Stock Code: 3236

ABC Taiwan Electronics Crop.

Parent Company Only Financial Statements and Independent Auditors' Report

For the Years Ended December 31, 2024 and 2023

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§TABLE OF CONTENTS§

Independent Auditors' Report

To: ABC Taiwan Electronics Corp

Audit opinions

The individual balance sheets of ABC Taiwan Electronics Corporation as of December 31, 2024, and December 31, 2023, and the individual statements of comprehensive income, individual statements of changes in equity, individual statements of cash flows, and notes to the individual financial statements (including a summary of significant accounting policies) for the years from January 1 to December 31, 2024, and 2023, have been audited by our firm.

In our opinion, the accompanying individual financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers in all material respects and present fairly the individual financial position of ABC Taiwan Electronics Corporation as of December 31, 2024, and 2023, and its individual financial performance and individual cash flows for the years from January 1 to December 31, 2024, and 2023.

Basis for audit opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the responsibilities of auditors for the audit of the Parent Company Only Financial Statements. We are independent of ABC Taiwan Electronics Corp. in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that we have acquired sufficient and appropriate audit evidence to serve as the basis for our audit opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Parent Company Only Financial Statements of ABC Taiwan Electronics Corp for the year 2024. These matters were addressed in the context of our audit of the Parent Company Only Financial Statements as a whole, and by forming of our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the ABC Taiwan Electronics Corp's Parent Company Only Financial Statements for the year 2024 are stated as follows:

<u>Key audit matters - Recognition of revenue</u>

The main source of income of ABC Taiwan Electronics Corp is from the design, development, and manufacturing of inductance components, ceramic heat sinks, and various precision metal stamping parts, the income from the sale of these products. The 2024 operating revenue in net was NT$1,669,406 thousand. For the accounting policies and information related to revenue recognition, please refer to Notes IV and XIX to the Parent Company Only Financial Statements. Since revenue is material to the overall financial statements of ABC Taiwan Electronics Corporation, the recognition of sales revenue to specific customers in the current year has been identified as a key audit matter for this year.

<u>The appropriate audit procedures</u>

The main audit procedures that we have implemented include:

1. Understand and evaluate the appropriateness of the internal control design and execution for the operating revenue recognition.
2. Testing is conducted on sales revenue and relevant transaction vouchers and payment receipts are sampled and checked to confirm the authenticity of the sales revenue recognition.

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

Management is responsible for the preparation and fair presentation of the Parent Company Only Financial Statements in accordance with the Regulation Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of the Parent Company Only Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Parent Company Only Financial Statements, management is responsible for assessing ABC Taiwan Electronics Corp's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company, or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the Parent Company Only Financial Statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance. Still, it is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error. Misstatements are considered material, individually or in aggregate, they could reasonably be expected to influence economic decisions of users taken on the basis of these Parent Company Only Financial Statements.

We exercise professional judgment and skepticism in conducting audits in accordance with the auditing standards generally accepted in the Republic of China. We also perform the following tasks:

1. Identify and assess the risks of material misstatement of the Parent Company Only Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not to express an opinion on the effectiveness of ABC Taiwan Electronics Corp's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Draw conclusions on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on ABC Taiwan Electronics Corp's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Parent Company Only Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause ABC Taiwan Electronics Corp to cease to continue as a going concern.
5. Evaluate the overall presentation, structure, and content of the Parent Company Only Financial Statements, (including the related notes), and whether the Parent Company Only Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence of the standalone financial information or business activities of ABC Taiwan Electronics Corp to express an opinion on the Parent Company Only Financial Statements. We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion on ABC Taiwan Electronics Corp.

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

We also provide those charged with governance with a statement that we have complied with the Norms of Professional Ethics for Certified Public Accountants of the Republic of China regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, (and where applicable, related safeguards).

From matters communicated with those charged with governance, we determined an issue that was most significant in the audit of the standalone financial statement of ABC Taiwan Electronics Corporation for the year ended December 31, 2024, and is, therefore, the key audit matter. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte & Touche

CPA Wen, Chih-Yuan

Approval reference number of the FSC
Jin-Guan-Zheng-Shen-Zi No. 1130349292

CPA Yeh, Tung-Hui

Approval reference number of the FSC
Jin-Guan-Zheng-Shen-Zi No. 0980032818

March 10, 2025

ABC Taiwan Electronics Corp
Parent Company Only Statements Of Balance Sheet
December 31, 2024 and 2023

Unit: NTD thousand

Code	Assets	December 31, 2024 Amount	%	December 31, 2023 Amount	%
	Current assets				
1100	Cash and cash equivalents (Note VI)	$ 378,547	13	$ 462,854	15
1170	Notes and accounts receivable, net (Note VIII)	109,594	4	87,602	3
1180	Accounts receivable - related parties (Notes VIII and XXV)	107,910	4	109,371	4
1200	Other receivables	9,182	-	10,870	-
1210	Other receivables - related parties (Note XXV)	425	-	352	-
1220	Current income tax assets (Note XXI)	2,687	-	-	-
130X	Inventories (Note IX)	64,647	2	57,405	2
1410	Prepayments	14,945	-	18,328	1
1470	Other current assets (Note XIV)	104	-	837	-
11XX	Total current assets	688,041	23	747,619	25
	Non-current assets				
1517	Financial Assets at Fair Value through Other Comprehensive Income - non-current (Note VII)	34,285	1	39,189	1
1550	Investment under equity method (Note X)	1,247,580	42	1,121,113	37
1600	Property, plant and equipment (Notes XI, XXVI and XXVII)	946,775	32	893,960	30
1755	Right-of-use assets (Note XII)	75	-	251	-
1780	Intangible assets (Note XIII)	44,830	2	25,952	1
1915	Prepayment for equipment purchase	12,430	-	56,390	2
1960	Prepaid investments (Note X)	-	-	119,606	4
1975	Net defined benefit assets - non-current (Note XVII)	10,928	-	6,585	-
1990	Other non-current assets (Note XIV)	3,046	-	3,046	-
15XX	Total non-current assets	2,299,949	77	2,266,092	75
1XXX	Total assets	$ 2,987,990	100	$ 3,013,711	100

Code	Liabilities and equity	December 31, 2024 Amount	%	December 31, 2023 Amount	%
	Current liabilities				
2100	Short-term borrowings (Note XV)	$ 190,000	6	$ 230,000	8
2110	Commercial paper payable (Note XV)	29,964	1	59,927	2
2170	Notes and accounts payable	39,088	1	24,781	1
2180	Accounts payable- related parties (Notes XXV)	165,120	5	139,479	4
2206	Employees' compensation and remuneration of directors payable (Note XX)	1,445	-	11,285	-
2219	Other payables (Note XVI)	48,106	2	55,925	2
2220	Other payable - related parties (Note XXV)	227	-	540	-
2230	Current income tax liabilities (Note XXI)	-	-	25,673	1
2280	Lease liabilities - current (Note XII)	77	-	178	-
2322	Long-term loans with maturity within one year (Notes XV and XXVI)	257,191	9	211,653	7
2399	Other current liabilities (Notes XVI and XIX)	1,964	-	1902	-
21XX	Total of current liabilities	733,182	24	761,343	25
	Non-current liabilities				
2540	Long-term loans (Notes XV and XXVI)	628,769	21	668,751	22
2570	Deferred income tax liabilities (Note XXI)	81,224	3	88,889	3
2580	Lease liabilities - non-current (Note XII)	-	-	77	-
25XX	Total non-current liabilities	709,993	24	757,717	25
2XXX	Total liabilities	1,443,175	48	1,519,060	50
	Equity (Note XVIII)				
	Share capital				
3110	Common stock share capital	1,050,006	35	1,050,006	35
3200	Additional paid-in capital	181,063	6	181,063	6
	Retained earnings				
3310	Legal reserve	152,922	5	148,446	5
3320	Special reserves	152,144	5	128,123	4
3350	Undistributed earnings	94,917	4	139,158	5
3300	Total retained earnings	399,983	14	415,727	14
3400	Other equity items	(86,237)	(3)	(152,145)	(5)
3XXX	Total equity	1,544,815	52	1,494,651	50
	Total liabilities and equity	$ 2,987,990	100	$ 3,013,711	100

The accompanying notes form part of the Parent Company Only Financial Statements.

Chairman: Joseph M. E. Hsu Manager: Fan, Liang-Fang Accounting Officer: Cheng, Ya-Yun

ABC Taiwan Electronics Corp
Parent Company Only Statements Of Comprehensive Income
For the years ended December 31, 2024 and 2023
Unit: NTD thousand, except Earnings Per Share at NTD

Code		2024 Amount	2024 %	2023 Amount	2023 %
4000	Net operating revenue (Notes XIX and XXV)	$ 1,669,406	100	$ 1,774,856	100
5000	Operating cost (Notes IX, XX and XXV)	1,336,525	80	1,402,541	79
5900	Gross profit	332,881	20	372,315	21
	Operating expenses (Notes XX and XXV)				
6100	Sales and marketing expenses	49,085	3	54,047	3
6200	Management expenses	157,578	10	155,538	9
6300	R&D expenses	73,305	4	64,041	3
6000	Total operating expenses	279,968	17	273,626	15
6900	Operating profit	52,913	3	98,689	6
	Non-operating income and expenses				
7100	Interest revenue (Note XX)	6,993	-	6,633	-
7010	Other income (Notes VII and XX)	969	-	969	-
7020	Other gains and losses (Notes XX and XXV)	30,321	2	30,550	2
7050	Financial costs (Note XX)	(19,059)	(1)	(17,341)	(1)
7070	Share of profit and loss of subsidiaries accounted for under the equity method	(63,951)	(4)	(64,402)	(4)
7000	Total non-operating income and expenses	(44,727)	(3)	(43,591)	(3)
7900	Profit before tax	8,186	-	55,098	3
7950	Income tax expenses (Note XXI)	(3,740)	-	(17,742)	(1)
8200	Net income for the year	4,446	-	37,356	2

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Code		2024 Amount	2024 %	2023 Amount	2023 %
	Other comprehensive income				
8310	Items not reclassified to profit or loss				
8311	Re-measurement of defined benefit plan (Note XVII)	$ 2,910	-	$ 7,409	-
8316	Unrealized gains (losses) from investments in equity instruments at fair value through other comprehensive income (Note XVIII)	(4,904)	-	11,777	1
8360	Items that may be reclassified subsequently as profit or loss				
8361	Exchange difference on translation of financial statements of foreign operations (Note XVIII)	70,812	4	(35,798)	(2)
8300	Total other comprehensive income	68,818	4	(16,612)	(1)
8500	Total comprehensive income for the year	$ 73,264	4	$ 20,744	1
	Earnings per share (Note XXII)				
9750	Basic	$ 0.04		$ 0.36	
9850	Diluted	$ 0.04		$ 0.35	

The accompanying notes form part of the Parent Company Only Financial Statements.

