IKKA Holdings (Cayman) Limited and Subsidiaries

Consolidated Financial Statements and
Independent Auditor's Report
Years Ended December 31, 2024, and 2023
(Stock Code: 2250)

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IKKA Holdings (Cayman) Limited and Subsidiaries

Consolidated Financial Statements and Independent Auditor's Report

Years Ended December 31, 2024, and 2023

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Independent Auditor’s Report

(114)-Cai-Sheng-Bao No. 24004792

To the Board of Directors and Shareholders of IKKA Holdings (Cayman) Limited):

Opinion

We have audited the accompanying consolidated balance sheets, consolidated statements of comprehensive income, of changes in equity, and cash flows, and notes on the consolidated financial statements (including a summary of key accounting policies of IKKA Holdings (Cayman) Limited and subsidiaries (the “Group”) for December 31, 2023, and the 2024 year.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position, performance, and cash flows of the Group for December 31, 2023, and the 2024 year in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers as well as the International Financial Reporting Standards, IAS, IFRIC and SIC Interpretations as endorsed by the Financial Supervisory Commission.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Auditing Standards. Our responsibilities under those standards are further described in the Auditors’ responsibilities for auditing 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, and we have fulfilled other ethical responsibilities as required. We believe that the audit evidence we have obtained is sufficient and proper to provide a basis for our opinion.

Key audit matters

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

Key audit matters for the Group’s 2024 consolidated financial statements are as follows:

Inventory valuation

<u>Description</u>

Refer to Note 4(13) for accounting policy, 5(2) for significant accounting estimates and assumption uncertainty, and 6(5) for account description. The balances and allowance for losses on December 31, 2024, were NTD 396,404 thousand and NTD 40,405 thousand respectively.

The Group is primarily engaged in the manufacturing and sales of automobiles, multi-function printers, and precision plastic components for household facilities. Due to rapid technological changes, short product life cycles, and fierce market competition, there is a higher risk of inventory losses or obsolescence. The net realizable value is based on the sales and purchase prices in the regular course before the balance sheet date. The net realizable value not sold after a certain period of age and individually identified obsolete inventory is calculated based on sales and discount history.

Since the amount of inventory is material, types are various, information sources in calculating each net realizable value are many, and the identification of obsolete and damaged inventory and its net realizable value are subject to management's judgment, we considered the assessment of allowance for inventory valuation losses a key audit matter.

How our audit addressed the matter

To assess the net realizable value and the adequacy of allowance for losses, we performed the following procedures:

1. Based on our understanding of the nature of operations and industry, we assessed if the policy on allowance for losses during the comparative reporting periods was proper and consistent.
2. Evaluate the reasonableness of obsolete and damaged inventories, and delayed delivery due to weakened market demand, along with supporting documents. We examined the management process, reviewed the annual plan, and participated in the annual process to assess the effectiveness of the management's identification and control of obsolete or damaged inventory.
3. Understand the process of Inventories management, review its annual inventory plan and participate in the annual Inventories inventory to evaluate the effectiveness of the management to distinguish and control obsolete Inventories.
4.
5. We obtained the aged inventory report and sampled storage quantity to test the properness of classification and then, based on the policy, assessed the correctness of the allowance for obsolescence losses.
6. We obtained a net realizable value report, confirmed the consistency of calculation logic,

and randomly checked the sales and purchase prices of materials based on the supporting documents.

Responsibilities of management and governing bodies for consolidated financial statements

In accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers as well as the International Financial Reporting Standards, IAS, IFRIC, and SIC Interpretations as endorsed by the Financial Supervisory Commission., management is responsible for the preparation and fair presentation of consolidated financial statements for internal control as deemed necessary to be free from material misstatement 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 and disclosing relevant matters as applicable as the basis of accounting unless management intends to liquidate the Group, cease operations, or has no realistic alternative.

The governing bodies (including its Audit Committee) are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for auditing consolidated financial statements

Our objectives are to obtain reasonable assurance on whether consolidated financial statements are free from material misstatement due to fraud or error and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but not a guarantee that an audit conducted in accordance with the Auditing Standards will always detect a material misstatement from fraud or error and is considered material if, individually or in the aggregate, expected to influence the economic decisions on the basis of these consolidated financial statements.

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

1. Identify and assess risks of material misstatement due to fraud or error, design and perform audit procedures, and obtain sufficient and proper evidence as the basis for our opinion. The risk of not detecting a material misstatement from fraud is higher than for one from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control to design proper audit procedures not to express an opinion on effectiveness.

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

We communicate with the governing bodies on the planned scope and timing of the audit and key findings, including deficiencies in internal control identified.

We also provide the governing bodies with a statement that we have complied with ethical requirements on independence and communicate with them all relevant relationships, safeguards, and other matters where applicable. We then determine and disclose key audit matters in our auditors' report unless precluded by law or regulation or doing so could outweigh the public interest benefits due to adverse consequences in extremely rare circumstances.

From the matters communicated with those charged with governance, we have determined key audit matters of the Group's 2024 consolidated financial statements. We have disclosed these matters in our auditors' report unless precluded by law or regulation or doing so could outweigh the public interest benefits due to adverse consequences in extremely rare circumstances.

PwC Taiwan

Man-Yu Ruan-Lu

CPA:

Yi-Tai Tsai

Former Financial Supervisory Commission (FSC) of the Executive Yuan
Approval Document No.: Jin-Guan-Zheng-Shen-No. 0990058257
Financial Supervisory Commission
Approval Document No.: Jin-Guan-Zheng-Shen-No. 1080323093

March 12, 2025

IKKA Holdings (Cayman) Limited and Subsidiaries
Consolidated Balance Sheet
As of December 31, 2024; December 31, 2023

Unit: NTD thousand

	Assets	Note	December 31, 2024 Amount	%	December 31, 2023 Amount	%
	Current Assets					
1100	Cash and cash equivalents	6(1)	$ 1,342,910	35	$ 1,003,988	28
1136	Financial assets at amortized cost - current	6(3) and 8	96,078	3	59,085	2
1150	Notes receivable, net	6(5)	14,677	1	25,407	1
1170	Accounts receivable, net	6(5)	895,944	23	986,837	27
1180	Accounts receivable - related parties, net	6(5) and 7	4,475	-	7,237	-
1200	Other receivables	7	3,768	-	4,762	-
130X	Inventories	6(6)	355,999	9	382,563	10
1410	Prepayments	7	29,982	1	37,805	1
1470	Other current assets	6(7)	45,526	1	41,679	1
11XX	**Total current assets**		2,789,359	73	2,549,363	70
	Non-current assets					
1510	Non-current financial assets at fair value through profit or loss	6(2)	704	-	-	-
1517	Financial assets at fair value through other comprehensive income - Non-current	6(4)	34,792	1	86,460	2
1600	Property, plant and equipment	6(8)	762,696	20	730,356	20
1755	Right-of-use assets	6(9)and7	172,684	4	212,561	6
1780	Intangible assets	6(10)	2,822	-	2,232	-
1840	Deferred tax assets	6(27)	41,839	1	42,025	1
1900	Other non-current assets		30,930	1	33,347	1
15XX	**Total non-current assets**		1,046,467	27	1,106,981	30
1XXX	**Total assets**		$ 3,835,826	100	3,656,344	100

IKKA Holdings (Cayman) Limited and Subsidiaries
Consolidated Balance Sheet
As of December 31, 2024; December 31, 2023

Unit: NTD thousand

	Liabilities and Equity	Note	December 31, 2024 Amount	%	December 31, 2023 Amount	%
	Current liabilities					
2100	Short-term loans	6(11)	$ 184,712	5	$ 337,450	9
2130	Contract liabilities - current	6(21)	12,427	-	2,982	-
2150	Notes payable	6(12)	137,533	4	136,053	4
2170	Accounts payable		412,406	11	424,816	12
2180	Accounts payable－related parties	7	19,491	1	15,168	-
2200	Other payables	6(14)	287,214	7	322,241	9
2220	Other payables – related parties	7	164	-	1,842	-
2230	Income tax liabilities in this period		66,556	2	78,985	2
2280	Lease liabilities - current		53,030	1	51,640	1
2320	Long-term liabilities due within one year or one operating cycle	6(15)	49,727	1	52,104	2
2399	Other current liabilities - other		14,161	-	12,713	-
21XX	**Total current liabilities**		1,237,421	32	1,435,994	39
	Non-current liabilities					
2530	Bonds payable	6(13)	97,790	3	-	-
2540	Long-term loans	6(15)	155,754	4	212,699	6
2570	Deferred tax liabilities	6(27)	17,308	-	19,930	-
2580	Lease liabilities - non-current		93,773	2	134,922	4
2600	Other non-current liabilities	6(16)	177,577	5	187,499	5
25XX	**Total non-current liabilities**		542,202	14	555,050	15
2XXX	**Total liabilities**		1,779,623	46	1,991,044	54
	Equity attributable to owners of the parent company					
	Share capital	6(18)				
3110	Ordinary share capital		332,036	9	294,524	8
	Capital surplus	6(19)				
3200	Capital surplus		1,042,305	26	802,772	22
	Legal reserve	6(20)				
3320	Special reserve		96,219	3	65,313	2
3350	Undistributed earnings		672,870	18	598,910	16
	Other equity					
3400	Other equity		(87,227)	(2)	(96,219)	(2)
31XX	**Total equity attributable to owners of the parent company**		2,056,203	54	1,665,300	46
3XXX	**Total equity**		2,056,203	54	1,665,300	46
	Material Contingent Liabilities and Unrecognized Contractual Commitments	9				
	Material Subsequent Events	11				
3X2X	**Total liabilities and equity**		$ 3,835,826	100	$ 3,656,344	100

The notes attached are part of the Consolidated Financial Statements and shall be read together.

Chairman：Shiang-Chi Hu Manager：Masami Obara Chief Accounting Officer：Yen-Shou Chiang

IKKA Holdings (Cayman) Limited and Subsidiaries
Consolidated Statement of Comprehensive Income
For the Years Ended December 31, 2024and December 31, 2023

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

	Item	Note	2024 Amount	2024 %	2023 Amount	2023 %
4000	Operating revenue	6(21) and 7	$ 3,661,555	100	$ 3,6453414	100
5000	Operating cost	6(6)(26) and 7	(2,939,663)	(80)	(2,975,179)	(82)
5900	Gross profit		721,892	20	670,235	18
	Operating expense	6(26) and 7				
6100	Selling expense		(115,733)	(3)	(115,509)	(3)
6200	Administrative expenses		(326,196)	(9)	(333,819)	(9)
6300	Research and development expenses		(36,372)	(1)	(42,930)	(1)
6450	Expected credit impairment losses	12	136	-	173	-
6000	Total operating expenses		(478,165)	(13)	(492,085)	(13)
6900	Operating income		243,727	7	178,150	5
	Non-operating income and expenses					
7100	Interest income	6(22)	10,042	-	5,599	-
7010	Other income	6(23)	2,993	-	3,435	-
7020	Other gains and losses	6(24)	37,619	1	29,608	1
7050	Financial costs	6(25)	(13,823)	-	(13,234)	1
7000	Total non-operating income and expenses		36,831	1	25,408	-
7900	**Net income before tax**		280,558	8	203,558	5
7950	Income tax expense	6(27)	88,892	3	84,396	2
8200	**Net income for this period**		$ 191,666	5	$ 119,162	3
	Other comprehensive income					
	Items not reclassified to profit or loss:					
8311	Remeasurement of defined benefit plans		($ 892)	-	$ 9,406	-
8316	Unrealized gains or losses on investment in equity instruments at fair value through other comprehensive income	6(4)	(32,122)	(1)	19,109	1
8349	Income tax related to items not reclassified	6(27)	3,537	-	(1,022)	-

The notes attached are part of the Consolidated Financial Statements and shall be read together.

Chairman：Shiang-Chi Hu　　Manager：Masami Obara　　Chief Accounting Officer：Yen-Shou Chiang

IKKA Holdings (Cayman) Limited and Subsidiaries
Consolidated Statement of Comprehensive Income
For the Years Ended December 31, 2024and December 31, 2023

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

8310	Total amount of items not reclassified to profit or loss		(29,477)	(1)	27,493	1
	Items that may subsequently be reclassified to profit or loss					-
8361	Exchange differences on translation of the financial statements of foreign operations		52,011	2	48,993	1
8360	Total amount of items that may subsequently be reclassified to profit or loss		52,011	2	48,993	1
8300	**Other comprehensive income, net**		$ 22,534	1	21,500	-
8500	**Total comprehensive income for this period**		$ 214,200	6	97,662	3
	Net income (loss) attributable to:					
8610	Owners of the parent		$ 191,666	5	$ 119,162	3
			$ 191,666	5	$ 119,162	3
	Total comprehensive income attributable to:					
8710	Owners of the parent		$ 214,200	6	$ 97,662	3
			$ 214,200	6	$ 97,662	3
	Basic earnings per share	6(28)				
9750	Basic earnings per share		$	6.17	$	4.07
	Diluted earnings per share	6(28)				
9850	Diluted earnings per share		$	5.79	$	3.99

The notes attached are part of the Consolidated Financial Statements and shall be read together.

Chairman：Shiang-Chi Hu Manager：Masami Obara Chief Accounting Officer：Yen-Shou Chiang

IKKA Holdings (Cayman) Limited and Subsidiaries
Consolidated Statement of Changes in Equity
For the Years Ended December 31, 2024, and December 31, 2023

Unit：NTD thousand

		Equity attributable to owners of the parent							
			Capital reserve		Retained earnings		Other equity		
	Note	Ordinary share capital	Capital Surplus	Special reserve	Undistributed earnings	Exchange differences on translation of the financial statements of foreign operations	Unrealized gains or losses on financial assets at fair value through other comprehensive income	Treasury shares	Total equity
2023									
Balance on January 1 2023		$ 292,414	$ 795,054	$ 80,963	$ 543,150	($ 78,537)	$ 13,224	($ 846)	$ 1,645,422
Net income for this period		-	-	-	119,162	-	-	-	119,162
Other comprehensive income for the period		-	-	-	9,406	(48,993)	18,087	-	21,500
Total comprehensive income for the period		-	-	-	128,568	(48,993)	18,087	-	7,662
2022 earnings allocation and distribution:	6(20)								
Special reserve		-	-	(15,650)	15,650	-	-	-	-
Cash dividends		-	-	-	(87,757)	-	-	-	(87,757)
Cancellation of treasury share	6(18)	(120)	(320)	-	(406)	-	-	846	-
Share-based payment-employee share options	6(17)	2,230	8,038	-	(295)	-	-	-	9,973
Balance as of December 31, 2023		$ 294,524	$ 802,772	$ 65,313	$ 598,910	($ 127,530)	$ 31,311	$ -	$ 1,665,300
2024									
Balance on January 1, 2024		$ 294,524	$ 802,772	$ 65,313	$ 598,910	($ 127,530)	$ 31,311	$ -	$ 1,665,300
Net income for this period		-	-	-	191,666	-	-	-	191,666
Other comprehensive income for the period		-	-	-	(892)	52,011	(28,585)	-	22,534
Total comprehensive income for the period		-	-	-	190,774	52,011	(28,585)	-	214,200
Appropriation of 2023 earnings:	6(20)								
Special reserve		-	-	30,906	(30,906)	-	-	-	-
Cash dividends		-	-	-	(100,246)	-	-	-	(100,246)
Cash capital increase	6(18)	18,200	91,000	-	-	-	-	-	109,200
Proceeds from issuing shares retain employee subscription remuneration costs		-	3,239	-	-	-	-	-	3,239
Share-based payment-employee stock options	6(17)	2,600	7,223	-	(96)	-	-	-	9,676
Conversion of convertible bonds		16,712	113,891	-	-	-	-	-	130,603
Convertible corporate bonds in issue recognized as components of equity - share options	6(13)	-	24,180	-	-	-	-	-	24,180
Disposal of equity instruments at fair value through other comprehensive income	6(4)	-	-	-	14,434	-	(14,434)	-	-
Balance as of December 31, 2024		$ 332,036	$ 1,1042,305	$ 96,219	$ 672,870	($ 75,519)	$ 11,708	$ -	$ 2,056,152

The notes attached are part of the Consolidated Financial Statements and shall be read together.

