Supervisor: Huang Li-Min**

DFI Inc.

Statements of Cash Flows

From January 1 to December 31, 2024 and 2023

Unit: In Thousands of New Taiwan Dollars

	2024	2023
Cash flows from operating activities:		
Net profit before tax for the period	$ 476,502	460,365
Adjustment item:		
Adjustments for		
Depreciation expenses	87,554	88,167
Amortization expenses	6,518	6,142
Gain on reversal of expected credit impairment	(242)	(877)
Evaluation losses of financial assets measured at fair value through profit or losses	2,350	1,586
Interest expense	22,786	31,114
Interest income	(7,482)	(7,564)
Dividend income	(4,555)	(5,849)
Shares of profit of subsidiaries accounted for using the equity method	(170,050)	(59,574)
Loss (gain) on disposal of property, plant and equipment	88	(5,704)
Gain on realized sales	(49,770)	(24,604)
Total revenue, expense and loss items	(112,803)	22,837
Changes in assets/liabilities related to operating activities:		
Net changes in assets related to operating activities:		
Financial assets mandatorily classified as measured at fair value through profit or loss	7,810	(7,208)
Notes and accounts receivable	(14,535)	161,292
Accounts receivable - related parties	(147,965)	526,156
Other receivables	(17,883)	22,960
Inventories	(39,956)	535,846
Prepayments	(22)	(2,912)
Other current assets	(898)	979
Total net changes in assets related to operating activities	(213,449)	1,237,113
Net change in liabilities related to operating activities:		
Financial liabilities held for trading	3,616	(948)
Contract liabilities	1,358	(10,976)
Accounts payable	206,795	(383,370)
Accounts payable - related parties	46,531	(139,496)
Other payables	43,291	(34,043)
Provision for liabilities	(11,327)	(9,472)
Other current liabilities	(12,052)	5,198
Net defined benefit liabilities	(2,213)	(2,576)
Total net changes in liabilities related to operating activities	275,999	(575,683)
Total net changes in assets and liabilities related to operating activities	62,550	661,430
Total adjustment items	(50,253)	684,267
Cash generated from operations	426,249	1,144,632
Interest received	7,484	7,565
Interest paid	(21,657)	(31,476)
Income tax paid	(132,866)	(126,485)
Net cash inflows from operating activities	279,210	994,236

(Continued on the next page)

(Please refer to notes to parent company only financial statements)

Chairman: Chen Chi-Hong **President: Tien Chih-Yin** **Accounting Supervisor: Huang Li-Min**

DFI Inc.

Statements of Cash Flows (Continued from the previous page)

From January 1 to December 31, 2024 and 2023

Unit: In Thousands of New Taiwan Dollars

	2024	2023
Cash flows from investing activities:		
Purchase of financial assets measured at fair value through other comprehensive income	(41,692)	-
Acquisition of investments accounted for using the equity method	(715,357)	-
Disposal of long-term equity investments accounted for under the equity method	-	530,075
Refund of share capital due to capital decrease of subsidiaries accounted for using the equity method	78,804	-
Purchase of property, plant and equipment	(5,989)	(9,875)
Proceeds from disposal of property, plant and equipment	981	5,800
Decrease in refundable deposits	-	143
Purchase of intangible assets	(6,577)	(2,731)
Decrease (increase) in other non-current assets	969	(2,148)
Dividends received	31,374	57,129
Net cash inflows (outflows) from investing activities	(657,487)	578,393
Cash flows from financing activities:		
Increase in short-term borrowings	3,750,000	4,270,000
Decrease in short-term borrowings	(3,400,000)	(4,675,000)
Proceeds from long-term borrowings	150,000	900,000
Repayments of long-term borrowings	-	(1,600,000)
Repayment of lease principal	(18,566)	(18,890)
Cash dividends distributed	(343,467)	(457,955)
Disposal of subsidiary shares (without loss of control)	214,138	-
Disposition of employee stock ownership trust inflows	383	143
Net cash outflows from financing activities	352,488	(1,581,702)
Increase (decrease) in cash and cash equivalents for the current period	(25,789)	(9,073)
Cash and cash equivalents at the beginning of the period	443,832	452,905
Cash and cash equivalents at the end of the period	$ 418,043	443,832

(Please refer to notes to parent company only financial statements)

Chairman: Chen Chi-Hong **President: Tien Chih-Yin** **Accounting Supervisor: Huang Li-Min**

DFI Inc.
Notes to Parent Company Only Financial Statements
For the years ended December 31, 2024 and 2023
(The amount shall be dominated in thousands of NT$, unless otherwise specified)

I. Company History

On July 14, 1981, DFI Inc. (the "Company") was established and registered under the approval from the Ministry of Economic Affairs, having the registered address of 10F, No. 97, Sec. 1, Xintai 5th Rd., Xizhi Dist., New Taipei City. The Company is principally engaged in the manufacturing and sales of boards and computer components for industrial computers.

II. Date and Procedures for Approval of Financial Statements

The accompanying parent company only financial statements were approved and issued by the Board of Directors on February 25, 2025.

III. Application of Newly Issued and Revised Standards and Interpretations

(I) Effect of adopting new and amended standards and interpretations endorsed by the Financial Supervisory Commission

As of January 1, 2024, the Company began to apply the following newly revised International Financial Reporting Standards (IFRS), which has not had a significant impact on the parent company only financial statements.

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

(II) Impact of not yet adopting IFRSs endorsed by the FSC

The Company assessed that the application of the following newly revised IFRSs, effective January 1, 2025, would not have a material impact on the parent company only financial statements.

- Amendments to IAS 21 "Lack of Exchangeability"

(III) New and amended standards and interpretations not yet endorsed by the FSC

The standards and interpretations issued and amended by the IASB but not yet endorsed by the FSC that may be related to the Company are as follows:

New issued or amended standards	Main amendments	Effective date of issuance by IASB
IFRS 18 "Presentation and Disclosure of Financial Statements"	The new guidelines introduce three categories of income and expenses, two subtotals on the income statement, and a single footnote regarding management performance measurement. These three amendments and enhancements to the guidance on segmenting information in financial statements lay the foundation for providing users with improved and consistent information, and will have an impact on all companies.	January 1, 2027
IFRS 18 "Presentation and Disclosure of Financial Statements"	• A more structured income statement: The company currently uses various formats to express its financial performance, which makes it challenging for investors to compare the financial performance of different companies. The new guidelines have implemented a more structured income statement. They have introduced a new subtotal called 'operating profit' and require that all revenues and expenses be classified into three new categories based on the company's main business activities. • Management Performance Measurement (MPM): The new criteria introduce the concept of management performance measurement. Companies are now required to provide an explanation, in a single footnote in the financial statements, regarding the usefulness of each measurement indicator, its calculation method, and how it is adjusted for amounts recognized in accordance with international financial reporting standards accounting principles. • More detailed information: The new guidelines provide instructions on how companies can improve the organization of information in financial statements. This guidance includes determining whether the information should be included in the primary financial statements or further disaggregated in the notes.	January 1, 2027

The Company is now continuously assessing the impact of the above standards and interpretations on the financial position and operating results of the Company, and will disclose the related impact after completing the assessment.

The Company expects that the following newly issued and amended standards that have not been endorsed yet will not have a material impact on the parent company only financial statements.

- Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"
- Amendments to IFRS 17 "Insurance Contracts" and IFRS 17
- IFRS 19 "Subsidiaries without Public Accountability: Disclosures"
- Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"
- Annual Improvements to IFRSs
- Amendment "Contracts Referencing Nature-dependent Electricity" to IFRS 9 and IFRS 7

IV. Summary of Significant Accounting Policies

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

(I) Statement of compliance

These accompanying financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

(II) Basis of preparation

1. Basis of measurement

The parent company only financial statements have been prepared on the historical cost basis, except for the following significant balance sheet items.

(1) Financial instruments (including derivative financial instruments) measured at fair value through profit or loss.

(2) Financial assets measured at fair value through other comprehensive income; and

(3) Net defined benefit liabilities, which are measured at the present value of the defined benefit obligation less the fair value of pension fund assets.

2. Functional and presentation currencies

The functional currency of the Company is the currency of the primary economic environment in which the Company operates. The accompanying parent company only financial statements of the Company are presented in the Company’s functional currency, New Taiwan dollar. All financial information dominated in New Taiwan dollars shall be dominated in thousands of NTD, unless otherwise specified.

(III) Foreign currency

1. Foreign currency transactions

Foreign currency transactions are translated into functional currencies at the exchange rates prevailing on the dates of transactions. At the end of each subsequent reporting period (hereinafter referred to as the "reporting date"), monetary items denominated in foreign currencies are translated into the functional currency using the exchange rates prevailing on that date. Non-monetary items denominated in foreign currencies that are measured at fair value are translated into the functional currency at the exchange rates prevailing on the date of measurement of the fair value, while non-monetary items measured at historical cost in foreign currencies are translated at the exchange rates prevailing on the date of the transaction.

Translation differences arising from foreign currency translations are generally recognized in profit or loss, except for equity instruments designated as at fair value through other comprehensive income, which are recognized in other comprehensive income.

2. Foreign operations

Assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into the presentation currency of the parent company only financial statements at the exchange rates prevailing on the reporting date; income and expense items are translated into the presentation currency of the parent company only financial statements at the average exchange rates for the period, with the resulting exchange differences recognized in other comprehensive income.

When the disposal of a foreign operating entity results in a loss of control, joint control or significant influence, the cumulative translation differences related to the foreign operating entity are reclassified to profit or loss. When the disposal includes a subsidiary of a foreign operating entity, the related cumulative translation differences are re-attributed to non-controlling interests on a pro rata basis. When the disposal component includes investments in affiliates or joint ventures of foreign operating entities, the related cumulative translation differences are reclassified proportionately to profit or loss.

When there is no plan to settle a monetary receivable or payable from a foreign operation and it is not likely to be settled in the foreseeable future, the resulting foreign currency translation gain or loss is recognized in other comprehensive income as part of the net investment in the foreign operation.

(IV) Criteria for classifying assets and liabilities as current or non-current

The Company classifies assets meeting one of the following conditions as current assets, while all other assets that are not current assets are classified as non-current assets:

1. The asset is expected to be realized in the normal course of business or is intended to be sold or consumed;
2. The asset is held primarily for trading purposes;
3. The asset is expected to be realized within twelve months after the reporting period; or
4. The asset is cash or cash equivalents (as defined by IAS 7) unless the asset is restricted from being exchanged or used to settle a liability at least 12 months after the reporting period.

The Company classifies liabilities as current liabilities if one of the following conditions is met, and all other liabilities that are not current liabilities are classified as non-current liabilities:

1. The liability is expected to be settled in the normal course of business;
2. The liability is held primarily for trading purposes;
3. The liability is due for settlement within 12 months after the reporting period; or
4. The entity does not have the right to defer settlement of the liability beyond twelve months after the end of the reporting period.

(V) Cash and cash equivalents

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

(VI) Financial instruments

Accounts receivable and debt securities issued are recognized as they are incurred. All other financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instruments. Financial assets (excluding accounts receivable that do not include significant financial components) or financial liabilities measured at fair value through profit or loss were originally measured at fair value plus transaction costs directly attributable to the acquisition or issuance. Accounts receivable that do not include significant financial components are originally measured at transaction prices.

1. Financial assets

   Financial assets at the time of initial recognition is classified as follows: Financial assets measured at amortized cost, financial assets measured at fair value through other comprehensive income, and financial assets measured at fair value through profit or loss. Purchase or sale of financial assets in accordance with transaction practices is subject to accounting treatment on the transaction date.

The Company only reclassifies all affected financial assets from the first day of the next reporting period when it changes its business model for managing financial assets.

(1) Financial assets measured at amortized cost

Financial assets that simultaneously meet the following conditions and are not designated as measured at fair value through profit or loss are measured at amortized cost:

- The financial asset is held under a business model for the purpose of receiving contractual cash flows.
- The contractual terms of the financial asset generate cash flow on a specific date, which is entirely the interest on the payment of principal and outstanding principal amounts.

After initial recognition, these financial assets are measured using the effective interest rate method at amortized cost less impairment losses. Interest income, foreign currency exchange gain or loss, and impairment losses are recognized in profit or loss. When de-recognized, profit or loss is included in profit or loss.

(2) Financial assets measured at fair value through other comprehensive income

When a debt instrument investment simultaneously meets the following conditions and is not designated as measured at fair value through profit or loss, it is measured at fair value through other comprehensive income:

- The financial asset is held under a business model for the purpose of receiving contractual cash flows and selling.
- The contractual terms of the financial asset generate cash flow on a specific date, which is entirely the interest on the payment of principal and outstanding principal amounts.

Upon initial recognition, the Company may make an irrevocable option to report subsequent changes in the fair value of equity instrument investments not held for trading in other comprehensive income. The above selections were made on a tool by tool basis.

Debt instrument investments are subsequently measured at fair value. Interest income, foreign currency exchange gain or loss, and impairment losses calculated using the effective interest method are recognized in profit or loss, while the remaining net profits or losses are recognized in other comprehensive income. Upon derecognition, the accumulated amount of other comprehensive income under equity is reclassified to profit or loss.

Equity instrument investments are subsequently measured at fair value. Dividend income (unless it clearly represents the recovery of some investment costs) is recognized as profit or loss, and the remaining net profits or losses are recognized as other comprehensive income. When derecognized, the accumulated other comprehensive income under equity are reclassified to retained earnings, not to profit or loss. Dividend income from equity investments is recognized on the date on which the Company is entitled to receive dividends (usually the ex-dividend date).

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

Financial assets that are not measured at amortized cost or at fair value through other comprehensive income are measured at fair value through profit or loss, including derivative financial assets. At the time of initial recognition, in order to eliminate or significantly reduce accounting mismatch, the Company may irrevocably designate financial assets that meet the criteria for measurement at amortized cost or fair value through other comprehensive income as financial assets measured at fair value through profit or loss.

These assets are subsequently measured at fair value, and the net gains or losses (including any dividends and interest income) arising from remeasurement are recognized as profit or loss.

(4) Impairment of financial assets

The Company recognizes an allowance for expected credit losses on financial assets measured at amortized cost, including cash and equivalents, financial assets measured at amortized cost, notes and accounts receivable, other receivables, and deposits.

The following financial assets are measured as allowance losses based on the expected amount of credit losses over a twelve-month period, while the remaining financial assets are measured based on the expected amount of credit losses during their lifetime:

- The credit risk of bank deposits (i.e., the risk of default during the expected lifetime of a financial instrument) has not significantly increased since the initial recognition.

The allowance for losses on accounts receivable is measured by the expected amount of credit losses during the period of existence.

The expected credit loss during the expected lifetime of a financial instrument refers to the expected credit loss caused by all possible default events during the expected lifetime of the financial instrument. "Twelve month expected credit loss" refers to the expected credit loss caused by a possible default event of a financial instrument within twelve months after the reporting date (or a shorter period, if the expected duration of the financial instrument is less than twelve months).

The maximum period for measuring expected credit losses is the longest contractual period during which the Company is exposed to credit risk.

In determining whether the credit risk has significantly increased since the initial recognition, the Company considers reasonable and verifiable information (available without excessive cost or investment), including qualitative and quantitative information, and analysis based on the historical experience, credit evaluation, and forward-looking information of the Company.

The expected credit loss is a weighted estimate of the probability of credit loss during the expected lifetime of a financial instrument. Credit losses are measured at the present value of all cash shortfalls, which is the difference between the cash flows that the Company can receive under the contract and the cash flows that the Company expects to receive. Expected credit losses are discounted at the effective interest rate of the financial assets.

Allowance for losses on financial assets measured at amortized cost is deducted from the carrying amount of the assets.

When the Company does not have a reasonable expectation of recovering all or part of a financial asset, the total carrying amount of the financial asset is directly reduced. The Company analyzes the timing and amount of write-offs individually on the basis of whether recovery is reasonably expected. The Company does not expect any material reversal of the amount written off. However, financial assets that have been written off are still enforceable in order to comply with the Company's procedures for recovering overdue amounts.

(5) Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset cease, or when the financial asset has been transferred and substantially all the risks and rewards of ownership of the asset have been transferred to other enterprises, or when substantially all the risks and rewards of ownership of the asset have neither been transferred nor retained and control of the financial asset has not been retained.

If the Company enters into a transaction to transfer a financial asset, the financial asset is continuously recognized in the balance sheet if all or substantially all the risks and rewards of ownership of the transferred asset are retained.

2. Financial liabilities and equity instruments

(1) Classification of liabilities or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(2) Equity transactions

An equity instrument is any contract that recognizes the Company's remaining interest in an asset less all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received less the cost of direct issuance.

(3) Financial liabilities

Financial liabilities are classified as being measured at amortized cost or measured at fair value through profit or loss. Financial liabilities are classified as being measured at fair value through profit or loss if they are held for trading, derivative instruments or designated at initial recognition. Financial liabilities measured at fair value through profit or loss are measured at fair value, and the related net gain or loss, including any interest expense, are recognized in profit or loss.

