Stock Code:8105

GIANTPLUS TECHNOLOGY CO., LTD.
AND SUBSIDIARIES

Consolidated Financial Statements

With Independent Auditors' Report

For the Years Ended December 31, 2024 and 2023

Address: 15 Industrial Rd., Toufen, Miao-Li, Taiwan

Telephone: (037) 611-611

The independent auditors' report and the accompanying consolidated 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' report and consolidated financial statements, the Chinese version shall prevail.

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Representation Letter

The entities that are required to be included in the combined financial statements of Giantplus Technology Co., Ltd. as of and for the year ended December 31, 2024 under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with International Financial Reporting Standards No. 10 by the Financial Supervisory Commission, "Consolidated Financial Statements." In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, Giantplus Technology Co., Ltd. and Subsidiaries do not prepare a separate set of combined financial statements.

Company name: Giantplus Technology Co., Ltd.
Chairman: Takayuki Tamura
Date: March 12, 2025

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Independent Auditors' Report

To the Board of Directors of Giantplus Technology Co., Ltd.:

Opinion

We have audited the consolidated financial statements of Giantplus Technology Co., Ltd. and its subsidiaries ("the Group"), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee (" IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matters that, in our professional judgment, should be communicated are as follows:

1. Revenue recognition

   Please refer to Note 4(n) "Revenue" for accounting policies and Note 6(p) "Revenue from contracts with customers" for revenue disclosures.

   Description of key audit matter:

   Revenue of the Group is generated in accordance with the sellers and buyers' trading terms, and it is recognized when the control is transferred to buyers. The revenue can fluctuate during different season since the panel industry changes rapidly which will increase the risk of inappropriate revenue recognition timing, therefore, we identified revenue recognition as one of our key audit matters.

How the matter was addressed in our audit:

As mentioned above, our principal audit procedures included understanding the internal control of revenue cycle and testing the effectiveness of related controls, selecting samples within a certain period before or after the consolidate balance sheet date and verifying relevant documents to ensure the recognition timing of revenue is accurate.

Other Matter

The Company has prepared its parent-company-only financial statements as of and for the years ended December 31, 2024 and 2023, on which we have issued an unqualified opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IFRSs, IASs, IFRC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including the Audit Committee) are responsible for overseeing the Group' s financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the group financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Yi-Chun Chen and Siou- Yi Lin.

KPMG

Taipei, Taiwan (Republic of China)

March 12, 2025

Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated 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 consolidated financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' audit report and the accompanying consolidated 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 consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

GIANTPLUS TECHNOLOGY CO., LTD. AND SUBSIDIARIES
Consolidated Balance Sheets
December 31, 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2024		December 31, 2023	
		Amount	%	Amount	%
	Assets				
	Current assets:				
1100	Cash and cash equivalents (note 6(a))	$ 2,412,110	21	2,632,964	23
1136	Current financial assets at amortized cost (note 6(b))	-	-	19,958	-
1170	Account receivables, net (notes 6(c) &(p))	1,450,404	13	973,558	8
1181	Account receivables due from related parties (notes 6(c) ,(p) &7)	127,616	1	120,277	1
1200	Other receivables (notes 6(d)&7)	97,440	1	79,134	1
1310	Inventories (note 6(e))	1,329,850	11	1,561,936	13
1470	Other current assets (notes 7&8)	186,782	2	212,218	2
	Total current assets	**5,604,202**	**49**	**5,600,045**	**48**
	Non-current assets:				
1600	Property, plant and equipment (notes 6(f), 7&8)	5,291,596	46	5,473,238	47
1755	Right-of-use assets	38,079	-	37,257	-
1780	Intangible assets (note 6(g))	342,553	3	391,436	3
1900	Other non-current assets (notes 6(b), (l)&8)	155,625	2	188,509	2
	Total non-current assets	**5,827,853**	**51**	**6,090,440**	**52**
	Total assets	**$ 11,432,055**	**100**	**11,690,485**	**100**

		December 31, 2024		December 31, 2023	
		Amount	%	Amount	%
	Liabilities and Equity				
	Current liabilities:				
2100	Short-term borrowings	$ -	-	212	-
2170	Account payables	1,350,568	12	1,266,747	11
2180	Account payables to related parties (note 7)	135,277	1	208,273	2
2200	Other payables (note 7)	954,926	8	967,885	8
2230	Current tax liabilities	37,564	-	40,166	-
2280	Current lease liabilities (note 6(i))	760	-	525	-
2322	Long-term borrowings, current portion (note 6(h))	274,301	3	274,301	2
2399	Other current liabilities (notes 6(k),(p)&7)	223,172	2	235,744	2
	Total current liabilities	**2,976,568**	**26**	**2,993,853**	**25**
	Non-Current liabilities:				
2540	Long-term borrowings (note 6(h))	248,118	2	522,419	4
2550	Non-current provisions (note 6(k))	95,238	1	95,238	1
2580	Non-current lease liabilities (note 6(i))	714	-	965	-
2600	Other non-current liabilities (note 6(l))	130,903	1	159,757	1
	Total non-current liabilities	**474,973**	**4**	**778,379**	**6**
	Total liabilities	**3,451,541**	**30**	**3,772,232**	**31**
	Equity attributable to owners of parent (note 6(n)):				
3110	Ordinary shares	4,415,449	38	4,415,449	38
3200	Capital surplus	2,618,982	23	2,618,982	22
	Retained earnings:				
3310	Legal reserve	95,331	1	71,836	1
3320	Special reserve	89,686	1	80,104	1
3350	Unappropriated retained earnings	820,152	7	821,569	7
	Other equity interest:				
3410	Exchange differences on translation of foreign financial statements	(13,050)	-	(43,651)	-
3420	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	(46,036)	-	(46,036)	-
	Total equity	**7,980,514**	**70**	**7,918,253**	**69**
	Total liabilities and equity	**$ 11,432,055**	**100**	**11,690,485**	**100**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

GIANTPLUS TECHNOLOGY CO., LTD. AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income
For the years ended December 31, 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars)

		2024		2023	
		Amount	%	Amount	%
4000	**Operating revenue (notes 6(p)&7)**	$ 8,767,126	100	9,042,115	100
5000	**Operating costs (notes 6(e)&7)**	8,319,398	95	8,286,086	92
	Gross profit from operations	447,728	5	756,029	8
	Operating expenses: (notes 7)				
6100	Selling expenses	210,327	3	208,240	2
6200	Administrative expenses	293,786	3	304,648	3
6300	Research and development expenses	184,306	2	184,194	2
6450	Expected credit losses (gains) (note6(c))	29,263	-	(49,699)	(1)
	Total operating expenses	717,682	8	647,383	6
	Net operating income	(269,954)	(3)	108,646	2
	Non-operating income and expenses (note 6(d), (r) &7):				
7100	Interest income	49,963	-	40,435	-
7010	Other income	336,064	4	278,316	3
7020	Other gains and losses	2,745	-	(128,094)	(1)
7050	Finance costs	(13,422)	-	(19,814)	-
7055	Expected credit losses	(6,459)	-	-	-
	Total non-operating income and expenses	368,891	4	170,843	2
	Profit before tax	98,937	1	279,489	4
7950	**Less: tax expense (note 6(m))**	31,820	-	43,333	-
	Profit	67,117	1	236,156	4
	Other comprehensive income:				
8310	**Components of other comprehensive income that will not be reclassified to profit or loss**				
8311	Remeasurements of defined benefit plans	8,698	-	(1,205)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income that will not be reclassified to profit or loss	8,698	-	(1,205)	-
8360	**Components of other comprehensive income that will be reclassified to profit or loss**				
8361	Exchange differences on translation of foreign financial statements	30,601	-	(9,582)	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income that will be reclassified to profit or loss	30,601	-	(9,582)	-
	Other comprehensive income	39,299	-	(10,787)	-
8500	**Comprehensive income**	**$ 106,416**	**1**	**225,369**	**4**
	Earnings per share (note 6(o))				
9750	**Basic earnings per share (NT dollars)**	**$**	**0.15**		**0.53**
9850	**Diluted earnings per share (NT dollars)**	**$**	**0.15**		**0.53**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

GIANTPLUS TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent							
	Share capital		Retained earnings			Total other equity interest		
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses)on financial assets measured at fair value through other Comprehensive income	Total equity
Balance at January 1, 2023	$ 4,415,449	2,618,982	9,485	89,401	727,981	(34,069)	(46,036)	7,781,193
Profit for the year	-	-	-	-	236,156	-	-	236,156
Other comprehensive income	-	-	-	-	(1,205)	(9,582)	-	(10,787)
Comprehensive income	-	-	-	-	234,951	(9,582)	-	225,369
Appropriation and distribution of retained earnings:								
Legal reserve appropriation	-	-	62,351	-	(62,351)	-	-	-
Cash dividends of ordinary shares	-	-	-	-	(88,309)	-	-	(88,309)
Reversal of special reserve	-	-	-	(9,297)	9,297	-	-	-
Balance at December 31, 2023	4,415,449	2,618,982	71,836	80,104	821,569	(43,651)	(46,036)	7,918,253
Profit for the year	-	-	-	-	67,117	-	-	67,117
Other comprehensive income	-	-	-	-	8,698	30,601	-	39,299
Comprehensive income	-	-	-	-	75,815	30,601	-	106,416
Appropriation and distribution of retained earnings:								
Legal reserve appropriation	-	-	23,495	-	(23,495)	-	-	-
Special reserve appropriated	-	-	-	9,582	(9,582)	-	-	-
Cash dividends of ordinary shares	-	-	-	-	(44,155)	-	-	(44,155)
Balance at December 31, 2024	**$ 4,415,449**	**2,618,982**	**95,331**	**89,686**	**820,152**	**(13,050)**	**(46,036)**	**7,980,514**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