Chairperson: Joseph M. E. Hsu Manager: Fan, Liang-Fang Accounting Officer: Cheng, Ya-Yun

ABC Taiwan Electronics Corp
Parent Company Only Statements Of Changes In Equity
For the years ended December 31, 2024 and 2023

Unit: NTD thousand, unless stated otherwise

		Share capital			Retained earnings			Other equity		
Code		Shares (in thousand)	Amount	Additional paid-in capital	Legal reserve	Special reserves	Undistributed earnings	Foreign currency translation differences for foreign operations	Unrealized gain or loss on financial assets at fair value through other comprehensive profit or (loss)	Total equity
A1	Balance as of January 1, 2023	92,921	$ 929,209	$ 181,063	$ 126,229	$ 134,226	$ 253,605	($ 142,738)	$ 14,614	$ 1,496,208
	Distribution of earnings for 2022									
B1	Legal reserve	-	-	-	22217	-	(22,217)	-	-	-
B3	Special reserves	-	-	-	-	(6,103)	6,103	-	-	-
B5	Cash dividend to shareholders	-	-	-	-	-	(22,301)	-	-	(22,301)
B9	Shareholder stock dividends	12,080	120,797	-	-	-	(120,797)	-	-	-
D1	2023 net income	-	-	-	-	-	37,356	-	-	37,356
D3	2023 Total other comprehensive income (loss)	-	-	-	-	-	7,409	(35,798)	11,777	(16,612)
D5	2023 Total comprehensive income (loss)	-	-	-	-	-	44,765	(35,798)	11,777	20,744
Z1	Balance as of December 31, 2023	105,001	1,050,006	181,063	148446	128123	139,158	(178,536)	26,391	1,494,651
	Distribution of earnings for 2023									
B1	Legal reserve	-	-	-	4476	-	(4,476)	-	-	-
B3	Special reserves	-	-	-	-	24021	(24,021)	-	-	-
B5	Cash dividend to shareholders	-	-	-	-	-	(23,100)	-	-	(23,100)
D1	2024 net income	-	-	-	-	-	4,446	-	-	4,446
D3	2024 Total other comprehensive income (loss)	-	-	-	-	-	2,910	70,812	(4,904)	68,818
D5	2024 Total comprehensive income (loss)	-	-	-	-	-	7,356	70,812	(4,904)	73,264
Z1	Balance as of December 31, 2024	105,001	$ 1,050,006	$ 181,063	$ 152,922	$ 152,144	$ 94,917	($ 107,724)	$ 21,487	$ 1,544,815

The accompanying notes form part of the Parent Company Only Financial Statements.

Chairperson: Hsu, Ming-En Manager: Fan, Liang-Fang Accounting Officer: Cheng, Ya-Yun

ABC Taiwan Electronics Corp
Parent Company Only Statements Of Cash Flows
For the years ended December 31, 2024 and 2023

Unit: NTD thousand

Code		2024	2023
	Cash flow from operating activities		
A10000	Profit before tax for the current year	$ 8,186	$ 55,098
A20010	Income and expenses items:		
A20100	Depreciation expense	60,645	49,338
A20200	Amortized expenses	17,423	14,069
A20900	Financial cost	19,059	17,341
A21200	Income from interest	(6,993)	(6,633)
A21300	Dividend income	(969)	(969)
A22300	Share of profit and loss of subsidiaries accounted for under the equity method	63,951	64,402
A22500	Loss from disposal of property, plant and equipment	-	53
A23700	Loss on inventory devaluation and obsolescence	16,494	6,145
A24100	Net gains on foreign currency exchange	(22,980)	(7,143)
A30000	Net changes in operating assets and liabilities		
A31130	Notes and accounts receivable	(12,109)	69,775
A31160	Accounts receivable - related parties	1,461	90,070
A31180	Other receivables	1,688	3,712
A31190	Other receivables - related parties	(86)	(347)
A31200	Inventory	(23,736)	32,740
A31230	Prepayments	3,383	(10,467)
A31240	Other current assets	733	(833)
A32130	Notes and accounts payable	9,041	(15,896)
A32160	Accounts payable - related parties	25,641	(130,952)
A32180	Other payables	(3,878)	(8,430)
A32190	Other payables - related parties	(313)	540
A32200	Liability reserve	-	2,018
A32230	Other current liabilities	62	(255)
A32240	Net defined benefit liability	(1,433)	(449)
A32990	Employees' compensation and remuneration of directors payable	(9,840)	(44,917)
A33000	Cash from operations	145,430	178,010
A33100	Interest received	6,993	6,633
A33200	Dividends received	969	969
A33300	Interest paid	(19,059)	(17,341)
A33500	Income tax paid	(39,765)	(40,771)
AAAA	Net cash inflow from operating activities	94,568	127,500

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Code		2024	2023
	Cash flows from investing activities		
B02000	Increase in prepaid investments	$ -	($ 119,606)
B02700	Acquisition of property, plant and equipment	(117,333)	(174,816)
B03700	Increase in refundable deposits	-	(10)
B04500	Acquisition of intangible assets	(36,301)	(8,108)
B07100	Increase in prepaid equipment purchase	-	(7,482)
B07200	Decrease in prepaid equipment purchase	43,960	-
BBBB	Net cash outflow from investing activities	(109,674)	(310,022)
	Cash flow from financing activities		
C00100	Increase in short-term borrowings	1,520,000	1,450,000
C00200	Decrease in short-term borrowings	(1,560,000)	(1,410,000)
C00500	Increase in short-term bills payable	-	59,927
C00600	Decrease in short-term notes payable	(29,963)	-
C01600	Proceeds from long-term debt	323,346	413,740
C01700	Repayments of long-term debt	(317,790)	(316,109)
C04020	Repayment of lease liability principal	(178)	(582)
C04500	Distribution of cash dividends	(23,100)	(22,301)
CCCC	Net cash (outflow) inflow from financing activities	(87,685)	174,675
DDDD	Effect of exchange rate fluctuations on cash and cash equivalents	18,484	(44)
EEEE	Net decrease in cash and cash equivalents for the current year	(84,307)	(7,891)
E00100	Cash and cash equivalents, beginning of the year	462,854	470,745
E00200	Cash and cash equivalents, end of the year	$ 378,547	$ 462,854

The accompanying notes form part of the Parent Company Only Financial Statements.

Chairperson: Hsu, Ming-En   Manager: Fan, Liang-Fang   Accounting Officer: Cheng, Ya-Yun

ABC Taiwan Electronics Corp
Notes to Parent Company Only Financial Statements
For the years ended December 31, 2024 and 2023
(Amounts in NTD thousand unless stated otherwise)

I. Company history

ABC Taiwan Electronics Corp (hereinafter referred to as the "Company") was approved for establishment by the Ministry of Economic Affairs (MOEA) on May 25, 1979. Its principal business is providing chip inductors, power inductors, filter inductive components, transformers, micro porous ceramic (MPC) heat sinks, various precision metal stamping parts, LED lighting fixtures, and other related products and their raw materials that are used in various electronic products, communication electronic products, computer and peripheral equipment, industrial electronic equipment, automotive electronic equipment and other circuits, various product molds and production equipment, their manufacturing, processing and trading, as well as the import and export business for each of the aforementioned items.

The Company's shares have been listed for trading on the Taipei Exchange since December 2, 2004.

The Parent Company Only Financial Statements of the Company are presented in the Company's functional currency, the New Taiwan dollar.

II. Financial Statement Approval Date and Procedures

The Parent Company Only Financial Statements were approved by the Board of Directors on March 10, 2025.

III. Application of new and revised standards and interpretation

(I) Initial adoption of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the "IFRSs") that have been endorsed and issued into effect by the Financial Supervisory Commission (FSC).

The adoption of the amended IFRSs endorsed and issued into effect by the FSC does not have a material impact on the Company's accounting policies.

(II) FSC-endorsed IFRSs applicable from 2025 onwards

New / Revised / Amended Standards and Interpretation	Effective date of IASB's announcement
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note 1)
Amendments to IFRS 9 and IFRS 7 "Classification and Measurement of Financial Instruments" - Application Guidance on Financial Asset Classification	January 1, 2026 (Note 2)

Note 1: The amendments apply to the annual reporting periods beginning on or after January 1, 2025. When the amendments are initially applied, the comparison periods shall not be re-stated, but the impacts shall be recognized in the retained earnings or the exchange differences of foreign operations under equity (as appropriate), and related assets and liabilities on the date of initial application.

Note 2: Effective for annual reporting periods beginning on or after January 1, 2026. Entities may elect to apply these amendments early, beginning January 1, 2025. Upon initial application of these amendments, retrospective application is required without the need to restate comparative periods, with the cumulative effect recognized at the date of initial application. However, if an entity can restate comparative periods without the use of hindsight, it may elect to do so.

1. Amendments to IAS 21 "Lack of Exchangeability"

   The amendments specify that a currency possesses convertibility when an entity can, within a normal administrative delay period, convert one currency into another through market or exchange mechanisms that establish enforceable rights and obligations for the exchange transaction. When a currency lacks convertibility at the measurement date, ABC Taiwan Electronics Corp. shall estimate the spot exchange rate to reflect the rate that market participants would use in an orderly transaction, considering the economic conditions at the measurement date. In such circumstances, ABC Taiwan Electronics Corp. shall also disclose information that enables users of financial statements to evaluate how the lack of currency convertibility affects or is expected to affect its operating results, financial position, and cash flows.

2. Amendments to IFRS 9 and IFRS 7 "Classification and Measurement of Financial Instruments" - Application Guidance on Financial Asset Classification

   The amendments primarily modify the classification requirements for financial assets, including:

   (1) For financial assets that contain a contingent feature that could change the timing or amount of contractual cash flows, and where the nature of the contingency is not directly related to changes in basic lending risks and costs (such as whether a borrower achieves specific carbon emission reductions), such financial assets still have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding when both of the following conditions are met:
       - The contractual cash flows in all possible scenarios (before or after the contingency occurs) are solely payments of principal and interest on the principal amount outstanding; and
       - The contractual cash flows in all possible scenarios do not differ significantly from the cash flows of a financial instrument with identical contractual terms but without the contingent feature.

   (2) Clarification that financial assets with non-recourse features refer to those where the entity's contractual right to receive cash flows is ultimately limited only to the cash flows generated by specific assets.

   (3) Explanation that contractually linked instruments establish multiple tranches of securities through a waterfall payment structure to establish payment priorities among financial asset holders, thereby concentrating credit risk and causing disproportionate allocation of cash shortfalls from the underlying pool across different tranches.

   ABC Taiwan Electronics Corp. is currently evaluating whether to early adopt these amendments.

In addition to the impact referred to above, as of the publication date of the Parent Company Only Financial Statements, ABC Taiwan Electronics Corp. has assessed that the amendment of other standards and interpretations of the Company will not have a significant impact on the financial position and financial performance.