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

(4) Derecognition of financial liabilities

The Company derecognizes financial liabilities when the contractual obligations are fulfilled, canceled or expired. When the terms of a financial liability are modified and the cash flows of the modified liability are materially different, the original financial liability is derecognized and the new financial liability is recognized at fair value based on the modified terms. When a financial liability is derecognized, the difference between the carrying amount and the total consideration paid or payable (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

(5) Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and presented in the balance sheet on a net basis only when the Company has a legally enforceable right to do so and intends to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

3. Derivative financial instruments

The Company holds derivative financial instruments to hedge the risk of foreign currency exposure. Derivatives are initially recognized at fair value, with transaction costs recognized in profit or loss; subsequently, they are measured at fair value, with gains or losses arising from remeasurement recognized directly in profit or loss. When its fair value is positive, the derivative is recognized as a financial asset; when its fair value is negative, the derivative is recognized as a financial liability.

(VII) Inventories

Inventories are measured at the lower of cost or net realizable value. Inventories include acquisition, production or processing costs and other costs incurred in bringing them to the place and condition in which they are available for use and are measured using the weighted-average method. Fixed manufacturing costs are allocated to finished goods and work in process based on the higher of normal production capacity or actual production of the production equipment, while variable manufacturing costs are allocated on the basis of actual production. Net realizable value is the estimated selling price under normal operations less estimated costs of completion and selling expenses required to complete the sale.

(VIII) Investment in associates

Associates refer to entities over which the Company has material impact on financial and operational policies but does not exercise control or joint control.

The Company applies the equity method to account for its interests in associates. Under the equity method, the initial acquisition is recorded at cost, including the transaction costs related to the investment. The book value of investments in associates includes the goodwill recognized at the time of the initial investment, adjusted for any accumulated impairment losses. In the impairment assessment, the total carrying amount of the investment (including goodwill) is treated as a single asset. The recoverable amount is compared to the carrying amount to perform the impairment test. Any recognized impairment loss is recorded as a reduction in the carrying value of the investment. Any reversal of impairment losses will be recognized in accordance with subsequent increases in the recoverable amount of the investment.

From the date the Company gains significant influence until the date it loses such influence, the Company shall recognize the profit and loss, as well as other comprehensive income, of each associate under the equity method, making adjustments to align with the Company's accounting policies. When an associate experiences changes in equity, not related to profit or other comprehensive income, and these changes do not affect the Company's ownership percentage, the Company will recognize the entire equity change as capital reserve in proportion to its shareholding.

Unrealized gains and losses from transactions between the Company and its associates are recognized in the financial statements of the Company only to the extent that they do not relate to the investors' interests in the associates. When the Company is required to recognize its share of losses from associates that equal or exceed its equity in those enterprises, it will cease to recognize further losses. Additional losses and related liabilities will only be recognized to the extent of any statutory obligations, presumed obligations, or amounts already paid on behalf of the invested company.

(IX) Investment in subsidiaries

In the preparation of the parent company only financial statements, the Company adopts the equity method to evaluate the investee companies under its control. The carrying amount of an investment in a subsidiary includes goodwill recognized at the time of the original investment, less any accumulated impairment loss, which is recognized as a decrease in carrying amount of investment. Under the equity method, the current gains or losses and other composite gains or losses of the financial statements shall be the same as the share of the current gains or losses and other composite gains or losses attributable to the owners of the parent company in the financial statements prepared on a consolidated basis. Equity attributable to the owners of financial statements should be the same as the equity attributable to the owners of the parent company in the financial statements prepared on a consolidated basis.

Where the change in the Company's ownership interest in the subsidiary does not result in the loss of control, it shall be treated as an equity transaction with the owner.

(X) Property, plant and equipment

1. Recognition and measurement

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

   If the significant components of property, plant and equipment have different useful lives, they are treated as separate items (major components) of property, plant and equipment.

   Gain or loss on disposal of property, plant and equipment is recognized in profit or loss.

2. Subsequent costs

   Subsequent expenditures are capitalized only when it is probable that future economic benefits will flow to the Company.

3. Depreciation

   Depreciation is calculated on the basis of the cost of an asset less its residual value and is recognized in profit or loss over the estimated useful life of each component using the straight-line method. Except for land, which is not subject to depreciation, the estimated useful lives of the remaining components are as follows: 3 to 10 years for machinery equipment; 2 to 15 years for office and other equipment. In addition, buildings and structures are depreciated over their estimated useful lives based on their significant components: 20 to 50 years for main and auxiliary buildings, and 3 to 10 years for other auxiliary electrical and mechanical equipment and engineering systems. The depreciation method, useful lives and residual values are reviewed at each reporting date, and the effects of any changes in estimates are deferred and adjusted.

(XI) Investment property

Investment property refers to property held to earn rentals or for capital appreciation, or both. Investment property is measured at cost when initially recognized, and subsequently measured at cost less accumulated depreciation and less accumulated impairment losses. The depreciation method, useful life, and residual values shall be complied with the regulations on property, plant, and equipment. Costs include expenses directly attributable to the acquisition of investment property and any directly attributable costs of bringing investment property ready for use and capitalized borrowing costs.

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

Rental income arising from investment property is recognized on a straight-line basis over the lease period. The incentives for leasing are recognized as an adjustment to lease income during the lease period.

When the purpose of use of investment property is changed and reclassified as property, plant, and equipment, the book value at the time of change of the purpose of use shall be used for reclassification.

(XII) Leases

The Company assesses whether a contract is or comprises a lease at the inception date of the contract. A contract is or comprises a lease if it transfers control over the use of an identified asset for a period of time in exchange for consideration.

1. Lessees

   The Company recognizes a right-of-use asset and a lease liability at the commencement date of the lease. The right-of-use asset is measured initially at cost, which includes the original measurement of the lease liability, adjusted for any lease payments made on or before the commencement date of the lease, plus the original direct costs incurred and the estimated costs to disassemble, remove and restore the subject asset to its location or to the subject asset, less any lease incentives received. The lease payments are added to the original direct costs incurred and the estimated costs of dismantling, removing and restoring the subject asset to its location or to the subject asset, less any incentives received.

   Right-of-use assets are subsequently depreciated on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the Company periodically assesses whether a right-of-use asset is impaired and addresses any impairment loss incurred, and adjusts the right-of-use asset when the lease liability is remeasured.

Lease liabilities are measured initially at the present value of the lease payments outstanding at the inception date of the lease. If the implied interest rate of the lease is readily determinable, the discount rate is that rate; if it is not readily determinable, the Company's incremental borrowing rate is used. In general, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of lease liabilities include:

(1) Fixed payments, including real fixed payments:

(2) Variable lease payments that depend on an index or rate, using the index or rate at the inception date of the lease as the original measure:

(3) The amount of the residual value guarantee expected to be paid; and

(4) The exercise price or penalty to be paid if it is reasonably certain that the option to purchase or the option to terminate the lease will be exercised.

Lease liabilities are subsequently accrued for using the effective interest method and are remeasured when the following occurs:

(1) There is a change in future lease payments as a result of a change in the index or rate used to determine lease payments;

(2) There is a change in the amount of the residual value guarantee expected to be paid.

(3) There is a change in the evaluation of the purchase option on the subject asset; and

(4) There is a change in the estimate of whether to exercise the option to extend or terminate the lease, resulting in a change in the evaluation of the lease term;

(5) There is a change in the subject matter, scope or other terms of the lease.

When a lease liability is remeasured as a result of changes in the index or rate used to determine lease payments, changes in the residual value guarantee amount and changes in the evaluation of the purchase, extension or termination option as described above, the carrying amount of the right-of-use asset is adjusted accordingly and the remaining remeasurement amount is recognized in profit or loss when the carrying amount of the right-of-use asset is reduced to zero.

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

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

For short-term leases and leases of low-value underlying assets, the Company chooses not to recognize right-of-use assets and lease liabilities, and instead recognizes the related lease payments as expenses on a straight-line basis over the lease term.

2. Lessors

Transactions in which the Company is the lessor are classified as finance leases on the inception date of the lease based on whether the lease contracts transfer substantially all the risks and rewards incidental to the ownership of the subject assets, and otherwise are classified as operating leases. In its evaluation, the Company considers specific indicators, including whether the lease period covers a significant portion of the economic life of the subject asset.

If the Company is the lessor of a sublease, it treats the main lease and the sublease transaction separately and assesses the classification of the sublease transaction using the right-of-use assets arising from the main lease. If a master lease is a short-term lease and the recognition exemption applies, the sublease transaction should be classified as an operating lease.

For operating leases, the Company recognizes the lease payments received as rental income over the lease term on a straight-line basis.

(XIII) Intangible assets

The Company's acquisition of purchased software is measured at cost less accumulated amortization and accumulated impairment. Amortization is provided on a straight-line basis over the estimated useful lives of 3 to 5 years and is recognized in profit or loss.

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

(XIV) Impairment of non-financial assets

The Company assesses at each reporting date whether there is any indication that the carrying amount of non-financial assets (other than inventories and deferred income tax assets) may be impaired. If any such indication exists, the recoverable amount of the asset is estimated. Goodwill is tested for impairment annually or whenever there is an indication of impairment.

The purpose of the impairment test is to identify a group of assets as the smallest identifiable group of assets for which a significant portion of the cash inflows are separate from other individual assets or groups of assets. Goodwill acquired on a business combination is allocated to each cash-generating unit or group of cash-generating units that is expected to benefit from the combined effect.

The recoverable amount is the higher of the fair value of the individual asset or cash-generating unit, less costs to dispose, and its value in use. In assessing value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognized if the recoverable amount of an individual asset or cash-generating unit is less than its carrying amount. The impairment loss is recognized immediately in profit or loss and reduces the carrying amount of the goodwill amortized for the cash-generating unit first, and then reduces the carrying amount of each asset in proportion to the carrying amount of the other assets in the unit.

The impairment loss on goodwill is not subject to reversal. Non-financial assets other than goodwill are reversed only to the extent that the carrying amount of the asset, net of depreciation or amortization, would have been determined had no impairment loss been recognized in prior years.

(XV) Provision for liabilities

Provisions for liabilities are recognized when the Company has a present obligation as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation in the future, and the amount of the obligation can be reliably estimated.

The provision for product warranty liability is recognized when the product is sold. The provision for this liability is measured based on historical warranty information and all probable outcomes weighted by their respective probabilities.

(XVI) Revenue recognition

Revenue is measured at the consideration to which the Group is expected to be entitled as a result of the transfer of goods or services. The Company recognizes revenue when control of goods or services is transferred to customers to satisfy performance obligations. The Company explains the main revenue items as follows:

1. Sales of goods

   The Company recognizes revenue when control of the goods is transferred to customers. Transfer of control of goods means that the goods has been delivered to the customer, the customer is able to determine the sales channel and price of the product, and there are no outstanding obligations that would affect the customer's acceptance of the goods. Delivery occurs when the product is delivered to a specific location, the risk of obsolescence and loss has been transferred to the customer, the customer has accepted the product in accordance with the terms of the transaction, and the Company has objective evidence that all acceptance conditions have been met.

   The Company has a refund obligation for defective products sold and has recognized a provision for warranty liability for this obligation.

   The Company recognizes accounts receivable upon delivery of goods because the Company has the unconditional right to receive the consideration at that point in time.

2. Financial components

   The Company does not adjust the time value of money of the transaction price because the time interval between the expected transfer of goods to customers and the payment of goods or services by customers does not exceed one year.

(XVII) Employee benefits

1. Defined contribution plans

   The contribution obligation of the defined contribution pension plan is recognized as employee benefit expense in profit or loss during the period in which the employees render service.

2. Defined benefit plans

   The net obligation under the defined benefit pension plan is calculated as the discounted value of the future benefit amounts to be earned by each plan for each employee's current or prior service, less the fair value of any plan assets. The discount rate is based on the market yield rate at the reporting date for government bonds with maturity dates approximating the term of the Company's net obligation and denominated in the same currency as the expected benefit payments. The net obligation of the defined benefit plans is actuarially determined annually by a qualified actuary using the projected unit benefit method.

   When benefits under a plan are improved, the related expense is recognized immediately in profit or loss for the portion of the benefit increase attributable to employees' past service.

   The remeasurement of the net defined benefit obligation (asset) consists of (1) actuarial gain or loss; (2) compensation on plan assets, excluding the amount included in net interest on the net defined benefit obligation (asset); and (3) any change in the asset ceiling effect, excluding the amount included in net interest on the net defined benefit obligation (asset). The remeasurement of the net defined benefit liability (asset) is recognized in other comprehensive income and is transferred to retained earnings in the current period.

   The Company recognizes a gain or loss on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs. The curtailment or settlement gain or loss includes the change in the fair value of any plan assets and the change in the present value of the defined benefit obligation.

3. Short-term employee benefits

   Short-term employee benefit obligations are measured on an undiscounted basis and are recognized as an expense when the related services are rendered. The amount expected to be paid under short-term cash bonus or dividend plans is recognized as a liability when the Company has a present legal or constructive obligation to pay for the services rendered by employees and the obligation can be reliably estimated.

(XVIII) Income tax

Income tax expense includes current and deferred income taxes. Current and deferred income taxes are recognized in profit or loss, except when they relate to business combinations, items recognized directly in equity or other comprehensive income.

The Company has determined that its supplemental taxes payable under the Global Minimum Tax (Pillar Two) regulation fall within the scope of IAS 12, "Income Taxes" and has applied a temporary mandatory exemption from deferred income tax accounting related to the supplemental taxes, with the actual incurrence of the supplemental taxes being recognized as current income taxes.

Current income taxes include estimated income taxes payable or refunds receivable based on current year's taxable income (loss) and any adjustments to prior years' income taxes payable or refunds receivable. The amount reflects the best estimate of the amount expected to be paid or received, measured at the statutory tax rate at the reporting date or the tax rate of substantive legislation, after reflecting uncertainties, if any, related to income taxes.

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

1. Assets or liabilities that are not part of a business combination and are recognized initially in a transaction that (i) at the time of the transaction do not affect the accounting profit or taxable income (loss) and (ii) do not result in an equal number of taxable and deductible temporary differences;
2. Temporary differences arising from investments in subsidiaries, affiliates and joint ventures where the timing of the reversal of the temporary differences is controlled by the Company and it is probable that the temporary differences will not reverse in the foreseeable future; and
3. Taxable temporary differences arising from the original recognition of goodwill.

Deferred income tax assets are recognized for unused tax losses and unused tax credits in subsequent periods, together with deductible temporary differences, to the extent that it is probable that future taxable income will be available for use. Deferred income tax assets are reassessed at each reporting date and reduced to the extent that it is not probable that the related income tax benefit will be realized or to the extent that it becomes probable that sufficient taxable income will be available to allow the reversal of the original reduction.

Deferred income taxes are measured at the tax rates that are expected to apply to the reversal of temporary differences, based on the statutory tax rate at the reporting date or the tax rate of substantive legislation, and reflecting uncertainties, if any, related to income taxes.

The Company shall offset deferred income tax assets and deferred income tax liabilities only if the following conditions are met at the same time:

1. There is a legally enforceable right to offset current income tax assets and current income tax liabilities; and
2. The deferred income tax assets and deferred income tax liabilities relate to one of the following taxable entities that are subject to income tax by the same taxing authority:
   (1) the same taxable entity; or
   (2) different taxable entities, provided that each entity intends to settle current income tax liabilities and assets on a net basis, or to realize assets and settle liabilities simultaneously, in each future period in which significant amounts of deferred income tax assets are expected to be recovered and deferred income tax liabilities are expected to be settled.

(XIX) Business combinations

The Company uses the acquisition method of accounting to account for the combined subsidiaries. Goodwill is measured at the fair value of the consideration transferred at the acquisition date, including the amount attributable to any non-controlling interest in the acquiree, less the net amount of the identifiable assets acquired and liabilities assumed, which is generally the fair value. If the resulting balance is negative, the Company reassesses whether all assets acquired and liabilities assumed have been properly recognized before recognizing the benefit of the bargain purchase in profit or loss.

Transaction costs associated with a business combination are recognized as expenses of the combining company as soon as they are incurred, except when they relate to the issuance of debt or equity instruments.

The non-controlling interests in the acquiree that are presently owned and whose holders are entitled to a proportionate share of the net assets of the business at the time of liquidation are measured, at the option of the Company, on a transaction-by-transaction basis, at either the acquisition date fair value or at the present ownership instrument's proportionate share of the recognized amount of the acquiree's identifiable net assets. Other non-controlling interests are measured at their fair values at the acquisition date or on other bases in accordance with IFRSs recognized by the FSC.

If the original accounting for a business combination is not completed before the reporting date of the combination transaction, the Company reports the outstanding accounting items at provisional amounts and makes retroactive adjustments or recognizes additional assets or liabilities during the measurement period to reflect new information obtained during the measurement period about facts and circumstances existing at the acquisition date. The measurement period does not exceed one year from the date of acquisition.