GIANTPLUS TECHNOLOGY CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	2024	2023
Cash flows from (used in) operating activities:		
Profit before tax	$ 98,937	279,489
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	372,979	390,571
Amortization expense	55,685	45,980
Expected credit losses (gains)	35,722	(49,699)
Interest expense	13,422	19,814
Interest income	(49,963)	(40,435)
Gain on disposal of property, plant and equipment	(143)	(105)
Total adjustments to reconcile profit	427,702	366,126
Changes in operating assets and liabilities:		
Changes in operating assets:		
Account receivables	(506,109)	522,348
Account receivables due from related parties	(7,339)	35,410
Other receivables	(14,503)	(9,130)
Inventories	227,947	177,029
Other current assets	25,436	6,798
Net defined benefit assets	(11,283)	-
Total changes in operating assets	(285,851)	732,455
Changes in operating liabilities:		
Financial liabilities at fair value through profit or loss	-	(34)
Account payables	83,821	(308,093)
Account payables to related parties	(72,996)	25,018
Other payables	38,518	(131,796)
Other current liabilities	(12,572)	4,817
Net defined benefit liability	8,378	(1,648)
Total changes in operating liabilities	45,149	(411,736)
Total changes in operating assets and liabilities	(240,702)	320,719
Total adjustments	187,000	686,845
Cash inflow generated from operations	285,937	966,334
Interest received	49,963	40,435
Interest paid	(13,655)	(20,286)
Income taxes paid	(44,684)	(15,336)
Net cash flows from operating activities	277,561	971,147
Cash flows from (used in) investing activities:		
Acquisition of financial assets at amortized cost	(22,479)	(61,074)
Proceeds from disposal of financial assets at amortized cost	43,353	125,896
Acquisition of property, plant and equipment	(145,890)	(202,618)
Proceeds from disposal of property, plant and equipment	143	105
Acquisition of intangible assets	(97,572)	(145,467)
Other non-current assets	35,484	31,445
Net cash flows used in investing activities	(186,961)	(251,713)
Cash flows from (used in) financing activities:		
Short-term loans	(221)	217
Repayment of long-term borrowings	(274,301)	(692,635)
Payment of lease liabilities	(703)	(1,010)
Other non-current liabilities	131	(6,546)
Cash dividends	(44,155)	(88,309)
Net cash flows used in financing activities	(319,249)	(788,283)
Effect of exchange rate changes on cash and cash equivalents	7,795	(3,115)
Net decrease in cash and cash equivalents	(220,854)	(71,964)
Cash and cash equivalents at beginning of period	2,632,964	2,704,928
Cash and cash equivalents at end of period	**$ 2,412,110**	**2,632,964**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
GIANTPLUS TECHNOLOGY CO., LTD. AND SUBSIDIARIES
Consolidated Statements of Cash Flows
For the years ended December 31, 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars)

(1) Company history

GIANTPLUS TECHNOLOGY CO., LTD. (the "Company") was incorporated on December 15, 1997, as a company limited by shares under the Company Act of the Republic of China (R.O.C.) The Company's registered office address is located at 15 Industrial Rd., Toufen, Miao-Li, Taiwan. The Company's common shares were listed on the Taiwan Stock Exchange (TWSE) on December 27, 2006. The primary business scope of the Company and its subsidiaries (together referred to as the Group) includes the research, development, production and sale of thin film transistor liquid crystal displays ("TFT-LCDs").

TOPPAN Holdings Inc. (originally named TOPPAN INC. and hereinafter "TOPPAN Holdings") is the parent company and the ultimate controlling company.

(2) Approval date and procedures of the consolidated financial statements

These consolidated financial statements were authorized for issue by the Board of Directors on March 12, 2025.

(3) New standards, amendments and interpretations adopted

(a) The impact of the IFRS Accounting Standards endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2024:

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

(b) The impact of IFRS Accounting Standards issued by the FSC but not yet effective

The Group assesses that the adoption of the new amendment effective for annual period beginning on January 1, 2025, would not have a significant impact on its consolidated financial statements:

- Amendments to IAS 21 "Lack of Exchangeability"

(c) The impact of IFRS issued by IASB but not yet endorsed by the FSC

The following new and amended standards, which may be relevant to the Group, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

Standards or Interpretations	Content of amendment	Effective Date issued by IASB
IFRS 18 "Presentation and Disclosure in Financial Statements"	The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities. ● A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined 'operating profit' subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company' s main business activities. ● Management performance measures (MPMs): the new standard introduces a definition for management performance measures and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards. ● Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.	1 January 2027

The Group does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its financial statements:

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”
- 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 IFRS Accounting Standards – Volume 11
- Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

(4) Summary of significant accounting policies

The significant accounting policies presented in the consolidated financial statements are summarized below. Except for those specifically indicated, the following accounting policies were applied consistently throughout the periods presented in the consolidated financial statements.

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as “the Regulations”) and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations endorsed and issued into effect by the Financial Supervisory Commission, R.O.C.

(b) Basis of preparation

(i) Basis of measurement

Except for the following significant accounts, the consolidated financial statements have been prepared on a historical cost basis:

1) Financial instruments at fair value through profit or loss are measured at fair value;

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

3) The defined benefit liabilities (or assets) are measured at fair value of plan assets less the present value of the defined benefit obligation, limited as explained in Note 4(o).

(ii) Functional and presentation currency

The functional currency of each Group entity is determined based on the primary economic environment in which the entity operates. The consolidated financial statements are presented in New Taiwan Dollars (NTD), which is the Company’s functional currency. All financial information presented in NTD has been rounded to the nearest thousand.

(c) Basis of consolidation

(i) Principles of preparation of the consolidated financial statements

The consolidated financial statements comprise the Company and subsidiaries. Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. Intragroup balances and transactions, and any unrealized income and expenses arising from Intragroup transactions are eliminated in preparing the consolidated financial statements. The Group attributes the profit or loss and each component of other comprehensive income to the owners of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received will be recognized directly in equity, and the Group will attribute it to the owners of the parent.

(ii) List of subsidiaries in the consolidated financial statements

			Shareholding		
Investor	**Name of subsidiary**	**Principal activity**	**December 31, 2024**	**December 31, 2023**	**Description**
The Company	Giantplus (Samoa) Holding Co.,Ltd.	General investing	100 %	100 %	
Giantplus (Samoa) Holding Co.,Ltd.	Giantplus Holding L.L.C.	General investing	100 %	100 %	
Giantplus Holding L.L.C.	Kunshan Giantplus Optronics Display Tech Co., Ltd.	The assembly of liquid crystal displays and the production and sale business of touch panel.	100 %	100 %	

(iii) Subsidiaries excluded from the consolidated financial statements: None.

(d) Foreign currencies

(i) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group entities at the exchange rates at the dates of the transactions. At the end of each subsequent reporting period, monetary items denominated in foreign currencies are translated into the functional currencies using the exchange rate at that date. Non-monetary items denominated in foreign currencies that are measured at fair value are translated into the functional currencies using the exchange rate at the date that the fair value was determined. Non-monetary items denominated in foreign currencies that are measured based on historical cost are translated using the exchange rate at the date of the transaction.

Foreign currency differences are generally recognized in profit or loss. However, equity instruments designation as measured at fair value through other comprehensive income are recognized in other comprehensive income.

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into the presentation currency at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into the presentation currency at the average exchange rate. Exchange differences are recognized in other comprehensive income.

When a foreign operation is disposed of such that control, joint control, or significant influence is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Company disposes of onlypart of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Company disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, exchange differences arising from such a monetary item that are considered to form part of the net investment in the foreign operation are recognized in other comprehensive income.

(e) Classification of current and non-current assets and liabilities

The Group classified the asset as current under one of following criteria, and all other assets are classified as non-current.

(i) It expects to realize the asset, or intends to sell or consume it, in its normal operating cycle;

(ii) It holds the asset primarily for the purpose of trading;

(iii) It expects to realize the asset within twelve months after the reporting period; or

(iv) The asset is cash or a cash equivalent (as defined in IAS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Group classifies the liability as current under one of following criteria, and all other liabilities are classified as non-current.

(i) It expects to settle the liability in its normal operating cycle;

(ii) It holds the liability primarily for the purpose of trading;

(iii) The liability is due to be settled within twelve months after the reporting period; or

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

(f) Cash and cash equivalents

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

(g) Financial instruments

Account receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument. A financial asset (unless it is an account receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. An account receivable without a significant financing component is initially measured at the transaction price.

(i) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

On initial recognition, a financial asset is classified as measured at amortized cost; investments in equity instruments at fair value through other comprehensive income (FVOCI)-equity investment; or financial assets at fair value through profit or loss (FVTPL). Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

1) Financial assets measured at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold financial assets to collect contractual cash flows; and

- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortized cost, which is the amount at which the financial asset is measured at initial recognition, plus/minus, the cumulative amortization using the effective interest method, adjusted for any loss allowance. Interest income, foreign exchange gains and losses, as well as impairment, are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

2) Fair value through other comprehensive income (FVOCI)

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

Investments in equity instruments are subsequently measured at fair value. Dividend income is recognized in profit or loss unless the dividend clearly represents the recovery of part of the investment cost. Other net gains or losses are recognized in other comprehensive income and will not be reclassified to profit or loss.

Dividend income from equity investments is recognized on the date that the Group is eligible to receive the dividends (usually the ex-dividend date).

3) Fair value through profit or loss (FVTPL)

All financial assets not classified as amortized cost or FVOCI described as above (e.g., financial assets held for sale) are measured at FVTPL, including derivative financial assets. Account receivables that the Group intends to sell immediately or in the near term are measured at FVTPL; however, they are included in the 'account receivables' line item. On initial recognition, the Group may irrevocably designate a financial asset, which meets the requirements to be measured at amortized cost or at FVOCI, as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

4) Impairment of financial assets

The Group recognizes loss allowances for expected credit losses (ECL) on financial assets measured at amortized cost (including cash and cash equivalents, financial assets measured at amortized cost, account receivables, other receivables, guarantee deposit paid and other financial assets).

The Group measures loss allowances at an amount equal to lifetime expected credit loss (ECL), except for the following which are measured as 12-month ECL:

- debt securities that are determined to have low credit risk at the reporting date; and

- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowance for account receivables is always measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group’s historical experience and informed credit assessment as well as forward-looking information.

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

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

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

At each reporting date, the Group assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is credit-impaired when one or more events have occurred that have a detrimental impact on the expected future cash flows of the financial asset. It includes observable data that has come to the attention of the holder of a financial asset about the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract, such as a default or being more than 180 days past due;
- the lenders for economic or contractual reasons relating to the borrower’s financial difficulty granting the borrower a concession that would not otherwise be considered;
- it is probable that the borrower will enter bankruptcy or other financial reorganization;
- the disappearance of an active market for the financial asset because of financial difficulties.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For corporate customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

5) Derecognition of financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognized in its statement of balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

(ii) Financial liabilities and equity instruments

1) Classification of debt or equity

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

2) Equity instrument

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

3) Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

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

4) Derecognition of financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expired. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount of a financial liability extinguished and the consideration paid (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 the net amount presented in the statement of balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(iii) Derivative financial instruments

The Group holds derivative financial instruments to hedge its foreign currency and interest rate exposures.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognized in profit or loss.

(h) Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is calculated using the weighted average method, and includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their present location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of manufacturing overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(i) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and any accumulated impairment losses.

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

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

(ii) Subsequent cost

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

(iii) Depreciation

Depreciation is calculated on the cost of an asset less its residual value and is recognized in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment.

Land is not depreciated.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

1)	buildings	3～36 years
2)	machinery and equipment	1～12 years
3)	other equipment	2～11 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(j) Lease

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

(i) As a lessee

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be reliably determined, the Group’s incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

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

1) fixed payments, including in-substance fixed payments;
2) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
3) amounts expected to be paid under a residual value guarantee; and
4) payments for purchase or termination options that are reasonably certain to be exercised.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when:

1) there is a change in future lease payments arising from the change in an index or rate; or
2) there is a change in the Group's estimate of the amount expected to be paid under a residual value guarantee; or
3) there is a change of its assessment on whether it will exercise an option to purchase the underlying asset, or
4) there is a change of its assessment of lease period on whether it will exercise an extension or termination option; or
5) there is any lease modification in lease subject, scope of the lease or other terms.