(III) IFRSs issued by the IASB but not yet endorsed and issued into effect by the FSC

New / Revised / Amended Standards and Interpretation	Effective date announced by IASB (Note)
"IFRS Annual Improvements - Volume 11"	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Classification and Measurement of Financial Instruments" - Application Guidance on Financial Asset Classification	January 1, 2026
IFRS 9 and IFRS 7 Amendments "Contracts with Natural Dependency on Electricity"	January 1, 2026
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "First-time Application of IFRS 17 and IFRS 9 - Comparative Information"	January 1, 2023
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027

Note: Unless stated otherwise, the above New / Revised / Amended Standards and Interpretation are effective for annual periods beginning on or after their respective effective dates.

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

IFRS 18 will replace IAS 1 "Presentation of Financial Statements" and the main changes include:

- Items of income and expense are required to be classified into categories including operating, investing, financing, income tax, and discontinued operations in the statement of profit or loss.
- The income statement should present subtotals and totals for operating profit or loss, profit or loss before financing and income tax, and profit or loss.
- Guidance is provided to strengthen aggregation and disaggregation requirements: ABC Taiwan Electronics Corp. must identify assets, liabilities, equity, income, expenses, and cash flows arising from individual transactions or other events, and classify and aggregate them based on common characteristics, ensuring that each line item presented in the primary financial statements has at least one similar characteristic. Items with dissimilar characteristics should be disaggregated in the primary financial statements and notes. ABC Taiwan Electronics Corp. should label items as "other" only when it is unable to find a more informative label.
- Enhanced disclosure of management-defined performance measures: When ABC Taiwan Electronics Corp. communicates publicly outside the financial statements and communicates management's view of a specific aspect of the company's overall financial performance to financial statement users, it should disclose information about management-defined performance measures in a single note to the financial statements. This includes a description of the measure, how it is calculated, its reconciliation to subtotals or totals specified in IFRS accounting standards, and the income tax and non-controlling interest effects of reconciling items.

2. Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"

The amendments primarily modify the classification requirements for financial assets, including cases where a financial asset contains a contingent feature that could change the timing or amount of contractual cash flows, and where the nature of the contingency is not directly related to changes in basic lending risks and costs (such as whether a borrower achieves specific carbon emission reductions). Such financial assets still have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding when they meet certain conditions.

- The contractual cash flows in all possible scenarios (before or after the contingency occurs) are solely payments of principal and interest on the principal amount outstanding; and
- The contractual cash flows in all possible scenarios do not differ significantly from the cash flows of a financial instrument with identical contractual terms but without the contingent feature.

The amendments also stipulate that when an entity uses an electronic payment system to settle financial liabilities in cash, it may elect to derecognize the financial liability before the settlement date if the following conditions are met:

- The entity does not have the practical ability to withdraw, stop, or cancel the payment instruction;
- The entity does not have the practical ability to access the cash that will be used for settlement as a result of the payment instruction; and
- The settlement risk associated with the electronic payment system is not significant.

ABC Taiwan Electronics Corp. shall apply these amendments retrospectively without restating comparative periods, with the cumulative effect recognized at the date of initial application.

Beyond the above impacts, as of the approval date of these individual financial statements, ABC Taiwan Electronics Corp. continues to evaluate other effects of amendments to various standards and interpretations on its financial position and performance. Related impacts will be disclosed upon completion of the assessment.

IV. Summary of significant accounting policies

(I) Statement of Compliance

The parent company only financial statements are prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRS as endorsed and issued into effect by the FSC.

(II) Basis of preparation

The Parent Company Only Financial Statements have been prepared on the historical cost basis except for the financial instruments measured at fair value and the net defined assets recognized at the present value of the defined benefit obligation less the fair value of plan assets.

The measurement of fair value is divided into Level 1 to Level 3 according to the observable degree and importance of the relevant input value:

1. Level 1 input value: Refers to the quotation (unadjusted) of the same asset or liability in an active market on the measurement date.
2. Level 2 input value: Refers to inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
3. Level 3 input value: Refers to unobservable inputs for the asset or liability.

When preparing the Parent Company Only Financial Statements, the Company adopts the equity method for the investment of subsidiaries. In order to make the profit or loss and other comprehensive profit or loss and equity of the current year in the Parent Company Only Financial Statements and in the consolidated financial statements, which are attributable to the Company's owners, identical, certain accounting treatment differences between the standalone and the consolidated are adjusted and made to "Investments under the equity method", "Share of profit or loss of subsidiaries, associates, and joint ventures under the equity method", "Share of other comprehensive profit or loss of subsidiaries, associates, and joint ventures under the equity method", and related equity items.

(III) Criteria for classifying assets and liabilities into current and non-current

Current assets include:

1. Assets held primarily for trading;
2. Assets expected to be realized within 12 months after the balance sheet date; and
3. Cash and cash equivalents (excluding those that are restricted from being exchanged or used to settle a liability for at least 12 months after the balance sheet date)

Current liabilities include:

1. Liabilities held primarily for trading purposes;
2. Liabilities due and settled within 12 months after the balance sheet date, and
3. Liabilities on the balance sheet date that the Company has no substantive right to defer settlement of for at least 12 months after the balance sheet date.

Assets or liabilities that are not the abovementioned current assets or liabilities are classified as non-current assets or liabilities.

(IV) Foreign currency

When the Company prepares the Parent Company Only Financial Statements, transactions in currencies other than the Company's functional currency (foreign currencies) are translated into functional currencies and recorded in accordance with the exchange rates on the dates of the transactions.

At each balance sheet date, monetary items denominated in foreign currencies are translated at the closing rates on that date. Exchange difference arising from the delivery or translation of monetary items are recognized in profit or loss for the period incurred.

The foreign currency non-monetary item measured at fair value is converted at the exchange rate on the fair value determination date. The exchange difference generated is recognized in the profit or loss of the current year, but for the changes in fair value recognized in other comprehensive income, the exchange difference generated is recognized in other comprehensive income.

Foreign currency non-monetary items measured at historical cost which are converted according to the exchange rate on the transaction date are not re-translated.

In preparing the Parent Company Only Financial Statements, the assets and liabilities of the Company's foreign operations (including subsidiaries that operate in countries or using currencies different from the Company's) are translated into New Taiwan dollars at the end of each balance sheet date. Income and expense items are converted at the average exchange rate for the current year, and the exchange difference generated is listed in the other comprehensive profit or loss.

If the Company disposes of all the equity of a foreign operation, or a part of the equity of a subsidiary of a foreign operation but loses control over it, or a joint agreement of foreign operation or the affiliated enterprise, the retained equity is a financial asset treated according to the accounting policy of financial instruments, all the cumulative exchange differences related to the foreign operations will be reclassified as profit or loss.

(V) Inventory

Inventories include raw materials, finished goods, work-in-progress, and commodities. Inventories are measured at the lower of cost or net realizable value. Except for inventories of the same type, the comparison between cost and net realizable value is based on individual items. Net realizable value is the balance of the estimated selling price in the ordinary course of business, less the estimated cost required for completion and the estimated costs necessary to make the sale. The cost of inventories is calculated using the weighted average method.

(VI) Investment in subsidiaries

The Company adopts the equity method to account for its investment in subsidiaries. Subsidiaries are entities over which the Company has control.

Under the equity method, investments were originally recognized at cost; the book value after the acquisition date fluctuates along with the distribution of profit or loss from the subsidiaries and other comprehensive income by the Company. In addition, for the changes in the subsidiaries' other equity, the Company is entitled to have it recognized proportionately to the shareholding.

When the Company's change in the ownership of the subsidiary does not result in loss of control, it is treated as an equity transaction. The difference between the book value of the investment and the fair value of the consideration paid or collected is directly recognized as equity.

Acquisition costs in excess of the Company's share of net identifiable assets and liabilities (i.e. fair value) in a subsidiaries on the date of acquisition are recognized as goodwill. This goodwill includes book value of the investment and is not amortized. Share of net identifiable assets and liabilities (i.e., fair value) in subsidiaries that exceeds acquisition cost on the date of acquisition is recognized as gains for the current year.

In assessing impairment, the Company based on the cash-generating units in the financial statements as a whole and compared the recoverable amount with the book value. If the amount of recoverable assets increased in the future, the reversal of impairment shall be recognized as income. The book value of the reversal of impaired assets shall not exceed the book value before recognition for impairment net of amortization. The impairment loss attributed to goodwill shall not be reversed in subsequent periods.

The unrealized concurrent trade between the Company and the subsidiaries stated in the Parent Company Only Financial Statements shall be removed. The profit or loss resulting from the countercurrent, and side-stream transactions between the Company and the subsidiary are recognized in the standalone financial statement within the range irrelevant with the Company's interest in the subsidiary.

(VII) Property, plant and equipment

Property, plant and equipment are recognized as costs, and they will be measured by the amount after the costs less the amount of accumulated depreciation and accumulated impairment losses.

Property, plant and equipment under construction are recognized at cost less accumulated impairment loss. Cost includes professional service fees and borrowing costs that meet the capitalization conditions. Before reaching the intended state of use, such assets are measured at the lower of cost or net realizable value, and the selling price and cost are recognized in profit or loss. These assets will be classified into the appropriate category of property, plant, and equipment and depreciated accordingly when completed and ready for the intended state of use.

Except for self-owned land, the property, plant, and equipment are depreciated by significant parts over their useful lives on a straight-line basis. The Company shall review the estimation of life span, residual value and depreciation method at least once a year and extend the effect of changes in applicable accounting policy.

In the case of delisting real estate, plants, and equipment, the difference between the net disposal price and the book value of the asset is recognized in profit or loss.

(VIII) Intangible assets

1. Acquired separately

   The intangible asset with limited useful life acquired separately was originally measured at cost and subsequently measured at the amount derived from taking cost less net of accumulated amortization and accumulated impairment losses. Intangible assets are amortized using the straight-line method over their useful lives. The Company conducts at least one annual review at the end of each year to assess the estimated useful life, residual value, and amortization methods, and applies the effect of changes in accounting estimates prospectively.

2. Internally generated - research and development expenses

   Research expenditure is recognized as expense when incurred.

3. Derecognition

In derecognition of intangible assets, the difference between the net proceeds of disposition and the book value of the assets shall be recognized as income for the current year.

(IX) Impairment of property, plant and equipment, right-of-use assets and intangible assets (excluding goodwill)

At each balance sheet date, the Company assesses whether there is any sign that property, plant and equipment, right-of-use assets, and intangible assets (excluding goodwill) may have been impaired. If there is any sign of impairment, estimate the recoverable amount of the asset. If the recoverable amount of an individual asset cannot be estimated, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Common assets are amortized to the smallest group of cash-generating units on a reasonable and consistent basis.

Intangible assets with indefinite useful lives and not yet available for use are tested for impairment at least annually and when there is a sign that the assets may be impaired.