In a business combination entered into in stages, the Company remeasures its previously held interest in the acquiree at its acquisition-date fair value, and any resulting gain or loss is recognized in profit or loss. Changes in the value of the acquiree's interest that were recognized in other comprehensive income before the acquisition date should be treated in the same manner as if the Company had directly disposed of its previously held interest, and if it is appropriate to reclassify the interest to profit or loss upon disposal, the amount is reclassified to profit or loss.

(XX) Earnings per share

The Company presents basic and diluted earnings per share attributable to equity holders of the Company's common stock. Basic earnings per share of the Company is calculated by dividing the profit or loss attributable to the holders of the Company's common stock by the weighted-average number of common shares outstanding during the period. Diluted earnings per share is calculated by adjusting the profit or loss attributable to equity holders of the Company's common stock and the weighted-average number of common shares outstanding, respectively, for the effect of all potentially dilutive common shares. The potential diluted common stock of the Company is the employee compensation that may be issued in stock.

(XXI) Segment information

The Company has disclosed segment information in the consolidated financial statements and therefore does not disclose segment information in the parent company only financial statements.

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

When preparing the parent company only financial statements, the management shall make judgments and estimates for the future (including climate related risks and opportunities), which will affect the adoption of accounting policies and the reported amounts of assets, liabilities, incomes and expenses. Actual results may differ from estimates.

Management regularly reviews estimates and key assumptions to ensure they are consistent with the Company's risk management and climate-related commitments. Any changes in estimates are recognized during the period of change and deferred to the relevant future periods.

Accounting policies require significant judgment, and the following information has a substantial impact on the amounts recognized in these parent company only financial statements:

(I) Judgment of Significance of Impact on Invested Companies

The Company holds less than 20% of the voting rights in APLEX Technology Inc. (APLEX) but owns 13.36% of the voting shares, making it the largest single shareholder. This position allows the Company to elect directors to the Board and participate in decision-making regarding APLEX's financial and operational policies, thereby exerting significant impact over the Company.

The uncertainties in the following assumptions and estimates have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities in the next fiscal year, and the relevant information is as follows:

(I) Valuation of inventories

Inventories are measured at the lower of cost or net realizable value. The Company assesses the amount of inventories that are normally worn out, obsolete or have no marketable value at the reporting date and reduces the cost of inventories to net realizable value. This inventory valuation is primarily based on estimates of product demand in specific periods in the future and is subject to significant changes due to rapid changes in the industry. Please refer to Note VI (VI) for the valuation of inventories.

(II) Impairment assessment of goodwill arising from investment in subsidiaries

The carrying amount of the invested subsidiary includes the goodwill identified at the time of the original investment. The process of assessing goodwill impairment relies on the Company's subjective judgment, which includes identifying cash-generating units, allocating goodwill to the relevant cash-generating units, and determining the recoverable amount of the relevant cash-generating units. Any changes in economic conditions or corporate strategy may cause significant changes in the results of the assessment.

VI. Description of Significant Accounting Items

(I) Cash and cash equivalents

	2024.12.31	2023.12.31
Cash on hand and petty cash	$ 130	92
Demand deposits and check deposits	417,913	443,740
	$ 418,043	443,832

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

	2024.12.31	2023.12.31
Financial assets mandatorily measured at fair value through profit or loss:		
Non-hedging derivative instruments:		
Forward foreign exchange contracts	$ 322	247
Foreign exchange SWAP contracts	-	7,885
Subtotal	322	8,132
Non-derivative financial assets:		
Fund beneficiary certificates	22,135	24,485
	$ 22,457	32,617
Financial liabilities held for trading:		
Derivative financial instruments:		
Forward foreign exchange contracts	$ 649	135
Foreign exchange SWAP contracts	3,102	-
Subtotal	$ 3,751	135

Please refer to Note VI (XXII) for the amount recognized in profit or loss measured at fair value.

The Company engages in derivative financial instruments to hedge the exposure to exchange rate risk arising from operating activities, which are reported as financial assets or liabilities measured at fair value through profit or loss because hedge accounting is not applied. The details of the outstanding derivative financial instruments as of the reporting date is as follows:

1. Forward foreign exchange contracts

2024.12.31

Currency	Contractual amount (In thousands of NTD)	Maturity period
Buy USD/Sell RMB	USD 579	2025.01
Buy JPY/Sell USD	USD 1,157	2025.01
Buy EUR/Sell USD	USD 2,403	2025.01

2023.12.31

Currency	Contractual amount (In thousands of NTD)	Maturity period
Buy USD/Sell RMB	USD 616	2024.01
Buy JPY/Sell USD	USD 1,020	2024.01
Buy EUR/Sell USD	USD 1,322	2024.01

2. Foreign exchange SWAP contracts

2024.12.31

Currency	Contractual amount (In thousands of NTD)	Maturity period
Swap in NTD/swap out USD	USD 10,800	2025.01

2023.12.31

Currency	Contractual amount (In thousands of NTD)	Maturity period
Swap in NTD/swap out USD	USD 14,490	2024.01

(III) Financial assets measured at fair value through other comprehensive income - non-current

	2024.12.31	**2023.12.31**
Equity instruments measured at fair value through other comprehensive income:		
Stocks of domestic over-the-counter (OTC) companies - APLEX Technology Inc.	**$ -**	**77,314**

In 2023, the Company held such equity instrument investments for strategic investment purposes, rather than trading purposes. Therefore, they have been designated as measured at fair value through other consolidated profit or loss.

In 2024, our Company increased its shareholding in APLEX Technology Inc., establishing significant influence over the Company. As a result, we reclassified our investment to be accounted for using the equity method, totaling NT$117,587 thousand. Additionally, we reclassified unrealized valuation gains of NT$38,647 thousand from other equity—financial assets measured at fair value through other comprehensive income—as retained earnings.

The Company did not dispose of the above-mentioned strategic investments in 2023, and the gain or loss accumulated during those periods were not transferred to equity.

(IV) Financial assets measured at amortized cost - current

	2024.12.31	2023.12.31
Pledged certificate of deposit	$ 1,500	1,500

Please refer to Note VIII for details of the aforesaid financial assets used by the Company to provide guarantees.

(V) Accounts receivable and other receivables

	2024.12.31	2023.12.31
Accounts receivable	$ 307,454	292,919
Accounts receivable - related parties	293,886	145,921
Less: Loss allowance	(679)	(921)
	$ 600,661	437,919
Other receivables	$ 11,631	5,333
Other receivables from related parties	14,451	2,868
	$ 26,082	8,201

The Company uses a simplified approach to estimate expected credit losses for all accounts receivable, which is measured using expected credit losses for the duration of the period, and has included forward-looking information. The expected credit losses of the Company's accounts receivable were analyzed as follows:

	2024.12.31		
	Carrying amount of accounts receivable	Weighted average expected credit loss rate	Allowance for expected credit losses for the duration of the period
Not overdue	$ 251,884	0%	-
1-30 days overdue	45,099	0.46%	206
31-60 days overdue	7,332	1.72%	126
61-90 days overdue	3,139	11.05%	347

	$ 307,454		679

	2023.12.31		
	Carrying amount of accounts receivable	Weighted average expected credit loss rate	Allowance for expected credit losses for the duration of the period
Not overdue	$ 247,149	0%	-
1-30 days overdue	35,751	0.46%	163
31-60 days overdue	7,761	1.72%	133
61-90 days overdue	1,864	12.38%	231
Overdue for more than 90 days	394	100%	394
	$ 292,919		921

Accounts receivable— related parties on December 31, 2024 and 2023 are expected to have no expected credit losses as evaluated by the Company and are analyzed as follows:

	2024.12.31	2023.12.31
Not overdue	$ 280,019	115,753
1-30 days overdue	8,927	4,918
31-60 days overdue	4,940	9,222
61-90 days overdue	-	16,028
	$ 293,886	145,921

The statement of changes in the allowance for losses of the Company's accounts receivable is listed as follows:

	2024	2023
Beginning balance	$ 921	1,798
Reversal of impairment loss for the period	(242)	(877)
Ending balance	$ 679	921

(VI) Inventories

	2024.12.31	2023.12.31
Raw materials	$ 226,912	234,201
Work in progress	105,739	86,607
Finished goods and commodities	84,998	101,688
Goods in transit	58,315	10,491
Outsourced processing products	1,086	4,107
	$ 477,050	437,094

The inventory-related expenses and losses recognized in the operating cost in the current period are detailed as follow:

		2024	2023
Cost of inventory sold	$	2,380,309	3,015,606
Loss on decline in value of inventories (recovery benefit)		(11,659)	43,402
Inventory scrap loss		7,772	19,835
Inventory gain (loss)		5	(10,477)
	$	2,376,427	3,068,366

The above inventory price loss was due to the write-down of inventories to net realizable value at the end of the period, thus recognized as loss on inventories. The gain on reversal of inventory valuation arises from obsolete inventory sold or scrapped, and the gain on reversal is recognized within the scope of inventory price loss.

(VII) Investments accounted for using the equity method

Investments of the Company under equity method at reporting date are listed below:

		2024.12.31	2023.12.31
Subsidiaries	$	3,234,842	2,478,590
Associate		272,944	-
	$	3,507,786	2,478,590

1. Disposal of subsidiary Brainstorm Corporation (Brainstorm)

   In October 2023, the Company disposed of its entire equity interest in Brainstorm to Metaage Corporation (Metaage), a subsidiary of Qisda Corporation (Qisda), resulting in the loss of control of Brainstorm. This transaction was a reorganization of an organization under common control as both the Company and Metaage are subsidiaries of Qisda. The difference between the disposal price of NTD 530,075 thousand and the carrying value of the Company's investment in Brainstorm, amounting to NTD 20,999 thousand, was reported in capital reserve and was not recognized in profit or loss.

Consideration received:				
Cash			$	530,075
The carrying amount of identifiable net assets of Brainstorm upon disposal:				
Cash and cash equivalents	$	160,990		
Net accounts receivable (including related parties)		518,925		
Inventories		957,328		
Prepayments and other current assets		24,918		
Property, plant and equipment		17,569		
Right-of-use assets		24,815		
Intangible assets		603,387		

Other non-current assets	27,676	
Short-term borrowings	(29)	
Accounts payable	(935,363)	
Other payables and other current liabilities	(19,382)	
Lease liabilities - current	(20,650)	
Lease liabilities - non-current	(5,317)	
Other non-current liabilities	(98,265)	
	1,256,602	
Non-controlling interests	(716,362)	
Exchange differences on translations by foreign operations	(36,637)	
Income tax on disposal of equity	5,473	509,076
Credit to capital reserve		**$ 20,999**

2. Acquisition of subsidiary - Tekpak Corporation

(1) Consideration transferred for acquisition of the subsidiary

On August 12, 2024 (the acquisition date), the Company and its consolidated subsidiary, Ace Pillar, acquired 833 thousand ordinary shares of Tekpak Corporation (Tekpak) for a cash consideration of NTD 1,250,000 thousand, representing a 70.65% equity interest, thereby obtaining control over this company and has included it in the consolidated financial statements since the acquisition date. Tekpak is primarily engaged in the production, manufacturing, and trading of bundling equipment. The acquisition of our Company and its subsidiary, Ace Pillar, is aimed at supporting the Company's long-term operational development and business expansion. This acquisition will enable the Group to offer a more diverse range of products and services to its customers, thereby enhancing its competitiveness.

(2) Identifiable net assets acquired and goodwill recognized

The fair values of the identifiable assets acquired and liabilities assumed of the Company and its subsidiary, Ace Pillar on August 12, 2024 (acquisition date) and the goodwill recognized as a result of the acquisition are as follows:

Transfer consideration:		
Cash		$ 1,250,000
Add: Non-controlling interests (measured by the proportion of non-controlling interests in net identifiable assets)		301,768
Less: fair value of net identifiable assets acquired:		
Cash and cash equivalents	$ 385,305	
Notes and accounts receivable, net	774	

Other receivables	25,084	
Inventories	331,743	
Prepayments and other current assets	1,844	
Property, plant and equipment	2,035	
Right-of-use assets	66,327	
Intangible assets - trademark	185,911	
Intangible assets - patents	69,054	
Intangible assets - client relationship	630,208	
Deferred income tax assets	3,812	
Refundable deposits	1,547	
Contract liabilities	(29,369)	
Notes and accounts payables	(167,031)	
Other payables	(21,100)	
Current income tax liabilities	(24,974)	
Preferred share liabilities - current	(196,797)	
Other current liabilities	(382)	
Lease liabilities (including current and non-current)	(66,327)	
Deferred income tax liabilities	(169,135)	
Other non-current liabilities	(278)	1,028,251
Goodwill		**$ 523,517**

The aforementioned goodwill is attributed to our Company and its subsidiary, Ace Pillar Co., Ltd., amounting to NT$234,535 thousand and NT$288,982 thousand, respectively.

Throughout the measurement period, our Company conducted a continuous review of the aforementioned matters. In the fourth quarter 2024, adjustments were made to the following intangible assets - trademark rights, patent rights, customer relationships, deferred tax liabilities, and non-controlling interests:

Intangible assets - decrease in trademark	$ (21,256)
Intangible assets - decrease in patents	(8,040)
Intangible assets - increase in client relationships	56,510
Increase in deferred income tax liabilities	(5,443)
Increase in non-controlling interests	(6,390)
Decrease in goodwill	**$ 15,381**

The adjusted goodwill is attributed to our Company and its subsidiary, Ace Pillar Co., Ltd., amounting to NT$227,645 thousand and NT$280,491 thousand, respectively.

(3) Intangible assets

The trademark rights, patent rights and customer relationships are amortized on a straight-line basis over their respective projected future economic benefit period of 10 years, 6 years, and 15.39 years, respectively. Goodwill mainly comes from the profitability of Tekpak, the comprehensive effect of merger, future market development, and the value of its human resources team, with no expected income tax effect. Goodwill in the parent company only financial statements is included in the carrying amount of investments in subsidiaries accounted for using the equity method.

3. Disposal of partial ownership shares without loss of control

Between July and December of 2024, our Company sold a portion of its equity in Ace Pillar for cash totaling NT$214,138 thousand, thereby reducing its ownership stake in Ace Pillar from 48.07% to 46.71%.

The changes in the ownership interest of the Company in the aforementioned subsidiaries have produced the following impact on the owners' equity attributable to the parent company:

	2024
Consideration received	$ 214,138
Carrying amount of the disposal of subsidiary equities	(30,509)
Other equity:	
Exchange differences on translating the financial statements of foreign operations	(268)
Unrealized gain (loss) on financial assets measured at fair value through other comprehensive income in other equity	49
Capital reserve - Differences between the actual price for acquisition or disposal of the subsidiaries and their carrying amount	$ 183,410

4. Impairment test of goodwill

If the investment cost for the Company to acquire a subsidiary exceeds the amount of the net fair value of its share of the identifiable assets and liabilities in the investee on the acquisition date, it shall be listed as goodwill; if the goodwill is impaired, it shall be regarded as a decrease in the carrying value of the investment accounted for using the equity method in the parent company only financial statements. As of December 31, 2024 and 2023, goodwill obtained through mergers and acquisitions was allocated to the following cash generating units (or groups of cash generating units) expected to benefit from the comprehensive effects of the merger:

	2024.12.31	2023.12.31
DFIAMERICA,LLC.	$ 177,874	177,874
Tekpak Corporation	508,136	-
Other cash generating units with non-significant goodwill amortized	115,419	115,419
	$ 801,429	**293,293**

The above cash generating units are the smallest units under the management's supervision of investment returns on goodwill containing assets. According to the results of goodwill impairment testing conducted by the Company, the recoverable amount as of December 31, 2024 and 2023 was higher than its carrying value, so there is no need to recognize impairment losses. The recoverable amount of the cash generating units are determined based on value in use, with key assumptions as follows: The key assumptions used to estimate value in use are as follows:

	2024.12.31	2023.12.31
DFIAmerica,LLC.:		
Operating revenue growth rate	(18%)~18.9%	(0.8%)~5%
Discount rate	11.33%	11.85%
Tekpak:		
Operating revenue growth rate	2.11%~2.50%	-
Discount rate	10.68%	-

(1) The estimated future cash flow used is a five-year financial budget estimated by the management based on future operating plans. Cash flows over five years are extrapolated using an annual growth rate of 0-2%.

(2) The discount rate for determining the value in use is based on the weighted average cost of capital as the estimation basis.

5. Associate

The relevant information regarding significant associates of our Company is as follows:

Name of associates	Nature of the relationship of our Company	Primary business premises/country of incorporation	Proportion of ownership interests and voting rights 2024.12.31
APLEX Technology Inc. (APLEX)	The main business involves the research, development, and manufacturing of industrial computer products, positioning the Company as a strategic partner.	Taiwan	13.36%

Before December 24, 2024, APLEX held financial assets measured at fair value through other comprehensive income, which had a significant impact as of that date. Therefore, it has been transferred as an investment under equity approach. Please refer to Note VI (III) for further details.