Chairman：Shiang-Chi Hu Manager：Masami Obara Chief Accounting Officer：Yen-Shou Chiang

IKKA Holdings (Cayman) Limited and Subsidiaries
Consolidated Statement of Cash Flows
For the Years Ended December 31, 2024and December 31, 2023

Unit：NTD thousand

	Note	For the Year Ended December 31, 2024	For the Years Ended December 31, 2023
Cash flow from operating activities			
Net income before tax for the current period		280,558	203,558
Adjustments			
Income and expenses			
Depreciation expense	6(8)(26)	121,380	127,926
Depreciation expense (including right-of-use assets)	6(9)(26)	54,000	52,171
Amortization expense	6(10)(26)	1,057	1,469
Reversal of expected credit impairment losses	12(2)	(136)	(173)
Net gain on financial liabilities at fair value through profit or loss		(2,248)	-
Interest income	6(25)	5,578	7,530
Interest income (lease liabilities)	6(25)	4,347	5,704
Interest income (amortized bonds payable)	6(25)	3,898	-
Interest income	6(22)	(10,042)	(5,599)
Dividend income	6(23)	(177)	(500)
Share-based payment compensation costs	6(17)	3,787	1,692
Loss (profit) on disposal of real property, plant and equipment	6(24)	1,362	2,445
Lease modification gain	6(9)	(1)	(1,212)
Impairment loss	6(24)	-	4,351
Changes in assets/liabilities related to operating activities			
Net changes in assets related to operating activities			
Notes receivable		10,730	(2,942)
Accounts receivable (including related parties)		109,496	(88,517)
Other receivables		4,187	10,360
Inventories		55,358	113,275
Prepayments		7,823	857
Other current assets		(3,847)	(6,613)
Other non-current assets		400	433
Net changes in liabilities related to operating activities			
Contract liabilities		9,445	818
Notes payable		1,480	26,447
Accounts payable (including related parties)		(10,120)	24,971
Other payables		(23,945)	30,649
Other current liabilities		1,448	(5,032)
Other non-current liabilities		(7,801)	1,552
Cash inflow from operations		618,017	505,620
Interest collected		10,042	5,599
Interest paid		177	500
Income tax paid	6(29)	(14,277)	(13,294)
Net cash inflow from operating activities		(107,566)	(61,167)
Net cash inflow from operating activities		506,393	437,258

(Continued on next page)

IKKA Holdings (Cayman) Limited and Subsidiaries
Consolidated Statement of Cash Flows
For the Years Ended December 31, 2024and December 31, 2023

Unit：NTD thousand

	Note	For the Year Ended December 31, 2024	For the Years Ended December 31, 2023
Cash flow from investing activities			
Acquisition of financial assets at fair value through other comprehensive income		($ 4,000)	($ 3,071)
Disposal of financial assets measured at fair value through other comprehensive income		23,338	-
Acquisition of financial assets measured at amortized cost		(31,568)	(32,181)
Disposal of financial assets measured at amortized cost		-	93,094
Acquisition of property, plant and equipment	六(二十九)	(152,957)	(70,895)
Intangible assets acquired	六(十)	(1,647)	(176)
Disposal of property, plant and equipment		2,004	711
Increase in refundable deposits		2,047	(2,231)
Increase in prepayments for equipment		(2,226)	(2,312)
Net cash (outflow) inflow from investing activities		(165,009)	(17,061)
Cash flow from financing activities			
Increase in short-term loans	六(三十)	(151,374)	151,701
Repayment of long-term borrowings	六(三十)	(52,108)	(94,165)
Decrease in other payables to related parties		(1,699)	(30,678)
Increase in refundable deposits		234	5
Distribution of cash dividends	六(二十)	(100,246)	(87,757)
Repayment of lease principal	六(三十)	(53,131)	(48,859)
Bond issuance	六(三十)	251,250	-
Proceeds from issuing shares for cash capital increase	六(十八)	109,200	-
Employee stock options exercised		9,179	8,282
Net cash inflows (outflow) from financing activities		11,305	(101,471)
Effect of exchange rate changes		(13,767)	(56,191)
Increase in cash and cash equivalents for this period		338,922	262,535
Opening balance of cash and cash equivalents		1,003,988	741,453
Ending balance of cash and cash equivalents		$ 1,342,910	$ 1,003,988

The notes attached are part of the Consolidated Financial Statements and shall be read together.

Chairman：Shiang-Chi Hu　Manager：Masami Obara　Chief Accounting Officer：Yen-Shou Chiang

IKKA Holdings (Cayman) Limited and Subsidiaries
Notes to Consolidated Financial Statements
For the Years Ended December 31, 2024, and December 31, 2023

Unit: NTD thousand
(except otherwise specified)

I. Company History

IKKA Holdings (Cayman) Limited (hereinafter referred to as the "Company") was incorporated in April 2016 in the Cayman Islands with its office registered at P.O. Box 472, 2nd Floor, Harbour Place, 103 South Church Street, George Town, Grand Cayman KY1-1106, Cayman Islands, and was restructured in January 2020. The Company and its subsidiaries (hereinafter collectively referred to as the "Group") mainly engage in the export, import, manufacturing, and sale of precision plastic injection molded parts and products, as well as production of mold sets, manufacturing of molds, machinery and precision injection ceramic molded parts. Jabon International Co., Ltd. (hereinafter referred to as "Jabon") is the parent of the Group and holds 34.45% equity of the Company. ABICO AVY Co., Ltd. (hereinafter referred to as "ABICO") is the parent of Jabon, holding 100% equity therein. Chia Mei Investment Co., Ltd. is the ultimate parent company of the Group.

II. Authorization Date and Procedures for Financial Statements

The consolidated financial statements were approved and announced by the Board of Directors on March 12, 2025.

III. Implementation of New Standards, Amendments, and Interpretations

(I) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards ("IFRS") as endorsed by the Financial Supervisory Commission ("FSC")

The table below lists the new, revised, and amended standards and interpretations of the IFRSs endorsed by the FSC with effect from 2024:

New/Revised/Amended Standards and Interpretations	Effective date by International Accounting Standards Board
Amendments to IFRS 16 "Lease Liability in a Sale and Leaseback"	January 1, 2024
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	January 1, 2024
Amendments to IAS 1 "Non-current Liabilities with Covenants"	January 1, 2024
Amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements"	January 1, 2024

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

(II) Effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Group

The table below lists the new, revised, and amended standards and interpretations of the IFRSs endorsed by the FSC with effect from 2025:

New/Revised/Amended Standards and Interpretations	Effective date by International

	Accounting Standards Board
The amendment of IAS 21 "Lack of Convertibility"	January 1, 2025

The Group has assessed that the above standards and interpretations have no significant impact on the Group's financial condition and financial performance.

(III) Effect of IFRSs issued by IASB but not yet endorsed by the FSC

The table below lists the new, revised, and amended standards and interpretations of the IFRSs, released by the IASB but not yet endorsed by the FSC:

New/Revised/Amended Standards and Interpretations	Effective date by International Accounting Standards Board
Amendments to International Financial Reporting Standards 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"	January 1, 2026
Amendments to International Financial Reporting Standard 9 and International Financial Reporting Standard 7 "Contracts Involving Natural Power"	January 1, 2026
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by International Accounting Standards Board
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17 “Insurance contracts”	January 1, 2023
Amendments to IFRS 17 “Initial Application of International Financial Reporting Standards and IFRS 17 & 9 — Comparative Information”	January 1, 2023
IFRS 18 “Presentation and Disclosures of Financial Statements”	January 1, 2027
IFRS 19 “Subsidiaries Without Public Accountability: Disclosures”	January 1, 2027
IFRS Annual Improvements to Accounting Standards - Volume 11	January 1, 2026

Except as stated below, the Group has assessed that the above standards and interpretations have no significant impact on the Group's financial condition and financial performance:

1. Amendments to International Financial Reporting Standards 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”

   Updates through irrevocable election designated as through other comprehensive income at fair value of equity instruments (FVOCI) should disclose their fair value by each category, without the need to disclose fair value information by each underlying item. Additionally, the fair value gains and losses recognized in other comprehensive income during the reporting period should be disclosed separately as the fair value gains and losses related to investments derecognized during the reporting period, and the fair value gains and losses related to investments still held as of the end of the reporting period; as well as the cumulative gains and losses transferred to equity during the reporting period due to the derecognition of investments.

2. IFRS “Presentation and Disclosures of Financial Statements”

IFRS No. 18 "Presentation and Disclosure of Financial Statements" replaces IAS 1, updates the structure of the total income statement, adds disclosure of performance management evaluation, and strengthens the principle of aggregation and subdivision of the main financial statements and notes.

IV. Summary of Key Accounting Policies

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

(I) Compliance statement

The consolidated financial statements of the Group have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, International Financial Reporting Standards, IAS, IFRIC Interpretations, and SIC Interpretations as endorsed and promulgated by the FSC (collectively referred herein as the “IFRSs”).

(II) Basis of Preparation

1. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:
   (1) Financial assets and liabilities at fair value through profit or loss (including derivative instruments).
   (2) Financial assets measured at fair value through other comprehensive income.
   (3) Defined benefit Liabilities recognized based on the net amount of pension funds’ assets less present value of defined benefit obligation.

2.The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(III) Basis for consolidation

1.Principles for preparation of consolidated financial statements

(1) All subsidiaries are included in the Group’s consolidated financial statements. Subsidiaries are all entities controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.

(2) Inter-company transactions, balances and unrealized gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

2.Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Business category	Shareholding (%)		Remark
			December 31, 2024	December 31, 2023	
The Company	DaiichiKasei Co., Ltd. (DaiichiKasei)	Manufacturing precision plastic injection molded parts and molding sets, molds and machinery, and precision ceramics molded parts.	100.00	100.00	
The Company	Sol-Plus (HK) Co., Limited. (Sol-Plus HK)	Investment	100.00	100.00	
DaiichiKasei Co., Ltd.	M. A. C. Technology (Malaysia) Sdn. Bhd. (M. A. C. Technology)	Assembly, manufacturing CD and CD ROM, computer printers, precision ceramics and molds for electronic and industrial use, and plastic injection components for electronic and camera industries.	100.00	100.00	
DaiichiKasei Co., Ltd.	IKKA Technology (Vietnam) Co., Ltd. (IKKA Vietnam)	Production, operation, and processing of automobiles and common plastic and metal parts for office equipment	100.00	100.00	-
DaiichiKasei Co., Ltd.	IKKA (Hong Kong) Co., Ltd. (IKKA HK)	Investment and trade	100.00	100.00	-
IKKA (Hong Kong) Co., Ltd.	IKKA Technology DongGuan Co., Ltd. (IKKA)	Production and sale of precise plastic accessories, hardware accessories, bearings, and molds	100.00	100.00	
Sol-Plus (HK) Co., Limited. (Sol-Plus HK)	Sol-Plus Co., Ltd. (Sol-Plus JP)	Manufacturing and selling plastic products and molds	100.00	100.00	
Sol-Plus Co., Ltd. (Sol-Plus JP)	Hiraiseimitsu (Thailand) Co., Ltd. (Hiraiseimitsu)	Manufacturing and selling plastic products and molds	100.00	100.00	

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

4. Adjustment and treatment methods of subsidiaries' different accounting periods: None

5. Major restrictions: None.

6. Subsidiaries with non-controlling interests material to the Group: None.

(IV) Foreign currency exchange

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

1. Foreign currency transactions and balances

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

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

(3) Non-monetary assets and liabilities denominated in foreign currencies held in assets and liabilities are re-translated using the exchange rates prevailing at the dates of the transactions. For balances denominated in fair value, the re-translation is also based on the exchange rates prevailing at the dates of the transactions. Balances denominated in other comprehensive income liabilities follow the same process. Balances denominated in assets and liabilities are re-translated at the exchange rates prevailing at the dates of the transactions. For balances that are not denominated in fair value, re-translated is done using the historical exchange rates at the dates of the initial transactions.

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

2. Translation of foreign operations

The results of operations and financial position of all Group entities with a functional currency different from the presentation currency are converted into the presentation currency in the following manner:

(1) Assets and liabilities expressed in each balance sheet are converted at the closing rate at the date of the balance sheet.

(2) Income and expenses expressed in each consolidated statement of income are converted at average exchange rates for the period; and

(3) All exchange differences arising from the translation are recognized in other comprehensive income.

(V) Classification of assets and liabilities as current or noncurrent

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

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

(2) Assets held mainly for trading purposes;

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

(4) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that

are to be exchanged or used to settle liabilities more than twelve months after the balance sheet date.

The Group classifies all assets that do not meet the above criteria as non-current.

2. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:
   (1) Liabilities that are expected to be settled within the normal operating cycle;
   (2) Liabilities arising mainly from trading activities;
   (3) Liabilities that are to be settled within twelve months from the balance sheet date;
   (4) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date.

   The Group classifies all liabilities that do not meet the above criteria as non-current.

(VI) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

(VII) Financial assets at fair value through other comprehensive income or loss

1. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Group has made an irrevocable election at initial recognition to recognize changes in fair value in other comprehensive income.
2. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognized and derecognized using trade date accounting.
3. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. The Group subsequently measures the financial assets at fair value. The changes in fair value of equity investments that were recognized in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognized as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

(VIII) Financial assets at amortized cost.

1. Financial assets at amortized cost are those that meet all of the following criteria:
   (1) The objective of the Group’s business model is achieved by collecting contractual cash flows.
   (2) The assets’ contractual cash flows represent solely payments of principal and interest.
2. The Group adopts trade date accounting for financial assets measured at amortized cost in compliance with transaction practices.
3. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. Interest income from these financial assets is included in finance income using the effective interest method. A gain or loss is recognized in profit or loss when the asset is derecognized or impaired.
4. The Group’s time deposits which do not fall under cash equivalents are those with a short

maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(IX) Accounts and notes receivable

1. Accounts and notes receivable entitle the Group a legal right to receive consideration in exchange for transferred goods or rendered services.
2. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.
3. The Group's business model for the sale of accounts receivable aims to achieve its objective through both collecting contractual cash flows and selling these assets. When accounted for at fair value, any changes are recognized as other comprehensive income.

(X) Impairment of financial assets

At each balance sheet date, the Group measures financial assets at amortized cost, after taking into account all reasonable and supportable information (including forward-looking statements), if the Group's exposure to credit risk has not increased significantly since the initial recognition of the financial assets, the allowance for losses is measured by the amount of expected credit losses for the 12-month period. If the credit risk has increased significantly since the initial recognition, the allowance for losses is measured by the amount of expected credit losses for the remaining period. For accounts receivable that do not contain significant financial components, the allowance for losses is measured at the amount of expected credit losses over the remaining period.

(XI) Derecognition of financial assets

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

1. The contractual rights to receive the cash flows from the financial asset expire.
2. The contractual rights to receive cash flows of the financial asset have been transferred and the Group has transferred substantially all risks and rewards of ownership of the financial asset.
3. The contractual rights to receive cash flows of the financial asset have been transferred; however, the Group has not retained control of the financial asset.

(XII) Leasing arrangements (lessor)- operating leases

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

(XIII) Inventories

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

(XIV) Property, plant, and equipment

1. Property, plant, and equipment are initially recorded at cost.

2. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as proper, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.
3. Land is not depreciated. Other properties, plants, and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.
4. The assets' residual values, useful lives, and depreciation methods are reviewed, and adjusted if proper, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the asset's future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, "Accounting Policies, Changes in Accounting Estimates and Errors," from the date of the change. The estimated useful lives of property, plant, and equipment are as follows:

Building and structures	7～65 years
Machinery and equipment	2～10 years
Transportation equipment	2～10 years
Office equipment	2～ 5 years
Other equipment	2～20 years

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

1. Leases are recognized as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group. For short-term leases or leases of low-value assets, lease payments are recognized as an expense on a straight-line basis over the lease term.
2. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of fixed payments, less any lease incentives receivable. The Group subsequently measures the lease liability at amortized cost using the interest method and recognizes interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognized as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.
3. Right-of-use assets are recognized at cost at the inception date of the lease. The cost is the original measurement of the lease liability, and subsequently measured using the cost model, depreciation expense is recognized over the earlier of the useful life of the right-of-use asset or the lease term. When a lease liability is reassessed, the right-of-use asset adjusts any remeasurement of the lease liability.
4. For lease modifications that reduce the scope of the lease, the lessee reduces the carrying amount of the right-of-use asset to reflect partial or full termination of the lease and recognizes

the difference between that amount and the amount by which the lease liability is remeasured in profit or loss.