The recoverable amount is the fair value less the selling cost or the value in use whichever is higher. When the recoverable amount of an individual asset or cash-generating unit is less than its book amount, the book amount of the asset or cash-generating unit is reduced to its recoverable amount. The impairment loss is recognized in the profit or loss.

When an impairment loss is subsequently reversed, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount. However, the increased carrying amount shall not exceed the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset or cash-generating unit in prior years. Reversal of impairment loss is recognized in profit or loss.

(X) Financial instruments

Financial assets and financial liabilities are recognized in the individual balance sheet when the Company becomes a party to the instrument contract.

For the initial recognition of the financial assets and financial liabilities, if the financial assets or financial liabilities are not measured at fair value through profit or loss, they are measured at fair value plus transaction cost that is directly attributable to the acquisition or issuance of financial assets or financial liabilities. Transaction costs that can be directly attributed to the acquisition or issuance of financial assets or liabilities measured at fair value through profit or loss are immediately recognized as profit or loss.

1. Financial assets

Conventional transactions with financial assets are recognized and de-recognized on the trade date.

(1) Measurement type

Financial assets held by the Company are those measured at amortized cost and investments in equity instruments measured at fair value through other comprehensive income.

A. Financial assets measured at amortized cost

If the Company's investments in financial assets meet the following two conditions simultaneously, they are classified as financial assets measured at amortized cost:

a. Held under a certain business model, the purpose of which is to hold financial assets to collect contractual cash flows; and
b. The cash flows on specific dates specified in the contractual terms are solely payments of the principal and interest on the principal amount outstanding.

Financial assets measured at amortized cost (including cash and cash equivalents, notes receivable measured at amortized cost, accounts receivable (including related parties), other receivables (including related parties), and refundable deposits) are, after initial recognition, measured at amortized cost determined using the effective interest method as the gross carrying amount less any impairment loss. Any foreign currency exchange gains or losses are recognized in profit or loss.

Except for the following two situations, interest income is calculated by multiplying the effective interest rate by the total book value of financial assets:

a. For purchased or originated credit-impaired financial assets, interest income is calculated by multiplying the credit-adjusted effective interest rate by the amortized cost of the financial assets.
b. For a financial asset that is not a purchased or originated credit-impaired financial asset but subsequently has become credit-impaired, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset from the next reporting period after the financial asset is impaired.

Credit-impaired financial assets refer to situations where the issuer or obligor has experienced major financial difficulty, default, or the obligor is likely to file for bankruptcy or other financial reorganization, or active financial assets have disappeared from the market due to financial difficulty.

Cash equivalents include highly liquid time deposits that can be converted into a given amount of cash at any time within 3 months after the date of acquisition and are subject to an insignificant risk of changes in value. They are used to meet short-term cash commitments.

B. Investments in equity instruments measured at fair value through other comprehensive income

The Company may, at the time of original recognition, make an irrevocable election to designate the investment in equity instrument investment not held for trading and not recognized by the acquirer in the business merger transaction with contingent consideration for measurement at the fair value through other comprehensive income.

Investments in equity instruments measured at FVTOCI are measured at fair value, and subsequent fair value changes are recognized in other comprehensive income and accumulated in other equity. In the disposition of investments, the accumulated profit or loss is directly transferred to the retained earnings without reclassification as profit or loss.

Dividends of investments in equity instruments measured at FVTOCI are recognized in profit or loss when the Company's right to receive dividends is established, unless such dividends clearly represent the recovery of a part of the investment cost.

(2) Impairment of financial assets

The Company assesses the impairment loss of financial assets measured at amortized cost (including accounts receivable) based on the expected credit loss on each balance sheet date.

Accounts receivable shall be recognized for allowance for loss based on expected credit loss throughout the duration. For other financial assets, the allowance is assessed as to whether the credit risk has increased significantly since the original recognition. If there is no significant increase, the allowance is recognized according to the 12 month expected credit loss. If there is a significant increase, it is recognized according to the expected credit loss throughout the duration.

The expected credit loss is the weighted average credit loss with the risk of default as the weight. Expected credit loss in a period of 12 months means the expected loss of credit from the financial instruments within 12 months due to default. Expected credit loss with the perpetuity of the financial instruments means the expected loss of credit from the financial instruments within the perpetuity of these financial instruments.

For the purpose of internal credit risk management, the Company, without considering the collateral held, determines that the following situations represent defaults in the financial assets:

A. There is internal or external information showing that it is impossible for the debtor to pay off the debt.

B. Past due for over 150 days, unless there is reasonable and corroborating information showing that the deferred basis is more appropriate.

All impairment loss of financial assets is recognized through the reduction of the book value of the provisioned account. However, the provision for loss of investment of debt instruments at fair value through comprehensive income shall be recognized as other comprehensive income without the reduction of its book value.

(3) The derecognition of financial assets

The Company derecognizes financial assets only when the contractual rights from the cash flows of the financial assets expire, or when the financial assets are transferred and almost all the risks and rewards of the asset ownership have been transferred to another enterprise.

Where a financial asset measured at amortized cost was derecognized as a whole, the difference between the book value and the received consideration was recognized in profit or loss. When the investment in equity instrument measured at FVTOCI is derecognized as a whole, the accumulated income is directly transferred to the retained earnings without reclassification as income.

2. Equity instruments

The debt and equity instruments issued by the Company are classified as financial liabilities or equity according to the substance of contractual agreements and the definition of financial liabilities and equity instruments.

Equity instruments issued by the Company are recognized for an amount after deducting the direct issuing cost from the proceeds collected.

The Company’s equity retrieved is debited or credited to the equity. The book value is calculated based on the weighted average of the types of shares. The purchase, sale, issuance, or cancellation of the Company's own equity instruments is not recognized in profit or loss.

3. Financial liabilities

(1) Subsequent measurement

All of the Company's financial liabilities are measured at amortized cost in the effective interest method.

(2) Derecognition of financial liabilities

When derecognizing financial liabilities, the difference between the book value and the consideration paid (including any transferred non-cash assets or assumed liabilities) is recognized in profit or loss.

(XI) Liability reserve

The recognized liability reserve amount is based on the risk and uncertainty of the obligation considered, and it is the optimum estimate of the expenditure required to settle the obligations on the balance sheet date. The reserve for liabilities is measured at the discount value of the estimated cash flows for the settlement of obligations.

(XII) Recognition of Income

The Company, after identifying the performance obligations, has the transaction price amortized to each performance obligation and recognizes the income when each performance obligation is satisfied.

Revenue from sale of goods

Revenues from the sale of products are derived from the sale of products. When electronic products arrive at the customer's designated location or when they are shipped, the customer has the right to set the price and the use of the product, and is mainly responsible for the resale of the product, and bears the risk of product obsolescence. The Company recognizes them as income and accounts receivable at this time.

When the material is supplied for processing, the ownership of the processed product is not transferred; therefore, the income is not recognized when the material is supplied.

(XIII) Lease Holdings

On the date of contract formation, the Company assesses whether the contract is (or contains) a lease.

1. The Company as lessor

A lease arrangement is classified as a finance lease if the terms involve a transfer of virtually all risks and returns associated with ownership of the underlying asset to the lessee. All other lease arrangements are classified as operating lease.

Proceeds received from operating leases net of lease incentives are recognized as income on a straight-line basis over the lease tenor. Initial direct costs generated in the acquisition of operating leases are added to the underlying asset carrying amount and recognized as expenses on a straight-line basis in lease periods.

2. The Company as lessee

The consolidated company recognizes right-of-use assets and lease liabilities from the lease start date for each lease arrangement, except for exempted low-value underlying assets and short-term leases where expenses are recognized on a straight-line basis over the lease tenor.

Right-of-use assets are initially measured at cost (including the initial amount of lease liability), and subsequently at cost less accumulated depreciation and impairment loss with adjustments made to the re-measurement of lease liability. Right-of-use assets are separately expressed on the Parent Company Only Statements Of Balance Sheet.

The right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease to the expiry date of the lease or the lease term, whichever is earlier.

Lease liabilities are initially measured at the present value of lease payments. Lease payments are discounted at the implicit interest rate if it can be determined easily. If the interest rate cannot be determined easily, the lessee's incremental borrowing rate is used instead.

Subsequently, lease liability is measured at cost after amortization using the effective interest method, whereas interest expense is amortized over the lease tenor. If there is any change to the amounts to be paid over the lease tenor that leads to changes in future lease payments, the Company will remeasure its lease liabilities and make corresponding adjustments to right-of-use assets. If, however, the book value of right-of-use assets has already been reduced to zero, any remaining re-measurements are recognized in profit or loss. Lease liabilities are separately expressed on the Parent Company Only Statements Of Balance Sheet.

(XIV) Borrowing costs

Borrowing costs directly belonging to acquiring, building or producing assets that meet the requirements are part of the costs of such assets until the completion of all necessary activities that the assets reaching the status of expected use or sale.

The income of a temporary investment with a specific loan that has not yet met the essential requirement of capital expenditure is deducted from the loan cost that meets the essential requirement of capitalization.

In addition to the transaction stated in the preceding paragraph, all other loan costs are recognized as profit and loss upon occurring in the current year.

(XV) Employee Welfare

1. Short-term employee benefits

Liabilities associated with short-term employee benefits are measured at the non-discounted amount of cash that the Company expects to pay in exchange for employees' services.

2. Post-employment benefits

For defined contribution plans, the amount of contributions that is appropriated to pension funds over the duration of employees' services is recognized as expense.

For defined benefit plans, the cost of benefits (including service cost, net interest, and effect of re-measurement) is estimated using the projected unit credit method. The net interests of the service cost (including the service cost for the current period) and net defined benefit liability (asset) are recognized as employee benefit expenses when they occur. Effects of re-measurement (including actuarial gains/losses and return on plan assets net of interest) are recognized under other comprehensive income and added to retained earnings at the time of occurrence. This amount is not reclassified into profit or loss in subsequent periods.

Net defined benefit liability (asset) is the appropriation deficit (surplus) of the defined benefit pension plan. Net determined benefit asset shall not exceed the refund of the appropriated fund or decrease the present value of appropriation of fund in the future.

(XVI) Income tax

Income tax expenses are the aggregate of the income taxes and deferred taxes during the period.

1. Income tax for the current period

Additional income tax on unappropriated earnings is calculated in accordance with the provisions of the Income Tax Act of the Republic of China, to be recognized in the year of the shareholder resolution meeting.

The adjustment to prior period income tax payable is booked as current income tax.

2. Deferred income tax

Deferred income taxes are tax effects of temporary differences deriving from the different book value of assets and liabilities presented in the financial statement and those reported for tax filing.

Tax impacts arising from taxable temporary differences are recognized as deferred income tax liabilities; deferred income tax assets are recognized under the condition that the Company is very likely to generate taxable income in the future to offset deductible temporary differences.

The taxable temporary differences related to the investment in the equities of the subsidiaries are recognized as deferred income tax liabilities, except for those that the Company can control the timing of reversing the temporary difference and the temporary difference is unlikely reversible in the foreseeable future. The deferred income tax asset arising from deductible temporary differences associated with such investment is recognized within the range of earnings that are with sufficient taxable income to realize temporary differences and are expected to be reversed in the foreseeable future.