The fair value regarding significant associates of our Company listed (OTC) and are listed is as follows:

	2024.12.31
APLEX	$ 254,810

The summary financial information regarding significant associates of our Company is as follows:

(1) Summary financial information for APLEX

	2024.12.31
Current assets	$ 567,378
Non-current assets	804,263
Current liabilities	(183,221)
Non-current liabilities	(362,027)
Net assets	**$ 826,393**
Net assets attributable to non-controlling interests	**$ -**
Net assets attributable to the owners of the invested companies	**$ 826,393**

	2024
Operating revenue	**$ 888,810**
Net profit for the period from continued operating units	$ 58,996
Other comprehensive income	6,507
Total comprehensive income	**$ 65,503**
Total comprehensive income attributable to non-controlling interests	**$ -**
Total comprehensive income attributable to the owners of the invested companies	**$ 65,503**

	2024
The share of net assets attributable to associates at the beginning of the period	$ -
Increase in the period	272,944
The ending balance of the Company's equity in the associate	**$ 272,944**

(VIII) Property, plant and equipment

	Land	Buildings	Machinery equipment	Office equipment	Other equipment	Total
Costs:						
Balance as of January 1, 2024	$ 436,303	404,290	324,655	22,272	188,576	1,376,096
Addition	-	-	1,164	-	3,212	4,376
Disposal	-	-	(2,218)	(829)	(2,080)	(5,127)
Reclassification	(149,795)	(36,263)	317	-	2,196	(183,545)
Balance as of December 31, 2024	**$ 286,508**	**368,027**	**323,918**	**21,443**	**191,904**	**1,191,800**
Balance as of January 1, 2023	$ 436,303	404,290	337,229	20,417	182,671	1,380,910
Addition	-	-	1,183	2,020	7,708	10,911
Disposal	-	-	(13,757)	(165)	(1,803)	(15,725)
Balance as of December 31, 2023	**$ 436,303**	**404,290**	**324,655**	**22,272**	**188,576**	**1,376,096**
Accumulated depreciation:						
Balance as of January 1, 2024	$ -	99,051	197,180	16,042	60,522	372,795
Depreciation	-	8,725	34,009	2,894	21,801	67,429
Disposal	-	-	(2,218)	(829)	(1,011)	(4,058)
Reclassification	-	(9,385)	-	-	-	(9,385)
Balance as of December 31, 2024	**$ -**	**98,391**	**228,971**	**18,107**	**81,312**	**426,781**
Balance as of January 1, 2023	$ -	88,534	175,615	13,379	41,575	319,103
Depreciation	-	10,517	35,322	2,732	20,750	69,321
Disposal	-	-	(13,757)	(69)	(1,803)	(15,629)
Balance as of December 31, 2023	**$ -**	**99,051**	**197,180**	**16,042**	**60,522**	**372,795**
Book value:						
December 31, 2024	**$ 286,508**	**269,636**	**94,947**	**3,336**	**110,592**	**765,019**
December 31, 2023	**$ 436,303**	**305,239**	**127,475**	**6,230**	**128,054**	**1,003,301**

(IX) Right-of-use assets

	Buildings
Cost of right-of-use assets:	
Balance as of January 1, 2024 (i.e., balance as of December 31, 2024)	**$ 149,763**
Balance as of January 1, 2023	$ 151,367
Decrease	(1,604)
Balance as of December 31, 2023	**$ 149,763**
Accumulated depreciation of right-of-use assets:	
Balance as of January 1, 2024	$ 46,810
Depreciation	18,333
Balance as of December 31, 2024	**$ 65,143**
Balance as of January 1, 2023	$ 29,568
Depreciation	18,846
Decrease	(1,604)
Balance as of December 31, 2023	**$ 46,810**
Book value:	
December 31, 2024	**$ 84,620**
December 31, 2023	**$ 102,953**

(X) Investment property

Investment properties of the Company are detailed as follows:

		Land	Buildings	Total
Costs:				
Balance as of January 1, 2024	$	-	-	-
Reclassification		149,795	36,263	186,058
Balance as of December 31, 2024	**$**	**149,795**	**36,263**	**186,058**
Accumulated depreciation and impairment loss:				
Balance as of January 1, 2024	$	-	-	-
Depreciation for the current period		-	1,792	1,792
Reclassification		-	9,385	9,385
Balance as of December 31, 2024	**$**	**-**	**11,177**	**11,177**
Carrying amount:				
December 31, 2024	**$**	**149,795**	**25,086**	**174,881**
Fair value:				
December 31, 2024				**$ 284,935**

As of December 31, 2024, the fair value of investment property was evaluated based on the market evidence of similar property transaction prices in the same region by the management, and the input value used in the fair value evaluation technology belonged to level 3.

(XI) Intangible assets

		Computer software
Costs:		
Balance as of January 1, 2024	$	73,579
Separate acquisition		6,577
Balance as of December 31, 2024	**$**	**80,156**
Balance as of January 1, 2023	$	70,848
Separate acquisition		2,731
Balance as of December 31, 2023	**$**	**73,579**
Accumulated amortization:		
Balance as of January 1, 2024	$	64,335
Amortization		6,518
Balance as of December 31, 2024	**$**	**70,853**
Balance as of January 1, 2023	$	58,193
Amortization		6,142
Balance as of December 31, 2023	**$**	**64,335**
Book value:		
Balance as of December 31, 2024	**$**	**9,303**
Balance as of December 31, 2023	**$**	**9,244**

The amortization charges for intangible assets for the years ended December 31, 2024 and 2023 are reported sequentially in the comprehensive income statement as follows:

	2024	2023
Operating costs	$ 3,382	3,488
Operating expenses	3,136	2,654
	$ 6,518	**6,142**

(XII) Short-term borrowings

	2024.12.31	2023.12.31
Unsecured bank loans	**$ 1,000,000**	**650,000**
Unused lines of credit	**$ 2,430,000**	**2,650,000**
Range of interest rate	**1.89%~1.90%**	**1.70%~1.76%**

(XIII) Long-term borrowings

	2024.12.31	2023.12.31
Unsecured bank loans	$ 550,000	400,000
Less: portion due within one year	80,000	-
	$ 470,000	**400,000**
Unused lines of credit	**$ 1,200,000**	**1,300,000**
Year of maturity	**2025~2026**	**2026**
Range of interest rate	**1.88%~1.92%**	**1.79%**

(XIV) Lease liabilities

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

	2024.12.31	2023.12.31
Current:	**$ 17,166**	**18,567**
Non-current	**$ 72,118**	**89,283**

Please refer to Note VI (XXIV) Financial Risk Management for the maturity analysis of lease liabilities.

The amounts recognized in profit or loss are as follows:

	2024	2023
Interest expense on lease liabilities	**$ 1,130**	**1,350**
Short-term leases expenses and lease expenses of low-value assets	**$ 406**	**539**

The amounts recognized in the cash flow statement are as follows:

	2024	2023
Total cash outflow for leases	**$ 20,102**	**20,779**

Important lease clauses:

1. Lease of houses and buildings

   Regarding the houses and buildings leased by the Company as office premises, warehouses and plants, the lease terms are approximately three to ten years, some of which include the option to extend for the same period as the original contract at the end of the lease term.

2. Other lease

   The leases under which the Company leases office equipment are short-term leases or leases of low-value assets, and the Company has elected to apply the exemption from the recognition requirement and not recognize the related right-of-use assets and lease liabilities.

(XV) Provisions - product warranty

	2024	2023
Balance as of January 1	$ 41,764	51,236
Provision increases for the period	3,761	10,176
Provision reverses for the period	(15,088)	(19,648)
Balance as of December 31	**$ 30,437**	**41,764**

The warranty provisions for products of the Company is mainly related to the sales of industrial computer boards and systems, and the warranty reserve is estimated based on the historical warranty data of similar products.

(XVI) Employee benefits

1. Defined benefit plans

   The adjustment when the present value of the Company's defined benefit obligation is greater than the fair value of the plan assets is as follows:

	2024.12.31	2023.12.31
Present value of defined benefit obligation	$ 75,640	74,844
Fair value of plan assets	(60,481)	(55,715)
Net defined benefit liabilities	**$ 15,159**	**19,129**

   The defined benefit plans of the Company are allocated to the special account for labor pension reserves of the Bank of Taiwan. The pension payment for each employee subject to the Labor Standards Act is calculated based on the base obtained through service years and the average salary for the six months prior to retirement.

   (1) Composition of plan assets

   The pension funds allocated by the Company in accordance with the Labor Standards Act are administrated by the Bureau of Labor Funds, Ministry of Labor (hereinafter referred to as “BLF”). In accordance with the "Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement

Fund", the minimum income for the annual final distribution of the funds shall not be lower than the income calculated based on the two-year fixed deposit rate of the local bank.

As of December 31, 2024 and 2023, the balances in the special accounts for labor pension reserves of the Company in the Bank of Taiwan were NTD 60,418 thousand and NTD 55,715 thousand, respectively. Information on the use of labor pension fund assets, including fund returns and fund asset allocation, can be found on the website of the BLF.

(2) Changes in the present value of defined benefit obligations

	2024	2023
Defined benefit obligations as of January 1	$ 74,844	92,955
Current service cost and interest	1,039	1,550
Remeasurement of net defined benefit liabilities (assets)		
－ Actuarial gain or loss arising from experience adjustments	4,968	(10,895)
－ Actuarial gain or loss arising from changes in financial assumptions	(1,714)	1,673
Benefits paid under the plan	(3,497)	(10,439)
Defined benefit obligations as of December 31	**$ 75,640**	**74,844**

(3) Changes in fair value of plan assets

	2024	2023
Fair value of plan assets as of January 1	$ 55,715	61,781
Interest income	716	956
Remeasurement of net defined benefit liabilities (assets)		
－ Compensation of plan assets (excluding current interest)	5,010	247
Amount contributed to the plan	2,537	3,170
Benefits paid under the plan	(3,497)	(10,439)
Fair value of plan assets as of December 31	**$ 60,481**	**55,715**

(4) Change in asset ceiling effects

The Company did not have defined benefit plan asset ceiling effects in the years 2024 and 2023.

(5) Expenses recognized as profit or loss

	2024	2023
Service costs for the current period	$ 105	156
Net interest on net defined benefit liabilities (assets)	218	438
	$ 323	594
Operating costs	$ 323	594

(6) Actuarial assumptions

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

	2024.12.31	2023.12.31
Discount rate	1.500%	1.250%
Future salary increases	3.25%	3.25%

The Company expects to make a contribution of NTD 2,536 thousand to the defined benefit plan within one year after the reporting date of the fiscal year 2024. The weighted average duration of the defined benefit plan is 8.9 years.

(7) Sensitivity analysis

The effect of changes in the main actuarial assumptions used on the present value of defined benefit obligations is as follows:

	Effect on defined benefit obligations	
	Increase by 0.25%	Decrease by 0.25%
December 31, 2024		
Discount rate	$ (1,658)	1,715
Future salary increases	1,657	(1,611)
December 31, 2023		
Discount rate	(1,673)	1,732
Future salary increases	1,669	(1,621)

The sensitivity analysis described above is based on analyzing the impact of changes in a single assumption while other assumptions remain unchanged. In practice, many hypothetical changes may be sequential. The sensitivity analysis is consistent with the method used to calculate the net defined benefit liabilities on the balance sheet date. The method and assumptions used to prepare the sensitivity analysis in the current period are the same as in the previous period.

2. Defined contribution plans

   The defined contribution plan of the Company is made in accordance with the provisions of the Labor Pension Act at a contribution rate of 6% of the monthly salary of the laborers to the individual pension account of the Bureau of Labor Insurance (BLI). There is no statutory or presumptive obligation to pay additional amount after the Company has made a defined contribution under these plans.

   The pension expenses under the defined pension contribution measures of the Company in 2024 and 2023 were NTD 22,238 thousand and NTD 21,177 thousand, respectively.

(XVII) Income tax

1. Income tax expenses

   The income tax expenses of the Company are detailed as follows:

	2024	2023
Current income tax expense		
Current income tax	$ 46,077	82,507
Prior period adjustment of current income tax	3,256	2,831
Current income tax expense	49,333	85,338
Deferred income tax expenses	30,558	13,342
	$ 79,891	**98,680**

   The details of income tax expenses recognized by the Company under other comprehensive income in 2024 and 2023 are as follows:

	2024	2023
Items that will not be reclassified to profit or loss:		
Remeasurement of defined benefit plans	**$ (351)**	**(1,894)**

   The reconciliation of income tax expenses and income before tax was as follows:

	2024	2023
Profit before tax	**$ 476,502**	**460,365**
Income tax at the Company's domestic tax rate	$ 95,300	92,073
Loss (gain) on domestic investment recognized under equity method	(18,473)	496
Prior period adjustment of income tax	3,256	2,831
Other tax-exempt income	(911)	(1,170)
Surtax on unappropriated earnings	-	4,666
Others	719	(216)
	$ 79,891	**98,680**

2. Deferred income tax assets and liabilities

(1) Deferred income tax assets and liabilities recognized

The changes in deferred tax assets and liabilities are as follows:

Deferred income tax assets:

	Allowance for inventory loss	Provision for liabilities	Net defined benefit liabilities	Unrealized gross profit on sales between affiliated companies	Others	Total
January 1, 2024	$ 26,105	8,353	3,008	14,031	2,433	53,930
(Debit) Credit income statement	(2,332)	(2,265)	(443)	(9,954)	(1,812)	(16,806)
(Debit) Credit to other comprehensive income	-	-	(351)	-	-	(351)
December 31, 2024	$ 23,773	6,088	2,214	4,077	621	36,773
January 1, 2023	$ 17,425	10,247	5,417	18,952	3,786	55,827
(Debit) Credit income statement	8,680	(1,894)	(515)	(4,921)	(1,353)	(3)
(Debit) Credit to other comprehensive income	-	-	(1,894)	-	-	(1,894)
December 31, 2023	$ 26,105	8,353	3,008	14,031	2,433	53,930

Deferred income tax liabilities:

	Temporary differences related to investment in subsidiaries	Difference between finance and taxes from fixed assets	Others	Total
January 1, 2024	$ 92,992	696	1,599	95,287
(Debit) Credit income statement	14,062	-	(310)	13,752
December 31, 2024	$ 107,054	696	1,289	109,039
January 1, 2023	$ 80,985	794	169	81,948
(Debit) Credit income statement	12,007	(98)	1,430	13,339
December 31, 2023	$ 92,992	696	1,599	95,287

3. The Company’s profit-seeking enterprise income tax has been approved by the tax authority for the year 2022.

(XVIII) Capital and other equities

1. Share capital - Ordinary shares

As on December 31, 2024 and 2023, the total authorized capital of the Company was NTD 1,772,000 thousand, which was divided into 177,200 thousand shares at NTD 10 per share. The number of issued shares were both 114,489 thousand shares. The reserved capital for issuance of stock options to employees in the authorized share capital is 20,000 thousand shares.

2. Capital reserve

The Company's capital reserve balance is analyzed as follows:

	2024.12.31	2023.12.31
Share premium	$ 599,203	599,203
Differences between the actual price for acquisition or disposal of the subsidiaries and their carrying amount	183,410	-
Recognized changes in percentage of ownership interests in subsidiaries	90,577	6,006
Gain on asset disposal	808	808
Others	24,133	23,750
	$ 898,131	629,767

In accordance with the Company Act, the capital reserve must first be used to cover deficits before new shares or cash can be issued in proportion to the shareholders' original shares. If the foregoing is paid in cash, the Board of Directors shall be authorized to make a resolution and report to the shareholders' meeting. The realized capital reserve as termed in the preceding sentence includes the proceeds from the shares issued at a premium over the face value and the income from the acceptance of donations. Pursuant to the provision of Regulations Governing the Offering and Issuance of Securities by Securities Issuers, the capital reserve shall be accrued out of the capital, and the total amount accrued every year shall be no higher than ten percent of the paid-in capital.

3. Retained earnings and dividend policy

Under the provision of the Articles of Association of the Company, if there are any earnings in the final settlement, it shall first accrue the tax, make up the accumulated loss, and then set aside 10% as the legal surplus reserve, except when the legal surplus reserve has reached the paid-in capital of the Company. If there are any earnings after the special surplus reserve is set aside or reversed in accordance with the law, the Board of Directors shall formulate the earnings distribution proposal together with the accumulated unappropriated earnings and submit them to the Shareholders' Meeting for dividend distribution. The Board of Directors is authorized to make a resolution to distribute and report to the Shareholders’ Meeting if the earnings distribution shall be in the form of cash dividends.