(XVI) Intangible assets

Computer software is stated at cost and amortized on a straight-line basis over its estimated useful life of 3 to 5 years.

(XVII) Impairment of non-financial assets

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

(XVIII) Loans

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

(XIX) Notes and accounts payable

1. Accounts payable are liabilities for purchases of raw materials, goods, or services, and notes payable are those resulting from operating and non-operating activities.
2. The short-term notes and accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(XX) Financial liabilities at fair value through profit or loss

1. Refers to financial liabilities held for trading, primarily for the purpose of repurchase in the near term, and derivative instruments not designated as hedging instruments under hedge accounting.
2. At initial recognition, the Group measures at fair value, with related transaction costs recognized in profit or loss. Subsequently, it measures at fair value, with any gain or loss recognized in profit or loss.

(XXI) Convertible bonds payable

The convertible bonds issued by the Group include embedded conversion rights (i.e., the holder has the option to convert into the Group's ordinary shares at a fixed amount for a fixed number of shares), put options, and call options.At the time of initial issuance, the issue price is classified into financial assets, financial liabilities, or equity according to the issuance conditions, and is handled as follows:

1. Embedded put and call options:At initial recognition, the net amount of its fair value is recorded as "financial assets or liabilities at fair value through profit or loss"; subsequently, at the balance sheet date, it is measured at the then fair value, and the difference is recognized as "gains or losses on financial assets (liabilities) at fair value through profit or loss."
2. Bond indenture: Initially measured at fair value, the difference between this

and the redemption value is recognized as bond premium or discount payable. Subsequently, it is recognized in profit or loss over the period using the effective interest method as an adjustment item under "finance costs."

3. Embedded conversion rights (meeting the definition of equity):At initial recognition, the remaining value after deducting the issuance amount from the above "financial assets or liabilities at fair value through profit or loss" and "bonds payable" is recorded as "capital surplus - stock options," and is not remeasured subsequently.

4. Any directly attributable transaction costs of the issue are allocated to the components of liabilities and equity in proportion to the original carrying amounts of each component as described above.

5. When the holder converts, the liability component recorded (including "bonds payable" and "financial assets or liabilities at fair value through profit or loss") is processed according to its subsequent measurement method of classification. The book value of the liability component plus the book value of "capital surplus - stock options" is then used as the issuance cost of the exchanged ordinary shares.

(XXII) Derecognition of financial liabilities

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

(XXIII) Employee benefits

1. Short-term employee benefits

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

2. Pension

(1) Defined Contribution Plans

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

(2) Defined benefit plans

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

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

3. Employee and Director Compensation

Employee compensation and directors' compensation are recognized as expenses and liabilities when there is a legal or constructive obligation, and the amount can be reasonably estimated. If the actual amount of allotment differs from the estimated amount, the difference is recognized as a change in the accounting estimate.

(XXIV) Employee share-based payments

Equity-settled share-based payment agreements are recognized as compensation costs over the vesting period for employee services rendered, measured at the fair value of the equity instruments granted on the date of grant, with a corresponding adjustment to equity. The fair value of equity instruments should reflect the effects of both vested and nonvested market conditions. Recognized compensation cost is adjusted in anticipation of the number of awards that will qualify for service conditions and non-market vesting conditions until the final amount recognized is based on the vested amount at the vesting date.

(XXV) Income taxes

1. The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.
2. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where proper based on the amounts expected to be paid to the tax authorities.
3. Deferred tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.
4. Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognized and recognized deferred tax assets are reassessed.
5. Current income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets and liabilities and when there is an intention to settle on a net basis or to realize assets and liabilities simultaneously. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets and liabilities and when the deferred income tax assets and liabilities arise from the same taxpayer, or from different taxpayers, but each intends to settle on a net basis, or to realize assets and liabilities simultaneously.

(XXVI) Share capital

1. Ordinary shares are classified as equity. Incremental costs directly attributable to the issue

of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

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

(XXVII) Dividend Distribution

Dividends distributed to the Company's shareholders are recognized in the financial statements when the Company's shareholders meeting resolves to distribute the dividends, and the distribution of cash dividends is recognized as a liability.

(XXVIII) Revenue recognition

1. The Group recognizes revenue from sales of goods when control of the product is transferred to the customer, i.e., when the product is delivered to the customer. Product delivery occurs when the customer accepts the product in accordance with the sales contract or when there is objective evidence that all acceptance criteria have been met.
2. Revenue from sales of products is recognized at the contract price. The payment terms of sales transactions are usually due 30 to 90 days after the date of shipment. The Group does not adjust the transaction price to reflect the time value of currency because there is no time interval of more than one year between the transfer of the promised products and the customer's payment.
3. Account receivables are recognized when the products are delivered to the customers because the Group has unconditional rights to the contract price from that point onwards, and only needs time to pass to receive the consideration from the customers.

(XXIX) Government grants

Government grants are recognized at fair value when there is reasonable assurance that the enterprise will comply with the conditions attached to the government grant, and the grant will be received. Government grants are recognized in profit or loss systematically over the period in which relevant expenses are incurred if the nature of the grant is to compensate for expenses incurred by the Group.

(XXX) Operating departments

Operating departments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Group's chief operating decision-maker is responsible for allocating resources and assessing the performance of the operating departments. The chief operating decision maker of the Group has been identified as the Board of Directors.

V. Critical Accounting Judgments and Key Sources of Estimation and Uncertainty

During the preparation of the consolidated financial statements, the management has exercised its judgments to adopt the accounting policies to be used and made accounting estimates and assumptions based on reasonable expectations of future events with reference to the circumstances at the balance sheet date. If there is any difference between any critical accounting estimates and assumption made and actual results, assessment and adjustment will be conducted continuously by taking into account the historical experience and other factors. Such assumptions and estimates have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next fiscal year. Please refer to the description of the uncertainties of critical accounting judgments, assumptions, and estimation uncertainty below:

(I) Critical judgments for accounting policies

None

(II) Major accounting estimates and assumptions

Inventory valuation

The Group should exercise judgment and carry out estimation to determine the net realizable value of inventory at the balance sheet date as inventory should be measured at the lower of cost or net realizable value. Due to rapid changes in technology, the Group recognizes a loss at a net realizable value after assessing the amount of the inventory worn and torn normally, obsolete, or damaged on the balance sheet date, as well as the market sales value. This inventory valuation is conducted mainly based on the estimated product demand over a specific period in the future, so there may be significant changes.

As of December 31, 2024, the carrying amount of the Group's inventories was $355,999

VI. Item Description of Significant Accounts

2. Cash and cash equivalents

	December 31, 2024	December 31, 2023
Cash on hand	$ 1,432	$ 1,197
Checks and demand deposits	1,264,601	972,083
Time deposits (a duration of less than three months)	76,877	30,708
	$ 1,342,910	$ 1,003,988

1. The financial institutions the Group deals with have high credit ratings. The Group also deals with various financial institutions at the same time to diversify credit risks. Therefore, the expected risk of default is rather low. Thus, the Group measures an allowance for loss based on the 12-month expected credit losses. The Group did not set aside an allowance for losses for December 31, 2024, December 31, 2023.
2. The Group's time deposits pledged as collateral have been reclassified as "financial assets at amortized cost - current." Please refer to Note 8.

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

Item	December 31, 2024	December 31, 2023
Non-current item:		
Financial assets held for trading		
derivatives held	($ 1,544)	$ -

for trading Valuation adjustment evaluation	2,248	-
Total	$ 704	$ -

The company's profit recognized in the 2024 fiscal year from financial assets at fair value through profit or loss is $2,248.

(III) Financial assets at amortized cost

Item	December 31, 2024	December 31, 2023
Current items:		
Time deposits (a duration of more than three months)	$ 96078	$ 59085

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

	2024	2023
Interest	$ 3904	$ 2178

2. As of December 31, 2024, December 31, 2023, regardless of the collateral held and other credit enhancements, the maximum amounts of the exposure to the credit risk arising from the Group's financial assets at amortized cost are their carrying amounts.
3. Please refer to Note 8 for details of the financial assets at amortized cost pledged by the Group.
4. The financial institutions the Group deals with have high credit ratings. Therefore, the expected risk of default is rather low. Please refer to Note 12 (2) for details of the related credit risk of financial assets measured at amortized cost.

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

Item	December 31, 2024	December 31, 2023
Non-current items:		
Equity instruments		
TWSE/TPEx listed stocks:	$ -	$ 9,113
non-TWSE/TPEx listed stocks:	39,500	39,500
Unlisted, OTC, emerging stocks	7,000	$ 3,000
	46,500	51,613
Adjust for change	11,708	34,847
	$ 34,792	$ 86,460

1. The Group has chosen to classify equity investments, which are strategic investments, as financial assets at fair value through other comprehensive income, with fair values of $34,792, and $86,460 as of December 31, 2024, December 31, 2023, respectively.
2. The details of financial assets at fair value through other comprehensive income recognized in profit or loss and other comprehensive income are as follows:

	2024	2023
Equity instruments at fair value through other comprehensive income		
Movement in fair value recognized in other comprehensive income (loss)	($ 32,122)	$ 19,109
Accumulated profits transferred to retained earnings upon derecognition	$ 14,434	$ -

3. As of December 31, 2024, December 31, 2023, regardless of the collateral held and other credit enhancements, the maximum amounts of the exposure to the credit risk arising from the Group's financial assets at fair value through other comprehensive income are their carrying amounts.
4. The Group did not pledge financial assets at fair value through other comprehensive income.
5. Please refer to Notes 12(2) for more information on the credit risk of financial assets at fair value through other comprehensive income.

(V) Notes and accounts receivable

	December 31, 2024	December 31, 2023
Notes receivable	$ 14,677	$ 25,407
Accounts receivable	$ 896,434	$ 987,367
Allowance for losses- accounts receivable	(490)	(530)
	$ 895,944	$ 986,837
Accounts receivable - related parties	$ 4,475	$ 7,237

1. The aging analysis of accounts and notes receivable is as follows:

	December 31, 2024		December 31, 2023	
	Accounts receivable	Notes receivable	Accounts receivable	Notes receivable
Not past due	$ 900,054	$ 14,677	$ 983,676	$ 25,407
1-90 days	855	-	9,457	-
90-180 days	-	-	1,471	-
	$ 900,909	$ 14,677	$ 994,604	$ 25,407

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

2. As of December 31, 2024, and December 31, 2023, all balances of accounts receivable and notes receivable originated from contracts with customers. Furthermore, as of January 1, 2023, the balance of receivables from contracts with customers amounted to $914,688.
3. The Group did not pledge notes and accounts receivable.
4. As of December 31, 2024, December 31, 2023, regardless of the collateral held and other credit enhancements, the maximum amounts of the exposure to the credit risk arising from the Group's notes and accounts receivable are their carrying amounts.
5. DaiichiKasei and IKKA, subsidiaries of the Group, have signed accounts receivable factoring contracts with several financial institutions in Japan and the PRC. DaiichiKasei and IKKA,

depending on the amount of its working capital, decided to factor the accounts receivable to financial institutions without recourse or not to factor them. The Group's model for managing such receivables is to collect contractual cash flows and sell financial assets, so such accounts receivable are financial assets at fair value through other comprehensive income.

6. The Group plans to factor accounts receivable of $100,067 and $107,239 on December 31, 2024, December 31, 2023, respectively, which belong to financial assets at fair value through other comprehensive income and are accounted for under accounts receivable.
7. Please refer to Note 12 (2) for the information on the credit risk of accounts and notes receivable.

(VI) Inventories

	December 31, 2024		
	Costs	Allowance for valuation losses	Carrying amount
Raw materials	$ 142,716	($ 25,790)	$ 116,926
Work in progress	146,131	(6,868)	139,263
Finished goods	102,921	(7,747)	95,174
Inventories in transit	4,636	-	4,636
	$ 396,404	($ 40,405)	$ 355,999

	December 31, 2023		
	Costs	Allowance for valuation losses	Carrying amount
Raw materials	$ 167,037	($ 35,223)	$ 131,814
Work in progress	154,292	(7,903)	146,389
Finished goods	117,140	(19,112)	98,028
Inventories in transit	6,332	-	6,332
	$ 444,801	($ 62,238)	$ 382,563

The Group's inventory cost recognized in expenses in this period:

	2024	2023
Cost of inventory sold	$ 3,042,686	$ 3,023,158
Loss from scrapping of inventory	24,555	(8,718)
Income from the sale of scraps	(78,468)	(56,697)
	$ 2,939,663	$ 2,975,179

The Group generated a profit from inventory recovery in 2024 due to inventory turnover.

(VII) Other current assets

Item	December 31, 2024	December 31, 2023
Assets not managed by the principal (Note)	$ 40,686	$ 34,814
Other	4,840	6,865
	$ 45,526	$ 41,679

Note: The Group's purchase transaction model with some suppliers involves processing raw materials. Before specific goods are transferred to customers, the Group temporarily holds the assets. As it does not bear the inventory risk or have ownership of the goods, the Group lacks control over them. Therefore, the goods are classified under Other current assets before transfer to customers.

(VIII) Property, plant, and equipment

	Land	Buildings and structures	Machinery and equipment	Transportation equipment	Office equipment	Others	Total
January 1, 2024							
Costs	$ 245,208	$ 998,665	$ 1,780,401	$ 13,142	$ 76,309	$ 398,245	$ 3,511,970
Accumulated depreciation	-	(887,424)	(1,489,755)	(11,037)	(75,272)	(318,126)	(2,781,614)
	$ 245,208	$ 111,241	$ 290,646	$ 2,105	$ 1,037	$ 80,119	$ 730,356
2024							
Opening balance	$ 245,208	$ 111,241	$ 290,646	$ 2,105	$ 1,037	$ 80,119	$ 730,356
Additions	-	28,983	74,782	3,803	2,557	35,004	145,129
Reclassification	-	-	2,476	-	-	(130)	2,346
Disposal and scrapping	-	(8)	(3,305)	-	(30)	(23)	(3,366)
Depreciation expense	-	(13,922)	(78,243)	(859)	(3,060)	(25,296)	(121,380)
Net exchange difference	(1,842)	4,159	5,276	(102)	(6,325)	(4,409)	(9,611)
Ending balance	$ 243,366	$ 130,453	$ 291,632	$ 5,151	$ 6,829	$ 85,265	$ 762,696
December 31, 2024							
Costs	$ 243,366	$ 1,015,771	$ 1,856,070	$ 16,221	$ 71,782	$ 393,169	$ 3,596,379
Accumulated depreciation and impairment	-	(885,318)	(1,564,438)	(11,070)	(64,953)	(307,904)	(2,833,683)
	$ 243,366	$ 130,453	$ 291,632	$ 5,151	$ 6,829	$ 85,265	$ 762,696

	Land	Buildings and structures	Machinery and equipment	Transportation equipment	Office equipment	Others	Total
January 1, 2023							
Costs	$ 258,615	$ 1,057,526	$ 1,830,212	$ 13,418	$ 100,447	$ 382,082	$ 3,642,300
Accumulated depreciation	-	(929,520)	(1,498,689)	(10,948)	(100,447)	(295,890)	(2,835,494)
	$ 258,615	$ 128,006	$ 331,523	$ 2,470	$ -	$ 86,192	$ 806,806
2023							

Opening balance	$ 258,615	$ 128,006	$ 331,523	$ 2,470	$ -	$ 86,192	$ 806,806
Additions	-	4,769	39,997	475	1,135	30,723	77,099
Reclassification		(2,046)	11,954	-	642	(1,190)	9,360
Disposal and scrapping		(2,369)	(735)	-	(1)	(50)	(3,155)
Depreciation expense		(13,983)	(83,280)	(739)	(3,407)	(26,517)	(127,926)
Impairment loss		-	-	-	-	(4,378)	(4,378)
Net exchange difference	(13,407)	(3,136)	(8,813)	(101)	2,668	(4,661)	(27,450)
Ending balance	$ 245,208	$ 111,241	$ 290,646	$ 2,105	$ 1,037	$ 80,119	$ 730,356
December 31, 2023							
Costs	$ 245,208	$ 998,665	$ 1,780,401	$ 13,142	$ 76,309	$ 398,245	$ 3,511,970
Accumulated depreciation and impairment	-	(887,424)	(1,489,755)	(11,037)	(75,272)	(318,126)	(2,781,614)
	$ 245,208	$ 111,241	$ 290,646	$ 2,105	$ 1,037	$ 80,119	$ 730,356

Please refer to Note 8 for information on property, plant, and equipment pledged as collateral.