The book amount of deferred income tax asset must be reviewed at each balance sheet date. The book amount of those that no longer have any sufficient taxable income to recover all or part of the asset, should be adjusted down. Those that are not originally recognized as deferred income tax assets should also be reexamined at each balance sheet date. The book amount of those that are likely to generate taxable income in the future for the recovery of all or part of its assets should be adjusted up.

Deferred income tax assets and liabilities are measured in accordance with the expected liability liquidation or the tax rate in the period when the asset is realized. The tax rate is based on the tax rate and tax laws that are legislated or substantively legislated at the balance sheet date. The measurement of deferred income tax liabilities and assets reflects the tax effect resulting from the book amount of the assets and liabilities expected to be recovered or liquidated at the balance sheet date.

3. Current and deferred income tax

Current and deferred income taxes are recognized in profit or loss, except for current and deferred income taxes related to items recognized in other comprehensive income or directly listed under equity items, which are also recognized in other comprehensive income or directly listed under equity.

V. Major Sources of Uncertainty over Significant Accounting Judgments, Assumptions, and Estimation

With regard to the adoption of accounting policies by the Company, management must make judgments, estimates and assumptions based on historical experience and other relevant factors if relevant information is not readily available from other sources. The actual outcome may be different from the estimates.

When developing significant accounting estimates, the Company incorporates the influence of the economic environment into the material estimates such as cash flows, growth, discount rates and profitability. Management will continue to review these estimates and assumptions.

After evaluation by the management of ABC Taiwan Electronics Corp., there are no significant accounting judgments, estimates, or uncertainties in the accounting policies, estimates, and basic assumptions adopted by the company.

VI. Cash and cash equivalents

	December 31, 2024	December 31, 2023
Bank checks and demand deposits	$ 345,214	$ 333,303
Cash on hand and petty cash	548	590
Equivalent cash		
Bank time deposits with original maturity date within 3 months	32,785	128,961
	$ 378,547	$ 462,854

The market interest rate intervals of bank deposits on the balance sheet date were as follows:

	December 31, 2024	December 31, 2023
Deposits in banks	0.001%~4.30%	0.001%~5.53%

Financial assets at fair value through other comprehensive profit or loss

(I) Investment in equity instruments

	December 31, 2024	December 31, 2023
Non-current		
Domestic investment		
TWSE/TPEx listed stock	$ 34,285	$ 39,189

The Company invested in the common shares of the domestic companies in line with its long-term investment strategic objective with the anticipation of return from long-term investment. The Company's management does not think recognizing the short-term fair value volatility of such investments as profit or loss aligned with the abovementioned long-term investment planning. Therefore, management decided to designate such investments measured at fair value through other comprehensive incomes.

In both 2024 and 2023, ABC Taiwan Electronics Corp. recognized dividend income of NT$969 thousand, related to investments still held as of December 31, 2024, and December 31, 2023.

VIII. Notes and accounts receivable, net amount

	December 31, 2024	December 31, 2023
Notes and accounts receivable		
Measured at amortized cost		
Total book value	$ 112,573	$ 90,581
Less: Allowance for losses	(2,979)	(2,979)
	$ 109,594	$ 87,602
Accounts receivable - related parties		
Measured at amortized cost		
Total book value	$ 107,910	$ 109,371
Less: Allowance for losses	-	-
	$ 107,910	$ 109,371

Accounts receivable at amortized cost

The average credit period for the Company's sales of goods on a monthly basis is 30 to 150 days, and the accounts receivable do not accrue interest. To mitigate the credit risk, the company management has assigned designated team responsible for determining the line of credit cap, loan approval and adopting other adequate monitoring procedure, through which to ascertain that adequate action has been taken on recalling overdue receivables. Meanwhile, the Company reviews the recoverable amount of each receivable on the balance sheet date to recognize appropriate impairment loss for the unrecoverable receivables. Hence, the Company's management believes that the Company's credit risks have been significantly reduced.

The Company adopts the simplified method in IFRS 9 to recognize the allowance for loss of the accounts receivable according to the expected credit losses throughout the duration. Expected credit losses throughout the duration are calculated using Provision Matrix, which considers the historical default records and current financial status, industry economic conditions. As indicated by the Company's historical experience in credit loss, the loss patterns among varied customer bases show no significant difference at all. In the preparation matrix, therefore, the customer bases were not further classified. Instead, we fixed the anticipated rate of credit loss only based on the number of days overdue in the accounts receivable.

If there is evidence that the counterparty is facing serious financial difficulties and the Company cannot reasonably expect the recoverable amount back, the Company will directly write off the relevant accounts receivable, but will continue its recourses, and the amount recovered will be recognized in profit or loss.

The Company uses a provision matrix to measure the allowance for losses of receivables as follows:

December 31, 2024

	Not overdue	Past Due by 1 ~ 60 Days	Past Due by 61 ~ 90 Days	Past Due by 91 ~ 120 Days	Overdue over 120 days	Total
Total book value	$ 108,686	$ 1,175	$ 10	$ -	$ 2,702	$ 112,573
Loss allowance (expected credit losses throughout the duration)	-	(267)	(10)	-	(2,702)	(2,979)
Cost after amortization	$ 108,686	$ 908	$ -	$ -	$ -	$ 109,594

December 31, 2023

	Not overdue	Past Due by 1 ~ 60 Days	Past Due by 61 ~ 90 Days	Past Due by 91 ~ 120 Days	Overdue over 120 days	Total
Total book value	$ 86,968	$ 919	$ -	$ -	$ 2,694	$ 90,581
Loss allowance (expected credit losses throughout the duration)	-	(285)	-	-	(2,694)	(2,979)
Cost after amortization	$ 86,968	$ 634	$ -	$ -	$ -	$ 87,602

Accounts receivable - related parties are non-overdue accounts.

The information about changes in the allowance for loss on accounts receivable is as follows:

	2024	2023
Beginning and ending balances	$ 2,979	$ 2,979

IX. Inventories

	December 31, 2024	December 31, 2023
Commodities	$ 1,638	$ 1,161
Finished goods	58,661	54,004
Work-in-progress	71	261
Raw materials and supplies	4,277	1,979
	$ 64,647	$ 57,405

The nature of the cost of goods sold is as follows:

	2024	2023
Cost of inventories sold	$ 1,320,031	$ 1,396,396
Inventory devaluation loss	16,494	6,145
	$ 1,336,525	$ 1,402,541

X. Investment under equity method

	December 31, 2024	December 31, 2023
Investment in subsidiaries	$ 1,247,580	$ 1,121,113
Non-TWSE/TPEx listed company		
ATEC HOLDING COMPANY (AHC)	$ 1,246,393	$ 1,119,720
ABC AMERICA ELECTRONICS CORP. (AAE)	1,187	1,393
	$ 1,247,580	$ 1,121,113

	Percentage of ownership interests and voting rights	
Name of subsidiary	December 31, 2024	December 31, 2023
AHC	100%	100%
AAE	100%	100%

The Company invested and established AHC Company, and successively re-invested in A-TEC International Company and ATEC UNIVERSAL COMPANY (both with 100% shareholdings); indirectly invested in ABC Electronics (Shanghai) Corp. (hereinafter referred to as ABC (Shanghai) Company) and Guangdong ABC Electronic Co.,Ltd. (hereinafter referred to as Guangzhou ABC Company) is engaged in the manufacturing, processing, and sale of electronic equipment spare parts. Please refer to Note XXIX for the details of the investment in subsidiaries indirectly held by the Company.

ABC Taiwan Electronics Corp.'s Board of Directors approved a cash capital increase of NT$119,606 thousand (US$3,750 thousand) for AHC on August 9, 2023, which was completed on January 30, 2024.

As stated in Note XXV, the Company provides financial guarantees for the bank loans of the sub-subsidiaries.

The share of profit and loss of subsidiaries under the equity method and other comprehensive income in 2024 and 2023, except for AAE Company, whose financial statements were not audited because it was not a major subsidiary, were calculated based on the financial statements that have been audited by independent auditors. However, the management of the Company believes that if the financial statements of the subsidiaries referred to above are audited by CPAs, they will not lead to material adjustments.

XII. Property, plant and equipment

	December 31, 2024	December 31, 2023
Own use	$ 946,775	$ 893,960

	Land	Housing and construction	Machinery and equipment	Research and development equipment	Transportation equipment	Income-producing equipment	Miscellaneous equipment	Real estate under construction	Total
Cost									
Balance as of January 1, 2024	$ 299,830	$ 176,544	$ 91,793	$ 252,352	$ 5,966	$ 3,315	$ 38,939	$ 175,933	$ 1,044,672
Increase	-	5,895	9,469	80,485	-	-	3,397	14,038	113,284
Disposal	-	-	-	-	-	-	(560)	-	(560)
Reclassification	-	189,619	-	-	-	-	-	(189,619)	-
Balance as of December 31, 2024	$ 299,830	$ 372,058	$ 101,262	$ 332,837	$ 5,966	$ 3,315	$ 41,776	$ 352	$ 1,157,396
Accumulated depreciation									
Balance as of January 1, 2024	$ -	$ 33,840	$ 36,306	$ 65,789	$ 2,488	$ 1,401	$ 10,888	$ -	$ 150,712
Depreciation expense	-	9,639	10,354	31,772	663	464	7,577	-	60,469
Disposal	-	-	-	-	-	-	(560)	-	(560)
Balance as of December 31, 2024	$ -	$ 43,479	$ 46,660	$ 97,561	$ 3,151	$ 1,865	$ 17,905	$ -	$ 210,621
Net amount on December 31, 2024	$ 299,830	$ 328,579	$ 54,602	$ 235,276	$ 2,815	$ 1,450	$ 23,871	$ 352	$ 946,775
Cost									
Balance as of January 1, 2023	$ 299,830	$ 171,678	$ 81,387	$ 156,416	$ 11,645	$ 5,909	$ 26,515	$ 133,613	$ 886,993
Increase	-	4,866	9,027	105,462	94	1,562	15,423	42,320	178,754
Disposal	-	-	(2,564)	(9,526)	(5,773)	(4,156)	(2,999)	-	(25,018)
Reclassification	-	-	3,943	-	-	-	-	-	3,943
Balance as of December 31, 2023	$ 299,830	$ 176,544	$ 91,793	$ 252,352	$ 5,966	$ 3,315	$ 38,939	$ 175,933	$ 1,044,672
Accumulated depreciation									
Balance as of January 1, 2023	$ -	$ 28,300	$ 24,076	$ 52,071	$ 6,843	$ 4,877	$ 6,807	$ -	$ 122,974
Depreciation expense	-	5,540	10,851	23,244	1,418	680	7,027	-	48,760
Disposal	-	-	(2,564)	(9,526)	(5,773)	(4,156)	(2,946)	-	(24,965)
Reclassification	-	-	3,943	-	-	-	-	-	3,943
Balance as of December 31, 2023	$ -	$ 33,840	$ 36,306	$ 65,789	$ 2,488	$ 1,401	$ 10,888	$ -	$ 150,712
Net amount as of December 31, 2023	$ 299,830	$ 142,704	$ 55,487	$ 186,563	$ 3,478	$ 1,914	$ 28,051	$ 175,933	$ 893,960

As there was no sign of impairment in 2024 and 2023, the Company did not conduct impairment assessment.