According to the Articles of Association of the Company, due to the fierce competition in the industry, the volatile environment, and the stable growth stage of the Company's life cycle, to effectively master the Company's future investment opportunities, working capital needs, and long-term financial planning, and to meet shareholders' cash inflow needs, the Board of Directors formulates the earnings distribution proposal should take into account the general distribution level of the relevant industry and adopt a balanced dividend policy, and distribute according to the principle of prudence. If the Company's annual final settlement has earnings of 2% of the capital, the dividend distribution should not be less than 10% of the distributable earnings for the year, and the proportion of cash dividends paid each year should not be less than 10% of the total of cash and stock dividends paid for the year.

(1) Legal reserve

Pursuant to the provision of the Company Act, when the Company makes no loss, it may, by resolution of the Shareholders' Meeting, distribute the legal surplus reserve in the form of new shares or in cash to the extent that such legal reserve exceeds 25% of the total paid-in capital. If the aforementioned is done in cash, is authorized to be resolved by the Board of Directors and reported to the Shareholders’ Meeting.

(2) Special reserve

Under the regulations issued by the Financial Supervisory Commission, when distributing the distributable earnings, for the net deductibles of other shareholders' equity incurred in the current year, the Company shall accrue the special surplus reserve in the same amount out of the amount of current after-tax net income added to the current unappropriated earnings, including items other than current after-tax net income and the unappropriated earnings in the previous period, and for the deductibles of other shareholders’ equity accumulated in the previous period, the Company shall not distribute the special surplus reserve in the same amount accrued out of the unappropriated earnings in the previous period. If deductibles of other shareholders’ equity are reversed in future, the reversed portion may be distributed as earnings.

4. Distribution of earnings

On March 4, 2024, and March 2, 2023, the Board of Directors of the Company resolved the cash dividends and distribution amounts for the years ended December 31, 2023 and 2022, respectively. On May 30, 2024, and May 31, 2023, the annual shareholders’ meeting resolved the other earnings distribution proposal for the years ended December 31, 2023 and 2022, respectively. The relevant distribution amounts were as follows:

	2023		**2022**	
	Dividend per share (NTD)	**Amount**	**Dividend per share (NTD)**	**Amount**
Legal reserve		$ 36,913		52,689
Special reserve (reversal)		$ 17,750		(76,782)
Dividends distributed to owners of common stock:				
Cash dividends	**3.0**	343,467	**4.0**	457,955

In addition, on May 31, 2023, the annual shareholders' meeting resolved to amend the amount of the legal reserve in the earnings distribution proposal for the year 2021, reversing the legal reserve of NTD 15,964 thousand.

On February 25, 2025, the Board of Directors resolved to distribute the following cash dividends from the 2024 earnings:

	2024	
	Dividend per share (NTD)	**Amount**
Dividends distributed to owners of common stock:		
Cash dividends	$ 3.4	389,262

The information regarding the earnings distribution can be found on the MOPS (Market Observation Post System).

5. Other equities (net amount after tax)

	Exchange differences on translating the financial statements of foreign operations	**Unrealized gain (loss) on financial assets measured at fair value through other comprehensive income**	**Total**
Balance as of January 1, 2024	$ (97,599)	41,808	(55,791)
Exchange difference from conversion of net assets of foreign operating organizations	26,356	-	26,356
Unrealized gain (loss) on financial assets measured at fair value through other comprehensive income	-	(1,419)	(1,419)
Share of other comprehensive income of the subsidiary recognized using the equity method	-	(284)	(284)
Disposal of partial ownership interests in subsidiaries	268	(49)	219
Disposal of equity instruments measured at fair value through other comprehensive income	-	(38,647)	(38,647)
Balance as of December 31, 2024	$ (70,975)	1,409	(69,566)

	Exchange differences on translating the financial statements of foreign operations	**Unrealized gain (loss) on financial assets measured at fair value through other comprehensive income**	**Total**
Balance as of January 1, 2023	$ (69,315)	31,274	(38,041)
Exchange difference from conversion of net assets of foreign operating organizations	8,353	-	8,353
Unrealized gain (loss) on financial assets measured at fair value through other comprehensive income	-	8,474	8,474
Share of other comprehensive income of the subsidiary recognized using the equity method	-	2,060	2,060
Disposal of subsidiaries	(36,637)	-	(36,637)
Balance as of December 31, 2023	$ (97,599)	41,808	(55,791)

(XIX) Earnings per share

1. Basic earnings per share

	2024	2023
Net profit attributable to ordinary shareholders of the Company	$ 396,611	361,685
Weighted average number of outstanding ordinary shares (in thousands of shares)	114,489	114,489
Basic earnings per share (NTD)	$ 3.46	3.16

2. Diluted earnings per share

	2024	2023
Net profit attributable to ordinary shareholders of the Company	$ 396,611	361,685
Weighted average number of outstanding ordinary shares (in thousands of shares)	114,489	114,489
Effects of potential ordinary shares with dilution effect (in thousands of shares):		
Effects of employee stock compensation	581	646
Weighted average number of outstanding ordinary shares (after adjusting the number of dilution potential common shares) (in thousands of shares)	115,070	115,135
Diluted earnings per share (NTD)	$ 3.45	3.14

(XX) Revenue from customer contracts

1. Breakdown of revenue

	2024	2023
Main products and services:		
Industrial computer cards and systems	$ 2,977,634	3,682,270
Others	244,614	326,852
	$ 3,222,248	4,009,122

2. Balance of contracts

	2024.12.31	2023.12.31	2023.1.1
Notes and accounts receivable (including related parties)	$ 601,340	438,840	1,126,288
Less: Loss allowance	(679)	(921)	(1,798)
	$ 600,661	437,919	1,124,490
Contract liabilities	$ 12,090	10,732	21,708

For the disclosure of notes and accounts receivable (including related parties) and their impairments, please see Note VI (V) for details.

The contract liabilities mainly come from the difference between the time point of satisfying the performance obligation when the Company transfers goods to a customer and the time point of the customer's payment. The beginning balances of contract liabilities as of January 1, 2024 and 2023 were recognized as income of NTD 7,976 thousand and NTD 18,633 thousand, respectively, for the years ended December 31, 2024 and 2023.

(XXI) Compensation of employees and directors

In accordance with the Articles of Association, the Company shall set aside at least 5-20% of the earnings, if any, in the year as compensation to the employees and no greater than 1% as compensation to directors. But if the Company still has an accumulated loss, a certain amount should be reserved in advance for offsetting. The beneficiaries of the aforesaid employees' compensation, if distributed in stock or in cash, shall include the employees of the controlled companies or affiliates of the Company who meet certain conditions.

For the years ended December 31, 2024 and 2023, the estimated employee compensations of the Company were NTD 36,219 thousand and NTD 35,191 thousand, respectively, and the estimated director compensations were NTD 3,878 thousand and NTD 3,744 thousand, respectively, which were estimated based on the Company's pre-tax net income before deducting the compensations for employees and directors multiplied by the Company's proposed distribution rate of compensations for employees and directors for each period, and were reported as operating costs or operating expenses for each such period. If the actually distributed amount of next year is different from the estimate, the difference will be treated as an accounting estimate change and listed in the profit and loss of next year.

The amounts of compensations for employees and directors of the Company as of February 25, 2025 and March 4, 2024, as determined by the Board of Directors, are not different from the amounts estimated in the Company's parent company only financial statements for the fiscal years 2024 and 2023, and are paid entirely in cash. The relevant information can be found at the MOPS.

(XXII) Non-operating income and expenses

1. Interest income

		2024	2023
Interest on bank deposit	$	6,713	6,728
Interest income from financial assets measured at amortized cost		186	245
Interest on deposits		13	17
Interest income from financial assets measured at fair value through profit or loss		570	574
	$	**7,482**	**7,564**

2. Other income

		2024	2023
Rental income	$	4,523	5,427
Dividend income		4,555	5,849
Others		18,284	23,888
	$	27,362	35,164

3. Other gain and loss

		2024	2023
Gain (loss) on disposal of property, plant and equipment		(88)	5,704
Net gain on foreign exchange		21,440	10,108
Net (loss) gain on financial instruments measured at fair value through profit or loss		(54,769)	(34,484)
Other expenditures		2,423	835
	$	(30,994)	(17,837)

4. Finance costs

		2024	2023
Bank interest expenses	$	21,656	29,764
Financial expenses on lease liabilities		1,130	1,350
	$	22,786	31,114

(XXIII) Financial instruments

1. Types of financial instruments

(1) Financial assets

		2024.12.31	2023.12.31
Financial assets measured at fair value through profit or loss - current		22,457	32,617
Financial assets measured at fair value through other comprehensive income - non-current		-	77,314
Financial assets measured at amortized cost:			
Cash and cash equivalents		418,043	443,832
Financial assets measured at amortized cost - current		1,500	1,500
Notes receivable, accounts receivable, and other receivables (including related parties)		626,743	446,120
Refundable deposits (reported in other non-current assets)		891	891
Subtotal		1,047,177	892,343
Total	$	1,069,634	1,002,274

(2) Financial liabilities

	2024.12.31	**2023.12.31**
Financial liabilities measured at fair value through profit or loss:		
Held for trading	$ 3,751	135
Financial liabilities measured at amortized cost:		
Short-term borrowings	1,000,000	650,000
Accounts payable and other payables (including related parties)	818,447	522,314
Long-term borrowings (including those due within one year)	550,000	400,000
Lease liabilities (including current and non-current)	89,284	107,850
Subtotal	2,457,731	1,680,164
Total	**$ 2,461,482**	**1,680,299**

2. Fair value

(1) Financial instruments not measured at fair value

The management of the Company believes that the carrying amounts of the financial assets and liabilities of the Company classified as amortized cost in the parent company only financial statements are close to their fair value.

(2) Financial instruments measured at fair value

The Company's financial assets/liabilities measured by fair value through profit and loss and the financial assets measured by fair value through other comprehensive profit and loss are measured by fair value on the basis of repeatability. The following table provides relevant analysis of the financial instruments measured by fair value after initial recognition and classifies these assets into levels 1 to 3 based on the observable extent of fair value. Different fair value levels are defined as follows:

A. Level 1: Open quotation of the same asset or liability in the active market (without adjustment).

B. Level 2: The input parameter of the asset or liability is directly observable (namely price) or indirectly observable (namely, inferred from price), except for the open quotations included in level 1.

C. Level 3: The input parameters of assets or liabilities are not based on observable market data (non-observable parameters).

	2024.12.31			
	Fair value			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through profit or loss:				
Derivative financial instruments - Forward foreign exchange contracts	$ -	322	-	322
Fund beneficiary certificates	22,135	-	-	22,135
	$ 22,135	322	-	22,457
Financial liabilities measured at fair value through profit or loss:				
Derivative financial instruments - Forward foreign exchange contracts	$ -	649	-	649
Derivative financial instruments - Foreign exchange swaps contracts	-	3,102	-	3,102
Subtotal	$ -	3,751	-	3,751

	2023.12.31			
	Fair value			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through profit or loss:				
Derivative financial instruments - Forward foreign exchange contracts	$ -	247	-	247
Derivative financial instruments - Foreign exchange swaps contract	-	7,885	-	7,885
Fund beneficiary certificates	24,485	-	-	24,485
	$ 24,485	8,132	-	32,617
Financial assets measured at fair value through other comprehensive income:				
Domestic Over-the-Counter stocks	$ 77,314	-	-	77,314
Financial liabilities measured at fair value through profit or loss:				
Derivative financial instruments - Forward foreign exchange contracts	$ -	135	-	135
Subtotal	$ -	135	-	135

(3) Fair value measurement techniques for financial instruments measured at fair value

A. Non-derivative financial instruments

If there is an open quotation for the financial instrument in the active market, the open quotation in the active market shall be the fair value.

Except for financial instruments with active markets, fair values of the other financial instruments are obtained with valuation techniques or counterparty quotations. Evaluation technique-based fair value may be calculated by referring to the current fair value of other financial instruments with similar substantial conditions and characteristics, or discounted cash flow or other evaluation techniques, including market information application mode available on the reporting date.

TWSE/TPEx listed stocks and fund beneficiary certificates have standard terms and conditions and are traded in active markets, and their fair values are determined in accordance with market quotations.

B. Derivative financial instruments

They are valuated with the valuation model generally accepted by market participants. Forward foreign exchange contracts and foreign exchange swap contracts are usually valuated in line with the current forward exchange rate.

(4) Transfer between fair value levels

There were no transfers of fair value levels of any financial asset and financial liability for the years ended 2024 and 2023.

(XXIV) Financial risk management

The Company is exposed to credit risk, liquidity risk and market risk (including exchange rate risk, interest rate risk and equity instrument price risk) as a result of its business activities. This Note presents the Company's policies and procedures for measuring and managing each of these risks and the quantitative disclosure of the risks.

The Company's Board of Directors is responsible for developing and controlling the Company's risk management policy. The risk management policy is established to identify and analyze the risks faced by the Company, set appropriate risk limits and controls, and monitor compliance with the risks and risk limits. Risk management policies and systems are periodically reviewed to reflect changes in market conditions and the operations of the Company.

The financial management department of the Company monitors and manages the financial risks related to the operations of the Company through internal risk reports.

1. Credit risk

   Credit risk refers to the risk of financial losses incurred by the Company due to the failure of counterparties to perform contractual obligations with respect to financial assets, mainly arising from financial assets such as cash and equivalents, derivative instrument transactions, accounts receivable from customers, and other receivables. The carrying value of financial assets of the Company represents the maximum exposure amount.

   The transaction counterparties of cash and cash equivalents of the Company and the beneficiary certificates of the fund held by the Company are all financial institutions with good credit and therefore should not generate significant credit risk.

   The policies adopted by the Company are to only conduct transactions with reputed counterparties, and to obtain sufficient collateral under necessary circumstances to reduce the risk of financial losses. The Company conducts transactions with enterprises whose ratings is equivalent to or higher than investment level. The information is provided by independent rating agencies. If such information is not available, the Company will use other publicly available financial information and transaction records of each other to rate major clients. The Company continuously monitors credit exposure and the credit ratings of its counterparties, and distributes the total transaction amount to qualified customers with credit ratings. It controls credit exposure through counterparty credit limit limits reviewed and approved by the risk management unit annually, and also reduces possible losses through insurance.

   To mitigate the credit risk, the management of the Company appoints a team solely responsible for determination of credit lines, credit approvals and other monitoring procedures to ensure that appropriate action has been taken for the collection of overdue receivables. In addition, the Company will review the recoverable amount of the receivables one by one on the balance sheet date to ensure that the unrecoverable receivables have been recognized with appropriate impairment loss. Accordingly, the management of the Company believes that the Company’s credit risk is significantly reduced.

   The Company does not significantly concentrate on transactions with a single external customer; therefore, there is no concentration of credit risk on accounts receivable.

2. Liquidity risk

   Liquidity risk refers to the risk that the Company cannot deliver cash or other financial assets to settle financial liabilities and fails to fulfill relevant obligations. The Company manages and maintains sufficient cash positions to support operations and mitigate the impact of cash flow fluctuations. The management of the Company monitors the use of bank facility and ensures compliance with the terms of the loan contract.

The following table shows the contractual maturity dates of financial liabilities, including the impact of estimated interest, based on the earliest date on which the Company may be required to repay and using undiscounted cash flow.

	Contractual cash flows	Within 1 year	1-2 years	2-5 years	5 years and above
December 31, 2024					
Non-derivative financial liabilities:					
Short-term borrowings (floating rates)	$ 1,000,933	1,000,933	-	-	-
Long-term borrowings (floating rates)	564,486	89,915	474,571	-	-
Accounts payable and other payables (including related parties)	818,447	818,447	-	-	-
Lease liabilities	92,275	18,078	14,839	43,282	16,076
Subtotal	2,476,141	1,927,373	489,410	43,282	16,076
Derivative financial instruments:					
Forward foreign exchange contracts - gross delivery					
Outflow	135,471	135,471	-	-	-
Inflow	(135,144)	(135,144)	-	-	-
Foreign exchange SWAP contracts - gross delivery					
Outflow	353,694	353,694	-	-	-
Inflow	(350,592)	(350,592)	-	-	-
Total	3,429	3,429	-	-	-
	$ 2,479,570	**1,930,802**	**489,410**	**43,282**	**16,076**
December 31, 2023					
Non-derivative financial liabilities:					
Short-term borrowings (floating rates)	$ 651,689	651,689	-	-	-
Long-term borrowings (floating rates)	419,304	7,175	7,175	404,954	-
Accounts payable and other payables (including related parties)	522,314	522,314	-	-	-
Lease liabilities	111,972	19,697	18,078	43,282	30,915
Subtotal	1,705,279	1,200,875	25,253	448,236	30,915
Derivative financial instruments:					
Forward foreign exchange contracts - gross delivery					
Outflow	90,933	90,933	-	-	-
Inflow	(91,045)	(91,045)	-	-	-
Foreign exchange SWAP contracts - gross delivery					
Outflow	444,313	444,313	-	-	-
Inflow	(452,198)	(452,198)	-	-	-
Subtotal	(7,997)	(7,997)	-	-	-
Total	**$ 1,697,282**	**1,192,878**	**25,253**	**448,236**	**30,915**

The Company doesn't expect the time point of the cash flow under the maturity date analysis will come much earlier or the actual amount will be substantially different.