(IX) Leasing arrangements – lessee

1. The assets leased by the Group are land, buildings, machinery and equipment, transportation equipment, and other equipment, and the lease terms are usually 2–10 years. The lease contract is negotiated individually and contains various terms and conditions, and no other restrictions are imposed except that the assets leased shall not be used as collateral for loans.
2. The lease terms of offices, employee dormitories, car parking spaces and computer software leased by the Group are not more than 12 months, and the computer equipment leased is a low-value asset.
3. The information on the book values of the right-of-use assets and the depreciation expenses recognized is as follows:

	December 31, 2024 Carrying amount	December 31, 2023 Carrying amount
Land	$ 18,832	$ 18,217
Buildings	145,056	180,177
Machinery and equipment	4,787	8,210
Transportation equipment (business car)	3,040	4,515
Office equipment	969	1,433
Other equipment	-	9
	$ 172,684	$ 212,561

	2024 Depreciation expense		2023 Depreciation expense	
Land	$	607	$	588
Buildings		47,866		42,826
Machinery and equipment		3,160		5,331
Transportation equipment (business car)		1,942		2,882
Office equipment		415		432
Other equipment		10		112
	$	54,000	$	52,171

4. The additions of the Group's right-of-use assets in 2024 and 2023 were $15,111 and $105,031, respectively.
5. Information on the profit or loss items related to lease contracts is as follows:

	2024		2023	
Items that affect current profit or loss				
Interest expense on lease liabilities	$	4,347	$	5,704
Expenses on short-term lease contracts		5,101		4,540
Expenses on low-value assets leased		914		1107
Lease modification gain	(	1)	(	1,212)

6. The Group's total cash outflows from leases in 2024 and 2023 were $63,493 and $60,210, respectively.

(X) Intangible assets

	Computer software December 31,2024		Computer software December 31,2023	
Opening balance	$	51,834	$	52,770
Costs	(	49,602)	(	49,096)
Accumulated amortization	$	2,232	$	3,674
Opening balance	$	2,232	$	3,674
Current purchase		1,647		176
Amortization expense	(	1,057)	(	1,469)
Net exchange difference		-	(	149)
	$	2,822	$	2,232
Ending balance				
Costs	$	56,923	$	51,834
Accumulated amortization	(	54,101)	(	49,602)
	$	2,822	$	2,232

(XI) Intangible assets

Category of loans	December 31,2024	December 31,2023
Bank loans		
Secured loans		
Bank syndicated loans (Note1)	$ 109,148	$ 120,003
Bank Guaranteed loans (Note2)	37,782	39,241
Unsecured loans		
Bank Syndicated loans (Note1)	37,782	55,386
Bank credit loans (Note2)	-	122,820
	$ 184,712	$ 337,450

Note 1: The interest rate range for Bank syndicated loans was 1.39% and 1.24 as of December 31, 2024, December 31, 2023, respectively, and the related guarantees are described in Note 8 for details. Under the terms of the loan contracts, for DaiichiKasei's loans, the following conditions should be maintained in the annual financial statements during the contract period:

A. No operating loss for two consecutive years.

B. Net assets should be maintained at 75% or more of the net assets for the two years prior to the signing of the contract or for the most recent year.

The above financial ratios and contracts are reviewed annually.

Note 2: The interest rate range for December 31, 2024, December 31, 2023 is 1.33 and 1.23%~6.44%, respectively.

(XII) Notes payable

	December 31,2024	December 31,2023
Occurrence due to business	$ 130,566	$ 136,053
Occurrence not due to business	6,967	-
	$ 137,533	$ 136,053

(XIII) Bonds payable

	December 31,2024	December 31,2023
Bonds payable	$ 106,600	$ -
Less: Discount on bonds payable	(8,810)	-
	$ 97,790	$ -

1. Domestic convertible corporate bonds issued by the Company

(1) The terms of the first domestic unsecured convertible bonds issued by the Company are as follows:

A. The Company, as approved by the regulatory authority, raised and issued the first domestic unsecured convertible bonds with a total amount of $250,000, a coupon rate of 0%, 5-year maturity, and a liquidity period from March 4, 2024, to March 4, 2029. When the convertible corporate bonds mature, they will be redeemed in cash at the face value of the bonds at once. The convertible corporate bonds were listed for trading on Taipei Exchange (TPEx) on March 4, 2024.

B. The bondholders have the right to request the Company to convert the bonds into common stocks of the Company at any time from the date after three months from the issue date of the bonds to the maturity date, except during the suspension period as specified in the terms of the bonds or by the laws and regulations. The rights and obligations of the converted shares are the same as those of the issued and original common stocks.

C. The conversion price of this convertible bond is determined according to the pricing model stipulated in the conversion method. Subsequently, if the conversion price is affected by the anti-dilution clause of the Company, it will be adjusted according to the pricing model stipulated in the conversion method; thereafter, on the reference date stipulated in the method, the conversion price will be re-determined according to the pricing model stipulated in the conversion method.The conversion price of this convertible bond is NT$88.8 per share, and from 10 September 2024, the conversion price will be adjusted to NT$85.8.

D. Bondholders may request the Company to repurchase the convertible bonds at face value plus interest compensation three years after the issuance date.

E. From the day following the three-month anniversary of the issuance of this convertible bond until forty days before the end of the issuance period, if the closing price of the Company's common stock exceeds the then conversion price by 30% (inclusive) for thirty consecutive trading days, or if the outstanding balance of this convertible bond falls below 10% of the original total issuance amount during the same period, the Company may redeem all bonds at face value in cash at any time thereafter.

F. According to the conversion terms, all the convertible corporate bonds recovered (including repurchases from the over-the-counter market), redeemed or converted the Company will be cancelled, and cannot be sold or issued again. The conversion rights attached thereto will be eliminated.

G. As of December 31, 2024, this convertible bond with a face value of $143,400 was converted into 1,671 ordinary shares, and the registration was completed on January 15, 2025.

2.Regarding the issuance of the first convertible corporate bonds, the Group separated the conversion rights of the nature of equity from each liability component in accordance with the provisions of IAS No. 32 “Financial Instruments: Presentation.”, and recognized in “Capital surplus, share options” amounting to $24,180. The call options and put options embedded in bonds payable were separated from the debt instruments of their host contracts, as their economic characteristics and risks of the embedded derivatives are not closely related to those of the host contracts and were recognized in ‘Financial liabilities at fair value through profit or loss’ in net amount in accordance with IFRS No.9 “Financial Instruments”. The effective interest rate of the bonds payable after such separation was 2.0677%.

(XIV) Other payables

	December 31,2024	December 31,2023

Salary and year-end bonuses payable	$ 101,797	$ 105,489
Business tax payable (Value-added tax payable)	41,394	54,391
Remuneration payable to employees and directors	29,252	18,434
Pensions Payable	17,846	17,553
Service payment payable	15,909	20,467
Insurance payable	10,297	11,596
Utilities payable	9,415	8,673
Freight payable	8,297	9,555
Interest payable	1,838	2,292
Business facilities payable	904	15,699
Rent payable	275	203
Others	49,990	57,889
	$ 287,214	$ 322,241

(XV) Long-term borrowings

December 31,2024

Category of borrowings	Borrowing period	Interest rate range	Amount
Secured borrowings			
Bank syndicated borrowings (note1)	2021/3/31~2030/3/29	0.61%~0.85%	$ 113,118
Unsecured borrowings			
Bank Syndicated borrowings (note 1)	2021/3/31~2030/3/29	0.61%~0.85%	54,214
Bank credit borrowings	2020/10/23~2030/9/25	0% before Oct. 2024, thereafter 2%	17,243
Bank credit borrowings	2021/3/25~2031/3/20	1.14%	7,212
Bank credit borrowings	2022/11/22~2025/10/31	0.98%~1.09%	13,694
			205,481
Deduction: Long-term borrowings - current portion			(49,727)
			$ 155,754

December 31,2023

Category of borrowings	Borrowing period	Interest rate range	Amount
Secured borrowings			
Bank syndicated borrowings (note 1)	2021/3/31~2030/3/29	0.61%~0.62%	$ 139,351
Unsecured borrowings			
Bank Syndicated borrowings	2021/3/31~2030/3/	0.61%~0.62%	66,786

(note 1)	29		
Bank credit borrowings	2020/10/23~2030/9/25	0% before Oct 2024, thereafter 2%	21,022
Bank credit borrowings	2021/3/25~2031/3/20	1.14%	8,694
Bank credit borrowings	2022/11/22~2025/10/31	0.97%~1.09%	28,950
			264,803
Less: Long-term borrowings - current portion			(52,104)
			$ 212,699

Note 1: For DaiichiKasei's borrowings, under the terms of the loan contracts, the following conditions should be maintained in the annual financial statements during the contract period:

A. No operating loss for two consecutive years.

B. Net assets should be maintained at 75% or more of the net assets for the two years prior to the signing of the contract or for the most recent year.

The above financial ratios and agreements are reviewed annually.

Note 2. Please refer to Note 8 for details of the collateral for the above long-term borrowings.

(XVI) Pensions

(1)The pension costs related to the defined benefit obligations recognized by DaiichiKasei, a subsidiary of the Company, for the fiscal years 2024 and 2023 were based on the actuarially determined pension cost rates as of December 31, 2024, and December 31, 2023, and the amounts were $8,134and $8,381,respectively.

(2) Amounts recognized in the balance sheet are as follows:

	December 31, 2024	December 31, 2023
Present value of defined benefit obligations	$ 142,566	$ 160,515
Fair value of plan asset	(24,844)	(27,395)
Net defined benefit liability	$ 117,722	$ 133,120

(3) Amounts recognized in the balance sheet are as follows:

2024	Present value of defined benefit obligations	Fair value of plan asset	Net defined benefit liability
Balance as at January 1	$ 160,515	($27,395)	$ 133,120
Current service	6,840	-	6,840

cost			
Interest (expense) income	1,729	(268)	1,461
	169,084	(27,663)	141,421
Reconsider:			
Effect of change in financial assumption:	674	214	888)
	674	214	888
Contribution to pension fund	-	(1,333)	(1,333)
Pension paid	(21,933)	3,033	(18,900)
Exchange differece	(5,259)	905	(4,354)
Balance as at December 31	$ 142,566	$ 24,844	$ 117,722

2023

	Present value of defined benefit obligations	Fair value of plan asset	Net defined benefit liability
Balance as at January 1	$ 188,028	($30,107)	$ 157,921
Current service cost	7,385	-	7,385
Interest (expense) income	1,283	(288)	995
	196,696	(30,395)	166,301
Reconsider:			
Effect of change in financial assumption:	(10,076)	463	(9,613)
	(10,076)	463	(9,613)
Contribution to pension fund	-	(1,380)	(1,380)
Pension paid	(14,150)	1,965	(12,185)
Exchange differece	(11,955)	1,952	(10,003)
Balance as at December 31	$ 160,515	$ 27,395	$ 133,120

(4) The present value of defined benefit obligations of DaiichiKasei's was actuarially

determined by a qualified actuary, and the actuarial assumptions related to pension are as follows:

	2024	2023
Discount rate	1.404%	1.103%

(5) The analysis of the present value of defined benefit obligations affected by changes in the main actuarial assumptions adopted is as follows:

	Discount rate	
	Increase 0.25%	Decrease 0.25%
December 31, 2024		
Effect on the present value of defined benefit obligations	($ 1,972)	($ 2,028)
December 31, 2023		
Effect on the present value of defined benefit obligations	($ 4,735)	$ 149

(6) As of December 31, 2024, the weighted average duration of the pension plan is 9.4 years.

2. (1) Sol-Plus Co., Ltd., a subsidiary of the Company, has a defined benefit pension plan under the "Small- and Medium-Sized Enterprise Pension System" The Company contributes monthly to the employees' individual accounts at the financial institutions entrusted by the Company, and each year, the Small and Medium-sized Enterprises Retirement Pension Fund Business Unit provides the Company with information on the status of the pension contributions of the Company's employees and the amount of the trial balance of the pensions, and employee pension payments are based on the employees' individual pension accounts and the amount of accumulated earnings, which are received in the form of a lump-sum pension.

(2) For the years 2024 and 2023, the Group recognized pension costs of $1,948 and $2,762, respectively, under the abovementioned pension plan, and the net defined benefit liability was $18,221 and $18,188 as of December 31, 2024, December 31, 2023, respectively.

3. (1) The Company’s sub-subsidiary, Hiraiseimitsu (Thailand)Co., Ltd, has formulated a defined benefit pension plan in accordance with the applicable Thailand laws and regulations and makes a monthly contribution equal to a certain percentage of the total salary to the pension fund.

(2) Amount recognized in the balance sheet is as follows:

	December 31, 2024	December 31, 2023

Present value of defined benefit obligations	$ 30,701	$ 25,344
Fair value of plan asset	-	-
Net defined benefit liability	$ 30,701	$ 25,344

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

2024

	Present value of defined benefit obligations	Fair value of plan asset	Net defined benefit liability
January 1	$ 25,344	$ -	$ 25,344
Current service cost	3,289	-	3,289
Interest (expense) income	629	-	629
	29,262	-	29,262
Remeasurement:			
Effect of change in demographic assumptions	(1,266)	-	(1,266)
Effect of change on financial assumptions	(2,511)	-	(2,511)
Experience adjustments	(1,581)	-	(1,581)
	(336)	-	(366)
Pension paid	-		-
Exchange difference	1775	-	1,775
December 31	$ 30,701	$ -	$ 30,701

2023

	Present value of defined benefit obligations	Fair value of plan asset	Net defined benefit liability
January 1	$ 23,083	$ -	$ 23,083
Current service cost	2,784	-	2,784
Interest (expense) income	699	-	699
	26,566	-	26,566
Remeasurement:			
Effect of change in demographic assumptions	(103)	-(	103
Effect of change on financial assumptions	(134)	-	(134)
Experience adjustments	(1,164)	-	(1,164)
	(1,401)	-	(1,401)
Pension paid	-	-	-

Exchange difference	179	-	179
December 31	$ 25,344	$ -	$ 25,344

(4) The actuarial assumptions related to pension are as follows:

	2024	2023
Discount rate	2.48%	3.19%
Future salary increases	3%	3%

(5) The analysis of the present value of defined benefit obligations affected by changes in the main actuarial assumptions adopted is as follows:

	Discount rate		Future salary increases	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
December 31, 2024				
Effect on the present value of defined benefit obligations	($ 3,276)	($ 3,838)	$ 3,595	($ 3,126)
December 31, 2023				
Effect on the present value of defined benefit obligations	($ 3,081)	($ 3,609)	$ 3,382	($ 2,940)

The sensitivity analysis above is based on the impact of a single assumption which changed while the other conditions remained unchanged. In practice, more than one assumption may change at the same time. The method of analyzing sensitivity and the method of calculating net pension liability in the balance sheet is the same.