Property, plant, and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Housing and construction	
Plant and main building	5 to 50 years
Engineering system	2 to 20 years
Machinery and equipment	2 to 10 years
Research and development equipment	2 to 15 years
Transportation equipment	5 to 10 years
Income-producing equipment	5 to 10 years
Miscellaneous equipment	2 to 15 years

Please refer to Note XXVI for the amount of property, plant and equipment pledged as collateral for borrowings.

XIII. Lease agreement

(I) Right-of-use assets

	December 31, 2024	December 31, 2023
Book value of right-of-use assets		
Transportation equipment	$ 75	$ 251

	2024	2023
Increase in right-of-use assets	$ -	$ -
Depreciation expense for right-of-use assets		
Transportation equipment	$ 176	$ 578

(II) Lease liabilities

	December 31, 2024	December 31, 2023
Book value of lease liabilities		
Current	$ 77	$ 178
Non-current	$ -	$ 77

The range of the discount rate for lease liabilities is as follows:

	December 31, 2024	December 31, 2023
Transportation equipment	1.56%	1.35%~1.56%

(III) Other lease information

	2024	2023
Expenses of short-term leases	$ 1,086	$ 687
Expenses for lease of low-value assets	$ 883	$ 849
Total cash (outflow) for leases	($ 2,149)	($ 2,125)

The Company chooses to apply the exemption to the recognition of office equipment that meets the criteria of short-term lease and low-value asset lease, and does not recognize the relevant right-of-use assets and lease liabilities for these leases.

XIV. Intangible assets

	Computer software	Technology authorization	Technology	Customer relationship	Total
Cost					
Balance as of January 1, 2024	$ 11,982	$ 7,422	$ 10,825	$ 23,873	$ 54,102
Increase in the current year	34,977	1,324	-	-	36,301
Disposal for the current year	(9,680)	(1,882)	-	-	(11,562)
Balance as of December 31, 2024	$ 37,279	$ 6,864	$ 10,825	$ 23,873	$ 78,841
Accumulated amortization					
Balance as of January 1, 2024	$ 6,787	$ 2,775	$ 5,799	$ 12,789	$ 28,150
Amortized expenses	9,678	2,788	1,546	3,411	17,423
Disposal for the current year	(9,680)	(1,882)	-	-	(11,562)
Balance as of December 31, 2024	$ 6,785	$ 3,681	$ 7,345	$ 16,200	$ 34,011
Net amount on December 31, 2024	$ 30,494	$ 3,183	$ 3,480	$ 7,673	$ 44,830
Cosst					
Balance as of January 1, 2023	$ 12,034	$ 4,542	$ 10,825	$ 23,873	$ 51,274
Increase in the current year	4,428	3,680	-	-	8,108
Disposal for the current year	(4,480)	(800)	-	-	(5,280)
Balance as of December 31, 2023	$ 11,982	$ 7,422	$ 10,825	$ 23,873	$ 54,102
Accumulated amortization					
Balance as of January 1, 2023	$ 4,532	$ 1,199	$ 4,252	$ 9,378	$ 19,361
Amortized expenses	6,735	2,376	1,547	3,411	14,069
Disposal for the current year	(4,480)	(800)	-	-	(5,280)
Balance as of December 31, 2023	$ 6,787	$ 2,775	$ 5,799	$ 12,789	$ 28,150
Net amount as of December 31, 2023	$ 5,195	$ 4,647	$ 5,026	$ 11,084	$ 25,952

The above intangible assets with limited durability are amortized on a straight-line basis based on the following durability years:

Computer software	1 to 10 years
Technology authorization	2 to 5 years
Technology	7 years
Customer relationship	7 years

XIV. Other assets

	December 31, 2024	December 31, 2023
Current		
Retained tax credit	$ 104	$ 837
Non-current		
Refundable deposits	$ 298	$ 298
Others	2,748	2,748
	$ 3,046	$ 3,046

XVI. Borrowings

(I) Short-term borrowings

	December 31, 2024	December 31, 2023
Unsecured borrowings		
- Borrowings of working capital fund	$ 190,000	$ 230,000

The interest rates of working capital borrowings as of December 31, 2024 and 2023 were 1.87%~1.925% and 1.70%~1.775%, respectively.

(II) Short-term notes payable

	December 31, 2024	December 31, 2023
Commercial paper payable	$ 29,964	$ 59,927

Outstanding short-term notes payable are as follows:

December 31, 2024

Guarantee/Acceptance Agency	Par value	Discount amount	Book value	Interest rate range	Name of collateral	Book value of collateral
Commercial paper payable						
China Bills Finance Corporation (CBF)	$ 30,000	$ 36	$ 29,964	1.988%	Unsecured	$ -

December 31, 2023

Guarantee/Acceptance Agency	Par value	Discount amount	Book value	Interest rate range	Name of collateral	Book value of collateral
Commercial paper payable						
Mega Bank	$ 30,000	$ 38	$ 29,962	1.908%	Unsecured	$ -
China Bills Finance Corporation (CBF)	$ 30,000	$ 35	$ 29,965	1.878%	Unsecured	$ -

(III) Long-term borrowings

	December 31, 2024	December 31, 2023
Secured borrowings (Note XXVI)		
Mid and long-term bank borrowings (1)	$ 121,685	$ 142,725
Unsecured borrowings		
Mid and long-term bank borrowings (2)	764,275	737,679
Sub-total	885,960	880,404
Due within one year	(257,191)	(211,653)
	$ 628,769	$ 668,751

1. Bank borrowings with maturity dates falling on December 31, 2024 and 2023, will be subsequently cleared of payments by the end of July 2037. As of December 31, 2024 and 2023, the interests rates are 1.925%~2.14% and 1.80%~2.02%, respectively.
2. The maturity dates for bank credit loans as of December 31, 2024, and December 31, 2023, are scheduled to be progressively repaid by the end of January 2031 and the end of February 2030, respectively. As of December 31, 2024, and December 31, 2023, the interest rates ranged from 0.635% to 2.1947% and from 0.51% to 2.1037%, respectively.

Long-term borrowings from banks

The Company has made commitments for some of its long-term borrowings and so must maintain the financial ratio and regulations in its end-of-year consolidated financial statements each year for the duration of the credit extension, as shown below:

Starting from the date of the fund transfer, the annual consolidated financial statements shall be reviewed at the end of July each year. Among these, (1) the financial liabilities must not be over 100%, and (2) the minimum net worth shall be NT$1,200,000 thousand. If this standard is not met the first time for any of the items, a review will be made for the next half of the annual report. If the standard is still not met, an interest rate of 0.25% will be added to the originally approved interest rate. The originally approved interest rate can be resumed once the standard has been met during the next review. If the standard is not met for two consecutive annual consolidated financial statements, the bank will deem all or part of the interest of the credit amount used as matured.

Each of the financial rates of the Company as of December 31, 2024 and 2023 satisfies the limitations of the aforementioned financial rates.

XVII. Other liabilities

	December 31, 2024	December 31, 2023
Current		
Other payables		
Bonus	$ 10,470	$ 15,782
Salary	8,966	9,862
Payable leave benefit	5,805	5,805
Provision for equipment	3,534	7,583
Labor service expenses	2,529	2,427
Freight and import/export expenses	2,349	1,902
Commission	843	397
Others	13,610	12,167
	$ 48,106	$ 55,925
Other liabilities		
Collection of funds on behalf of others	$ 1,587	$ 1,618
Contract liabilities	377	284
	$ 1,964	$ 1,902

XVII. Retirement benefit plan

(I) Defined contribution plan

The pension scheme introduced under the "Labor Pension Act" that the Company uses is a government-managed defined contribution plan, for which the Company is required to contribute an amount equal to 6% of employees' monthly salaries into their individual pension accounts held with the Bureau of Labor Insurance.

(II) Defined benefit plan

The Company is also subject to the pension scheme introduced under the "Labor Standards Act," which is a government-managed defined benefit plan. Under this plan, employees' pension benefits are calculated based on their years of service and 6-month average salary leading up to their retirement. The Company makes monthly pension contributions equivalent to 6% of employees' monthly salaries into an account held under the Bank of Taiwan in the Labor Pension Supervisory Committee's name. In the event that the account is estimated to be short of balance to pay workers who are expected to meet their retirement criteria in the following year at the end of each year, the Company will reimburse the shortfall in one contribution by no later than the end of March next year. The account is managed by the Bureau of Labor Funds, Ministry of Labor. The Company has no influence whatsoever over the investment strategy.

The following amounts relating to the defined benefit plan have been recognized on the Parent Company Only Statements Of Balance Sheet:

	December 31, 2024	December 31, 2023
Present value of defined benefit obligation	$ 23,760	$ 32,545
Fair value of planned assets	(34,688)	(39,130)
Net defined benefit (assets) liabilities	($ 10,928)	($ 6,585)

Changes in the net defined benefit liability are as follows:

	Present value of defined benefit obligation	Fair value of planned assets	Net defined benefit liabilities (assets)
January 1, 2023	$ 44,286	($ 43,013)	$ 1,273
Cost of services			
Current service cost	97	-	97
Interest expense (income)	541	(528)	13
Recognized in profit or loss	638	(528)	110
Re-measurements			
Actuarial gains - changes in financial assumptions	(55)	-	(55)
Actuarial gains - Experience adjustments	(6,948)	(406)	(7,354)
Recognized in other comprehensive income	(7,003)	(406)	(7,409)
Contributions from the employer	-	(559)	(559)
Payment of welfare	(5,376)	5,376	-

	Present value of defined benefit obligation	Fair value of planned assets	Net defined benefit liabilities (assets)
December 31, 2023	32,545	(39,130)	(6,585)
Cost of services			
Current service cost	89	-	89
Interest expense (income)	393	(484)	(91)
Recognized in profit or loss	482	(484)	(2)
Re-measurements			
Actuarial losses - changes in financial assumptions	40	-	40
Actuarial losses (gains) - Experience adjustments	878	(3,828)	(2,950)
Recognized in other comprehensive income	918	(3,828)	(2,910)
Contributions from the employer	-	(1,431)	(1,431)
Payment of welfare	(10,185)	10,185	-
December 31, 2024	$ 23,760	($ 34,688)	($ 10,928)

The pension fund system of the Company under the "Labor Standards Act" is exposed to the following risks:

1. Investment risk: The Bureau invests labor pension funds in domestic (foreign) equity securities, debt securities, and bank deposits for utilization by itself and through commissioned management. However, the distribution amount for the Company's planned assets is based on the income from the interest rate not lower than the 2-year time deposit interest rate of local banks.
2. Interest rate risk: The decline of the interest rate for government/corporate bonds will cause an increase in the present value of defined benefit obligation. However, the ROI of the debt of the planned assets will also increase accordingly. The effect of the two on net defined benefit liability is mutually offsetting.
3. Salary risk: The calculation of the present value of the defined benefit obligation is based on the salaries of the members in the plan in the future. Therefore, an increase in salary level would raise the present value of defined benefit obligations.