3. Market risk

Market risk refers to the risk that changes in market prices, such as exchange rates, interest rates and the price of equity instruments, and may affect the earnings of the Company or the value of the financial instruments it holds. The goal of market risk management is to control the degree of exposure to market risk within an acceptable range, and to optimize investment returns.

(1) Exchange rate risk

The Company is exposed to the risk of exchange rate fluctuations arising from sales and purchase transactions denominated in non-functional currencies, which are primarily denominated in USD. The management of exchange rate risk of the Company involves using forward foreign exchange contracts and foreign exchange contracts to manage exchange rate risk to the extent permitted by policy. The exchange rate risk of the Company mainly stems from the USD-denominated receivables and payables that are still outstanding at the balance sheet date. The sensitivity analysis of the carrying values of significant monetary assets and liabilities that are not denominated in functional currencies and their related foreign currency movements on the reporting date is as follows in thousands of NTD:

	2024.12.31				
	Foreign currency	**Exchange rate**	**NTD**	**Exchange rate fluctuation**	**Profit and loss influence (before tax)**
Financial assets					
Monetary items					
USD	$ 22,605	32.7850	741,102	1%	7,411
Financial liabilities					
Monetary items					
USD	13,018	32.7850	426,798	1%	4,268

	2023.12.31				
	Foreign currency	**Exchange rate**	**NTD**	**Exchange rate fluctuation**	**Profit and loss influence (before tax)**
Financial assets					
Monetary items					
USD	$ 19,937	30.7500	613,066	1%	6,131
Financial liabilities					
Monetary items					
USD	7,664	30.7500	235,654	1%	2,357

Due to the wide variety of monetary items of the Company, the exchange gain or loss of monetary items are disclosed through consolidation. Please refer to Note VI (XXII) for details of foreign currency exchange (loss) gain (including realized and unrealized) for the years 2024 and 2023.

(2) Interest rate risk

The bank borrowings of the Company are based on a floating rate basis. The measures taken by the Company to address the risk of interest rate changes mainly include regularly assessing the borrowing interest rate of banks, maintaining good relationship with financial institutions to achieve lower financing costs, and strengthening working capital management to reduce the dependence on bank borrowings and the risk of interest rate changes.

The interest rate exposure of financial liabilities of the Company is described in the liquidity risk management section of this Note. The following sensitivity analysis is based on the interest rate exposure of non-derivative instruments at the reporting date. For floating rate liabilities, the analysis assumes that the amount of liabilities outstanding at the reporting date is outstanding throughout the year. The rate of change used by the Company to report interest rates to the main management is an increase or decrease of 1% in annual interest rates, which also represents the management's assessment of the reasonable and possible range of changes in interest rates.

If the annual interest rate on bank borrowings of the Company increases/decreases by 1%, and all other variables remain unchanged, based on the estimated balance of bank borrowings of the Company as of December 31, 2024 and 2023, the income before tax of the Company for the years 2024 and 2023 will increase/decrease by NTD 15,500 thousand and NTD 10,500 thousand, respectively.

(3) Other market price risks

The stocks on the TWSE and the TPEx held by the Company are exposed to risk of price changes in equity securities market. The Company manages and monitors the investment performance on a fair value basis.

The sensitivity analysis on price risk of holding stocks on the TWSE and TPEx is based on the changes in fair value as at the reporting date. If the price of equity instruments increases/decreases by 1%, the amount of other comprehensive income for the years 2023 will increase/decrease by NTD 773 thousand.

(XXV) Capital management

The Company manages its capitalization to ensure that the Company will be able to continue as going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The capital structure of the Company consists of the net debt (i.e., borrowings less cash and cash equivalents) and equity (i.e., capital stock, capital reserve, retained earnings and other equity items) of the Company. The Company is not subject to other external capital requirements.

The Company's key management annually reviews the Company's capital structure, and the content of the review includes costs of various capital and related risks. According to the key management's suggestions, the Company will balance the overall capital structure through the payment of dividends, issuance of new shares, and buy-back of shares.

The way of capital management of the Company did not change in 2024 and 2023.

(XXVI) Non-cash transactions in investing and financing activities

1. Please refer to Note VI (IX) for the right-of-use assets acquired by the Company through lease.
2. The liabilities from financing activities are reconciled in the following table:

	2024.1.1	**Cash flows**	**2024.12.31**
Short-term borrowings	$ 650,000	350,000	1,000,000
Long-term borrowings (including those due within one year)	400,000	150,000	550,000
Lease liabilities	107,850	(18,566)	89,284
Total liabilities from financing activities	**$ 1,157,850**	**481,434**	**1,639,284**

	2023.1.1	**Cash flows**	**2023.12.31**
Short-term borrowings	$ 1,055,000	(405,000)	650,000
Long-term borrowings	1,100,000	(700,000)	400,000
Lease liabilities	126,740	(18,890)	107,850
Total liabilities from financing activities	**$ 2,281,740**	**(1,123,890)**	**1,157,850**

VII. Related Party Transactions

(I) Parent company and ultimate controller

Qisda Corporation is the ultimate controller of the parent company and affiliated group of the Company, directly or indirectly holding 55.09% of the Company's outstanding ordinary shares. Qisda has prepared consolidated financial reports for public use.

(II) Names and relationships of related parties

During the period covered by the parent company only financial statements, the Company's parent company, subsidiaries, and other related parties that have transactions with the Company are as follows:

Name of related party	Relationship with the Company
Qisda Corporation (Qisda)	Parent company of the Company
DFI AMERICA, LLC.	Subsidiary directly or indirectly held by the Company
DFI Co., Ltd.	Subsidiary directly or indirectly held by the Company
Yan Tong Technology Ltd.	Subsidiary directly or indirectly held by the Company
Diamond Flower Information (NL) B.V.	Subsidiary directly or indirectly held by the Company
Yan Ying Hao Trading (Shenzhen) Co., Ltd	Subsidiary directly or indirectly held by the Company
AEWIN Technologies Co., Ltd. (AEWIN)	Subsidiary directly or indirectly held by the Company
Aewin Beijing Technologies Co., Ltd.	Subsidiary directly or indirectly held by the Company
Wise way international CO., LTD. (Wise way)	Subsidiary directly or indirectly held by the Company
Bright profit enterprise Limited (Bright profit)	Subsidiary directly or indirectly held by the Company
Aewin (Shenzhen) Technologies Co., Ltd	Subsidiary directly or indirectly held by the Company (Note 1)
Ace Pillar Co., Ltd.	Subsidiary directly or indirectly held by the Company
Tianjin Ace Pillar Co., Ltd.	Subsidiary directly or indirectly held by the Company
Tekpak Corporation	Subsidiary directly or indirectly held by the Company
ACE Energy Co., Ltd	Subsidiary directly or indirectly held by the Company
Cyber South Management Ltd. (Cyber)	Subsidiary directly or indirectly held by the Company
Hong Kong Ace Pillar Enterprise Company Limited (Hong Kong ACE Pillar)	Subsidiary directly or indirectly held by the Company (Note 2)
Suzhou Super Pillar Automation Equipment Co., Ltd. (Suzhou Super Pillar)	Subsidiary directly or indirectly held by the Company
Proton Inc. (Proton)	Subsidiary directly or indirectly held by the Company
Ace Tek (HK) Holding Co., Ltd. (ACE Tek)	Subsidiary directly or indirectly held by the Company
Grace Transmission (Tianjin) Co., Ltd. (Grace Transmission)	Subsidiary directly or indirectly held by the Company (Note 3)
Advancedtek Ace (TJ) Inc. (Advancedtek Ace)	Subsidiary directly or indirectly held by the Company
Standard Technology Corporation (Standard)	Subsidiary directly or indirectly held by the Company

Name of related party	Relationship with the Company
Standard International Trading (Shanghai) Co., Ltd. (Shanghai Standard)	Subsidiary directly or indirectly held by the Company
Standard Technology Corp. (BVI)	Subsidiary directly or indirectly held by the Company
Blue Walker GmbH (BWA)	Subsidiary directly or indirectly held by the Company
APLEX Technology Inc.	Associate of the Company (Note 5)
Other related parties:	
Partner Tech Corp.	Subsidiary directly or indirectly held by Qisda
Partner Tech Asia Pacific Corporation	Subsidiaries directly or indirectly held by Qisda
BenQ Asia Pacific Corporation	Subsidiaries directly or indirectly held by Qisda
BenQ Corporation	Subsidiary directly or indirectly held by Qisda
Simula Technology Inc.	Subsidiary directly or indirectly held by Qisda
Golden Spirit Co., Ltd.	Subsidiary directly or indirectly held by Qisda
Data Image Corp.	Subsidiary directly or indirectly held by Qisda
Metaage Corp. (MTG)	Subsidiary directly or indirectly held by Qisda
AdvancedTEK International Corp.	Subsidiary directly or indirectly held by Qisda
DIVA Laboratories, Ltd.	Subsidiary directly or indirectly held by Qisda
Metaguru Corp.	Subsidiary directly or indirectly held by Qisda
Concord Medical Co., Ltd.	Subsidiaries directly or indirectly held by Qisda
Global Intelligence Network Co., Ltd.	Subsidiary directly or indirectly held by Qisda
Action Star Technology Co., Ltd.	Subsidiary directly or indirectly held by Qisda
Qisda Optronics (Suzhou) Co., Ltd.	Subsidiary directly or indirectly held by Qisda
Qisda (Suzhou) Co., Ltd.	Subsidiaries directly or indirectly held by Qisda
Brainstorm Corporation (Brainstorm)	Subsidiaries directly or indirectly owned by the Company/Subsidiaries directly or indirectly owned by Qisda (Note 4)
Qisda Vietnam Co., Ltd.	Subsidiaries directly or indirectly held by Qisda
Marketop Smart Solutions Co., Ltd.	Associates of Qisda
BenQ Foundation	Substantive related party of Qisda
AUO Optronics Corp. (AUO)	Company valuing Qisda under equity approach
AUO Digitech Taiwan Inc.	Subsidiary directly or indirectly held by AUO
Darwin Precisions Corporation	Subsidiary directly or indirectly held by AUO
AFPD Pte., Ltd.	Subsidiary directly or indirectly held by AUO
AUO Display Plus Corp.	Subsidiary directly or indirectly held by AUO
Everlasting Digital ESG Co., Ltd.	Associates of Metaage
Darfon Electronics Corp. (DFN)	Associates of Qisda
Unictron Technologies Corp.	Subsidiaries directly or indirectly held by Darfon

Note 1: Aewin (Shenzhen) has been fully liquidated in June, 2024 and deregistration has been completed in July, 2024.

Note 2: The cancellation procedures for Hong Kong Ace Pillar were completed in February 2024.

Note 3: Grace Transmission Co., Ltd. completed its liquidation in January 2024.

Note 4: As stated in Note VI (VII), the relationship between the Company and Brainstorm has been that of a subsidiary, directly or indirectly owned by Qisda, since October 2, 2023.

Note 5: The relationship between our Company and APLEX Technology Inc. has been that of an associate since December 24, 2024.

(III) Material transactions with related party

1. Net operating revenue

The material sales amount of the Company to the related parties is as follows:

	2024	2023
Parent company	$ 115,635	103,390
Subsidiary - DFI AMERICA, LLC.	474,799	614,226
Subsidiary - Diamond Flower Information (NL) B.V.	420,268	496,642
Subsidiary - DFI Co., Ltd.	321,741	324,308
Subsidiary - AEWIN	51,392	320,249
Other subsidiaries	66,059	54,472
Other related parties	180,804	112,396
	$ 1,630,698	**2,025,683**

Sales of the Company to related parties involve customary products made to order based on the customer demand, so the price is determined by both parties through negotiation. The credit term for related parties is 60 to 90 days after shipment for receipt of payment, and 30 to 90 days for non-related parties.

2. Purchases

The purchase amount of the Company from the related parties is as follows:

	2024	2023
Parent company	$ 107,471	187,561
Subsidiaries	7,438	120,956
Other related parties	16,453	12,625
	$ 131,362	**321,142**

The purchases from related parties by the Company are customized products tailored to the requirements of the order, and, therefore, the selling price is mutually agreed. The payment period for related parties is 60-90 days after the arrival of the goods, while for non-related parties, it is 30-120 days after the monthly settlement.

3. Lease

The Company has leased plants and offices from the parent company and signed the lease contracts based on the rent prices in the adjacent areas.

The Company recognized interest expense of NTD 1,052 thousand and NTD 1,206 thousand in 2024 and 2023, respectively. As of December 31, 2024 and 2023, the balances of related lease liabilities were NTD 86,062 thousand and NTD 99,849 thousand, respectively.

4. Property transaction

   Acquisition of assets:

Category of related party	**Item**	**2024**	**2023**
Subsidiaries	Property, plant and equipment	$ -	5,770
Parent company	Intangible assets	-	578
Other related parties	Intangible assets	3,024	-
		$ 3,024	6,348

5. Sale of subsidiary equity

   As indicated in Note VI (VII) On October 2, 2023, the Company sold all the shares of Brainstorm, a subsidiary of the Company, to Metaage Corporation for a total consideration of NTD 530,075 thousand, which was received in full.

6. Operating costs, expenses, and other income

   The operating costs and expenses incurred by the Company due to the provision of product processing and management services by related parties, as well as other income generated by other transactions, are detailed below:

Item	**Category of related party**	**2024**	**2023**
Operating costs	Parent company	$ 22,194	20,550
	Subsidiaries	962	930
	Other related parties	863	958
Operating expenses	Parent company	2,928	2,657
	Subsidiaries	2,549	601
	Other related parties	5,003	7,454
Other income	Parent company	910	720
	Subsidiaries	6,242	10,144
	Other related parties	4,789	6,635

7. Accounts receivable from related parties

   Details of the receivables from related parties of the Company are as follows:

Item	**Category of related party**	**2024.12.31**	**2023.12.31**
Accounts receivable - related parties	Parent company	$ 68,343	11,885
	Subsidiaries:		
	DFI AMERICA, LLC.	83,994	24,883
	AEWIN	25,700	33,315
	Others	50,842	43,793
	Associate	1,444	-

Item	Category of related party	2024.12.31	2023.12.31
	Other related parties	63,563	32,045
		293,886	145,921
Other receivables	Parent company	1,128	163
	Subsidiaries:		
	DFI AMERICA, LLC.	9,249	-
	AEWIN	896	1,219
	Others	2,612	1,466
	Other related parties	566	20
		14,451	2,868
		$ 308,337	148,789

The Company provides some of the raw materials to the parent company for manufacturing, while the completed semi-finished products are sold back to the Company for processing and assembly. To prevent repeated calculation of the purchases and sales above, the Company did not recognize the amount of raw materials provided to the parent company as operating income. Furthermore, the accounts receivable and payable arising from the sale of raw materials and the purchase of semi-finished products above were not collected and paid on a net basis; therefore, they were not expressed as mutual offset.

8. Accounts payable to related parties

The payables of the Company to related parties are detailed as follows:

Item	Category of related party	2024.12.31	2023.12.31
Accounts payable	Parent company	$ 50,864	10,296
	Subsidiaries	226	160
	Other related parties	7,041	1,144
		58,131	11,600
Other payables	Parent company	5,703	5,322
	Subsidiaries	1,917	606
	Other related parties	1,989	1,493
		9,609	7,421
Lease liabilities - current	Parent company	13,944	13,788
Lease liabilities - non-current	Parent company	72,118	86,061
		86,062	99,849
		$ 153,802	118,870

(IV) Compensation of main managerial officers

	2024	2023
Short-term employee benefits	$ 32,205	35,034

VIII. Pledged Assets

The details of the book-entry values of the asset pledged as collateral provided by the Company are detailed as follows:

Asset name	Subject matter of pledge guarantee	2024.12.31	2023.12.31
Pledged certificate of deposit	Performance bond for release before tax to customs house	$ 1,500	1,500

The aforesaid bank deposits are presented under the financial assets measured at amortized cost.