When the lease liability is remeasured due to the aforementioned changes in the index or rate used to determine the lease payment, changes in the residual value guarantee amount, and changes in the evaluation of the purchase, extension or termination options, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or in profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

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

The Group presents right-of-use assets that do not meet the definition of investment and lease liabilities as a separate line item respectively in the statement of financial position.

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases of staff dormitory and office equipment and leases of low-value assets. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(ii) As a lessor

When the Group acts as a lessor, it determines at lease commencement whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers to the lessee substantially all of the risks and rewards of ownership incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then the lease is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

(k) Intangible assets

(i) Recognition and measurement

The intangible assets acquired by the company with a useful life are computer software and right of patent use, which are measured by the amount after deducting the accumulated amortization and accumulated impairment losses from the cost.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as incurred.

(iii) Amortization

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

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

Computer software	1~ 10 years
Right of patent use	2~ 20 years

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(l) Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units("CGUs").

The recoverable amount of an asset or a CGU is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 a CGU.

An impairment loss is recognized if the carrying amount of an asset or a CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

Non-financial assets except for goodwill will only be reversed to the extent of the carrying amount (net of depreciation or amortization) determined for the asset in the previous year, if no impairment loss was recognized for the asset.

(m) Provisions

A provision is recognized if, as a result of a past event, the Group has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as interest expense.

(i) Site restoration

In accordance with the Group's published environmental policy and applicable legal requirements, a provision for site restoration in respect of contaminated land and the related expense is recognized when the land is contaminated.

(ii) Onerous contracts

A provision for onerous contracts is recognized when the expected economic benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract or the expected net cost of continuing with the contract. Before a provision is established, the Group recognizes any impairment loss on the assets associated with that contract.

(n) Revenue

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring goods or services to a customer. The Group recognizes revenue when it satisfies a performance obligation by transferring control of a good or a service to a customer. The Group's main types of revenue are explained below.

(i) Sale of goods

The Group manufactures and sells TFT-LCD panels and modules. The Group recognizes revenue when control of the products has been transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

A receivable is recognized when the goods are delivered as this is the point in time that the Group has a right to an amount of consideration that is unconditional.

(ii) Financing components

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the time value of money for the transaction prices.

(o) Employee benefits

(i) Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepayment provisions are recognized as an asset to the extent that they will result in a return of cash or a reduction in future payments.

(ii) Defined benefit plans

The Group's net obligation in respect of each defined benefit plans is calculated separately for each the plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income, and accumulated in retained earnings within equity. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset). Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iii) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(p) Income taxes

Income taxes comprise both current taxes and deferred taxes. Except for expenses related to business combinations or recognized directly in equity or other comprehensive income, all current and deferred taxes are recognized in profit or loss.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatment, do not meet the definition of income taxes, and therefore accounted for them under IAS37.

Current taxes comprise the expected tax payables or receivables on the taxable profits (losses) for the year and any adjustment to the tax payable or receivable in respect of previous years.

The amount of current tax payables or receivables are the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred taxes arise due to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases. Deferred taxes are recognized except for the following:

(i) temporary differences on the initial recognition of assets and liabilities in a transaction that is not a business combination and at the time of the transaction affects neither accounting nor taxable profits (losses) and does not give rise to equal taxable and deductible temporary differences;

(ii) temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

(iii) taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for the carry forward of unused tax losses, unused tax credits, and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefits will be realized; such reductions are reversed when the probability of future taxable profits improves.

Deferred taxes are measured at tax rates that are expected to be applied to temporary differences when they reserve, using tax rates enacted or substantively enacted at the reporting date, and reflect uncertainty related to income taxes, if any.

Deferred tax assets and liabilities are offset if the following criteria are met:

(i) the Group has a legally enforceable right to set off current tax assets against current tax liabilities; and

(ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:

1) the same taxable entity; or

2) different taxable entities which intend to settle current tax assets and liabilities on a net basis, or to realize the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

(q) Earnings per share

The Group discloses the Company's basic and diluted earnings per share attributable to ordinary shareholders of the Company. Basic earnings per share is calculated as the profit attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding. Diluted earnings per share is calculated as the profit attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all potentially dilutive ordinary shares, such as employee remuneration.

(r) Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group). Operating results of the operating segment are regularly reviewed by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and to assess its performance. Each operating segment consists of standalone financial information.

(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty

In preparing these consolidated financial statements, management has made judgments and estimates about the future, including climate-related risks and opportunities, that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Group's risk management and climate-related commitments where appropriate. Revisions to estimates are recognized prospectively in the period of the change and future periods.

The judgements made in the process of applying the Group's accounting policies have no the most significant effect on the amounts recognized in the financial statements.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year is as follows:

(a) Valuation of inventories

As inventories are stated at the lower of cost or net realizable value, the Group estimates the net realizable value of inventories for normal waste, obsolescence and unmarketable items at the reporting day and then writes down the cost of inventories to net realizable value. The net realizable value of the inventory is mainly determined based on assumptions as to future demand within a specific time horizon. Due to the rapid industrial transformation, there may be significant changes in the net realizable value of inventories. Refer to Note 6(e) for further description of the valuation of inventories.

(6) Explanation of significant accounts

(a) Cash and cash equivalents

	December 31, 2024	December 31, 2023
Cash on hand	$ 172	$ 223
Cash in banks		
Checking accounts and saving accounts	1,977,537	2,503,560
Time deposits	434,401	129,181
	$ 2,412,110	**$ 2,632,964**

For interest rate risk and sensitivity analysis of financial assets, please refer to Note 6(s).

Cash and cash equivalents of the Group were not pledged as collateral.

(b) Financial assets measured at amortized cost

	December 31, 2024	December 31, 2023
Time deposits - current	$ -	$ 19,958
Time deposits - non-current		
(recorded in other non-current asset)	228	-
Total	**$ 228**	**$ 19,958**

The Group has assessed that these financial assets are held to maturity to collect contractual cash flows, which consist solely of payments of principal and interest on the principal amount outstanding. Therefore, these investments were classified as financial assets measured at amortized cost.

None of financial assets of the Group measured at amortized costs was pledged as collateral.

For credit risk of financial assets, please refer to Note 6(s).

(c) Account receivables

	December 31, 2024	December 31, 2023
Account receivables - measured as amortized cost (including related parties)	$ 1,675,684	$ 1,162,511
Account receivables - fair value through profit or loss	8,440	8,165
Less: loss allowance	(106,104)	(76,841)
Total	**$ 1,578,020**	**$ 1,093,835**

The Group applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision. To measure the expected credit losses, account receivables have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward looking information, including macroeconomic and relevant industry information.

The loss allowance provision was determined as follows:

	December 31, 2024		
	Gross carrying amount	**Weighted-average loss rate**	**Loss allowance**
Current	$ 1,462,103	0.00%	$ -
Within 30 days past due	106,049	0.00%	-
31 to 60 days past due	1,085	0.00%	-
61 to 90 days past due	28	0.00%	-
91 to 180 days past due	315	0.00%	-
	$ 1,569,580		**$ -**

	December 31, 2023		
	Gross carrying amount	**Weighted-average loss rate**	**Loss allowance**
Current	$ 1,014,490	0.00%	$ -
Within 30 days past due	69,506	0.00%	-
31 to 60 days past due	1,674	0.00%	-
	$ 1,085,670		**$ -**

In addition, the Group recognized the allowance for losses of $106,104 and $76,841 thousands for account receivables that could not reasonably be expected to be recoverable on December 31, 2024 and 2023, respectively.

The movement in the allowance for account receivables was as follows:

	2024	**2023**
Balance at January 1	$ 76,841	$ 126,540
Impairment losses recognized (reversed)	29,263	(49,699)
Balance at December 31	**$ 106,104**	**$ 76,841**

Account receivables of the Group were not pledged as collateral.

The Group entered into separate non-recourse factoring agreements with different financial institutions to sell its account receivables. Under the agreements, the Group does not have the responsibility to assume the default risk of the transferred account receivables but is liable for the losses incurred on any business dispute. The Group derecognized the above account receivables because it has transferred substantially all of the risks and rewards of their ownership, and it does not have any continuing involvement in them. The amount receivables from the financial institutions were recognized as “other receivables” upon the derecognition of those account receivables.

As of December 31, 2024 and 2023, the Group sold its account receivables without recourse as follows:

Unit: thousand dollars

December 31, 2024

Purchaser	Derecognition Amount	Factoring Line	Advanced Amount	Range of Interest Rate	Collateral
Financial in institution	USD 950	USD 4,600	TWD -	-	None

December 31, 2022

Purchaser	Derecognition Amount	Factoring Line	Advanced Amount	Range of Interest Rate	Collateral
Financial in institution	USD 592	USD 4,800	TWD -	-	None

As of December 31, 2024, and 2023, the Group sold the account receivables without recourse of $31,145 thousand and $18,192 thousand, respectively, and recognized as other receivables.

(d) Other receivables

	December 31, 2024	December 31, 2023
Account receivables factoring	$ 31,145	$ 18,192
Tax refund	30,802	19,281
Others	41,952	41,661
Less: loss allowance	(6,459)	-
	$ 97,440	**$ 79,134**

Other receivables of the Group were not pledged as collateral.

(e) Inventories

	December 31, 2024	December 31, 2023
Raw materials	$ 558,434	$ 495,777
Work in progress	489,958	535,598
Finished goods	281,458	530,561
	$ 1,329,850	**$ 1,561,936**

The details of the cost of sales were as follows:

	December 31, 2024	December 31, 2023
Cost of sales	$ 8,165,239	$ 8,082,129
Write-down of inventories (Reversal of write-downs)	(64,527)	92,327
Unallocated manufacturing overheads	68,568	70,447
Inventory scrapped loss	103,392	41,183
Others	46,726	-
Total	**$ 8,319,398**	**$ 8,286,086**

Inventories of the Group were not pledged as collateral.