The present value of defined benefit obligations is determined based on actuarial estimates made by certified actuaries. Below are the main assumptions used on the date of measurement:

	December 31, 2024	December 31, 2023
Discount rate	1.30%	1.33%
Expected rate of return on planned assets	1.30%	1.33%
Expected rate of increase in salary	2.00%	2.00%

If there were reasonable and possible changes to the major actuarial assumptions, and all other assumptions remained unchanged, the amount of increase (decrease) in the present value of defined benefit obligation would be as follows:

	December 31, 2024	December 31, 2023
Discount rate		
Increase by 0.25%	($ 282)	($ 328)
Decrease by 0.25%	$ 287	$ 334
Expected rate of increase in salary		
Increase by 0.25%	$ 226	$ 266
Decrease by 0.25%	($ 223)	($ 262)

Because actuarial assumptions may be related to one another, and it is unlikely that any single assumption will change, the sensitivity analysis above may not reflect the actual changes in the present value of defined benefit obligations.

	December 31, 2024	December 31, 2023
Expected amount to be appropriated within 1 year	$ 1,348	$ 528
Average expiry period of defined benefit obligations	1 year	2 year

XIX. Equity

(I) Share capital

	December 31, 2024	December 31, 2023
Authorized shares (in thousand)	150,000	150,000
Authorized shares	$ 1,500,000	$ 1,500,000
Issued and paid shares (in thousand)	105,001	105,001
Issued capital stock	$ 1,050,006	$ 1,050,006

The shares issued were common shares with a par value of NT$10 per share, and each share was entitled to one voting right and the right to receive dividends.

(II) Additional paid-in capital

	December 31, 2024	December 31, 2023
Can be used to offset losses, distribute cash, or capitalize on shares (Note)		
Premium from stock issuance	$ 169,469	$ 169,469
Transaction of treasury stock	10,819	10,819
The difference between the equity actually acquired or disposed of and the book value	775	775
	$ 181,063	$ 181,063

Note: Such capital surplus may be used to offset a deficit, or, when the Company has no deficit, to distribute cash or stock capital, provided that the capital reserve shall be no more than a certain percentage of the Company's share capital each year.

(III) Retained earnings and dividend policy

According to the earnings distribution policy of the Company, any earnings at the end of the year are subject to tax, and reimbursement of accumulated losses according to laws, followed by 10% of the earnings as legal reserve, and the remainder as provision or reverse of special reserves. If there are earnings remaining, together with the undistributed earnings, the board of directors is to draft a motion for earnings distribution and submit to the shareholders' meeting for resolution and distribution of dividends to shareholders. Please refer to Note XX (VII) regarding the policy for remuneration to the employees and the directors as stipulated in the Company's Articles of Incorporation.

The shareholders’ meeting of the Company has on June 9, 2023 passed the amendment of the Articles of Incorporation. According to the revised version, the Company’s dividend policy will accommodate current and future development plan, consider the investment environment, fund requirements and domestic and external competition, and shareholders’ interest to provide appropriation of earnings for at least 20% as the shareholders’ dividends each year. However, when the accumulated earnings available for distribution falls below 2% of the share capital, the distribution may not be proceeded with. Any shareholders dividends are paid in the form of cash or shares, of which cash dividends shall not be less than 10% of the total dividends.

According to the Articles of Incorporation before the amendment, the Company’s dividend policy will accommodate current and future development plans, consider the investment environment, fund requirements and domestic and external competition, and shareholders’ interest to provide appropriation of earnings for at least 60% as the shareholders’ dividends each year. However, when the accumulated earnings available for distribution falls below 2% of the share capital, the distribution may not be proceeded with. Any shareholders dividends are paid in the form of cash or shares, of which cash dividends shall not be less than 10% of the total dividends.

Appropriation of legal reserve shall be made until the balance is equivalent to the amount of the Company’s share capital. Legal reserve may be used to offset a deficit. If the Company has no deficit, the portion of legal reserve that exceeds 25% of the share capital may be capitalized or distributed in cash.

The Company held annual shareholders' meetings on June 3, 2024 and June 9, 2023. Earnings distribution proposals for 2023 and 2022 have been resolved and passed as follows:

	2023	2022
Legal reserve	$ 4,476	$ 22,217
Provision (reverse) of special reserves	$ 24,021	($ 6,103)
Cash dividends	$ 23,100	$ 22,301
Stock dividends	$ -	$ 120,797
Cash dividend per share (NTD)	$ 0.22	$ 0.24
Dividend per share (NTD)	$ -	$ 1.30

On March 10, 2025, the board of directors proposed the 2024 earnings distribution plan as follows:

	2024
Legal reserve	$ 736
Reversal of special reserve	($ 65,908)
Cash dividends	$ 36,750
Cash dividend per share (NTD)	$ 0.35

The appropriation of the 2024 earnings is still pending for resolution by the shareholders' meeting scheduled to be held on June 5, 2025.

(IV) Special reserves

	2024	2023
Balance at the beginning of the year	$ 128,123	$ 134,226
Provision (reverse) of special reserves	24,021	(6,103)
Balance at the end of the year	$ 152,144	$ 128,123

Of which, NT$39,767 thousand came from the recognition of the accumulated translation adjustments presented to the Company into retained earnings upon initial adoption of the IFRSs.

(V) Other equity items

1. Exchange differences on the translation of financial statements of foreign operations

	2024	2023
Balance at the beginning of the year	($ 178,536)	($ 142,738)
Exchange differences arising from the translation of the net assets of foreign operations	70,812	(35,798)
Balance at the end of the year	($ 107,724)	($ 178,536)

2. Unrealized gain or loss on financial assets at fair value through other comprehensive profit or loss

	2024	2023
Balance at the beginning of the year	$ 26,391	$ 14,614
Generated in the current year		
Unrealized gain or loss		
Equity instruments	(4,904)	11,777
Balance at the end of the year	$ 21,487	$ 26,391

XX. Income

(I) Revenue from Contracts

	2024	2023
Revenue from contracts with customers		
Revenue from sale of goods	$ 1,669,406	$ 1,774,856

(II) Contract balance

	December 31, 2024	December 31, 2023
Contract liabilities		
Sale of goods	$ 377	$ 284

The amount from contract liabilities recognized as income at the beginning of the year is as follows:

	2024	2023
From contract liabilities at the beginning of the year		
Sale of goods	$ 284	$ 574

(III) Breakdown of revenue from contracts with customers

	2024	2023
Main regional markets		
USA	$ 825,547	$ 890,390
Germany	312,742	407,140
China	148,944	107,807
Taiwan	89,358	91,728
Others	292,815	277,791
	$ 1,669,406	$ 1,774,856

XX. Net income and other comprehensive income

Net income includes the following items:

(I) Interest income

	2024	2023
Deposits in banks	$ 6,993	$ 6,633

(II) Other income

	2024	2023
Dividend income		
Financial assets at fair value through other comprehensive profit or loss	$ 969	$ 969

(III) Other gains and losses

	2024	2023
Net gains on foreign exchange	$ 32,285	$ 19,228
Net loss from disposal of property, plant and equipment	-	(53)
Others	(1,964)	11,375
	$ 30,321	$ 30,550

(IV) Financial cost

	2024	2023
Interest of bank loans	$ 19,057	$ 17,334
Interest on lease liabilities	2	7
	$ 19,059	$ 17,341

(V) Depreciation and amortization

	2024	2023
Depreciation expense summarized by function		
Operating cost	$ 24,800	$ 26,493
Operating expenses	35,845	22,845
	$ 60,645	$ 49,338
Amortization expense summarized by function		
Operating cost	$ 385	$ -
Operating expenses	17,038	14,069
	$ 17,423	$ 14,069

(VI) Employee benefit expenses

	2024	2023
Benefits after retirement (Note XVII)		
Defined contribution plan	$ 6,433	$ 6,548
Defined benefit plan	(2)	110
	6,431	6,658
Other employee benefits	165,955	183,302
Total employee benefit expenses	$ 172,386	$ 189,960
Summarized by function		
Operating cost	$ 49,386	$ 52,936
Operating expenses	123,000	137,024
	$ 172,386	$ 189,960

(VII) Remuneration to employees and directors

According to the Company's Articles of Incorporation, the employees' and directors' remuneration are allocated based on 12%~16% and no more than 6% of the pre-tax income before deduction of the employees' and directors' remuneration, respectively. The remuneration to employees and directors for 2024 and 2023 were approved by the Board of Directors on March 10, 2025 and March 11, 2024, respectively, as follows:

Estimated ratio

	2024	2023
Compensation to employees	12%	13%
Remuneration to directors	3%	4%

Amount

	2024		2023	
	Cash	Shares of stock	Cash	Shares of stock
Compensation to employees	$ 1,156	$ -	$ 8,630	$ -
Remuneration to directors	289	-	2,655	-

If there is a change in the amount after the annual Parent Company Only Financial Statements were authorized for issue, the difference is treated as a change in accounting estimate and adjusted into the books in the following year.

There is no difference between the actual amount of employees' compensation and remuneration of directors paid for 2023 and 2022 and the amounts recognized in the Parent Company Only Financial Statements for 2023 and 2022.

Information on the employees' compensation and remuneration of directors resolved by the Company's board of directors is available on the Market Observation Post System website of the Taiwan Stock Exchange.