IX. Significant Contingent Liabilities and Unrecognized Contract Commitments: None.

X. Significant Disaster Losses: None.

XI. Significant Events after the Balance Sheet Date: None.

XII. Others

The employee benefits, depreciation and amortization expenses are summarized by function as follows:

By Function / By Nature	2024			2023		
	Attributable to operating cost	Attributable to operating expenses	Total	Attributable to operating cost	Attributable to operating expenses	Total
Employee benefits expenses						
Salary expense	190,340	345,215	535,555	195,659	331,368	527,027
Labor and health insurance expenses	18,883	27,743	46,626	20,327	28,237	48,564
Pension expense	6,576	15,985	22,561	7,051	15,720	22,771
Compensation of directors	-	20,193	20,193	-	21,974	21,974
Other employee benefit expenses	8,361	7,810	16,171	14,928	15,373	30,301
Depreciation expenses	67,473	20,081	87,554	68,407	19,760	88,167
Amortization expenses	3,382	3,136	6,518	3,488	2,654	6,142

Additional information on the number of employees and employee welfare expenses of the Company is as follows:

	2024	2023
Number of employees	618	655
Number of directors not concurrently employed	6	6
Average employee benefit expense	$ 1,015	969
Average employee salary expense	$ 875	812
Average employee salary expense adjustment	7.76%	(10.77)%
Supervisors' compensation	$ -	-

The Company's salary and award policies (for directors, managerial officers, and employees) are as follows:

The compensation of directors of the Company includes the remuneration and award of directors. According to the Articles of Association, if any profit is made, no more than 1% shall be set aside for directors' remuneration. Award shall be proposed by the Human Resources Department in consideration of the competitive environment and operational risks, and shall be evaluated in accordance with the Company's management rules and bonus plan and submitted to the Board of Directors for approval. The compensation composition of the Company's managerial officers and employees consists of fixed wages and variable bonuses, with fixed wages being the basic remuneration of employees and variable bonuses being linked to the Company's operational performance and achievement of strategic goals. The bonus policy shall be proposed by the Human Resources Department in accordance with the Company's salary and award management rules and bonus plan, and shall be submitted to the Board of Directors for approval.

XIII. Supplementary Disclosures

(I) Information on Material Transactions:

1. Loan of funds to others: please refer to Table 1.
2. Endorsement and guarantee for others: None.
3. Marketable securities held at the end of the period (excluding the investments in subsidiaries, associates and equity interests in joint ventures): please refer to Table 2.
4. The cumulative purchase or sale of the same securities amounted to NT$300 million or 20% and above of the paid-in capital: please refer to Table 3.
5. The amount of property acquired reached NTD 300 million or 20% and above of the paid-in capital: None.
6. The amount of property disposal reached NTD 300 million or 20% and above of the paid-in capital: None.
7. The amount of purchases or sales with related parties reached NTD 100 million or 20% and above of the paid-in capital: please refer to Table 4.
8. Accounts receivable from related parties reached NTD 100 million or 20% and above of paid-in capital: Please refer to Table 5.
9. Engaged in derivative products transactions: Please refer to Note VI (II).

(II) Reinvestment and related information: Please refer to Table 6.

(III) Investment information in Mainland China: please refer to Table 7.

(IV) Information on major shareholders:

Unit: Shares

Shares / Name of major shareholder	Number of shares held	Shareholding ratio
Qisda Corp.	51,609,986	45.08%
Gordias Investments Limited of British Virgin Islands Merchant	13,228,997	11.55%
Darly2 Venture, lnc.	9,175,109	8.01%

Note: This table displays the information of the shareholders who have delivered a total of more than 5% of the ordinary shares (including treasury stocks) of the Company without physical share registration until the final working day every quarter, as calculated by the central clearing company. The share capital indicated in the financial report of the Company may be different from the actual number of shares delivered without physical registration as a result of different preparation and calculation bases.

XIV. Segment information

Please refer to the consolidated financial statements for the year ended December 31, 2024.

DFI Inc.
Loan of funds to others
From January 1 to December 31, 2024

Table 1

Unit: In Thousands of New Taiwan Dollars

No.	Financing company	Loan recipient	Transaction item	Related party	Maximum amount in current period	Ending balance	Amount actually drawn in current period	Range of interest rate	Nature of financing	Business transaction amounts	Reason for short-term financing	Allowance for bad debts recognized	Collateral		Financing limits for each borrowing company	Total financing limits
													Name	Value		
1	AEWIN	Beijing AEWIN	Other receivables-related parties	Yes	237,676	230,311	230,311	-	1	250,359	Business interaction	-	-	-	280,222	560,444
2	Ace Pillar	Tianjin ACE Pillar	Other receivables-related parties	Yes	246,032	89,830	-	0~2%	2	-	Operating capital turnover	-	-	-	417,793	835,586
2	Ace Pillar	Suzhou Super Pillar	Other receivables-related parties	Yes	87,796	-	-	-	2	-	Operating capital turnover	-	-	-	417,793	835,586
3	CyberSouth	Tianjin ACE Pillar	Other receivables-related parties	Yes	22,985	22,950	22,950	-	2	-	Operating capital turnover	-	-	-	519,280	519,280
4	Proton	Tianjin ACE Pillar	Other receivables-related parties	Yes	13,134	13,114	13,114	-	2	-	Operating capital turnover	-	-	-	389,016	389,016
5	Suzhou Super Pillar	Tianjin ACE Pillar	Other receivables-related parties	Yes	45,467	44,915	44,915	3%	2	-	Operating capital turnover	-	-	-	118,611	118,611

Note 1: The limits of funds lent by AEWIN to all others and to each individual were 40% and 20%, respectively, of the net value of the company's most recent financial statements.
Note 2: The limits of funds lent by Ace Pillar to all others and to each individual were 40% and 20%, respectively, of the net value of the company's most recent financial statements.
Note 3: The limits of funds lent by Cyber South to all others and to each individual were 10% and 5%, respectively, of the net value of the company's most recent financial statements. When lending funds to foreign subsidiaries that the parent company directly or indirectly holds 100% of the voting shares based on need for financing, the limit of all loans and each loan was 100% of the net value.
Note 4: The limits of funds lent by Proton to all others and to each individual were 10% and 5%, respectively, of the net value of the company's most recent financial statements. When lending funds to foreign subsidiaries that the parent company directly or indirectly holds 100% of the voting shares based on need for financing, the limit of all loans and each loan was 100% of the net value.
Note 5: The limits of funds lent by Suzhou Super Pillar to all others and to each individual were 40% and 20%, respectively, of the net value of the subsidiaries' most recent financial statements. When lending funds to foreign subsidiaries that the parent company directly or indirectly holds 100% of the voting shares based on need for financing, the limit of all loans and each loan was 100% of the net value of the subsidiaries.
Note 6: “1” for those with the nature for financing arising from business transaction; “2” for those with short-term financing needs.
Note 7: The loans and transactions between the aforementioned and its subsidiaries have been offset in the preparation of consolidated financial statements.

DFI Inc.
Marketable securities held at the end of the period (excluding the investments in subsidiaries, associates and joint ventures)
December 31, 2024

Table 2

Unit: In thousands of New Taiwan Dollar/In thousands of foreign currency/ In thousands of shares/In thousands of units

	Type and name of marketable securities	Relationship with the issuer of marketable securities	Accounts	End of period				
				Number of shares/units	Carrying amount	Shareholding ratio	Fair value	Remarks
The Company	Beneficiary certificate: Cathay No.1 REIT		Financial assets measured at fair value through profit or loss - current	1,442	22,135	-	22,135	-
AEWIN	Stock: AEWIN KOREA TECHNOLOGIES CO., LTD.	Substantive related party	Financial assets measured at fair value through other comprehensive income - non-current	10	740	16.67%	740	
AEWIN	Stock: Authentrend Technology Inc.		Financial assets measured at fair value through profit or loss - non-current	300	(Note)	1.08%	-	-
Standard Co.	Stock: Intelligent Fluids GmbH	-	Financial assets measured at fair value through other comprehensive income - non-current	27	(Note)	1.36%	-	-
Standard Co.	Stock: COMPITEK CORP PTE. LTD. (CPL)	-	Financial assets measured at fair value through other comprehensive income - non-current	36	9,214	6.28%	9,214	-
STCBVI	Bonds: Biogen Inc.	-	Financial assets measured at amortized cost - non-current	USD100	3,420	-	3,420	-
Ace Pillar	Stock: Blade Hydrogen Green Technology Co., LTD.	-	Financial assets measured at fair value through other comprehensive income - non-current	10,000	50,018	9.31%	50,018	-

(Note) All of the above have been provisioned for impairment.

DFI Inc.
The cumulative purchase or sale of the same securities amounted to NTD 300 million or 20% and above of the paid-in capital
From January 1 to December 31, 2024

Table 3

Unit: In thousands of New Taiwan Dollars/In thousands of shares

Companies involved in buying and selling	Type and name of marketable securities	Accounts	Counterparty	Relationship	Beginning of the period		Purchase		Sell				End of period	
					Number of shares	Amount	Number of shares	Amount	Number of shares	Selling price	Carrying cost	Gain or loss on disposal	Number of shares	Amount (Note 1)
The Company	Tekpak - Stock	Investments accounted for under the equity method	-	None	-	-	373	560,000	-	-	-	-	373	597,914
Ace Pillar	Tekpak - Stock	Investments accounted for under the equity method	-	None	-	-	460	690,000	-	-	-	-	460	736,719

Note 1: The balance after adjusting for the current period's profit and loss and other related adjustments recognized using the equity method.

DFI Inc.
The amount of purchases or sales with related parties reached NT$100 million or 20% and above of the paid-in capital
From January 1 to December 31, 2024

Table 4

Unit: In Thousands of New Taiwan Dollars

Companies for Purchases (Sales)	Name of counterparty	Relationship	Transaction status				Situation and reason for difference between the trading terms and those of the general trading		Notes and accounts receivable (payable)		Remarks
			Purchase (Sales)	Amount	Proportion to total purchase (sales)	Credit period	Unit price	Credit period	Balance	Proportion to total notes and accounts receivable (payable)	
DiamondFlowerInformation(NL)B.V.	The Company	Parent company and subsidiary	Purchases	420,268	96.21%	60-90 days to collect	-	-	(1,361)	100.00%	Note 1
The Company	DiamondFlowerInformation(NL)B.V.	Parent company and subsidiary	(Sales)	(420,268)	13.04%	60-90 days to collect	-	-	1,361	0.23%	Note 1
DFIAMERICA,LLC.	The Company	Parent company and subsidiary	Purchases	474,799	95.64%	60-90 days to collect	-	-	(83,994)	90.07%	Note 1
The Company	DFIAMERICA,LLC.	Parent company and subsidiary	(Sales)	(474,799)	14.74%	60-90 days to collect	-	-	83,994	13.98%	Note 1
DFICo.,Ltd.	The Company	Parent company and subsidiary	Purchases	321,741	99.39%	60-90 days to collect	-	-	(23,387)	92.45%	Note 1
The Company	DFICo.,Ltd.	Parent company and subsidiary	(Sales)	(321,741)	9.98%	60-90 days to collect	-	-	23,387	3.89%	Note 1
Qisda Corp.	The Company	Parent company and subsidiary	Purchases	115,635	0.98%	60-90 days to collect	-	-	(68,343)	0.23%	Note 1
The Company	Qisda Corp.	Parent company and subsidiary	(Sales)	(115,635)	3.59%	60-90 days to collect	-	-	68,343	11.38%	Note 1
The Company	Qisda	Parent company and subsidiary	Purchases	107,471	4.93%	60-90 days to collect	-	-	(50,864)	8.34%	Note 1
Qisda Corp.	The Company	Parent company and subsidiary	(Sales)	(107,471)	0.14%	60-90 days to collect	-	-	50,864	0.12%	Note 1
Qisda Optronics (Suzhou) Co., Ltd.	The Company	Related parties	Purchases	103,312	0.90%	60-90 days to collect	-	-	(20,200)	0.91%	Note 1
The Company	Qisda Optronics (Suzhou) Co., Ltd.	Related parties	(Sales)	(103,312)	3.21%	60-90 days to collect	-	-	20,200	3.36%	Note 1
Beijing AEWIN	AEWIN	Parent company and subsidiary	Purchases	250,359	37.56%	150 days after shipment	Comparable to general customers	Shipment is immediately converted to a receivable within 120 days and may be extended based on market conditions.	(239,388)	91.57%	Note 1
AewinTechInc.	AEWIN	Parent company and subsidiary	Purchases	421,787	100.00%	120 days after shipment	Comparable to general customers	Shipment is immediately converted to a receivable within 120 days and may be extended based on market conditions.	(125,484)	100.00%	Note 1
AEWIN	Beijing AEWIN	Parent company and subsidiary	(Sales)	(250,359)	14.95%	150 days after shipment	Comparable to general customers	Shipment is immediately converted to a receivable within 120 days and may be extended based on market conditions.	239,388	44.91%	Note 1
AEWIN	AewinTechInc.	Parent company and subsidiary	(Sales)	(421,787)	25.19%	120 days after shipment	Comparable to general customers	Shipment is immediately converted to a receivable within 120 days and may be extended based on market conditions.	125,484	23.54%	Note 1

Note 1: The above transactions have been offset when preparing the consolidated financial report.

DFI Inc.
Accounts receivable from related parties reached NT$100 million or 20% and above of paid-in capital
December 31, 2024

Table 5

Unit: In Thousands of New Taiwan Dollars

Company with receivables	Name of counterparty	Relationship	Balance of accounts receivables from related parties	Turnover rate	Overdue accounts receivable from related parties		Recovery amount of accounts receivable from related parties after the balance sheet date	Allowance for bad debts recognized
					Amount	Treatment		
AEWIN	Beijing AEWIN	Parent company and subsidiary	239,388	0.97	71,292	Strengthen collection	13,680	-
AEWIN	Beijing AEWIN	Parent company and subsidiary	230,311	-	-	-	-	-
AEWIN	Aewin Tech Inc.	Parent company and subsidiary	125,484	3.87	-	-	-	-

(Note) The aforesaid transactions had been offset when the consolidated financial statements were prepared.

DFI Inc.
Reinvestment and related information
From January 1 to December 31, 2024

Table 6

Unit: In thousands of New Taiwan Dollars/In thousands of shares

	Name of investee	Location	Primary business	Original investment amount		Ending shareholding			Current profit (loss) of the investee in the period	Investment profit (loss) recognized for the period	Remarks (Note 2)
				End of current period	End of last year	Number of shares	Ratio	Carrying amount			
The Company	DFIAMERICA,LLC.	USA	Sales of industrial computer cards	254,683	254,683	1,209	100%	470,216	16,545	16,545	Subsidiary of the Company
The Company	YanTong	Mauritius	General investment business	28,394	107,198	1,100	100%	32,939	17,090	17,050	Subsidiary of the Company
The Company	DFICo,.Ltd.	Japan	Sales of industrial computer cards	104,489	104,489	6	100%	166,403	19,224	19,224	Subsidiary of the Company
The Company	DiamondFlowerInformation(NL)B.V.	Netherlands	Sales of industrial computer cards	35,219	35,219	12	100%	182,604	24,865	24,865	Subsidiary of the Company
The Company	AEWIN	Taiwan	Design, manufacturing and sale of industrial computer motherboards and related products	564,191	564,191	30,376	51.38%	722,171	52,874	27,167	Subsidiary of the Company
The Company	Ace Pillar	Taiwan	Automated control and testing, processing, sales, repair, and mechanical and electrical integration of industrial transmission systems	1,086,576	1,301,359	52,436	46.71%	1,062,595	67,390	27,285	Subsidiary of the Company
The Company	Tekpak	Taiwan	Production, manufacturing, and sales of bundling equipment	560,000	-	373	31.65%	597,914	207,087	37,914	Subsidiary of the Company
The Company	APLEX	Taiwan	Sales of industrial computer monitors and mainframes	234,297	-	4,957	13.36%	272,944	58,996	-	Associate of the Company
AEWIN	WiseWay	Anguilla	Investment business	46,129	46,129	1,500	100%	78,776	(38,354)	(Note 1)	Subsidiary indirectly controlled by the Company
AEWIN	AewinTechInc.	USA	Wholesale of computer and peripheral equipment and software	77,791	77,791	2,560	100%	23,995	11,547	(Note 1)	Subsidiary indirectly controlled by the Company
WiseWay	BrightProfit	Hong Kong	Investment business	46,129	46,129	1,500	100%	112,478	(38,355)	(Note 1)	Subsidiary indirectly controlled by the Company
Ace Pillar	CyberSouth	Samoa	Holding Company	107,041	107,041	4,669	100%	519,280	(32,134)	(Note 1)	Subsidiary indirectly controlled by the Company
Ace Pillar	Hong Kong ACE Pillar	Hong Kong	Trade of transmission mechanical components	-	5,120	-	0%	(Note 4)	-	(Note 1)	Subsidiary indirectly controlled by the Company
CyberSouth	Proton	Samoa	Holding Company	527,665	527,665	17,744	100%	389,016	(43,250)	(Note 1)	Subsidiary indirectly controlled by the Company
CyberSouth	AceTek	Hong Kong	Holding Company	4,938	4,938	150	100%	3,115	420	(Note 1)	Subsidiary indirectly controlled by the Company
Ace Pillar	Standard Co.	Taiwan	Trading of semiconductor optoelectronic equipment and consumables and equipment maintenance services	187,000	187,000	6,084	60%	223,050	19,672	(Note 1)	Subsidiary indirectly controlled by the Company
Standard Co.	StandardTechnologyCorp.	BVI	Holding Company	21,727	21,727	600	100%	104,019	13,991	(Note 1)	Subsidiary indirectly controlled by the Company
ACE Energy	BlueWalkerGmbH	Germany	Trading and services of energy management products	138,804	138,804	(Note 3)	100%	192,273	23,018	(Note 1)	Subsidiary indirectly controlled by the Company
Ace Pillar	ACE Energy	Taiwan	Energy technical services	166,760	166,760	4,993	99.86%	223,730	29,268	(Note 1)	Subsidiary indirectly controlled by the Company
Ace Pillar	Tekpak	Taiwan	Production, manufacturing, and sales of bundling equipment	690,000	-	460	39%	736,719	207,087	(Note 1)	Subsidiary indirectly controlled by the Company

Note 1: The profit or loss of the investee company has been included in its investor, so to avoid confusion, it is not be expressed separately here.
Note 2: The subsidiaries directly and indirectly controlled by the Company in the above table have been written off when preparing the consolidated financial report.
Note 3: It is a limited liability company, so there is no number of shares.
Note 4: Hong Kong Ace Pillar resolved to dissolve in July 2023, and the cancellation procedures were completed in February 2024.