(f) Property, plant and equipment

The movement of cost, depreciation, and impairment of the property, plant and equipment of the Group, was as follows:

	Land	Buildings and construction	Machinery and equipment	Other facilities	Lease improvements	Construction in progress and equipment awaiting inspection	Total
Cost or deemed cost:							
Balance on January 1, 2024	$ 4,133,511	4,075,790	7,772,122	726,216	988	60,802	16,769,429
Additions	-	16,688	74,312	33,498	-	38,010	162,508
Disposal	-	(2,923)	(22,011)	(8,477)	-	-	(33,411)
Transfer in (out)	-	-	60,168	-	-	(57,207)	2,961
Effect of movements in exchange rates	-	25,957	29,547	3,820	52	527	59,903
Balance on December 31, 2024	**$ 4,133,511**	**4,115,512**	**7,914,138**	**755,057**	**1,040**	**42,132**	**16,961,390**
Balance on January 1, 2023	$ 4,133,511	3,903,899	7,667,719	732,103	1,005	311,823	16,750,060
Additions	-	6,565	60,712	36,863	-	58,392	162,532
Disposal	-	(12,965)	(45,779)	(72,593)	-	-	(131,337)
Transfer in (out)	-	187,518	99,151	31,217	-	(310,142)	7,744
Effect of movements in exchange rates	-	(9,227)	(9,681)	(1,374)	(17)	729	(19,570)
Balance on December 31, 2023	**$ 4,133,511**	**4,075,790**	**7,772,122**	**726,216**	**988**	**60,802**	**16,769,429**
Depreciation and impairments loss:							
Balance on January 1, 2024	$ -	3,309,861	7,329,285	656,057	988	-	11,296,191
Depreciation	-	152,170	179,828	39,265	-	-	371,263
Disposal	-	(2,923)	(22,011)	(8,477)	-	-	(33,411)
Effect of movements in exchange rates	-	8,992	24,196	2,511	52	-	35,751
Balance on December 31, 2024	**$ -**	**3,468,100**	**7,511,298**	**689,356**	**1,040**	**-**	**11,669,794**
Balance on January 1, 2023	$ -	3,141,878	7,209,312	698,531	1,005	-	11,050,726
Depreciation	-	183,899	173,740	30,934	-	-	388,573
Disposal	-	(12,965)	(45,779)	(72,593)	-	-	(131,337)
Transfer in (out)	-	-	(8)	8	-	-	-
Effect of movements in exchange rates	-	(2,951)	(7,980)	(823)	(17)	-	(11,771)
Balance on December 31, 2023	**$ -**	**3,309,861**	**7,329,285**	**656,057**	**988**	**-**	**11,296,191**
Carrying amounts:							
Balance on December 31, 2024	**$ 4,133,511**	**647,412**	**402,840**	**65,701**	**-**	**42,132**	**5,291,596**
Balance on January 1, 2023	**$ 4,133,511**	**762,021**	**458,407**	**33,572**	**-**	**311,823**	**5,699,334**
Balance on December 31, 2023	**$ 4,133,511**	**765,929**	**442,837**	**70,159**	**-**	**60,802**	**5,473,238**

The property, plant and equipment of the Group had been pledged as collateral for long-term borrowings, please refer to Note 8.

(g) Intangible assets

The movement of intangible assets of the Group was as follows:

	Computer software	Right of patent use	Total
Cost:			
Balance on January 1, 2024	$ 125,476	426,557	552,033
Acquisition	1,045	-	1,045
Transfer in (out)	1,752	-	1,752
Effect of movements in exchange rates	194	-	194
Balance on December 31, 2024	**$ 128,467**	**426,557**	**555,024**
Balance on January 1, 2023	$ 123,658	-	123,658
Acquisition	1,876	426,557	428,433
Effect of movements in exchange rates	(58)	-	(58)
Balance on December 31, 2023	**$ 125,476**	**426,557**	**552,033**
Amortization and impairment losses:			
Balance on January 1, 2024	$ 120,777	39,820	160,597
Amortization	2,175	49,540	51,715
Effect of movements in exchange rates	159	-	159
Balance on December 31, 2024	**$ 123,111**	**89,360**	**212,471**
Balance on January 1, 2023	$ 118,143	-	118,143
Amortization	2,685	39,820	42,505
Effect of movements in exchange rates	(51)	-	(51)
Balance on December 31, 2023	**$ 120,777**	**39,820**	**160,597**
Carrying amount:			
Balance on December 31, 2024	**$ 5,356**	**337,197**	**342,553**
Balance on January 1, 2023	**$ 5,515**	**-**	**5,515**
Balance on December 31, 2023	**$ 4,699**	**386,737**	**391,436**

(h) Long-term borrowings

	December 31, 2024			
	Currency	**Rate**	**Maturity Day**	**Amount**
Secured bank loans	TWD	1.93%~2.13%	2026.04.15~ 2027.04.10	$ 522,419
Less: current portion				(274,301)
Total				**$ 248,118**
Unused long-term credit lines				**$ 510,000**

	December 31, 2023			
	Currency	**Rate**	**Maturity Day**	**Amount**
Secured bank loans	TWD	1.80%~2.00%	2026.04.15~ 2027.04.10	$ 796,720
Less: current portion				(274,301)
Total				**$ 522,419**
Unused long-term credit lines				**$ 510,000**

(i) For the collateral for bank loan, please refer to Note 8.

(ii) Please refer to Note 6(s) for interest rate analysis and the risk of liquidity of the Group.

(i) Lease liabilities

The amounts of lease liabilities were as follows:

	December 31, 2024	**December 31, 2023**
Current	**$ 760**	**$ 525**
Non-Current	**$ 714**	**$ 965**

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

The amounts recognized in profit or loss were as follows:

	2024	**2023**
Interest on lease liabilities	**$ 23**	**$ 16**
Expenses relating to short-term leases	**$ 6,673**	**$ 8,289**
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	**$ 443**	**$ 461**

The amounts recognized in the statement of cash flows were as follows:

	2024	**2023**
Total cash outflow for leases	**$ 7,842**	**$ 9,776**

(i) Real estate leases

The Group leases lands and buildings for its office space, plants and staff dormitory. The leases of office space, plants and staff dormitory typically run for a period of seven to forty years.

(ii) Other leases

The Group lease vehicles and other equipment, with lease terms of three to five years.

The Group also leases part of the staff dormitory, office equipment and other equipment with lease terms of one to two years. These leases are short-term or leases of low-value items. The Group has elected not to recognize its right-of-use assets and lease liabilities for these leases.

(j) Operating lease

The Group leases out its real estate. As it does not transfer substantially all of the risks and rewards incidental to the ownership of the assets, it is classified as operating lease.

A maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date were as follows:

	December 31, 2024	December 31, 2023
Less than one year	$ 55,757	$ 61,621
One to two years	43,734	54,405
Two to three years	24,805	43,133
Three to four years	24,463	24,117
Four to five years	24,082	23,774
More than five years	10,713	33,914
Total undiscounted lease payments	**$ 183,554**	**$ 240,964**

(k) Provisions

	December 31, 2024	December 31, 2023
Provision for capacity reservation agreements (recorded in other current liabilities)	$ 79,216	$ 32,490
Site restoration	95,238	95,238
	$ 174,454	**$ 127,728**

(i) Provision for capacity reservation agreements

Provisions for capacity reservation agreements were made based on agreed price and required quantity in agreements signed with the suppliers. The provision for the aforementioned agreements is recognized when the expected benefits are lower than the unavoidable cost about fulfilling agreed obligations.

(ii) Site restoration

In April 2017, the Group bought the land. And it has obligation to restore the land. Due to the nature of the provision long-term liability, the greatest uncertainty in estimating the provision is the costs that will be incurred. In particular, the Group has assumed that the site will be restored using technology and materials that are available currently. The Group has been provided with a range of reasonably possible outcomes of the total cost. The restoration is expected to occur in the future.

(l) Employee benefits

(i) Defined benefit plans

Reconciliation of defined benefit obligation at present value and plan asset at fair value was as follows:

	December 31, 2024	December 31, 2023
Present value of the defined benefit obligations	$ 72,736	$ 78,099
Fair value of plan assets	(84,019)	(77,779)
Net defined benefit (assets) liabilities	**$ (11,283)**	**$ 320**

The Group makes defined benefit plan contributions to the pension fund account with Bank of Taiwan that provides pensions for employees upon retirement. Plans (covered by the Labor Standards Act) entitle a retired employee to receive retirement benefits based on years of service and average monthly salary for the six months prior to retirement.

1) Composition of plan assets

The Group allocates pension funds in accordance with the Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund, and such funds are managed by the Bureau of Labor Funds, Ministry of Labor. With regard to the utilization of the funds, minimum earnings shall be no less than the earnings attainable from two-year time deposits with interest rates offered by local banks.

The Group's Bank of Taiwan labor pension reserve account balance amounted to $84,019 thousand at the reporting day. For information on the utilization of the labor pension fund assets, including the asset allocation and yield of the fund, please refer to the website of the Bureau of Labor Funds, Ministry of Labor.

2) Movements in present value of the defined benefit obligations

The movements in present value of the defined benefit obligations for the Group were as follows:

	2024	2023
Defined benefit obligations at January 1	$ 78,099	$ 78,019
Current service costs and interest cost	965	967
Remeasurement on the net defined benefit liabilities		
—Experience adjustments arising on the actuarial gains and losses	1,158	1,494
—Actuarial losses (gains) arising from:		
- Demographic assumptions	18	370
- Financial assumptions	(2,947)	-
Benefits paid	(3,422)	-
Gain or loss from the reduction and settlement	(1,135)	(2,751)
Defined benefit obligations at December 31	**$ 72,736**	**$ 78,099**

3) Movements of defined benefit plan assets

The movements in the fair value of the defined benefit plan assets for the Group were as follows:

	2024	2023
Fair value of plan assets at January 1	$ (77,779)	$ (77,256)
Interest income	(972)	(969)
Remeasurement on the net defined benefit assets		
－Return of plan assets excluding interest income	(6,927)	(659)
Contribution made	(1,763)	(1,778)
Benefits paid	3,422	-
Payment Amount for project Asset Amortization	-	2,883
Fair value of plan assets at December 31	**$ (84,019)**	**$ (77,779)**

4) Expenses recognized in profit or loss

The expenses recognized in profit or loss for the Group were as follows:

	2024	2023
Current service costs	$ (1,135)	$ 132
Net interest of net (assets)liabilities for defined benefit obligations	(7)	(2)
	$ (1,142)	**$ 130**
Operating (profits) expenses	**$ (1,142)**	**$ 130**

5) Actuarial assumptions

The principal actuarial assumptions at the reporting date were as follows:

	2024	2023
Discount rate	1.65 %	1.25 %
Future salary increase rate	2.00 %	2.00 %

The expected allocation payment to be made by the Group to the defined benefit plans for the one-year period after the reporting date for the years ended December 31, 2024 and 2023 amounted to $1,763 thousand and $1,804 thousand, respectively.

The weighted average lifetime of the defined benefits plans for the years ended December 31, 2024 and 2023 are 9 and 10 years,respectively.

6) Sensitivity analysis

If the actuarial assumptions had changed, the impact on the present value of the defined benefit obligation shall be as follows:

	Influences of defined benefit obligations	
	Increased 0.25%	**Decreased0.25%**
December 31, 2024:		
Discount rate	$ (1,736)	$ 1,796
Future salary growth	1,785	(1,734)
December 31, 2023:		
Discount rate	$ (1,971)	$ 2,042
Future salary growth	2,022	(1,961)

Each sensitivity analysis considers the change in one assumption at a time, leaving the other assumptions unchanged. In practical, the relevant actuarial assumptions are correlated to each other. The approach to develop the sensitivity analysis as above is the same as the calculation of the net defined benefit liabilities recognized in the balance sheets.

The method and assumptions used in the preparation of the sensitivity analysis was the same as the previous period.