(6) As of December 31, 2024, the weighted average duration of the pension plan is 20.10 years. An analysis of the maturity of pension payments is as follows:

Less than 1 year	$ -
More than 1 year but less than 5 years	4,499
Over 5 years	156,230
	$ 160,729

(7) For the years 2024 and 2023, the Group recognized pension costs of $3,555 and $665, respectively, under the abovementioned pension plan.

4. In addition to the aforementioned subsidiary, all other overseas subsidiaries have made provisions for retirement benefits under local government regulations. The pension costs recognized for 2024 and 2023 amount to $23,455 and $23,733, respectively.

(XVII) Share-based paymen

1. Share-based payment Agreements for 2024 and 2023 are as follows:

Agreement Type	Issue date	Amount (Unit: thousand shares)	Term	Vesting conditions
Employee stock options plan	2020/7/17	3,000	5 years	2~4 years employment (note)
Cash capital increase reserved for employee stock options	2024/01/29	106	-	Immediately vest

Note: The stock option holder may exercise the right to subscribe to shares two years after being granted the employee stock option certificate, in accordance with this plan. The validity period of the stock option certificate shall be five years from the date of granting the employee stock option certificate. It shall not be transferable, pledged, gifted to others, or disposed of by any other means, except in cases of inheritance.

Timeframe	Cumulative proportion of exercisable stock options
After 2 years (starting from the third year).	50%
After 3 years (starting from the fourth year).	75%
After 4 years (starting from the fifth year)	100%

The aforementioned share-based payment agreement is closing by using equity as the consideration.

2. The details of the aforementioned share-based payment agreement are as follows:

	2024		
	Stock option amount (Unit: thousand shares)	Weighted average exercise price (NTD)	
Outstanding stock options at the beginning of the period	716	$	36.3
Stock options executed in this period	(260)		35.8
Outstanding stock options at the end of the period	456		34.3
Exercisable stock options of the end of the period	456		34.3

	2023	
	Stock option amount (Unit: thousand shares)	Weighted average exercise price (NTD)
Outstanding stock options at the beginning of the period	939	$ 37.9
Stock options executed in this period	(223)	37.5
Outstanding stock options at the end of the period	716	36.3
Exercisable stock options of the end of the period	447	36.3

The weighted average stock price of stock options at exercise dates for the years ended 31 December 2024 and 2023 were $35.8 and $37.5, respectively.

3. For the share-based payment transaction conducted on the paying date, the Group uses the Black-Scholes option pricing model to estimate the fair value of stock option. The relevant information is as follows:

Agreement Type	Paying date	Price of share	Exercise price	Expected volatility rate	Expected validity time	Expected dividends	Risk-free interest rate	Fair value per unit (NTD)
Employee stock options plan	2020/7/17	$58	$40	23.89%~ 25.91%	5 years	-	0.2371%~ 0.3222%	$19.57~$ 21.26
Cash capital increase reserved for employee stock options	2024/01/29	$90.50	$60	26.81%	0.10 year	-	1.0302%	$30.56

4. Cost for share-based payment transactions is as follows:

	2024	2023
Equity payment	$ 3,787	$ 1,692

(XVIII) Share-based paymen

1. As of December 31, 2024, the authorized capital of the Company is NT$400,000 thousand, divided into 40,000 thousand shares, with a paid-up capital of $332,036 at NT$10 per share.

The adjustments for the outstanding common shares at the beginning and end of the period are as follows:

	2024	2023
January 1	29,452	29,241
Executed employees stock option	260	223
Treasury stock cancellation	-	(12)
Proceeds from issuing shares	1,820	-
Conversion of convertible bonds	1,671	-
December 31	33,203	29,452

2. On November 7, 2023, the Board of Directors approved the issuance of 1,820 thousand ordinary shares by cash capital increase from issuing shares, with a par value of NT $10 per share and a premium of NT $60 per share, for a total amount of NT $109,200, which has been fully paid on March 7, 2024, and March 7, 2024, is set as the base date for capital increase.

3. Treasury shares

(1) As per the Securities and Exchange Act, the percentage of the issued shares to be repurchased by the Company shall not exceed 10% of its total issued shares, and the total amount of the purchased shares shall not exceed the retained earnings plus the premium of issued shares and the realized capital surplus.

(2) As per the Securities and Exchange Act, the treasury shares held by the Company shall not be pledged, nor shall they be entitled to shareholders' rights until they are transferred to shareholders' rights until they are transferred.

(3) In accordance with the Securities and Exchange Act, treasury shares repurchased for the purpose of transferring to employees must be reissued within five years from the repurchase date. If not reissued within this period, they shall be deemed as unissued shares of the company and should be cancelled through a change in registration. Shares not reissued within this period are to be retired. Shares repurchased to maintain the Company's credit and shareholders'equity shall be cancelled through a change in registration within 9 months from the repurchase. On February 16, 2023, the Board of Directors approved the resolution to change the purpose of repurchasing the Company's ordinary shares from transferring to employees to maintaining the Company's credit and shareholder equity. On March 2, 2023, the Board of Directors approved the resolution to cancel treasury shares. The record date was March 3, 2023, and the registration of the cancellation of paid-in capital for the 12 thousand treasury shares was completed on March 23, 2023.

(XIX) Capital surplus

According to the provisions of the Company Act, the capital surplus including the income derived from issuing shares at a premium and from endowments, in addition to being used to compensate for deficit, where the Company has no accumulated losses, shall be used to issue new shares or cash in proportion to the shareholders' original shares. The Company shall not use the capital surplus to compensate the capital losses unless the surplus reserve is insufficient to compensate such losses.

	2024		
	Share premium	Employee stock options	Stock options
January 1	$ 784,738	$ 18,034	$ -
Employee stock options exercised	6,580	643	-
Cash capital increase	91,000	-	-
Cash capital increase retained			
Employee subscription compensation costs	3,239	-	-
Issuance of convertible bonds	127,761	-	10,130
December 31	$ 1,013,318	$ 18,677	$ 10,310

	2023	
	Share premium	Employee stock options
January 1	$ 779.006	$ 16,048
Employee stock options exercised	6.052	1,986
Cancellation of treasury stock	(320)	-
December 31	$ 784.738	$ 18,034

(XX) Retained earnings

1. As per the Articles of Incorporation, where the Company makes a profit for a fiscal year, the profit shall be first used for offsetting a cumulative deficit, the Company shall set aside an amount for or reversing a special reserve in accordance with the laws and regulations or the competent authority's regulations, and then any remaining profit, together with any undistributed retained earnings from the prior period, are shareholders' accumulated distributable earnings. The Board of Directors would propose an earnings distribution proposal, which would be submitted to the shareholders' meeting for approval.
2. The Company, being in a growth phase, needs of capital expenditure, business expansion, and sound financial planning to achieve sustainable development, the Company's

dividend policy will be determined based on the future budget for capital expenditure and funding needs while considering economic and industry dynamics. Dividends may be distributed to shareholders in the form of cash dividends and/or stock dividends. If the Board of Directors decides to distribute earnings, it will formulate a plan and seek approval from the shareholders' meeting through an ordinary resolution. The total amount of dividends to shareholders should be at least 40% of the distributable earnings for the current year, with the total cash dividend payout not falling below 10% of the total dividend payout to shareholders.

3. Without violating any regulations, the Board of Directors may distribute dividends, statutory surplus reserves, and/or all or part of the capital surplus arising from the issuance of shares at a premium or received from donations to the original shareholders in the form of cash. Such distribution shall be approved by a resolution with the attendance of two-thirds or more of the directors and the consent of the majority of attending directors, and it shall be reported to the shareholders' meeting.
4. In accordance with the regulations, the Company shall set aside special surplus reserves from the debit balance on other equity items at the balance sheet date before distributing earnings. When the debit balance on other equity items is reversed subsequently, the reversed amount may be included in the distributable earnings.
5. On 12 March 2025, the Company's Board of Directors proposed the 2024 earnings distribution plan, pending approval by the shareholders' meeting; on 25 June 2024, the shareholders' meeting approved the 2023 earnings distribution plan as follows:

	2024		2023	
	Amount	Dividends per share (NTD)	Amount	Dividends per share (NTD)
Special reserves (reversal)	($ 8,992)		$ 30,906	
Cash dividends	116,213	$ 3.50	100,246	$ 3.20
cash dividends	16,602	0.50	-	-
Stock dividends of ordinary share	$ 123,823		$ 131,152	

(XXI) Operating revenue

1. Revenue from customer contracts

The Group's revenue is derived from the transfer of goods and services at a specific point in time. The revenue can be classified into the following main group of companies:

2024	Japan	Vietnam	China (including HK)	Thailand	Other Asia area	Total
Segment income	$ 1,615,574	$ 815,239	$ 1,058,338	$ 463,582	$ 228,693	$ 4,181,426
Income from	(127,327)	(11,396)	(365,875)	(1,679)	(13,594)	(519,871)

internal segment transactions						
Income from external customer transactions	$ 1,488,247	$ 803,843	$ 692,463	$ 461,903	$ 215,099	$ 3,661,555
Revenue recognized at a specific point in time	$ 1,488,247	$ 803,843	$ 692,463	$ 461,903	$ 215,099	$ 3,661,555

2023	Japan	Vietnam	China (including HK)	Thailand	Other Asia area	Total
Segment income	$ 1,724,088	$ 764,091	$ 1,126,972	$ 403,058	$ 187,974	$ 4,206,183
Income from internal segment transactions	(148,340)	(13,338)	(394,021)	(5,019)	(51)	(560,769)
Income from external customer transactions	$ 1,575,748	$ 750,753	$ 732,951	$ 398,039	$ 187,923	$ 3,645,414
Revenue recognized at a specific point in time	$ 1,575,748	$ 750,753	$ 732,951	$ 398,039	$ 187,923	$ 3,645,414

2. Contract liabilities

The contract liabilities related to the Group's recognized contract income are as follows:

	December 31, 2024	December 31, 2023	January 1, 2023
Contract liabilities - advance receipts (Recognized contract liabilities - current)	$ 12,427	$ 2,982	$ 2,164

(XXII) Interest income

	2024	2023
Interest income from bank deposit	$ 6,138	$ 3,421
Interest income from financial assets measured at amortized cost	3,904	2,178
	$ 10,042	$ 5,599

(XXIII) Other income

	2024	2023
Rental income	$ 2,816	$ 2 ,935
Dividend income	177	500
	$ 2,993	$ 3 ,435

(XXIV) Other gains and losses

	2024	2023
Losses on disposal of property, plant and equipment	($ 1,362)	($ 2,445)
Foreign exchange gain	22,906	22,069
Gains on financial liabilities at fair value through profit or loss	(2,248)	-
Impairment loss on property, plant and equipment	-	(4,351)
Others	13,827	14,335
	37,619	29,608

(XXV) Financial costs

	2024	2023
Financial costs		
Bank borrowings and others	$ 5,578	$ 7,530
Interest on lease liabilities	4,347	5,704
Amortization of discount on bonds payable	3,898	-
	$ 13,823	$ 13,234

(XXVI) Employee benefits and supplementary information

	2024	2023

Employee benefit expenses		
Salary and wages	$ 739,772	$ 726,132
Labor and health insurance costs (Note)	57,923	59,342
Pension	37,092	35,541
Other employment expenses	24,378	23,644
Depreciation expense	175,380	180,097
Amortization expense	1,057	1,469

Note: Including expenses related to medical insurance and insurance of work-related injuries incurred by subsidiaries in China.

1. As per the Company's Articles of Incorporation, after cumulative losses are deducted from the Company's profit for the year, if there is a balance, no less than 8% and not higher than 15% of the balance shall be set aside for employee remuneration and no higher than 5% for directors' remuneration.
2. The Company's estimated employee compensation in 2024 and 2023 amounted to NT$17,652 and NT$11,001 respectively. Directors' remuneration was accrued at $11,033 and $6,876 for the same years. The amounts were recognized in salary expenses.

   For 2023, employee and director remuneration were estimated and accrued at 8% and 5% based on the profits in that year, respectively. The actual amounts approved by the Board of Directors were $13,752 and $3,438, resulting in differences of $2,751 and ($3,438) from the amounts recognized in the 2023 financial reports, respectively. The difference of ($687) has been adjusted to profit or loss in the fiscal year of 2024.
3. The information on employees' and directors' remuneration approved by the Board of Directors is available on the Market Observation Post System (MOPS).

(XXVII) Income tax

1. Income tax expense

(1) Components of income tax expenses:

	2024	2023
Current income tax:		
Income tax from the current income	$ 82,122	$ 83,018
Income tax underestimates for prior years	3,529	584
Deferred tax:		
The initial generation and reversal of temporary differences	3,241	794
Income tax expense	$ 88,892	$ 84,396

(2) The amount of income tax related to other comprehensive income:

	2024	2023
Changes in the fair values of financial assets at fair value through other comprehensive income.	($ 3,537)	$ 1,022

(XVIII) Reconciliation between income tax expenses and accounting profits:

	2024	2023
Income tax calculated based on net income before tax at the statutory tax rate (note)	$ 100,492	$ 69,723

Items that should be adjusted according to laws	(17,507)	11,907
Tax losses unrecognized as deferred tax assets	(227)	1,354
Effect of tax losses of income tax	(896)	1,087
Changes in the assessment of realizability of deferred tax assets	3,501	(259)
Effect of deferred tax assets unrecognized		-
Income tax on the earnings		-
Income tax underestimates for prior years	3,529	584
Income tax expense	$ 88,892	$ 84,396

Note: The applicable tax rate is calculated based on the tax rate applicable to the income in the relevant country.

(XIX) The amounts of deferred income tax assets or liabilities arising from temporary differences are as follows:

2024	January 1	Recognized in profit or loss	Recognized in other comprehensive income	Exchange difference	December 31
Deferred tax assets:					
Tax losses	$ 25,009	$ 2,118	$ -	($ 861)	$ 26,266
Excessive provision for bad debts	11	(2)	-	1,896-	1,905
Impairment losses.	12,425	-	-	(329)	12,096
Inventory valuation loss	4,580	(1,666)	-	(1,342)	1,572
	$ 42,025	$ 450	$ -	($ 636)	$ 41,839
Deferred tax liabilities:					
Financial assets at fair value through other comprehensive income	(3,537)	-	3,537	-	-
Land use right	(32)	(3)	-	3	(38)
Gain on increment of assets	(16,361)	356	-	1,265	(17,270)
	($ 19,930)	$ 353	$ 3,537	($ 1,268)	($ 17,308)
	$ 22,095	$ 803	$ 3,537	($ 1,904)	$ 24,531

2023	January 1	Recognized in profit or loss	Recognized in other comprehensive income	Exchange difference	December 31
Deferred tax assets:					
Tax losses	$ 26,758	$ -	$ -	($ 1,749)	$ 25,009
Excessive provision for bad debts	15	(4)	-	-	11
Impairment losses.	12,426	-	-	(1)	12,425
Inventory valuation loss	4,734	(69)	-	(85)	4,580
	$ 43,933	($ 73)	$ -	($ 1,835)	$ 42,025
Deferred tax liabilities:					
Financial assets at fair value through	(2,515)	-	(1,022)	-	(3,537)

other comprehensive income					
Land use right	(31)	(2)	-	1	(32)
Gain on increment of assets	(16,362)	-	-	1	(16,361)
	($ 18,908)	($ 2)	($ 1,022)	2	($ 19,930)
	$ 25,025	($ 75)	($ 1,022)	($ 1,833)	$ 22,095

(XXVIII) Earnings per share

	2024		
	Amount after tax	Weighted average number of issued shares (unit: thousand shares)	Earnings per share (NTD)
Basic earnings per share			
Current net profit attributable to shareholders of the Company	$ 191,666	31,077	$ 6.17
Diluted earnings per share			
Current net profit attributable to shareholders of the Company	$ 191,666	31,077	
Effect of potential dilutive ordinary shares:			
Employee stock option	-	151	
Employee remuneration	-	153	
Convertible bonds	3,898	2,407	
	$ 195,564	33,788	$ 5,79