DFI Inc.
Investment Information in Mainland China
From January 1 to December 31, 2024

Table 7

1. Information on reinvestment in Mainland China:

Unit: In thousands of New Taiwan Dollar/In thousands of foreign currency

Investee in mainland China	The Company's Business	Paid-in capital	Investment method	Accumulated amount of investment remitted out of Taiwan at the beginning of the period	Remitted or repatriated amount of investment for the period		Accumulated investment amount remitted from Taiwan at the end of current period	Current profit (loss) of the investee in the period	Shareholding ratio of direct or indirect investment of the Company	Investment profit (loss) recognized for the period	Ending carrying value of investment	Repatriated investment income as of the end of the period
					Remitted	Repatriated						
Yan Ying Hao Trading (Shenzhen) Co. Ltd.	Wholesale, import and export of computer motherboard, board cards, host computer, electronic parts and components	15,393 (USD 500)	(Note 1)	- (USD -)	-	-	- -	9,702	100%	9,702 (Note 2)	29,385	-
Beijing AEWIN	Business of wholesaling computers and their peripheral equipment and software	46,129 (USD 1,500)	(Note 1)	46,129 (USD 1,500)	-	-	46,129 (USD 1,500)	(38,355)	100%	(38,355) (Note 2)	112,472	-
Aewin (Shenzhen)	Business of wholesaling computers and their peripheral equipment and software	15,265 (CNY 3,500)	(Note 4)	-	-	-	-	1,288 (CNY 286)	100%	1,288 (CNY 286)	(Note 6)	-
Tianjin ACE Pillar	Trade of transmission mechanical components	1,157,212 (USD 35,297)	(Note 1)	63,931 (USD 1,950)	-	-	63,931 (USD 1,950)	(51,736)	100%	(51,736) (Note 2)	459,253	125,533
Tianjin Jinhao	Manufacturing and processing of mechanical transmission products	-	(Note 1)	5,246 (USD 160)	-	-	5,246 (USD 160)	-	(Note 5)	- (USD -) (Note 2)	- (USD -)	-
Quansheng Information	Electronic system integration	9,836 (USD 300)	(Note 1)	4,918 (USD 150)	-	-	4,918 (USD 150)	419	100%	419 (USD 13) (Note 2)	3,086 (USD 94)	-
Suzhou Super Pillar	Processing and technical services of mechanical transmission and control products	47,538 (USD 1,450)	(Note 1)	- (Note 3)	-	-	- (Note 3)	7,101	100%	7,101 (USD 221) (Note 2)	118,611 (USD 3,618)	-
Shanghai Standard	Trading of semiconductor optoelectronic equipment and consumables and equipment maintenance services	15,737 (USD 480)	(Note 1)	15,737 (USD 480)	-	-	15,737 (USD 480)	13,878	100%	13,878 (Note 2)	89,689	160,279

Note 1: Reinvest in the companies in Mainland China through companies established in third regions.
Note 2: It is recognized in line with the financial report prepared by the investee and reviewed by the accountant of the parent company in Taiwan.
Note 3: It was reinvested and established by Cyber South.
Note 4: It is a Mainland China-based company reinvested by Beijing AEWIN.
Note 5: Grace Transmission Co., Ltd. resolved to dissolve in January 2022 and completed its liquidation in January 2024.
Note 6: Aewin (Shenzhen) has been fully liquidated in June, 2024 and deregistration has been completed in July, 2024.

2. Limit of investment in mainland China:

Name of investor company	The cumulative amount of investment remitted from Taiwan to the Mainland China at the end of the current period	Investment amount approved by the Department of Investment Review of the Ministry of Economic Affairs	Upper Limit on Investment in mainland China regulated by the Department of Investment Review of the Ministry of Economic Affairs (Note 2)
DFI	0 (Note 1)	15,393(Note 3 and Note 4) (USD 500)	3,502,336
AEWIN	46,129 (USD 1,500)	49,178 (USD 1,500)	840,667
Ace Pillar	167,826 (USD 5,119)	167,826 (USD 5,119)	1,740,480
Standard Co.	15,737 (USD 480)	15,737 (USD 480)	120,638

Note 1: It refers to the amount actually remitted by the Company and approved by the Investment Commission, excluding the amount remitted by subsidiaries and approved by the Investment Commission.
Note 2: According to the Review Principles for Investment or Technical Cooperation in Mainland China, the accumulated amount of investment in Mainland China shall not exceed 60% of the net value or consolidated net value, whichever the higher.
Note 3: The Company's net investment amount after the cancellation of Dongguan Nippon Trading Co., Ltd. approved by the Investment Commission in August 2014.

3. Material transactions with investees in Mainland China:

Please refer to the statement under the "Information on Significant Transactions" for the direct or indirect material transactions between the Group and the investees in mainland China from January 1 to December 31, 2024 (these transactions had been written off when the consolidated financial statements were prepared).

DFI Inc.

Statement of cash and cash equivalent

December 31, 2024

Unit: In Thousands of New Taiwan Dollars

Item	Summary	Amount
Petty cash and cash on hand		$ 130
Demand deposits and check deposits		282,823
Foreign currency deposits (Note)	USD: 4,119,000	135,041
	RMB: 11,000	49
		$ 418,043

Note: Foreign currency deposits are translated at the spot exchange rate on December 31, 2024
USD: NTD=1: 32.785
RMB: NTD=1: 4.4915

DFI Inc.

Statement of notes and accounts receivable

December 31, 2024

Unit: In Thousands of New Taiwan Dollars

Client name	Amount
Client A	$ 94,528
Client B	45,301
Client C	24,450
Client D	18,077
Client E	15,468
Others (Note)	109,630
	307,454
Less: Loss allowance	(679)
	$ 306,775

Note: None have reached 5% of the item.

Statement of other receivables

Item	Summary	Amount	Remarks
Business tax refund receivable		$ 7,463	
Others (all less than 5%)		18,619	
		$ 26,082	

Note: None have reached 5% of the item.

DFI Inc.

Statement of inventories

December 31, 2024

Unit: In Thousands of New Taiwan Dollars

Item	Amount		Remarks
	Carrying amount	Net realizable value	
Raw materials	$ 226,912	277,415	
Work in progress	105,739	140,462	
Finished goods and commodities	84,998	100,682	
Goods in transit	58,315	58,315	
Outsourced processed goods	1,086	1,086	
	$ 477,050	**577,960**	

DFI Inc.

Statement of changes in financial assets measured at fair value through other comprehensive income - non-current

From January 1 to December 31, 2024

Unit: In Thousands of New Taiwan Dollars

	Beginning of the period		Increase in the period		Decrease in the period		Unrealized gain (loss) on financial assets measured at fair value through other comprehensive income	End of period			
Name	Number of shares (In thousands of shares)	Fair value	Number of shares (In thousands of shares)	Amount	Number of shares (In thousands of shares)	Amount		Number of shares (In thousands of shares)	Fair value	Guarantee or pledge provided	Remarks
Shares of OTC company - Aplex Technology Inc.	1,487	$ 77,314	792	41,692	2,279	(117,587)	(1,419)	-	-	-	

(Note) The decrease during this period is attributed to the reclassification of the investment in Aplex to the equity method, as it exerts significant influence.

DFI Inc.

Statement of changes in investments accounted for using equity method

From January 1 to December 31, 2024

Unit: In Thousands of New Taiwan Dollars

Investee	Beginning balance		Increase in the period		Decrease in the period (Note 2)		Adjustment using the equity method (Note 1)	Ending balance			Market price or net equity		Guarantee or pledge provided
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount		Number of shares	Shareholding ratio	Amount	Unit price (NTD)	Total	
Diamond Flower Information (NL) B.V.	12,001	$ 163,591	-	-	-	-	24,893	12,001	100%	188,484	15,705.70	188,484	None
DFI AMERICA, LLC.	1,209,000	443,264	-	-	-	-	34,325	1,209,000	100%	477,589	247.90	299,711	None
DFI Co.,Ltd.	6,200	154,663	-	-	-	-	13,855	6,200	100%	168,518	25,649.54	159,027	None
Yan Tong Technology Ltd.	3,500,000	98,128	-	-	2,400,000	(78,804)	17,852	1,100,000	100%	37,176	33.80	37,176	None
AEWIN	30,376,000	647,627	-	-	-	(10,632)	85,176	30,376,000	51.38%	722,171	73.90	2,244,786 (Note 3)	None
Ace Pillar	53,958,069	1,041,475	-	-	1,522,000	(46,696)	68,599	52,436,069	46.71%	1,063,378	139.50	7,314,832 (Note 3)	None
Tekpak	-	-	373,333	560,000	-	-	37,914	373,333	31.65%	597,914	1,323.84	494,223	None
APLEX	-	-	4,957,395	272,944	-	-	-	4,957,395	13.36%	272,944	51.40	254,810 (Note 3)	None
Less: Deferred inter-affiliate gains		(70,158)		-		49,770	-			(20,388)			
		$ 2,478,590		832,944		(86,362)	282,614			3,507,786			

Note 1: Adjustment using the equity method is as follows:

Shares of profit (loss) of subsidiaries accounted for using the equity method	$	170,050
Adjustment to exchange difference in financial statement translation of foreign operations		26,356
Adjustment to unrealized gain (loss) on financial assets measured at fair value through other comprehensive income		(284)
Adjustment to re-measurement of defined benefit plan		1,921
Changes in ownership interests in subsidiaries		84,571
	$	282,614

Note 2: The decrease in the period includes YanTong's capital reduction of NTD 78,804 thousand, the disposal of a portion of shares in Ace Pillar amounting to NTD 30,509 thousand and cash dividend of NTD 26,819 thousand from the investees.

Note 3: It reveals the market capitalization of the company.

DFI Inc.

Statement of short-term borrowings

From January 1 to December 31, 2024

Unit: In Thousands of New Taiwan Dollars

Types of borrowing	Details	Ending balance	Term of contract	Financing facilities	Mortgage or guarantee (with promissory note issued)
Credit borrowings	First Bank	$ 300,000	2024.11.28-2025.11.28	300,000	None
〃	DBS Bank	200,000	2024.10.31-2025.10.31	300,000	None
〃	Chang Hwa Commercial Bank	300,000	2024.06.01-2025.05.31	300,000	None
〃	Cathay United Bank	200,000	2024.08.24-2025.08.24	500,000	None
		$ 1,000,000			

Note 1: The annual interest rates of the above short-term borrowings are 1.89%-1.90%.

DFI Inc.

Statement of accounts payable

December 31, 2024

Unit: In Thousands of New Taiwan Dollars

Supplier	Amount
Company A	$ 147,138
Company B	31,329
Company C	30,517
Company D	30,056
Others (Note)	312,820
	$ 551,860

Note: Accounts payable to individual supplier, less than 5% of the item.

Statement of other payables

Item	Amount
Salaries and bonuses payable	$ 87,769
Compensation payable to employees and directors	42,947
Others (Note)	77,740
	$ 208,456

Note: None have reached 5% of the item.

DFI Inc.

Statement of lease liabilities

December 31, 2024

Unit: In Thousands of New Taiwan Dollars

Item	Lease period	Discount rate	Ending balance
Buildings	2021.1~2031.3	1.1%~1.43%	**$ 89,284**
Current:			
Related party - Qisda			**$ 13,944**
Unrelated party			**$ 3,222**
Non-current:			
Related party - Qisda			**$ 72,118**

Statement of long-term borrowings

Creditor	Summary	Amount of borrowing	Term of contract	Mortgage or pledge
KGI Bank		$ 400,000	2023.08.29-2026.08.29	None
Shin Kong Bank		150,000	2024.12.13-2027.12.13	None
		550,000		
Less: Long-term borrowings due within one year		(80,000)		
		$ 470,000		

Note: The annual interest rate of the above long-term borrowings is 1.88-1.92%.

DFI Inc.

Statement of operating costs

From January 1 to December 31, 2024

Unit: In Thousands of New Taiwan Dollars

Item	Amount
Raw materials:	
Beginning stock	$ 357,188
Plus: Net amount of material purchase in the period	2,072,640
Less: Ending raw materials	347,469
Scrapping of raw materials	5,758
Loss on physical raw materials	5
Sale of raw materials	174,951
Raw material requisition and others	5,030
Consumption of raw materials in the period	1,896,615
Direct labor	96,545
Manufacturing expense	259,001
Manufacturing cost	2,252,161
Beginning work in process	86,607
Beginning outsourced products	4,108
Plus: Outsourcing processing fee	24,252
Less: Ending work in process	105,739
Ending outsourced products	1,086
Scrapping of work in process	226
Work in process costs	2,260,077
Beginning finished goods	119,392
Plus: Net purchase amount for the period	3,196
Less: Ending finished goods	141,297
Scrapping of finished goods	1,788
Sale of semi-finished goods	40,963
Department requisition and others	31,658
Finished goods cost	2,166,959
Inventory scrap loss	7,772
Loss on physical inventory	5
Cost of selling raw materials and semi-finished goods	215,914
Gain from price recovery of inventory	(11,659)
Warranty cost	(11,327)
Income from scraps	(2,564)
Operating costs	$ 2,365,100

DFI Inc.

Statement of selling and marketing expenses

From January 1 to December 31, 2024

Unit: In Thousands of New Taiwan Dollars

Item	Amount
Salary expense	$ 110,222
Travel expense	9,201
Insurance expenses	12,827
Commission expense	15,067
Other expenses (Note)	39,916
	$ 187,233

Note: None have reached 5% of the item.

Statement of general and administrative expenses

Item	Amount
Salary expense	$ 43,487
Depreciation expense	9,806
Professional expenses	10,291
Software program fee	6,465
Other expenses (Note)	42,715
	$ 112,764

Note: None have reached 5% of the item.

DFI Inc.

Statement of research and development expenses

From January 1 to December 31, 2024

Unit: In Thousands of New Taiwan Dollars

Item	Amount
Salary expense	$ 191,506
Research and development testing	18,447
Insurance expenses	16,914
Other expenses (Note)	54,908
	$ 281,775

Note: None have reached 5% of the item.

Please refer to Note VI (II) of the parent company only financial statements for the Statement of Financial Assets and Liabilities Measured at Fair Value Through Profit or Loss - Current

Please refer to Note VI (IV) of the parent company only financial statements for the Statement of Financial Assets Measured at Amortized Cost - Current

Please refer to Note VII of the parent company only financial statements for the Statement of Accounts Receivable - Related Parties

Please refer to Note VI (VIII) of the parent company only financial statements for the Statement of Changes in Property, Plant and Equipment

Please refer to Note VI (IX) of the parent company only financial statements for the Statement of Changes in Right-of-Use Assets

Please refer to Note VI (X) of the parent company only financial statements for the Statement of Changes in Investment Property

Please refer to Note VI (XI) of the parent company only financial statements for the Statement of Changes in Intangible Assets

Please refer to Note VI (XVII) of the parent company only financial statements for the Statement of Deferred Income Tax Assets

Please refer to Note VII of the parent company only financial statements for the Statement of Accounts Payable - Related Parties

Please refer to Note VII of the parent company only financial statements for the Statement of Other Accounts Payables - Related Parties

Please refer to Note VI (XV) of the parent company only financial statements for the Statement of Provisions

Please refer to Note VI (XVII) of the parent company only financial statements for the Statement of Deferred Income Tax Liabilities

Please refer to Note VI (XVI) of the parent company only financial statements for the Statement of Net Defined Benefit Liabilities

Please refer to Note VI (XX) of the parent company only financial statements for the Statement of Operating Revenue

Please refer to Note VI (XXII) of the parent company only financial statements for the Statement of Interest Income, Other Income, Other Gain and Loss and Financial Costs of Non-Operating Income and Expenses