(ii) Defined contribution plans

The Group contributes 6% of each employee’s monthly wages to the labor pension personal account at the Bureau of Labor Insurance in accordance with the provisions of the Labor Pension Act. Under these defined contribution plans, the Group contributes a fixed amount to the Bureau of Labor Insurance without additional legal or constructive obligation.

The pension costs incurred from the contributions to the Bureau of Labor Insurance amounted to $58,360 thousand and $58,196 thousand for the years ended December 31, 2024 and 2023, respectively. Payment was made to the Bureau of Labor Insurance.

The foreign consolidated entities' pension costs under the local regulations amounted to $21,367 and $22,150 for the years ended December 31, 2024 and 2023, respectively.

(m) Income taxes

(i) Tax expense

The components of expense were as follows:

	2024	**2023**
Current tax expense		
Current period	$ 36,052	$ 79,007
Adjustment for prior periods	(5,707)	-
	30,345	**79,007**
Deferred tax expense		
Change in unrecognized deductible temporary differences	1,475	-
Recognition of previously unrecognized tax losses	-	(35,674)
Tax expense	**$ 31,820**	**$ 43,333**

No income tax recognized directly in equity and other comprehensive income.

Reconciliation of tax expense and profit before tax were as follows:

	2024	2023
Profit excluding income tax	**$ 98,937**	**$ 279,489**
Income tax using the Company's domestic tax rate	$ 38,256	52,053
Non-deductible expenses	(458)	(330)
Current tax losses of unrecognized deferred tax asset	32,291	-
Change in unrecognized temporary differences	(53,846)	(16,077)
Adjustment for prior periods	(5,707)	-
Additional income tax on unappropriated earnings	7,886	24,107
Recognition of previously unrecognized tax losses	-	(35,674)
Tax exempt income	-	(21)
Others	13,398	19,275
Tax expense	**$ 31,820**	**$ 43,333**

(ii) Deferred tax assets and liabilities

1) Unrecognized deferred tax liabilities

The consolidated entity is able to control the timing of the reversal of the temporary differences associated with investments in subsidiaries. Also, management considers it probable that the temporary differences will not reverse in the foreseeable future. Hence, such temporary differences are not recognized under deferred tax liabilities. Details were as follows:

	December 31, 2024	December 31, 2023
Tax effect of deductible temporary differences	$ 37,753	$ -
Aggregate amount of temporary differences related to investments in subsidiaries	$ 2,601,737	$ 2,426,864
	$ 2,639,490	**$ 2,426,864**
Unrecognized deferred tax liabilities	**$ 529,681**	**$ 485,373**

2) Unrecognized deferred tax assets

Deferred tax assets have not been recognized in respect of the following items:

	December 31, 2024	December 31, 2023
Tax effect of deductible temporary differences	$ 266,267	$ 275,805
The carryforward of unused tax losses	127,684	95,393
	$ 393,951	**$ 371,198**

The R.O.C. Income Tax Act allows net losses, as assessed by the tax authorities, to offset taxable income over 10 years for local tax reporting purposes. Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Company can utilize the benefits therefrom.

As of December 31, 2024, the Group's unused tax losses for which no deferred tax assets were recognized were as follows:

Year of loss	Unused tax loss	Expiry date
2020	$ 483,524	2030
2024	154,896	2034
	$ 638,420	

3) Recognized deferred tax assets and liabilities

Changes in the amount of deferred tax assets and liabilities were as follows:

	Others
Deferred tax liabilities:	
Balance at January 1, 2023	$ 49
Recognized in profit or loss	(49)
Balance at December 31, 2023	**$ -**

	Tax losses
Deferred tax assets:	
Balance at January 1, 2023	$ 49
Recognized in profit or loss	(49)
Balance at December 31, 2023	**$ -**

(iii) Assessment of income tax

The Company’s tax returns for the years through 2022 were assessed by the competent tax authority.

(n) Capital and other equity

(i) Ordinary shares

As of December 31, 2024 and 2023, the Company's authorized capital was 6,500,000 thousand with the par value of NT$10 per share, of which 441,545 thousand shares were issued and outstanding. All issued shares were paid up upon issuance.

(ii) Capital surplus

	December 31, 2024	December 31, 2023
Share premiums	$ 2,308,555	$ 2,308,555
Buyback of convertible bonds	286,921	286,921
Lapsed employee share options	17,253	17,253
Change in equity of associates accounted for under equity method	5,832	5,832
Treasury share transactions	421	421
	$ 2,618,982	**$ 2,618,982**

Pursuant to the Company Act, any realized capital surplus is initially used to cover accumulated deficit, and the balance, if any, can be transferred to common stock as stock dividends or distributed by cash based on the original shareholding percentage. Realized capital surplus includes the additional paid-in capital derived from the issuance of shares of stock in excess of par value and donations received by the Company. In accordance with the “Regulations Governing the Offering and Issuance of Securities by Securities Issuers”, distribution of stock dividends from capital surplus in each year shall not exceed 10% of the share capital.

(iii) Retained earnings

The Company's Articles of Incorporation stipulate that at least 10% of annual net income, after deducting tax and accumulated deficit, if any, must be retained as legal reserve until such retention equals the amount of paid-in capital. In addition, a special reserve shall be set aside or reversed in accordance with applicable laws and regulations. The remaining balance, together with the unappropriated earnings from the previous years and adjustments form unappropriated earnings in the current year, which is considered appropriated earnings. The Board of Directors may propose a distribution plan for the remaining earnings; however, if the distribution is through the issuance of new shares, it must be approved by the shareholders' meeting.

According to the R.O.C. Company Act No. 240(5), the Company authorize the distributable dividends and bonuses in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders’ meeting.

To maintain stable dividends, the Company is considering a dividend distribution proposal based on performance and financial conditions. The dividends distributed will be no less than 10% of the net profit after tax of the current year. The cash dividends distributed will be no less than 10% of the proposed total dividends. However, if the calculated dividend per share is less than NT$0.1, the dividend may not be distributed.

1) Legal reserve

When a company incurs no loss, it may, pursuant to a resolution by a shareholders’ meeting, distribute its legal reserve by issuing new shares or by distributing cash, and only the portion of legal reserve which exceeds 25% of share capital may be distributed.

2) Special reserve

Before distributing earnings, a portion of current-period earnings plus other current earnings and undistributed prior-period earnings shall be reclassified as special reserve for an amount equal to the net debit balance of other equity in the current period. The net debit balance of other equity accumulated in the previous period shall be recognized from the undistributed retained earnings and shall not be distributed. When the amount of the net debit balance of other equity is reversed subsequently, the reversed amount can be included in the distributable earnings.

3) Earnings distribution

For the years ended December 31, 2024, and 2023, the estimated amounts of employee bonuses were NT$39,236 thousand and NT$39,473 thousand, respectively, while the estimated remuneration for directors and supervisors was NT$7,847 thousand and NT$7,895 thousand, respectively. These estimates were based on the net profit after tax for each period, multiplied by the allocation percentages stipulated in the Company's Articles of Incorporation. The amounts were recognized as operating costs or operating expenses for the respective years.

The Company resolved in the board meetings held on March 14, 2024 and March 15, 2023 to determine the cash dividend amount of the earnings distribution for the years ended December 31, 2023 and 2022. The dividends distributable to the owners were shown as below:

	2023		**2022**	
	Dividend per share ($)	**Amount**	**Dividend per share ($)**	**Amount**
Dividends distributable to the owners of ordinary shares:				
Cash	$ 0.10	**44,155**	0.20	**88,309**

On March 12, 2025, the Board of Directors resolved not to distribute dividends for the 2024 earnings allocation plan.

4) Other equity (net of tax)

	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Total
Balance on January 1, 2024	$(43,651)	(46,036)	(89,687)
Exchange differences on foreign operations	30,601	-	30,601
Balance on December 31, 2024	**$(13,050)**	**(46,036)**	**(59,086)**
Balance on January 1, 2023	$(34,069)	(46,036)	(80,105)
Exchange differences on foreign operations	(9,582)	-	(9,582)
Balance on December 31, 2023	**$(43,651)**	**(46,036)**	**(89,687)**

(o) Earnings per share

The calculations of basic earnings per share and diluted earnings per share were as follows:

	2024	2023
Basic earnings per share		
Profit attributable to ordinary shareholders of the Company	**$ 67,117**	**$ 236,156**
Weighted-average number of ordinary shares (in thousands of shares)	441,545	441,545
Basic earnings per share (NT dollars)	**$ 0.15**	**$ 0.53**
Diluted earnings per share		
Profit attributable to ordinary shareholders of the Company	**$ 67,117**	**$ 236,156**
Weighted-average number of ordinary shares (in thousands of shares)	441,545	441,545
Effect of dilutive potential ordinary shares	448	1,485
Effect of employee share bonus		
Weighted-average number of ordinary shares (in thousands of shares) (After adjustment for dilutive potential common share impact)	441,993	443,030
Diluted earnings per share (NT dollars)	**$ 0.15**	**$ 0.53**

(p) Revenue from contracts with customers

(i) Disaggregation of revenue

	2024	2023
Primary geographical markets:		
Taiwan	$ 2,265,262	$ 2,126,495
China, Hong Kong and Macao	1,495,616	1,685,985
Japan	1,204,648	1,592,768
Europe	794,674	989,598
America	1,184,546	963,190
Other	1,822,380	1,684,079
	$ 8,767,126	**$ 9,042,115**
Major products:		
LCD panel and module	**$ 8,767,126**	**$ 9,042,115**

(ii) Contract balances

	December 31, 2024	December 31, 2023	January 1, 2023
Account receivables	$ 1,684,124	$ 1,170,676	$ 1,728,434
Less: allowance for impairment	(106,104)	(76,841)	(126,540)
	$ 1,578,020	**$ 1,093,835**	**$ 1,601,894**
Contract liabilities (recorded in other current liabilities)	**$ 103,124**	**$ 157,239**	**$ 153,145**

For details on account receivables and allowance for impairment, please refer to Note 6(c).

The amount of revenue recognized for years 2024 and 2023 that was included in the contract liability balance at the beginning of the period were $141,250 thousand and $129,781 thousand, respectively.

(q) Employee compensation and directors' remuneration

The Company's Articles of Incorporation require that earnings shall first be offset against any deficit, then, a minimum of 1% will be distributed as employee remuneration, and a maximum of 1.5% will be allocated as remuneration to directors. Employees who are entitled to receive the above-mentioned employee remuneration, in share or cash, include the employees of the Company's affiliated companies who meet certain specific requirements.

For the years ended December 31, 2024 and 2023, remuneration of employees of $3,764 thousand and $13,844 thousand, respectively, and remuneration of directors of $753 thousand and $2,769 thousand, respectively, were appropriated on the basis of the Company's net profit before tax, excluding the remuneration of employees and directors of each period, multiplied by the percentage of remuneration of employees and directors as specified in the Company's articles of incorporation. Such amounts were recognized as operating costs or operating expenses for years 2024 and 2023.

If there is a change in the proposed amounts after the annual financial statements are authorized for issue, the differences are accounted for as a change in accounting estimate and adjusted prospectively to next year’s profit or loss.