	2023		
	Amount after tax	Weighted average number of issued shares (unit: thousand shares)	Earnings per share (NTD)
Basic earnings per share			
Current net profit attributable to shareholders of the Company	$ 119,162	$ 29,309	$ 4,07
Diluted earnings per share			
Current net profit attributable to shareholders of the Company	$ 119,162	29,309	
Effect of potential dilutive ordinary shares:			
Employee stock option	-		
Employee remuneration	-	382	
Convertible bonds	-	162	
	$ 119,162	29,853	$ 3.99

(XXIX) Cash flow supplemental information

(I) Operating activities supported by partial cash payment:

	2024	2023
Expense for interest	$ 13,823	$ 13,234
Plus: Interest payable at the beginning of the period	2,292	2,352
Deduct: Interest payable at the end of the period	(1,838)	(2,292)
Current cash payable	$ 14,277	$ 13,294

(II) Investment activities supported by partial cash payment:

	2024	2023
Expense for property, plant and equipment	$ 145,129	$ 77,099
Plus: Interest payable at the beginning of the period	15,699	9,495
Deduct: Interest payable at the end of the period	904	(15,699)
	(6,967)	-
Current cash payable	$ 152,957	$ 70,895

(XXX) Changes in liabilities from financing activities

	Short-term loan	Long-term loan (Including loans due within one year)	Bonds payable	Leases liabilities	Liabilities from financing activities
January 1, 2024	$ 337,450	$ 264,803	$ -	$ 186,562	$ 788,815
Changes in financing cash flows	(151,374)	(52,108)	251,250	(53,131)	5,363
Other non-cash changes	-	-	(153,460)	15,305	(138,155)
Impact of exchange rate fluctuations	(1,364)	(7,214)	-	(1,933)	(10,511)
September 30, 2024	$ 184,712	$ 205,481	$ 97,790	$ 146,803	$ 634,786

	Short-term loan	Long-term loan (Including loans due within one year)	Leases liabilities	Liabilities from financing activities
January 1, 2023	$ 201,667	$ 382,998	$ 144,526	$ 729,191
Changes in financing cash flows	(151,701)	(94,165)	(48,859)	8,677
Other non-cash changes	-	-	93,244	93,244
Impact of exchange rate fluctuations	(15,918)	(24,030)	(2,349)	(42,297)

September 30, 2023	$ 337,450	$ 264,803	$ 186,562	$ 788,815

VII. Related Party Transactions

(I) Parent Company and Ultimate Controller

The Group is controlled by Jabon International Co., Ltd (hereinafter referred to as “Jabon”) (incorporated in the Republic of China), which owns 34,45% equity in the Company, and ABICO holds 100% equity in Jabon. The ultimate parent and ultimate controller of the Group is Chia Mei Investment Co., Ltd.

(II) Related parties and Relationships with the Company:

Names of related party	Relationship with the Group
Jabon International Co., Ltd. (parent company)	Parent company of the Group
ABICO AVY Co., Ltd. (ABICO)	Same ultimate parent company
Gold Market Investments Limited (Gold Market)	Same ultimate parent company
Best Achieve Industries Limited (Best Achieve)	Subsidiary
AVY Precision Metal Components (SuZhou) Co., Ltd. (AVY Precision Metal)	Subsidiary
Best Select Industries (Suzhou) Co. Limited	Subsidiary
Jiecheng Software Inc. (Jiecheng Software)	Subsidiary
Lixing Plastic (Shenzhen) Co., Ltd.	Subsidiary
AVY Co., Ltd. (AVY)	Subsidiary
EKEEN Precision Co., Ltd. (Ekeen Precision)	Subsidiary
Best Achieve Technology (M) SDN. BHD. (Best Achieve (M))	Subsidiary
Toshiba International Co., Ltd. (Toshiba)	Substantive related party

(III) Material Transactions with Related Parties

1. Operating revenue

	2024	2023
Sales of goods:		
Fellow subsidiary	$ 13,906	$ 17,701

The transaction prices and payment terms of sales of goods do not significantly differ from those offered to regular customers.

2. Purchase

	2024	2023
Purchases:		
Parent company	$ 251	$ -
Fellow subsidiary		
-Best Achieve	48,623	48,374
-Best Achieve (M)	13,989	-

-Best Select	4,252	3,114
-Other	2,611	1,713
	$ 69,726	$ 53,201

The transaction price and payment terms for the purchase of goods do not significantly differ from those with other vendors.

3. Receivables from Related Parties

	December 31, 2024	December 31, 2023
Receivables:		
Fellow subsidiary		
-AVY	$ 3,677	$ 7,237
-Best Achieve (M)	$ 798	-
	$ 4,475	$ 7,237

	December 31, 2024	December 31, 2023
Other receivables:		
Parent company	$ -	$ 37

The receivables from related parties primarily arise from sales transactions with a payment term of 75 days at the end of the month. These receivables from related parties are not secured by collateral and are not subject to any mortgages or interest charges.

4. Payables to Related Parties

	December 31, 2024	December 31, 2023
Payables:		
Fellow subsidiary		
-Best Achieve	$ 1,365	$ 15,037
-Best Achieve (M)	17,943	-
-Other	183	131
	$ 19,491	$ 15,168

	December 31, 2024	December 31, 2023
Other payables:		

Fellow subsidiary	$ 134	$ 1,835
Ultimate parent company	30	-
Substantive related party	-	7
	$ 164	$ 1,842

The payables to related parties mainly arise from purchase transactions with a payment term ranging from 60 days to 90 days at the end of the month. These payables to related parties are not secured by collateral and do not incur any interest charges.

5. Prepayments

	December 31, 2024	December 31, 2023
Fellow subsidiary	1,046	1,103

The transaction price and payment terms for the purchase of goods do not significantly differ from those with other vendors.

6. Property Transactions

(1) Proceeds from disposal of property, plant and equipment

	2024		2023	
	Disposal Proceeds	Disposal Profit or Loss	Disposal Proceeds	Disposal Profit or Loss
Fellow subsidiary	$ 1,309	$ -	$ -	$ -

(2) Acquisition of Other Assets

		2024	2023
	Account Title	Acquisition Costs	Acquisition Costs
Fellow subsidiary	Intangible Assets	$ 834	$ -

(3)Real property, plant and equipment acquired

	2024	2023
Fellow subsidiary	$ -	$ 169

7. Lease Transactions - Lessees

(1). The Company leases an office from the parent company. The lease contract is for the period from 2023 to 2027, and the rent is paid semi-annually in January and July each year. The lease contract was terminated in advance on December 31, 2023.

(2) Acquisition of right-of-use assets

	2024	2023
Parent company	$ -	$ 1,726

(3) Lease Liabilities

A. Equity at the end of the period

	December 31, 2024	December 31, 2023
Parent company	$ -	$ -

B. Interest expense

	2024	2023
Parent company	$ -	$ 24

(4) Disposal of right-of-use assets

	2024	2023
	Gain (loss) on disposal	Gain (loss) on disposal
Parent company	$ -	$ 11

8. Financing Facility

(1). Balance as at the end of the fiscal year

	December 31, 2024	December 31, 2023
Gold Market	$ -	$ -

(2). Financial costs

	2024	2023
Gold Market	$ -	$ 294

The loan terms to related parties require payment of the principal and interest in full upon maturity. The interest for fiscal years 2023 is charged at an annual rate of 3%.

9.Operating expenses

	2024	2023
Fellow subsidiary	$ 3,372	$ 3,600
Substantive related party	38	38
Ultimate parent company	30	-
Parent company	-	55

	$ 3,440	$ 3,693

The main components of operating expenses are lease expenses, labor costs and system support fees.

10. Other Income

	2024	2023
Rental income		
Fellow subsidiary	$ 1,176	$ -

Rent is collected monthly at a price agreed upon by both parties.

(IV) Information on remuneration to key management personnel

	2024	2023
Short-term employee benefits	$ 38,587	$ 30,799
Share-based payment	29	88
	$ 38,616	$ 30,887

VIII. Pledged Assets

The details of the guarantees provided by the Group's Assets are as follows:

	Book value		
Assets	December 31, 2024	December 31, 2023	Purpose of collateral
Land	$ 178,897	$ 185,127	Short-term and long-term loans
Buildings and structures	50,732	29,538	Short-term and long-term loans
Time deposits-financial assets at amortized cost – current	608	590	Electricity guarantee contract
	$ 230,219	$ 215,255	

IX. Material Contingent Liabilities and Unrecognized Contractual Commitments

(I)Contingencies

None.

(II)Commitments

The Group has provided the following details of endorsement and guarantee amounts to obtain a bank credit line:

Guarantor	Counterparty	December 31, 2024	December 31, 2023	Note
DaiichiKasei	IKKA HK	$ 62,970	$ 65,160	Note 1

Note 1：As of December 31, 2024 and December 31, 2023, the original amount of endorsement guarantee was JPY 300,000 thousand.

X. Material Disaster Losses

None.

XI. Significant Events after the Balance Sheet Date

The proposal for the distribution of 2024 earnings, approved by the Board of Directors on 12 March 2025, is detailed in Note 6(20).

XII. Other

(I) Capital Management

The objectives of the Group's capital management are to ensure that the Group can continue as a going concern, maintain the best capital structure to reduce the capital cost, and provide remuneration to shareholders. To maintain or adjust the capital structure, the Group may adjust the number of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debts.

(II) Financial Instruments

1. Types of financial instruments

	December 31, 2024	December 31, 2023
Financial assets		
Financial assets at fair value through profit or loss		
Financial liabilities held for trading	$ 704	$ -
At fair value through other comprehensive income		
Selected designated equity instrument investment	34,792	86,460
Financial assets at amortized cost		
Cash and cash equivalents	1,342,910	1,003,988
Financial assets at amortized cost - time deposits with an original maturity of more than 3 months	96,078	59,085
Notes receivables	14,677	25,407
Account receivables (including related parties)	900,419	994,074
Other receivables	3,768	4,762
Refundable deposits	14,259	16,306
	$ 2,406,903	$ 2,190,082
Financial liabilities		
Financial liabilities assets at fair value through profit or loss		

Short-term loan	$ 184,712	$ 337,450
Notes payables	137,533	136,053
Account payables (including related parties)	431,897	439,984
Other payables (including related parties)	287,378	324,083
Bonds payable	97,790	-
Long-term loan (including loans due within one year)	205,481	264,803
Refundable deposits received	717	483
	$ 1,345,508	$ 1,502,856
Liabilities from lease	$ 146,803	$ 186,562

2. Risk Management Policies

(1) The Group's daily operations are affected by a number of financial risks, including market risks (including exchange rate risks, interest rate risks, and price risks), credit risks, and liquidity risks.

(2) The risk management work is carried out by the Group's Finance Department under the policy approved by the Board of Directors. The Group's Finance Department is responsible for identifying, evaluating, and avoiding financial risks through close collaboration with the Group's operating units. The Board of Directors has formulated written principles for overall risk management and also provided written policies about specific areas and matters, such as exchange rate risks, interest rate risks, credit risks, the use of non-derivative financial instruments, and the investment using remaining liquidity.

3. Nature and Levels of Material Financial Risks

(1) Market Risks

Exchange rate risks

A. The Group's business involves a number of non-functional currencies (the Company's functional currency is NTD while other subsidiaries' functional currencies are Japanese Yen, Malaysian Ringgit, US Dollar, Chinese Yuan, and Thai Baht, etc.). Therefore, it is affected by exchange rate fluctuations. Information on foreign currency assets and liabilities affected by significant exchange rate fluctuations is as follows:

	December 31, 2024		
(Foreign currency: functional currency)	Foreign currency (thousand)	Exchange rate	Carrying amount (NTD)
Financial assets			
Monetary item			
JPY: NTD	$ 276,969	0.21	$ 58,136
USD: JPY	4,599	158.17	152,696
USD: RMB	3,803	7.19	122,407
USD: NTD	879	32.78	28,827

USD: MYR		967	4.47		30,556
VND: USD		18,022,122	0.000039		23,162
JPY: USD		62,866	0.01		13,244
Financial liabilities					
Monetary item					
USD: RMB	$	5,292	7.19	$	170,357
JPY: THB		235,285	0.22		50,229
JPY: USD		65,137	0.01		13,725
USD: JPY		1,105	158.17		36,698
USD: MYR		195	4.47		6,177
VND: USD		15,741,433	0.000039		20,421

		December 31, 2023			
(Foreign currency: functional currency)	Foreign currency (thousand)				
Financial assets					
Monetary item					
USD: JPY	$	5,041	141.82	$	155,286
USD: RMB		1,743	7.08		53,410
USD: MYR		848	4.59		24,926
JPY: USD		56,933	0.01		12,392
VND: USD		9,084,851	0.000041		11,439
Financial liabilities					
Monetary item					
USD: RMB	$	6,044	7.08	$	185,218
USD: NTD		4,092	30.72		125,708
JPY: THB		357,577	0.24		79,142
USD: JPY		998	141.82		30,728
JPY: USD		133,216	0.01		28,995
USD: MYR		632	4.59		18,615
VND: USD		12,944,511	0.000042		16,650

B. The aggregate amounts of (realized and unrealized) net exchange gain (losses) of the Group’s monetary items recognized for 2023 and 2022 due to the material impact of exchange rate fluctuations were $22,906 and $22,069, respectively.

C. C. The analysis of the Group’s foreign currency market risk due to significant exchange rate fluctuations is as follows:

	2024		
	Sensitivity analysis		
(Foreign currency: functional currency)	Fluctuation amplitude (%)	Impact on profit or loss	Impact on other comprehensive income

Financial assets			
Monetary item			
JPY: NTD	1%	$ 581	$ -
USD: JPY	1%	1.527	-
USD: RMB	1%	1,224	-
USD: NTD	1%	288	-
USD: MYR	1%	306	-
VND: USD	1%	232	
JPY: USD	1%	132	-
Financial liabilities			
Monetary item			
USD: RMB	1%	$ 1,704	$ -
JPY: THB	1%	502	-
JPY: USD	1%	137	-
USD: JPY	1%	367	-
USD: MYR	1%	62	-
VND: USD	1%	204	-

	2023		
	Sensitivity analysis		
(Foreign currency: functional currency)	Fluctuation amplitude (%)	Impact on profit or loss	Impact on other comprehensive income
Financial assets			
Monetary item			
USD: JPY	1%	$ 1,553	$ -
USD: RMB	1%	534	-
USD: MYR	1%	249	-
JPY: USD	1%	124	-
VND: USD	1%	114	-
Financial liabilities			
Monetary item			
USD: RMB	1%	$ 1,852	$ -
USD: NTD	1%	1,257	-
JPY: THB	1%	791	-
USD: JPY	1%	307	-
JPY: USD	1%	290	-
USD: MYR	1%	186	-
VND:USD	1%	167	-

Price risk

A. The Group’s equity instruments exposed to the price risk are financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage the price risk of equity instrument investment, the Group has diversified its investment portfolio, and the method of the diversification is based on the limits set by the Group.

B. The Group mainly invests in equity instruments launched by companies at home and abroad, and the prices of those equity instruments will be affected by the uncertainty of the future values of said instruments. If the price of said equity instruments rose or fell by 1%, with all other factors remaining unchanged, the net income after tax would have increased or decreased by $348 and $865 for 2024 and 2023, respectively, because of the gains or losses on the equity instruments at fair value through profit or loss.

Interest rate risk of cash flow and fair value

A. The Group's interest rate risk mainly comes from short-term loans at floating rates, which exposes the Group to the cash flow interest rate risk. The Group's loans at floating rates during 2024 and 2023 were denominated in JYP, and USD.

B. The Group's loans are measured at amortized cost, and interest rates are contractually repriced annually, which exposes the Group to future changes in market interest rates.

C. When the borrowing rate increased or decreased by 1%, with all other factors remaining unchanged, the net income before tax for 2024 and 2023 would have decreased or increased by $3,902 and $6,023, respectively, mainly as interest expense changes with the floating-rate loans.