The amounts, as stated in the financial statements, are identical to those of the actual distributions made by the Board of Directors for years 2024 and 2023. Related information is available on the website of the Market Observation Post System.

(r) Non-operating income and expenses

(i) Interest income

The details of interest income was as follows:

	2024	2023
Interest income from bank deposits	**$ 49,963**	**$ 40,435**

(ii) Other income

The details of other income were as follows:

	2024	2023
Rental income	$ 63,518	$ 55,389
Others	272,546	222,927
	$ 336,064	**$ 278,316**

(iii) Other gains and losses:

The details of other gains and losses were as follows:

	2024	2023
Gains on disposals of property, plant and equipment	$ 143	$ 105
Foreign exchange gains	171,525	14,365
(Losses) gains on financial liabilities at fair value through profit or loss	(7,392)	1,099
Others	(161,531)	(143,663)
	$ 2,745	**$ (128,094)**

(iv) Finance costs

The details of finance costs was as follows:

	2024	2023
Interest expense	$ 13,422	$ 19,814

(s) Financial instruments

(i) Credit risk

1) Credit risk exposure

The carrying amount of financial assets represents the maximum amount exposed to credit risk.

2) Concentration of credit risk

The major customers of the Group are centralized in producing panels. In order to minimize the credit risk of account receivables, the Group periodically evaluates the financial position of customers, assessing the possibility of receivables recovery, and providing allowance for bad debts regularly. The impairment is always within the management's expectations. As of December 31, 2024 and 2023, the concentration rate from top 10 customers were 57% and 47%, respectively. The concentration of credit risk of other receivables is relatively insignificant.

3) Receivables securities

For credit risk exposure of account receivables, please refer to Note 6(c).

Other financial assets at amortized cost includes other receivables and time deposits, etc.

All of these financial assets are considered to have low credit risk, and thus, the impairment provision recognized during the period was limited to 12-months expected credit losses. Regarding how the financial instruments are considered to have low credit risk, please refer to Note 4(g).

(ii) Liquidity risk

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

	Carrying amount	Contractual cash flows	Within 6 months	6-12 months	1-2 years	2-5 years	Over 5 years
December 31, 2024							
Non-derivative financial liabilities							
Secured bank loans	$ 522,419	532,560	141,606	140,205	195,043	55,706	-
Account payables	1,350,568	1,350,568	1,350,568	-	-	-	-
Account payables-related party	135,277	135,277	135,277	-	-	-	-
Other payables	954,926	954,926	954,926	-	-	-	-
Lease liabilities	1,474	1,496	383	383	515	215	-
Long-term accounts payable (recorded in other non-current liabilities)	114,420	114,420	-	-	38,359	76,061	-
	$ 3,079,084	**3,089,247**	**2,582,760**	**140,588**	**233,917**	**131,982**	**-**
December 31, 2023							
Non-derivative financial liabilities							
Secured bank loans	$ 796,932	818,745	144,175	142,646	281,343	250,581	-
Account payables	1,266,747	1,266,747	1,266,747	-	-	-	-
Account payables-related party	208,273	208,273	208,273	-	-	-	-
Other payables	967,885	967,885	967,885	-	-	-	-
Lease liabilities	1,490	1,509	264	264	527	454	-
Long-term accounts payable (recorded in other non-current liabilities)	143,085	143,085	-	-	35,925	107,160	-
	$ 3,384, 412	**3,406,244**	**2,587,344**	**142,910**	**317,795**	**358,195**	**-**

(iii) Currency risk

1) Exposure to foreign currency risk

The Group’s significant exposure to foreign currency risk was as follows:

	December 31, 2024			**December 31, 2023**		
	Foreign currency	**Exchange rate**	**TWD**	**Foreign currency**	**Exchange rate**	**TWD**
Financial assets						
Monetary items						
USD	$ 210,767	32.785	6,909,996	213,948	30.705	6,569,273
JPY	897,822	0.210	188,543	1,060,207	0.217	230,065
Financial liabilities						
Monetary items						
USD	$ 154,232	32.785	5,056,496	154,414	30.705	4,741,282
JPY	1,016,091	0.210	213,379	1,573,603	0.217	341,472

2) Sensitivity analysis

The Group's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, financial assets measured at amortized cost, account and other receivables, and accounts and other payables that are denominated in foreign currency. The analysis is performed on the same basis for the two periods.

A weakening or strengthening of 1% of the TWD against the USD for years 2024 and 2023 would have both increased or decreased the net profit before tax by $18,535 thousand and $18,280 thousand, respectively. The analysis assumes that all other variables remain constant.

A weakening or strengthening of 1% of the TWD against the JPY for years 2024 and 2023 would have both decreased or increased the net profit before tax by $248 thousand and $1,114 thousand, respectively. The analysis assumes that all other variables remain constant.

Since the Group has many kinds of functional currency, the information on foreign exchange gain (loss) on monetary items is disclosed by total amount. For years 2024 and 2023, foreign exchange gain (including realized and unrealized portions) amounted to $171,525 thousand and $14,365 thousand, respectively.

(iv) Interest rate analysis

Please refer to the notes on liquidity risk management and interest rate exposure of the Group's financial assets and liabilities.

The following sensitivity analysis is based on the exposure to the interest rate risk of derivative and non-derivative financial instruments on the reporting date. Regarding liabilities with variable interest rates, the analysis is based on the assumption that the amount of liabilities outstanding at the reporting date was outstanding throughout the year.

If the interest rate had increased / decreased by 10 basis points, the Group' s net profit (loss) before tax would have increased or decreased by $1,455 thousand and $1,838 thousand for years 2024 and 2023, respectively, with all other variable factors remaining constant. This is mainly due to the variable rates on the Group's bank deposits and borrowings.

(v) Information of fair value

1) Type and fair value of financial instruments

The carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy were as follows; except financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and lease liabilities, disclosure of fair value information is not required:

	December 31, 2024				
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at amortized cost					
Cash and cash equivalents	$ 2,412,110	-	-	-	-
Account receivables	1,450,404	-	-	-	-
Account receivables-related party	127,616	-	-	-	-
Other receivables	97,440	-	-	-	-
Financial assets measured at amortized cost (recorded in other non-current assets)	228	-	-	-	-
Guaranteed deposits paid (recorded in other non-current assets)	119,293	-	-	-	-
Total	**$ 4,207,091**	-	-	-	-
Financial liabilities measured at amortized cost					
Bank loans	$ 522,419	-	-	-	-
Account payables	1,350,568	-	-	-	-
Account payables-related party	135,277	-	-	-	-
Other payables	954,926	-	-	-	-
Lease liabilities	1,474	-	-	-	-
Guarantee deposits received (recorded in other non-current liabilities)	16,483	-	-	-	-
Long-term account payables (recorded in other non-current liabilities)	114,420	-	-	-	-
Total	**$ 3,095,567**	-	-	-	-

	December 31, 2023				
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at amortized cost					
Cash and cash equivalents	$ 2,632,964	-	-	-	-
Financial assets measured at amortized cost	19,958	-	-	-	-
Account receivables	973,558	-	-	-	-
Account receivables-related party	120,277	-	-	-	-
Other receivables	79,134	-	-	-	-
Other financial assets (recorded in other current and non-current assets)	2,372	-	-	-	-
Guaranteed deposits paid (recorded in other non-current assets)	159,527	-	-	-	-
Total	**$ 3,987,790**	-	-	-	-
Financial liabilities measured at amortized cost					
Bank loans	$ 796,932	-	-	-	-
Account payables	1,266,747	-	-	-	-
Account payables-related party	208,273	-	-	-	-
Other payables	967,885	-	-	-	-
Lease liabilities	1,490	-	-	-	-
Guarantee deposits received (recorded in other non-current liabilities)	16,352	-	-	-	-
Long-term account payables (recorded in other non-current liabilities)	143,085	-	-	-	-
Total	**$ 3,400,764**	-	-	-	-

2) Valuation techniques for financial instruments not measured at fair value

The Group's valuation techniques and assumptions used for financial instruments not measured at fair value are as follows:

a) Financial assets measured at amortized cost

If there is quoted price generated by transactions, the recent transaction price and quoted price data is used as the basis for fair value measurement. However, if no quoted prices are available, the discounted cash flows are used to estimate fair values.

3) Valuation techniques for financial instruments measured at fair value

a) Non-derivative financial instruments

If there is an active market for a financial instrument, the fair value is based on the quoted price in the active market. The market prices announced by major exchanges or over-the-counter market are the basis for the fair value of listed (over-the-counter) equity instruments and debt instruments that are publicly quoted in the active market.

b) Derivative financial instruments

Measurement of the fair value of derivative instruments is based on the valuation techniques generally accepted by market participants such as the discounted cash flow or option pricing models. Fair value of a forward currency contract is usually determined by the forward currency exchange rate.

4) Transfers between Level 1 and Level 2: None.

(t) Financial risk management

(i) Overview

The Group has exposure to the following risks from its financial instruments:

1) credit risk

2) liquidity risk

3) market risk

The aforementioned risk exposure information, the objectives, policies, and procedures for measuring and managing risks of the Group, are described in this note. For more disclosures about the quantitative effects of these risk exposures, please refer to the respective notes in the accompanying consolidated financial statements.

(ii) Structure of risk management

The objective of the financial risk management from the Group is to manage market risk, credit risk and liquidity risk. The policies and risks preference were established by the Group to recognize, measure, and manage the risks mentioned above.

The Group established adequacy policies, procedures and internal control system for the financial risk management. The Board of Directors and Audit Committee monitors and reviews the major financial activities in accordance with procedures required by relevant regulations and internal controls. During the execution of financial management activities, the Group has to actually abide by the relevant regulations on financial risk management.

(iii) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's cash and cash equivalents, financial instruments and receivables.

1) Account and other receivables

Each business unit manages customer credit risk by following the policies, procedures and controls of the customer's credit risk of the Group. The credit risk assessment of all customers is based on factors such as the financial status of the customer, the evaluation of the credit rating agency, past historical trading experience, current economic environment and internal company evaluation criteria. The Group also uses certain credit enhancement tools (such as advance sales receipts) at appropriate times to reduce the credit risk of specific customers.

2) Investments

The exposure to credit risk for the bank deposits, fixed income investments, and other financial instruments is measured and monitored by the Group's finance department. The Group only deals with banks, corporate organizations, government agencies and financial institutions with good credit rating. The Group does not expect any counterparty above fails to meet its obligations hence there is no significant credit risk arising from these counterparties.

3) Guarantees

The Group's policy is to provide financial guarantees for transactions involving equity investment that is more than 50% directly or indirectly owned. As of December 31, 2024 and 2023, no other guarantees were outstanding.

(iv) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. The Group's approach to managing liquidity is to ensure, as far as possible, that it always has sufficient liquidity to meet its obligation when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

As of December 31, 2024 and 2023, the Group had unused credit line in the amount of $2,404,188 thousand and $2,390,583 thousand, respectively.

(v) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

1) Currency risk

The Group is exposed to currency risk on sales, expenditures and net investment in a foreign operation that are denominated in a currency other than the respective functional currencies of the Group.

Part of the Group's receivables and payables are the same currency. Meanwhile, a considerable portion will have a natural hedging effect. For some foreign currency payments, forward exchange agreements are used to manage currency risk based on the aforementioned natural hedging. Thus the Group does not comply hedge accounting. Otherwise, the net investment in a foreign operation is considered strategic investment, so the Group has not hedged against this.

2) Interest rate risk

Interest rate risk is the risk of fluctuations in the fair value financial instruments or future cash flows due to changes in market interest rates. The interest rate risk of the Group is mainly derived from floating rate investments classified as loans and receivables and floating rate borrowings.

3) Other market price risk

The Group holds unlisted equity securities. The price of such equity securities is affected by the uncertainty of the future value of these investment targets. The unlisted equity securities held by the Group are all available for sale. The Group manages the market price risk of equity securities by diversifying investments and setting limits on single and overall equity securities investments. The portfolio information of equity securities is required to be regularly provided to the senior management of the Group, and the board of directors must review and approve the policy of equity securities investments.

(u) Capital management

The Group's capital management policy is to manage its capital to safeguard the capacity to continue as a going concern, to continue to provide a returns for shareholders, to maintain the interest of other related parties, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the dividend payment to the shareholders, reduce the capital for redistribution to shareholders, and issue new shares or sell assets to settle any liabilities.

The Group monitors capital using a ratio of 'net debt' to 'adjusted equity'. This ratio is the total net debt divided by the adjusted capital. Net debt is calculated as total liabilities less cash and cash equivalents. Adjusted equity comprises all components of equity (capital, share premium, retained earnings and other equity) and net debt.

The Group's net debt to adjusted equity ratio at the reporting day, was as follows:

	December 31, 2024	**December 31, 2023**
Total liabilities	$ 3,451,541	$ 3,772,232
Less: cash and cash equivalents	(2,412,110)	(2,632,964)
Net debt	1,039,431	1,139,268
Total equity	7,980,514	7,918,253
Adjusted equity	**$ 9,019,945**	**$ 9,057,521**
Ratio of net debt to adjusted equity	**11.52 %**	**12.58 %**

(v) Financing activities not affecting current cash flow

The Group's financing activities which did not affect the current cash flow were as follows:

			Non-cash movements		
	January 1, 2024	Cash flows	Foreign exchange	Other	December 31, 2024
Short-term borrowings	$ 212	(221)	9	-	-
Long-term borrowings (including current portion)	796,720	(274,301)	-	-	522,419
Lease liabilities	1,490	(703)	-	687	1,474
Total liabilities from financing activities	**$ 798,422**	**(275,225)**	**9**	**687**	**523,893**

			Non-cash movements		
	January 1, 2023	Cash flows	Foreign exchange	Other	December 31, 2023
Short-term borrowings	$ -	217	(5)	-	212
Long-term borrowings (including current portion)	1,489,355	(692,635)	-	-	796,720
Lease liabilities	2,500	(1,010)	-	-	1,490
Total liabilities from financing activities	**$ 1,491,855**	**(693,428)**	**(5)**	**-**	**798,422**

(7) Related-party transactions

(a) Parent company and ultimate controlling company

TOPPAN Holdings Inc. (originally named TOPPAN INC.) is the parent company and the ultimate controlling party.

(b) Names and relationship with the Company

The followings are related parties that have had transactions with the Company during the periods covered in the consolidated financial statements.

Name of the related party	Relationship with the Group
TOPPAN Holdings Inc. (TOPPAN Holdings) (Note)	The parent company
Toppan Inc. (TOPPAN) (Note)	Other related party
Tekscend Photomask Chunghwa Inc. (TPC) (formerly called Toppan Chunghwa Electronics CO., Ltd.)	Other related party
Toppan Electronics Taiwan Inc (TET)	Other related party

Note: The Group's parent company adjusted its organizational structure in October 2023. The original parent company, TOPPAN INC., was renamed TOPPAN Holdings Inc. (TOPPAN Holdings), and established a new company, TOPPAN Inc. (TOPPAN).

(c) Significant transactions with related parties

(i) Sales

The amounts of sales by the Group to related parties were as follows:

	2024	2023
Parent company	$ -	$ 364,460
Other related parties	487,827	130,416
	$ 487,827	**$ 494,876**

The transaction price between the Company and the above-mentioned related parties was not comparable to that of other customers, and no significant differences between the terms of transactions with related parties and other customers. The payment terms for related parties were 45 days, while the terms for routine sales were ranged from T/T in advance to 120 days.

(ii) Purchases

The amounts of purchases by the Group from related parties were as follows:

	2024	2023
Parent company	$ -	$ 8,745
Other related parties	13,277	7,261
	$ 13,277	**$ 16,006**

The prices and payment terms of the Company's purchase from the above related parties were not significantly different from those of its regular suppliers. The payment terms for related parties' transaction were ranged from 45 days to 90 days, while the terms for routine purchases were ranged from T/T in advance to 120 days.

(iii) Receivables from related parties

The receivables from related parties were as follows:

Account	Relationship	December 31, 2024	December 31, 2023
Account receivables	Other related party - TOPPAN	$ 127,616	$ 120,277
Other receivables	Other related party - TPC	13,014	11,064
Other current assets	Other related party - TOPPAN	17,169	49,247
Other current assets	Other related party	2,247	7,147
		$ 160,046	**$ 187,735**

(iv) Payables to related parties

The payables to related parties were as follows:

Account	Relationship	December 31, 2024	December 31, 2023
Account payables	Other related party - TOPPAN	$ 134,880	$ 207,804
Account payables	Other related party	397	469
Other payables	Other related party	14,604	27,787
Other current liabilities	Other related party	5,897	8,387
		$ 155,778	**$ 244,447**

(v) Property transactions

1) Purchases of property, plant and equipment

The prices of property, plant and equipment purchased from related parties were summarized as follows:

	2024	2023
Parent company	$ -	$ 20,228
Other related parties	11,371	7,536
	$ 11,371	**$ 27,764**

(vi) Others

	Production overheads	
	2024	2023
Parent company	$ -	$ 188,431
Other related parties	241,229	83,892
	$ 241,229	**$ 272,323**

	Operating expenses	
	2024	2023
Parent company	$ -	$ 333
Other related parties	764	75
	$ 764	**$ 408**

	Other income	
	2024	2023
Parent company	$ -	$ 51,227
Other related party – TOPPAN	51,299	13,845
Other related parties	7,917	7,436
	$ 59,216	**$ 72,508**

The lease terms with related parties are not significantly different from those with non-related parties.

	Other expense	
	2024	**2023**
Parent company	$ -	$ 17,160
Other related party – TOPPAN	63,263	20,508
Other related parties	7,732	10,213
	$ 70,995	**$ 47,881**

(d) Key management personnel compensation

	2024	**2023**
Short-term employee benefits	**$ 33,182**	**$ 39,960**

(8) Pledged assets

The carrying amounts of pledged assets were as follows:

Assets	**Pledged to secure**	**December 31, 2024**	**December 31, 2023**
Property, plant and equipment	Bank loan credit lines	$ 3,793,554	$ 3,873,554
Guarantee deposits paid (recorded in other current assets and other non-current assets)	Capacity reservation deposit, and dormitory deposit	119,293	159,527
Other financial assets (recorded in other current assets and other non-current assets)	Supplier purchase deposit and bank borrowings	-	2,372
		$ 3,912,847	**$ 4,035,453**

(9) Significant contingent liabilities and unrecognized contract commitments

The Group entered into capacity reservation agreements with the supplier, and the Group needs to purchase wafers from the supplier at certain prices and quantities.

(10) Significant losses due to major disasters: None.

(11) Significant subsequent events:

The parent company of the Group, TOPPAN Holdings, approved the transfer of its entire shareholding in the consolidated entity to Ju Yi Investment Ltd. at its Board of Directors meeting on January 16, 2025. The share transfer will be executed in two phases: 81,500 thousand shares on January 20, 2025, and the remaining 152,982 thousand shares in August 2025. This transaction is not expected to have a material impact on the consolidated entity’s operations.

(12) Other

(a) A summary of employee benefits, depreciation, and amortization, by function, was as follows:

By function / By item	2024 Operating costs	2024 Operating expenses	2024 Total	2023 Operating costs	2023 Operating expenses	2023 Total
Employee benefits						
Salary	1,207,060	307,417	1,514,477	1,205,926	314,983	1,520,909
Labor and health insurance	111,633	27,262	138,895	112,990	27,740	140,730
Pension	63,994	14,591	78,585	64,422	16,054	80,746
Remuneration of directors (Note)	-	1,878	1,878	-	3,714	3,714
Others	63,024	18,834	81,858	58,748	18,586	77,334
Depreciation	336,578	36,401	372,979	356,644	33,927	390,571
Amortization	3,868	51,817	55,685	3,128	42,852	45,980

Note: including income from professional practice, duty pay, and bonuses.

(13) Other disclosures

(a) Information on significant transactions

The following is the information on the Group's significant transactions required by the "Regulations Governing the Preparation of Financial Reports by Securities Issuers":

(i) Loans to other parties:

(In Thousands of New Taiwan Dollars)

Number	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period (Note 4)	Ending balance	Actual usage amount during the period	Range of interest rates during the period	Purposes of fund financing for the borrower (Note 1)	Transaction amount for business between two parties	Reasons for short-term financing	Loss allowance	Collateral Item	Collateral Value	Individual funding loan limits	Maximum limit of fund financing
1	Giantplus (Samoa) Holding Co., Ltd.	Kunshan Giantplus Optronics Display Tech Co., Ltd.	Other receivables	Yes	1,171,620	983,550	786,840	6.50% 7.26%	2	-	Operating activities	-	None	-	4,310,815	4,310,815
1	Giantplus (Samoa) Holding Co., Ltd.	The Company	Other receivables	Yes	2,346,750	1,819,568	1,819,568	4.35%-5.78%	2	-	Operating activities	-	None	-	4,310,815	4,310,815
2	Giantplus Holding L.L.C.	The Company	Other receivables	Yes	1,081,905	1,081,905	688,485	4.35%-5.24%	2	-	Operating activities	-	None	-	1,315,688	1,315,688

Note 1: 2 indicates companies with short-term financing needs.
Note 2: Financing limit for individual limit: Giantplus (Samoa) Holding Co., Ltd. 100% of its net asset value; Giantplus Holding L.L.C. 90% of its net asset value.
Note 3: Total financing limit: Giantplus (Samoa) Holding Co., Ltd. 100% of its net asset value; Giantplus Holding L.L.C. 90% of its net asset value.
Note 4: Highest balance of financing to other party during the year.
Note 5: If the public company submits fund financing based on each transaction for a resolution by the Board of Directors in accordance with Article 14(1) of Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies, although the funds have not been allocated, the amount approved by the board shall be included in the ending balance of loans of funds in the announcement to reflect the risk that the company has undertaken. However, if the loans of funds are repaid, the balance of the repayment shall be disclosed to reflect the adjustment of risk. If the public company authorizes the chairman of the board to allocate the loans of funds within particular amounts (authorized limits) and be repaid over several installments in a year according to the resolution of the board of directors in accordance with Articles 14(2) of Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies, the company shall still disclose the amount approved by the board of directors. Although the funds will be repaid afterwards, considering the possibilities of re-loan, the company shall still disclose the amount approved by the board of directors.
Note 6: The amount is based on exchange rate at the end of the period.