(2) Credit risk

A. The Group's credit risk is the risk of financial loss suffered by the Group arising from the failure of clients or counterparties of financial instruments to fulfill contractual obligations. It mainly comes from counterparties' inability to settle accounts receivable in accordance with the payment terms and the contractual cash flows at amortized cost.

B. The Group has established credit risk management from the Group's perspective. In accordance with the internal credit policy, each operating entity within the Group must conduct a management and credit risk analysis of each new client before deciding payment and delivery terms and conditions. The internal risk control system evaluates the credit quality of customers by considering their financial positions, experience, and other factors. Individual risk limits are set by the board of directors based on internal or external ratings, and the drawdown of credit limits is regularly monitored.

C. In accordance with the Group's credit risk management procedures, default is considered to have occurred when contractual payments are overdue for more than 180 days according to the agreed payment terms.

D. The Group adopts IFRS 9 to make an assumption as a basis for judging. When a contract payment is overdue for more than 30 days in accordance with the agreed payment terms, it is deemed that the credit risk of the financial asset has increased significantly since the initial recognition.

E. The Group groups clients' accounts receivable according to client type and adopts a simplified approach to estimate expected credit losses with a provision matrix and loss rate method.

F. After the recourse procedures, the Group writes off the amount of the financial asset that cannot be reasonably expected to be recovered. However, the Group will continue to carry out the legal recourse procedures to preserve the creditor's rights.

G. The Group incorporates the forward-looking considerations and adjusts the loss ratio established based on historical and current information for a specific period, to estimate an allowance for losses on notes and accounts receivable. However, based on the above considerations and information, the Group does not anticipate incurring any material allowance for losses on accounts and notes receivable due to the loss ratio. The provision matrix for December 31, 2024, December 31, 2023 is as follows:

December 31, 2024	Not past due	1-90 Days	91-180 Days	Over 181 Days	Total
Expected loss rate	0.05%	1.17%	0.00%	0.00%	
Total book value	$ 914,731	$ 855	$ -	$ -	$ 915,586
Loss allowance	($ 480)	($ 10)	$ -	$ -	$ 490)

December 31, 2023	Not past due	1-90 Days	91-180 Days	Over 181 Days	Total
Expected loss rate	0.04%	1.03%	00.00%	0.00%	
Total book value	$ 1,009,083	$ 9,457	$ 1,471	$ -	$ 1,020,011
Loss allowance	($ 433)	($ 97)	$ -	$ -	$ 530)

H. The table of the changes in the Group's simplified allowance for losses on accounts receivable is as follows:

	2024 Accounts receivable	2023 Accounts receivable
January 1	$ 530	$ 716
Impairment loss recognized (reversed)	(136)	(173)
Effect of exchange rates	96	(13)
December 31	$ 490	$ 530

I. The Group's investments in debt instruments measured at amortized cost, credit risk assessment, etc. are as follows. The hierarchical information is as follows:

Financial assets in the form of time deposits with original maturities exceeding 3 months measured at amortized cost	December 31, 2024			
		By duration		
	Based on 12 months	Significant credit risk	Impaired credit	Total
	$ 96,078	$ -	$ -	$ 96,078

Financial assets in the form of time deposits with original maturities exceeding 3 months measured at amortized cost	December 31, 2023			
		By duration		
	Based on 12 months	Significant credit risk	Impaired credit	Total
	$ 59,085	$ -	$ -	$ 59,085

(3) Liquidity risk

A. Cash flow forecasts are performed by each of the Group's operators and aggregated by the Group Finance Department. The Group Finance Department monitors forecasts of the Group's liquidity requirements to ensure that it has sufficient funds to support its operations and maintains sufficient unutilized borrowing commitments at all times so that the Group is not in breach of the relevant borrowing limits or terms.

B. The remaining cash held by each operating entity is transferred back to the Group Finance Department when it exceeds the operating capital management requirements. The Group Finance Department invests the surplus funds in interest-bearing demand deposits, time deposits and securities in instruments with proper maturities or sufficient liquidity to meet the above forecasts and to provide adequate liquidity.

C. The Group’s non-derivative financial liabilities are grouped as per due dates below and analyzed based on the remaining period from the balance sheet date to the contract maturity date. The contractual cash flows disclosed in the following table are undiscounted amounts.

	December 31, 2024		December 31, 2023	
Non-derivative financial liabilities:	Less than 1 year	Over 1 year	Less than 1 year	Over 1 year
Leases liabilities	$ 46,706	$ 73,054	$ 55,939	$ 141,035
Long-term borrowings	51,286	158,742	54,027	217,051
Bonds payable	-	106,600	-	-

Except as stated in the table above, the Group’s non-derivative financial liabilities are all due within one year in the future.

(III) Fair Value Information

1. The fair value levels of the financial instruments and non-financial instruments measured using the valuation technique are defined as follows:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities on the measurement date. An active market refers to a market in which transactions for assets or liabilities take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair values of the TWSE/TPEx listed stocks held by the Group belong to this level.

Level 2: Inputs, other than quoted market prices within level 1, are observable, either directly or indirectly for assets or liabilities. The fair values of the convertible bond invested by the Group belong to this level.

Level 3: Unobservable inputs for assets or liabilities.

2. Financial Instruments Not Measured at Fair Value

(1) The carrying value of cash and cash equivalents, notes and accounts receivable (including related parties), other receivables, notes payable, accounts payable (including related parties), other payables, lease liabilities, bonds payable, short-term borrowings and long-term borrowings (including expiration within 1 year) are reasonable approximations of the fair values.

	December 31, 2024			
		Fair Value		
	Book value	Level 1	Level 2	Level 3
Derecognition of financial liabilities				
Convertible bonds payable	$97,790	-	$96,718	-

(2) The methods and assumptions used to estimate fair value are as follows:

Based on the reference interest rates from the bond yield curve provided by the Taipei Exchange, the average interest rate for the approximate duration of the convertible corporate bonds is calculated using interpolation. The present value is then measured using a risk discount rate that combines this average interest rate with a credit risk premium (incorporating bank lending rates and credit risk).

3. For financial instruments measured at fair value, the Group classifies them based on the nature, characteristics, and risks of assets and liabilities as well as the fair value levels. The relevant information is as follows:

(1) The Group classifies financial instruments according to the nature of assets and liabilities, and relevant information was as follows:

December 31, 2024	Level 1	Level 2	Level 3	Total
Assets				
Fair value on a recurring basis				
At fair value through profit or loss				
-derivatives held for trading	$ -	$ 704	$ -	$ 704

Financial assets at fair value through other comprehensive income				
-Investments in equity instruments	34,792	-	-	34,792
-Accounts receivable expected to be factored	-	100.067	-	100,067
	$ 34,792	$ 100,771	$ -	$ 135,563

December 31, 2023	Level 1	Level 2	Level 3	Total
Assets				
Fair value on a recurring basis				
Financial assets at fair value through other comprehensive income				
-Investments in equity instruments	$ 86,460	$ -	$ -	$ 86,460
-Accounts receivable expected to be factored	-	107,239	-	107,239
	$ 86,460	$107,239	$ -	$ 193,699

(1) The methods and assumptions used by the Group to measure fair value are as follows:

A. Where the Group uses market quoted prices as the fair value input (i.e. Level 1), the tools are classified based on the characteristics as follows:

	TWSE/TPEx listed stocks	Stocks listed on the emerging stock market
Market quoted prices	Closing prices	Last transaction price

B. Except for the above-mentioned financial instruments with active markets, the fair value of other financial instruments is obtained through valuation techniques or with reference to the quoted prices of counterparties. For the fair value obtained through the valuation techniques, the Group refers to the present fair value of other financial instruments with similar conditions and characteristics or other valuation techniques, including calculations using models based on the market information available at the consolidated balance sheet date.

C. When evaluating non-standard and less complex financial instruments, such as debt instruments, interest rate swap contracts, foreign exchange swap contracts, and options, all without active markets, the Group adopts the valuation techniques widely used by market participants. The parameters used in the valuation models for such financial instruments are usually market observable information.

D. The output of the valuation models is an estimated value, and the valuation techniques may not reflect all the relevant factors of the financial instruments and non-financial instruments held by the Group. Therefore, the estimated value of the valuation models will be properly adjusted according to additional parameters, such as model risk or liquidity risk. According to the Group’s fair value valuation model management policies and relevant control procedures, the management believes that to properly express the fair value of financial instruments and non-financial instruments in the consolidated balance sheet, valuation adjustments are proper and necessary. The price information and parameters used in the evaluation process are carefully evaluated and properly adjusted according to current market conditions.

E. The Group incorporates credit risk assessment adjustments into the fair value measurement considerations for financial instruments and non-financial instruments to reflect counterparty credit risk and the Group's credit quality, respectively.

4. There were no transfers between Level 1 and Level 2 fair value in 2024 and 2023.

5. There were no transfers in and out from Level 3 fair value in 2024 and 2023.

XIII. Department Information

(I). Major Transactions

1. Loans to Others: Table 1.
2. Endorsements/Guarantees Provided to Others: Table 2.
3. Securities Held at the End of the Period (Excluding Investment in Subsidiaries and Affiliates): Table 3.
4. Securities Acquired or Sold at Costs or Prices at Least NT$300 million or 20% of the Paid-in Capital During this Period: None.
5. Acquisition of Individual Property at Costs of at Least NT$300 million or 20% of the Paid-in Capital: None.
6. Disposal of Individual Property at Costs of at Least NT$300 million or 20% of the Paid-in Capital: None.
7. Total Purchases from or Sales to Related Parties Amounting to at Least NT$100 million or 20% of the Paid-in Capital: Table 4.
8. Receivables from Related Parties Amounting to at Least NT$100 million or 20% of the Paid-in Capital: None.
9. Derivatives Trading: Table 6(2) and (13).
10. Business Relations and Important Transactions Between Parent Company and Subsidiaries and Among Subsidiaries and Amounts: Table 8.

(II). Investees

Information on Name and Location of Investees (Excluding Investees in Mainland China): Table 6.

(III). Investment in China

1. Basic Information: Table 7.
2. Significant Transactions with Investees in Mainland China, Either Directly or Indirectly, Through a Business in a Third Region: None.

(IV). Major Shareholders

Table 8.

XIV. Department Information

(I). General information

The Group's management is classified based on business strategies, and the Group's operations and organization are also classified based on business strategies. The current business strategies of the Company are mainly categorized into Japan, Vietnam, the People's Republic of China (including Hong Kong), Malaysia and Thailand. The Group's management has identified reportable departments based on the reporting information used by management in formulating its strategies.

(II). Departments information on profit and loss, assets and liabilities

The information on reportable departments provided to the chief decision maker is as follows:

2023						
Japan	Vietnam	the People's Republic of China (including	Thailand	Others in Asia	Adjustment and elimination	Total

			Hong Kong)				
Income:							
Income from outside clients	$ 1,488247	$ 803,843	692,463	$ 461,903	$ 215,099	$ -	$ 3,661,555
Inter-segment income	127,327	11,396	365,875	1,679	13,594	($ 519,871)	-
Total income	$ 1,615,574	$ 815,239	1,058,338	463,582	228,693	($519,871)	$ 3,661,555
Segment income or loss	310,825	77,897	159,579	41,725	197,039	506,507	280,558
Segment income or loss includes:							
Depreciation and amortization	$ 51,162	$ 22,250	$ 64,399	$ 31,239	$ 7,387,	$ -	$ 176,437
Interest income	$ 27	$ 53	$ 4,883	-	$ 3,960	$ 1,119	10,042
Income tax expense	$ 58,995	$ 27,263	$ 163	$ 2,145	$ 326	$ -	88,892
Interest expense	$ 5,149	$ -	$ 1,187	$ --	$ 5,728	$ 1,759,	13,823

	2023						
	Japan	Vietnam	the People's Republic of China (including Hong Kong)	Thailand	Others in Asia	Adjustment and elimination	Total
Income:							
Income from outside clients	$ 1,575,748	$ 750,753	$ 732,951	$ 398,039	$ 187,923	$ -	$ 3,645,414
Inter-segment income	148,340	13,338	$ 394,021	5,019	51	(560,769)	-
Total income	$ 1,724,088	$ 764,091	$1,126,972	$ 403,058	$ 187,974	($ 560,769)	$ 3,645,414
Segment income or loss	$ 236,494	$ 82,516	$ 70,362	($ 1,181)	$ 102,098	($ 286,731)	$ 203,558
Segment income or loss includes:							
Depreciation and amortization	$ 45,846	$ 26,556	$ 66,349	$ 34,155	$ 8,660	$ -	$ 181,566
Interest income	$ 89	$ 17	$ 4,116	$ 40	$ 1,421	($ 84)	$ 5,599
Income tax expense	$ 58,466	$ 16,745	$ 8,654	$ -	$ 531	$ -	$ 84,396
Interest expense	$ 5,134	$ -	$ 2,469	$ 3,049	$ 2,665	($ 83)	$ 13,234

(III) Region

Information by region for 2024 and 2023 is shown below:

	2024		2023	
	Income	Non-current assets	Income	Non-current assets

Japan	$ 1,473,167	$ 525,400	$ 1,558,110	$ 485,568
China	706,257	213,132	750,540	240,549
Vietnam	602,208	109,804	527,207	116,130
Thailand	464,165	70,314	400,533	89,508
Malaysia	190,983	47,341	165,816	42,619
Singapore	209,822	-	231,468	-
Other	14,953	3,141	11,740	4,122
	$ 3,661,555	$ 969,132	$ 3,645,414	$ 978,496

(IV) Main clients

Information on main clients for 2024 and 2023 is shown below:

	2024	2023
	Income	Income
Company A	$ 1,008,173	$ 1,008,038
Company B	653,580	699,894
Company C	522,698	495,139

IKKA Holdings (Cayman) Ltd. and Subsidiaries
Loans to Other Parties
January 1, 2024- December 31, 2024

Table 1

Unit: Thousands of NTD
(Unless Otherwise Specified)

No. (Note 1)	Lender	Borrower	Account Name (Note 2)	Related Party	Maximum Amount for the Period (Note 3)	Closing Balance (Note 8)	Actual Amount Drawn Down	Interest Rate Range	Nature of Loan (Note 4)	Business Transaction Amount (Note 5)	Reason for Short-term Loans (Note 6)	Provision for Doubtful Debts	Collateral		Limit on Loans Granted to a Single Entity (Note 7)	Limit on Total Loans Granted (Note 7)	Remark
													Item	Value			
0	IKKA Cayman	DaiichiKasei Co., Ltd.	Other receivables	Y	$ 179,507	$ -	$ -	1.25	Short-term financing	-	Operating turnover	-	-	-	$ 621,028	$ 828,037	Note 1
1	DaiichiKasei	Dongguan Yihu	Other receivables	Y	91,933	91,793	91,793	-	Short-term financing	-	Operating turnover	-	-	-	1,778,206	1,778,206	Note 1
1	DaiichiKasei	IKKA Vietnam	Other receivables	Y	111,150	-	-	1.30	Short-term financing	-	Operating turnover	-	-	-	1,778,206	1,778,206	Note 1
2	IKKA HK	Dongguan Yihua	Other receivables	Y	49,663	49,587	49,587	-	Short-term financing	-	Operating turnover	-	-	-	555,302	555,302	Note 1
3	Sol-Plus JP	Hiraiseimitsu	Other receivables	Y	65,527	45,651	45,651	-	Short-term financing	-	Operating turnover	-	-	-	197,126	197,126	Note 1
3	Sol-Plus JP	Hiraiseimitsu	Other receivables	Y	5,558	5,248	5,248	1.50	Short-term financing	-	Operating turnover	-	-	-	192,126	197,126	Note 1

Note 1: The Companies are coded as follows:
(1). The issuer is coded as “0”
(2). The investees are coded consecutively beginning from “1” in the order presented in the table above.

Note 2: The following items related to accounts receivable from related parties, accounts receivable from related parties, shareholder transactions, prepaid payments, temporary payments, and any other items of a similar nature, if they belong to the category of loan, must be entered in this field.

Note 3: The maximum balance amount loaned to others during this year.