(ii) Guarantees and endorsements for other parties: None.

(iii) Securities held as of December 31, 2024 (excluding investment in subsidiaries, associates and joint ventures):

(In Thousands of New Taiwan Dollars)

Name of holder	Category and name of security	Relationship with company	Account title	Ending balance				Highest amount during the year	Note
				Shares/Units (thousands)	Carrying value	Percentage of ownership (%)	Fair value		
The Company	Chenfeng Optronics Corporation	None	FVOCI	2,141,452	-	2.13 %	-	2.13%	Note

Note: No public offer.

(iv) Individual securities acquired or disposed of with accumulated amount exceeding NT$300 million or 20% of the capital: None.

(v) Acquisition of individual real estate with amount exceeding NT$300 million or 20% of the capital: None.

(vi) Disposal of individual real estate with amount exceeding NT$300 million or 20% of the capital: None.

(vii) Related-party transactions for purchases and sales with amounts exceeding NT$100 million or 20% of the capital:

(In Thousands of New Taiwan Dollars)

Name of company	Counter party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/accounts receivable (payable)		Note
			Purchase/ Sale	Amount	Percentage of total purchases/sales	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total notes/accounts receivable (payable)	
Kunshan Giantplus Optronics Display TechCo., Ltd.	The Company	The parent company	(Sale)	(1,177,251)	(92) %	60 Days	-		868,309	99%	
The Company	TOPPAN	Other related party	(Sale)	(487,827)	(6) %	45 Days	-		127,616	8%	

Note: The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.

(viii) Receivables from related parties with amounts exceeding NT$100 million or 20% of the capital:

(In Thousands of New Taiwan Dollars)

Name of company	Counter-party	Nature of relationship	Ending balance Note 2	Turnover rate	Overdue		Amounts received in subsequent period	Loss allowance for bad debts
					Amount	Action taken		
The Company (Note 2)	TOPPAN	Other related party	127,616	3.94			122,216	-
Kunshan Giantplus Optronics Display Tech Co., Ltd. (Note 2)	The Company	The parent company	868,309	1.46	-		868,309	-
Giantplus (Samoa) Holding Co., Ltd. (Note 3)	Kunshan Giantplus Optronics Display Tech Co., Ltd.	Subsidiary	815,201	-	-		-	-
Giantplus (Samoa) Holding Co., Ltd. (Note 3)	The Company	The parent company	1,909,207	-	-		-	-
Giantplus Holding L.L.C. (Note 3)	The Company	The parent company	736,905	-	-		-	-

Note 1:The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.
Note 2: Account receivables.
Note 3: Other account receivables.
Note 4: Calculation of turnover rate excluded other account receivables.

(ix) Trading in derivative instruments: None.

(x) Business relationships and significant intercompany transactions:

(In Thousands of New Taiwan Dollars)

No.	Name of company	Name of counter-party	Nature of relationship	Intercompany transactions: Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets
1	Kunshan Giantplus Optronics Display Tech Co., Ltd.	The Company	2	Sales	1,177,251	60 Days	13.43%
1	Kunshan Giantplus Optronics Display Tech Co., Ltd.	The Company	2	Account receivables	868,309	60 Days	7.60 %
2	Giantplus (Samoa) Holding Co., Ltd.	Kunshan Giantplus Optronics Display Tech Co., Ltd.	3	Other receivables	815,201	According to the contract	7.13 %
2	Giantplus (Samoa) Holding Co., Ltd.	The Company	2	Other receivables	1,909,207	According to the contract	16.70%
3	Giantplus Holding L.L.C.	The Company	2	Other receivables	736,905	According to the contract	6.45%

Note 1: The labeling method is as follows:
1. Parent company labeled 0.
2. Subsidiaries labeled in number sequence from 1.

Note 2: Relationship is classified into three types:
1. Parent company to subsidiary.
2. Subsidiary to parent company.
3. Subsidiary to subsidiary.

Note 3: Transaction amounts less than $100,000 thousand will not be disclosed; and they will be disclosed as assets or liabilities and income or expense, while the relative transactions will not be disclosed.

(b) Information on investees (excluding information on investees in Mainland China):

The following is the information on investees for year 2024:

(Amounts Expressed in Thousands of New Taiwan Dollars, Except for Share Data)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount: December 31, 2024	Original investment amount: December 31, 2023	Balance as of December 31, 2024: Shares	Balance as of December 31, 2024: Percentage of ownership	Balance as of December 31, 2024: Carrying amounts	Highest percentage of ownership	Net income (losses) of investee	Share of profits/losses of investee	Note
The Company	Giantplus (Samoa) Holding Co., Ltd.	Samoa	Investment activities	1,397,086	1,397,086	44,000,000	100.00 %	4,308,758	100.00 %	448,141	452,594	Subsidiary (Note)
Giantplus (Samoa) Holding Co., Ltd.	Giantplus Holding L.L.C.	U.S.A	Investment activities	1,397,086	1,397,086	-	100.00 %	1,461,877	100.00 %	170,420	170,420	Subsidiary

Note: The difference is due to unrealized gain /loss.

(c) Information on investment in mainland China:

(i) The information on investment in Mainland China:

(In Thousands of New Taiwan Dollars)

Name of investee in Mainland China	Major operations	Issued capital	Method of investment (Note 1)	Accumulated outflow of investment from Taiwan as of at the beginning	Investment flows: Outflow	Investment flows: Inflow	Accumulated outflow of investment from Taiwan as of at the end	Net income (losses) of the investee	Direct/ indirect shareholding (%) by the Company	Highest percentage of ownership	Investment income (losses) (Note 2(3))	Carrying value	Accumulated remittance of earnings in current period
Kunshan Giantplus Optronics Display Tech Co., Ltd. (Note 6)	The assembly of liquid crystal displays and the production and sales of touch panel	950,765	(2)	950,765	-	-	950,765	96,408	100.00%	100.00%	96,408	694,161	-

(ii) Limitation on investment in Mainland China:

Company Name	Accumulated investment in Mainland China at the end of the period (Note 8)	Investment amounts approved by Investment Commission, MOEA (Note 8)	Upper limit on investment (Note 3)
The Company	2,327,735	2,327,735	4,788,308

Note 1: Investments in Mainland China are differentiated by the following three methods:
1. Direct investment in Mainland China.
2. Investment in Mainland China through a third region company.
3. Other methods.

Note 2: Recognition of investment gain or loss during current period is pursuant to the following:

1. If the corporation is in the set-up phase, no investment gain or loss recognition should be indicated.
2. Recognition basis of investment gains or losses is determined by the following three types:
   (1) Financial statements of the investee company were audited and certified by an R.O.C. accounting firm which has cooperation with an international firm.
   (2) Financial statements of the investee company were audited and certified by the CPA of the parent company.
   (3) Others: financial statement were audited and certified by the CPA of parent company or complied by the investee company.

Note 3: The upper limit on investment was 60% of the total net asset value based on "Principle of investment or Technical Cooperation in Mainland China".

Note 4: In the above table, all relevant amounts are disclosed in TWD, and the foreign currency was translated on the exchange rate at the reporting day.

Note 5: The aforementioned intercompany transactions have been eliminated in the consolidated financial statements.

Note 6: Kunshan Giantplus Optronics Display Tech Co., Ltd. is the indirect investee of the Company through Giantplus Holding L.L.C. .

Note 7: "Accumulated investment in Mainland China at the end of the period" and the "Investment amounts approved by Investment Commission, MOEA" included the original emittance of USD 30,000 thousand and USD 12,000 thousand, respectively. In April 2019 and January 2021, the Company disposed its investment, respectively. As of December 31, 2024, a total amount was USD42,000 in the equity of Kunshan Giantplus Optoelectronics Tech Co., Ltd. and Shenzhen Giantplus Optoelec Display Co., Ltd. which has not yet been remitted back to the Company.

(iii) Significant transactions:

In 2024, the significant inter-company transactions with the subsidiary in Mainland China, which were eliminated in the preparation of consolidated financial statements, are disclosed in “Information on significant transactions”.

(d) Major shareholders:

Shareholders’ Name	Shares	Percentage
TOPPAN Holdings Inc.	152,981,757	34.64 %
Yuanta Commercial Bank Entrusted Custody of Investment Account- TOPPAN Holdings Inc.	81,500,000	18.45 %

(i) The information of major shareholders in this table was calculated by the Taiwan Depository & Clearing Corporation on the last business day at the end of each quarter, based on the Company's common shares (including treasury stock) without physical registration for which the major shareholders own more than 5% of the total shares. The share capital in financial report may differ from the actual number of shares that have been issued without physical registration due to different preparation basis.

(ii) If a shareholder delivers its shares to the trust, the aforesaid information shall be disclosed by the individual trustee who opened the trust account. As for the insider declaration for shareholding more than 10% of total shares in accordance with the Securities and Exchange Act, their shareholding shall include the shares held by themselves plus the shares that they have delivered to the trust and have the right to exercise decision-making power over the trust property. For more information, please refer to Market Observation Post System website.

(14) Segment information

The Group's management believes that the Group has only a single segment, mainly engaged in research, development, production and sale of thin film transistor liquid crystal displays (“TFT-LCDs”).

(a) Geographic information

In presenting information on the basis of geography, segment revenue is based on the geographical location of customers, and segment assets are based on the geographical location of the assets.

Geographic information	2024	2023
Revenue from external customers:		
Asia	$ 6,787,751	$ 7,089,328
Europe	794,674	989,597
America	1,184,546	963,190
Oceania	155	-
Total	**$ 8,767,126**	**$ 9,042,115**

Geographic information	December 31, 2024	December 31, 2023
Non-current assets:		
Asia	**$ 5,708,561**	**$ 5,931,914**

Non-current assets include property, plant and equipment, right-of-use assets, intangible assets, prepayments for facilities, and other assets, not including financial instruments, deferred tax assets, pension fund assets, and rights arising from an insurance contract (non-current assets).

(b) Major customers

The details of major customers the competent tax authority. more than 5% of sales revenue were as follows:

2024

Customers	Operating revenue	%
Customer A	$ 1,139,585	13%
Customer B	506,111	6%
Customer C	487,827	6%
Customer F	822,242	9%
Total	$ 2,955,765	

2023

Customers	Operating revenue	%
Customer A	$ 1,043,841	12%
Customer B	784,894	9%
Customer C	494,876	5%
Customer D	518,362	6%
Customer E	484,810	5%
Total	$ 3,326,783	