Note 4: The nature of the loan should be indicated as a business transaction or a short-term financing necessity.

Note 5: If the nature of the loan is a business transaction, the amount of the business transaction should be indicated. The amount of business transactions refers to the amount of business transactions between the lending company and the loan recipient in the most recent year.

Note 6: If a loan is necessary for short-term financing, the reason for the necessary loan and the use of loans by the loan recipient should be specifically stated, such as repayment of loans, purchase of equipment, operating support, etc.

Note 7 The calculation of the limit of financing:
For companies or merchants that are in need of short-term financing, when the Company lends funds, the total amount shall not exceed 40 percent of the net value of the Company, and the individual loan amount shall not exceed 30 percent of the net value of the Company's most recent audited, certified, or reviewed financial statements. However, the foreign companies that directly and indirectly hold 100 percent of the voting shares are not subject to the restrictions in the preceding paragraph. The total amount of loans and the total amount of loans to a single enterprise shall not exceed one hundred percent of the net value of the lending company.

Note 8: If a public company submits a board of directors' resolution for a loan of funds on an individual basis pursuant to Article 14, Paragraph 1 of the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies, the amount of the board of directors' resolution should be included in the balance of the announcement even though the loans have not yet been appropriated in order to disclose the risk it has assumed. However, the balance of the loan after repayment of the funds should be disclosed to reflect the adjustment of the risk. If a public company has a board of directors' resolution authorizing the chairman of the board of directors to make loans or revolving loans within a certain amount and a period of one year pursuant to Paragraph 2 of Article 14 of the aforementioned Regulation, the number of loans approved by the Board of Directors' meeting should still be included in the balance of the announcement, and even though the loans are repaid subsequently, the amount of the funds approved by the Board of Directors' meeting should be included in the balance of the announcement in consideration of the possibility of loaning the funds again.

IKKA Holdings (Cayman) Ltd. and Subsidiaries
Endorsements/Guarantees Provided for Other Parties
January 1, 2024- December 31, 2024

Table 2

Unit: Thousands of NTD
(Unless Otherwise Specified)

No. (Note 1)	Guarantor	Counterparty of Endorsement/ Guarantee		Limits on Endorsement/ Guarantee for A Single Entity (Note 3)	Highest Balance of Endorsement Guarantee for the Period (Note 4)	Closing Balance of Endorsement/ Guarantee (Note 5)	The Actual Amount Drawn Down (Note 6)	Amount of Endorsement/ Guarantee Secured by Collateral	Ratio of Cumulative Endorsements/ Guarantees to Net Value in the Latest Financial Statement	Upper Limit on Endorsements /Guarantees	Endorsement/ Guarantee Provided by Parent for Subsidiary (Note 8)	Endorsement /Guarantee Provided by Subsidiary for Parent (Note 8)	Endorsement/ Guarantee for Entities in Mainland China (Note 8)	Remark
		Counter-party	Relationship (Note 2)											
1	DaiichiKasei	IKKA HK	2	$ 711,283	$ 66,690	$ 62,970	$ 13,644	$ -	3.54	$1,244,744	N	N	N	Note 2

Note 1: The Companies are numbered as follows:
(1). The issuer is numbered as “0”.
(2). The investees are sequentially numbered starting from “1”.

Note 2: There are 7 types of relationships between the guarantor and the counterparty:
(1). Transaction counterparties.
(2). Subsidiaries in which there is a direct holding of more than 50% of the ordinary shares.
(3). An investee in which the parent company and subsidiaries jointly hold more than 50% of common shares.
(4). A parent company that directly or indirectly through its subsidiaries holds more than 50% of the common shares of the Company.
(5). A company to which mutual guarantees are provided in accordance with a contract with a company in the same industry arising from a project.
(6). A company to which a guarantee is provided by each of the joint shareholders in accordance with their shareholding ratio in a joint venture.
(7). Joint and several guarantees for pre-sale housing sales contracts jointly with companies in the same industry in accordance with the Consumer Protection Act.

Note 3: DaiichiKasei’s maximum endorsements/guarantees amount shall not exceed 70% of their net value based on the latest financial statement of the Company as audited and certified or reviewed by an accountant. The maximum amount of endorsements/guarantees to a single enterprise for a subsidiary in which the Company directly or indirectly holds more than 90% of the ordinary shares, the maximum is 40% of the current net value based on the latest financial statement as reviewed or audited by an accountant, and those for others the endorsements/guarantees cannot exceed 30% of the net value of the Company.

Note 4: The maximum balance of endorsement/guarantee for others for the current year.

Note 5: The amount approved by the board of directors should be shown. However, if the board of directors authorizes the chairman of the board of directors to make a resolution in accordance with Article 12, Paragraph 8 of the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies, the amount shown shall be the amount resolved by the board of directors.

Note 6: Show the actual amount of the endorsed company's expenditures within the range of the endorsement/guarantee balance.

Note 7: Y is required for endorsement/guarantee by TWSE/TPEx listed parent company to a subsidiary company, endorsement/guarantee by subsidiary to TWSE/TPEx listed parent company, and endorsement/guarantee by Mainland China
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IKKA Holdings (Cayman) Ltd. and Subsidiaries
Securities Held at the End of the Period (Excluding Investment in Subsidiaries, Associates, and Joint Ventures)
As of December 31, 2024

Table 3

Unit: Thousands of NTD
(Unless Otherwise Specified)

Holder	Type and Name of Securities (Note 1)		Relationship with the Issuer (Note 2)	Account Name	End of the Period				Remark (Note 4)
					Shares (Thousand Units)	Book Value (Note 3)	Shareholding Ratio	Fair Value	
IKKA Holdings	Stock	JET Optoelectronics Co., Ltd.	-	Financial assets measured at fair value through other comprehensive income - non-current	1,177	$ 28,185	1.96%	$ 42,656	Unpledged
IKKA Holdings	Partnerships	Changneng Capital Limited Partnership	-	Financial assets measured at fair value through other comprehensive income - non-current	-	6,607	1.62%	6,607	Unpledged

Note 1: The term “securities” mentioned in this table refers to stocks, bonds, beneficiary certificates and securities derived from the above-mentioned items within the scope of IFRS 9, “Financial Instruments”.

Note 2: If the issuer of securities is not a related party, the column is exempted.

Note 3: If the securities are measured at fair value, the carrying amount in the column should be the carrying amount balance after fair value adjustment, net of accumulated impairment; if the securities are not measured at fair value, the carrying amount balance in the column should be the carrying amount at acquisition cost or amortized cost, net of accumulated impairment.

Note 4: If any of the listed securities are subject to restrictions on use due to guarantees, pledged loans, or other agreements, the number of shares guaranteed or pledged, the amount of guarantee or pledge, and the circumstances under which the use is restricted should be stated in the Remark column.

IKKA Holdings (Cayman) Ltd. and Subsidiaries
Purchases from or Sales to Related Parties with Amounts Reaching NT$100 Million or 20% of Paid-in Capital or More
January 1, 2024- December 31, 2024

Table 4

Unit: Thousands of NTD
(Unless Otherwise Specified)

Purchaser (Seller)	Transaction Counterparty	Relationship	Transaction Status: Purchases (Sales)	Transaction Status: Amount	Transaction Status: Ratio of Total Purchase (Sales)	Transaction Status: Credit Period	Circumstances and Reasons for Transaction Conditions Differing from Arm's Length Transactions (Note 1): Unit Price	Circumstances and Reasons for Transaction Conditions Differing from Arm's Length Transactions (Note 1): Credit Period	Notes and Accounts Receivable (Payable): Balance	Notes and Accounts Receivable (Payable): Ratio of Total Receivable (Payable) Notes and Accounts	Note (Note 2)
IKKA HK	DaiichiKasei	Same Parent Company	Sales	$ 144,639	4%	Net 60 days	No Significant Difference	Comparable to general customers	$ 33,062	4%	-
IKKA Precision	IKKA HK	Same Parent Company	Sales	221,028	6%	Net 60 days	No Significant Difference	Comparable to general customers	34,993	4%	-

Note 1: If the transaction terms with related parties differ from general transaction terms, the differences and reasons should be specified in the unit price and credit period columns.
Note 2: If there are any advance receipts (payments), the reasons, contractual terms, amounts, and differences from general transaction types should be stated in the remark column.
Note 3: The paid-in capital refers to the paid-in capital of the parent company. For shares that have no par value or the par value of per share is not NTD 10, the paid-in capital shall be calculated as 10% of equity attributable to owners of parent stated in the balance sheet due to the stipulated requirement for transaction amount in respect of 20% paid-in capital.
Note 4: Disclosed based on revenue, the relative transaction will no longer be disclosed.

IKKA Holdings (Cayman) Ltd. and Subsidiaries
Material Inter-company Transactions and Amounts
January 1, 2024- December 31, 2024

Table 5

Unit: Thousands of NTD
(Unless Otherwise Specified)

No. (Note 1)	Purchaser (Seller)	Transaction Counterparty	Relationship with the Company	Transaction			
				Account Title	Amount	Transaction Terms	Percentage of Consolidated Revenues or Total Assets (Note 3)
2	IKKA HK	DaiichiKasei	3	Sales revenue	144,639	Net 60 days	4%
4	IKKA Precision–	IKKA HK	3	Sales revenue	221,028	Net 60 days	6%

Note 1: The information on business transactions between the parent company and subsidiaries should be indicated in the number column separately, and the number should be filled in as follows

(1). The parent company is coded as "0".

(2). The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

Note 2: Three types of relationship with the trader are explained as follows in accordance with the code (if it is the same transaction between the parent company and subsidiaries or between subsidiaries, it is not necessary to repeat the disclosure. For example, if the parent company has already disclosed the parent company's transactions with its subsidiaries, the subsidiaries' portion of the transaction does not need to be repeatedly disclosed; if one of the subsidiaries has already disclosed its transactions with its subsidiaries, the other subsidiary does not need to be repeatedly disclosed):

(1). Parent company to subsidiary company

(2). Subsidiary to parent company

(3). Subsidiary to subsidiary

Note 3: The ratio of the transaction amount to consolidated total revenues or total assets calculation: for balance sheet items, it is calculated as the ending balance to consolidated total assets for balance sheet items and for profit or loss items, it is calculated as the interim cumulative amount to consolidated total operating revenues.

Note 4: The materiality principle of this statement is based on the ratio of the transaction amount to 3% of the consolidated total revenue or total assets. In addition, assets and revenues are disclosed on an asset and revenue basis, and the related transactions are not disclosed.

IKKA Holdings (Cayman) Ltd. and Subsidiaries
Information on Investees (Name, Location, etc.) (Investees in the Mainland Area Are Excluded)
January 1, 2024- December 31, 2024

Table 6

Unit: Thousands of NTD
(Unless Otherwise Specified)

Investor	Investee (Note 1, 2)	Location	Main Businesses	Initial Investment Amount		Closing Balance			Net Income (Loss) of Investee (Note 2(2))	Investment (Income) Loss Recognized (Note 2(3))	Remark
				End of the Period	End of Last Year	Number of Shares	Ownership (%)	Book Value			
IKKA Holdings	DaiichiKasei	Japan	Manufacturing precision plastic injection molded parts and molding sets, molds and machinery, and precision ceramics molded parts.	$ 627,091	$ 627,091	64,081	100.00	$ 1,761,527	$ 201,515	$ 201,515	Subsidiary
IKKA Holdings	Sol-Plus HK	Hong Kong	Investment	282,535	282,535	7,000,000	100.00	264,375	52,325	52,325	Subsidiary
DaiichiKasei	M.A.C. Technology	Malaysia	Assembly, manufacturing CD and CD ROM, computer printers, precision ceramics and molds for electronic and industrial use, and plastic injection components for electronic and camera industries.	380,603	380,603	41,665,000	100.00	142,073	5,194	5,194	Sub-subsidiary
DaiichiKasei	IKKA Vietnam	Vietnam	Production, operation, and processing of automobiles and common plastic and metal parts for office equipment	58,346	58,346	2,500,000	100.00	501,133	50,622	50,622	Sub-subsidiary
DaiichiKasei	IKKA HK	Hong Kong	Investment and trade	292,545	292,545	80,067,000	100.00	555,302	54,346	54,346	Sub-subsidiary
Sol-Plus HK	Sol-Plus JP	Japan	Manufacturing and selling plastic products and molds	191,587	191,587	3,404,019,254	100.00	197,126	50,377	50,337	Sub-subsidiary
Sol-Plus JP	Hiraiseimitsu	Vietnam	Manufacturing and selling plastic products and molds	250,708	250,708	2,500,000	100.00	91,507	39,590	39,590	Sub-subsidiary

Note 1: If a public company has a foreign holding company and, in accordance with local laws and regulations, uses consolidated financial statements as its primary financial report, the disclosure of information about the foreign investee may be limited to the relevant information about the holding company.

Note 2: For cases other than those described in Note 1, the following rules apply:

(1)The columns for "Investee," "Location," "Main Businesses," "Initial Investment Amount," and "Shares Held as at December 31, 2022," should be completed in accordance with the status of the (public) company's investment and the status of reinvestment in each investee company that is directly or indirectly controlled by the Company, and the relationship between the investee company and the (public) company (such as subsidiaries or sub-subsidiaries) should also be stated in the Remark column.

(2)The column of "Net Profit (Loss) of the Investee" should be filled in with the amount of each investee's profit or loss for the current period.

(3)The column of "Investment Income (Loss) Recognized by the Company for the current period" should be filled in with the amount of income profit or loss only for the subsidiaries in which the (public) company has recognized direct investment and the equity-method investees, and the rest should be exempted. When filling in the column "Amount of profit or loss for the period of each subsidiary recognized as direct investment," it should be confirmed that the amount of profit or loss for the period of each subsidiary has included the profit or loss of the investment that should be recognized in accordance with the regulations on the reinvestment of the subsidiary

Investment in Mainland China－General Information
January 1 - September 30, 2024

Table 7

Unit: Thousands of NTD
(Unless Otherwise Specified)

Investee in Mainland China	Main Business	Paid-in Capital	Method of Investment (Note 1)	Accumulated Investment Outflow from Taiwan as of Beginning of the Period	Investments Flows during the Period		Accumulated Investment Outflow from Taiwan as of End of the Period	Investee's Profit (Loss) for the Period	Direct or Indirect Shareholding Ratio	Investment Income (Loss) Recognized for the Period (Note 2)	Book Value of Investment at End of the Period	Investment Income Repatriated as of End of the Period	Remark
					Outflow	Inflow							
IKKA Precision	Production and sale of precise plastic accessories, hardware accessories, bearings, and molds.	$ 232,837	2	$	$	$	$-	$ 52,013	100.00	$ 52,013	$ 415,604	$ -	Note 2(2)B and Note 5

Company Name	Accumulated Investment Outflow as of End of Period	Investment Amount Authorized by Investment Commission, MOEA	Upper Limit on Amount of Investment Stipulated by Investment Commission, MOEA
-	Note 4	Note 4	Note 4

Note 1: There are three types of investments:
(1). Direct investment in mainland China.
(2). Investment in mainland China via a third region.
(3). Investments using other methods.

Note 2: The investment income (loss) recognized in the current period was determined based on the following basis:
(1). If there is no investment gain or loss in the preparatory stage, it should be noted.
(2). The basis for recognized investment income or loss is categorized into the following 3 types, which should be noted.
A. The financial statements were audited by an international certified public accounting firm in cooperation with a Republic of China accounting firm.
B. The financial statements were audited by auditors of the parent company.
C. Others.

Note 3: Relevant figures in this table should be presented in new Taiwan dollars.

Note 4: The Company is not an entity incorporated in the Republic of China, so it is not applicable.

Note 5: Investment in mainland China through an investee in the third region (IKKA HK Investment).

IKKA Holdings (Cayman) Ltd. and Subsidiaries
Information on Major Shareholders
As of December 31, 2024

Table 8

Name of Main Shareholders	Shares	
	Shares Held	Shareholding Ratio
Jabon International Co., Ltd.	11,438,848	34.45%
ABICO Avy Co., Ltd.	4,197,742	12.64%