(VIII) Net gains/losses on foreign currency exchange

	2024	2023
Total foreign exchange gains	$ 39,319	$ 53,344
Total loss on foreign currency exchange	(7,034)	(34,116)
Net foreign exchange gain	$ 32,285	$ 19,228

XXII. Income tax

(I) Income tax recognized in profit or loss

The main components of income tax expense are as follows:

	2024	2023
Income tax for the current period		
Generated in the current year	$ 9,524	$ 23,170
Surtax on undistributed retained earnings	-	3,148
Adjustments for previous year	1,881	4,056
	11,405	30,374
Deferred income tax		
Generated in the current year	(7,665)	(12,632)
Income tax expenses recognized in profit or loss	$ 3,740	$ 17,742

Adjustment of accounting income and income tax expenses is as follows:

	2024	2023
Profit before tax	$ 8,186	$ 55,098
Income tax expense of profit before tax calculated at the statutory rate	$ 1,637	$ 11,020
Surtax on undistributed retained earnings	-	3,148
Unrecognized temporary difference	222	(482)
Adjustments to previous year's income tax expenses	1,881	4,056
Income tax expenses recognized in profit or loss	$ 3,740	$ 17,742

(II) Current income tax assets and liabilities

	December 31, 2024	December 31, 2023
Current income tax assets		
Tax refund receivable	$ 2,687	$ -
Current income tax liabilities		
Income tax payable	$ -	$ 25,673

(III) Deferred income tax liabilities

Changes in deferred income tax liabilities are as follows:

2024

Deferred income tax liabilities	Balance at the beginning of the year	Changes in tax rate	Recognized in profit or loss	Balance at the end of the year
Temporary difference	$ 88,889	$ -	($ 7,665)	$ 81,224

2023

Deferred income tax liabilities	Balance at the beginning of the year	Changes in tax rate	Recognized in profit or loss	Balance at the end of the year
Temporary difference	$ 101,521	$ -	($ 12,632)	$ 88,889

(IV) The total amount of the temporary differences related to the investment not recognized as deferred income tax liabilities

As of December 31, 2024 and 2023, there were no taxable temporary differences related to the investment in subsidiaries that were not recognized as deferred income tax liabilities.

(V) Authorization of income tax

The Company's profit-seeking enterprise income tax returns up to 2022 have been approved by the tax collection authorities.

XXIII. Earnings per share

Unit: NTD per share

	2024	2023
Basic earnings per share	$ 0.04	$ 0.36
Diluted earnings per share	$ 0.04	$ 0.35

The net income and the weighted average number of common shares issued for the calculation of earnings per share are as follows:

Net income for the year

	2024	2023
Net profit used in the calculation of basic and diluted earnings per share	$ 4,446	$ 37,356

Number of shares — Unit: Thousand shares

	2024	2023
Weighted average common stock shares used to calculate basic earnings per share	105,001	105,001
Effect of potentially dilutive ordinary shares:		
Compensation to employees	134	653
Weighted average common stock shares used to calculate diluted earnings per share	105,135	105,654

The Company can elect to distribute employees' compensation by stock or by cash. If compensation is in the form of shares, the Company should presume that the entire amount of compensation will be settled in shares, and the resulting potential shares should be included in the weighted-average number of shares outstanding to be used in calculating diluted EPS if the shares have a dilutive effect. The dilutive effects of the potential shares needs to be included in the calculation of diluted EPS until the shareholders resolve the number of shares to be distributed to employees' in the following year.

XXV. Capital risk management

The Company manages capital to ensure the Group's enterprises to maximize shareholder's returns by optimizing the balance of debt and equity under the precondition of continuing operation. The capital structure of the Company is composed of the Company's equity (i.e. share capital, additional paid-in capital, retained earnings, and other equity items).

XXIV. Financial Instruments

(I) Fair value information - Financial instruments that are not measured at fair value

The financial assets not at fair value and the book value of financial liabilities were considered by the Company's management as close to their fair value or has no reliable, fair value measurement.

(II) Fair value information - financial instruments at fair value on a recurring basis

1. Fair value hierarchy

December 31, 2024

	Class 1	Class 2	Class 3	Total
Financial assets at fair value through other comprehensive profit or loss				
TWSE(TPEx) domestic listed companies' stocks	$ 34,285	$ -	$ -	$ 34,285

December 31, 2023

	Class 1	Class 2	Class 3	Total
Financial assets at fair value through other comprehensive profit or loss				
TWSE(TPEx) domestic listed companies' stocks	$ 39,189	$ -	$ -	$ 39,189

There were no transfers between Class 1 and Class 2 fair value measurements in 2024 and 2023.

(III) Types of financial instruments

	December 31, 2024	December 31, 2023
Financial assets		
Measured at fair value through other comprehensive income	$ 34,285	$ 39,189
Financial assets measured at amortized cost (Note 1)	605,956	671,347
Financial liabilities		
Measured at amortized cost (Note 2)	1,359,910	1,402,341

Note 1: The balance includes financial assets measured at amortized cost, such as cash and cash equivalents, notes and accounts receivable, accounts receivable from related parties, other receivables (including from related parties), and refundable deposits.

Note 2: The balances of financial liabilities measured at amortized cost comprising short-term borrowings, commercial paper payables, notes and accounts payable, accounts payable-related parties, other payables, and long-term borrowings (including long-term borrowings due within a year).

(IV) Financial risk management objective and policies

The Company's primary financial instruments include equity investment, accounts receivable, accounts payable, borrowings, and lease liabilities. The Company’s financial management department shall provide services to each business unit, to plan and coordinate operations in the domestic financial markets, and to monitor and manage the Company’s operation related financial risks with the internal risk report, with the risk exposure analyzed in accordance with the degree and breadth of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The financial management department is an independent organization dedicated exclusively to monitoring risks and implementing policies to mitigate risk exposure and it reports to the Company's Board of Directors quarterly.

1. Market risk

The main financial risks for the Company's operating activities are the risk of changes in foreign currency exchange rates (see (1) below) and the risk of changes in interest rates (see (2) below).

The exposure of the market risk of the financial instruments of the Company and the management and measurement of such exposure risk remain unchanged.

(1) Exchange rate risk

Part of the Company's cash inflows and outflows are denominated in foreign currencies, and therefore part of them have a natural hedging effect. The Company's management of currency risk is for hedging and not for profit seeking.

For the book values of monetary assets and monetary liabilities denominated in non-functional currencies of the Company as at the balance sheet date, please refer to Note XXVIII for details.

Sensitivity analysis

The Company is mainly affected by fluctuations in the exchange rates of USD, CNY, and JPY.

The following table details the Company's sensitivity analysis when the New Taiwan dollar (functional currency) increases and decreases by 5% against each relevant foreign currency. The sensitivity analysis included only the outstanding foreign currency monetary items and foreign exchange forward contracts designated as cash flow hedges, and the year-end conversion was adjusted based on a 5% change in exchange rates. The scope of sensitivity analysis includes cash and cash equivalents, accounts receivable (including related parties), other receivables (including related parties), accounts payable, and other payables. The positive numbers in the table below indicate the amount by which the net profit before tax will increase when NTD depreciates by 5% against the relevant foreign currencies. When NTD appreciates by 5% against the relevant foreign currencies, the effect on net profit before tax will be the negative number of the same amount.

	Effect of US Dollars		Effect of Renminbi		Effect of Japanese Yen	
	2024	2023	2024	2023	2024	2023
Income (loss)	$ 16,409	$ 20,316	($ 4,882)	($ 4,261)	$ 7	$ 135

The management believes that the sensitivity analysis cannot represent the inherent risk of exchange rate, as foreign currency risk exposure at the balance sheet date cannot reflect the risk exposure at mid-year.

(2) Interest rate risk

ABC Taiwan Electronics Corp. is exposed to interest rate risk as it borrows funds at both fixed and floating interest rates.

The book value of financial assets and liabilities of the Company with interest rate exposure on the balance sheet date is as follows:

	December 31, 2024	December 31, 2023
Fair value interest rate risk		
- Financial assets	$ 32,785	$ 128,961
- Financial liabilities	170,041	130,182
Cash flow interest rate risk		
- Financial assets	345,206	333,289
- Financial liabilities	935,960	1,040,404

Sensitivity analysis

The following sensitivity analysis are based on the interest rate risk exposure of the non-derivative instruments on the balance sheet date. The analysis of floating rate liabilities is based on the assumption that the amount of liabilities outstanding on the balance sheet date is outstanding throughout the reporting period.

If interest rates had decreased/increased by 0.1%, with all other variables held constant, the Company's net income before tax for 2024 and 2023 would have increased/decreased by NT$ 591 thousand and NT$ 707 thousand, respectively, mainly due to the Company's exposure to the net interest rate risk of its variable interest rate net liabilities.

(3) Other price risk

The Company's exposure to the equity price risk is due to the investment in the TWSE/TPEX listed equity securities. The equity investment was not held for trading but was classified as a strategic investment. The Company does not trade such investments actively. The Company's equity price risk is mainly concentrated on equity instruments in the electronics industry, which are traded on Taiwan Stock Exchanges and TPEX.

<u>Sensitivity analysis</u>

The following sensitivity analysis is based on the equity price risk exposure at the balance sheet date.

If the equity price increased/decreased by 5%, other comprehensive income before tax for 2024 and 2023 would have increased/decreased by NT$ 1,714 thousand and NT$ 1,959 thousand, respectively, due to the change in fair value of financial assets measured at fair value through other comprehensive income.

2. Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligation resulting in the financial loss of the Company. As of the balance sheet date, the Company's maximum credit risk of financial losses may be caused by counterparties' failure to fulfill obligations. The risk exposure mainly comes from the book value of financial assets recognized in the Parent Company Only Statements Of Balance Sheets.

To mitigate the credit risk, the company management has assigned designated team responsible for determining the line of credit cap, loan approval and adopting other adequate monitoring procedure, through which to ascertain that adequate action has been taken on recalling overdue receivables. Meanwhile, the Company reviews the recoverable amount of each receivable on the balance sheet date to recognize appropriate impairment loss for the unrecoverable receivables. Hence, the Company’s management believes that the Company’s credit risks have been significantly reduced.

In addition, because the counterparty of the current fund is a reputable bank, the credit risk is limited.

The Company's credit risk is mainly concentrated in the top ten customers. As of December 31, 2024 and 2023, the percentage of total accounts receivable from the aforementioned customers was 83% and 81%, respectively.

3. Liquidity risk

The Company manages and maintains sufficient cash and cash equivalents to support its operations and mitigate the impact of cash flow fluctuations. The management of the Company supervises the utilization of the banking facilities and ensures compliance with the terms of the loan contract.

Bank borrowings were an important source of liquidity for the Company. For the bank financing facilities not drawn down by the Company, please refer to the description of (2) financing facilities below.

(1) Liquidity and interest rate risk tables of non-derivative financial liabilities

The remaining contractual maturity analysis of non-derivative financial liabilities was based on the earliest date at which the Company might be required to repay and was compiled based on the undiscounted cash flows of financial liabilities (including principal and estimated interest). Therefore, the bank borrowings that the Company could be demanded to repay immediately were listed in the earliest time period of the below table, regardless of the probability of the bank executing the right. Maturity analysis of other non-derivative financial liabilities was compiled based on the agreed repayment date.

December 31, 2024

	Weighted average effective interest rate (%)	Payment on demand or less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	More than 5 years
Non-derivative financial liabilities						
Non-interest bearing liabilities	-	$ 128,833	$ 102,733	$ 16,615	$ -	$ -
Floating interest rate instruments	0.64~2.19	13,357	85,567	220,918	540,963	120,093
Fixed interest rate instruments	1.87~1.99	80,220	90,282	-	-	-
Lease liabilities	1.56	12	26	39	-	-
		$ 222,422	$ 278,608	$ 237,572	$ 540,963	$ 120,093

Further information on maturity analysis of the undiscounted total payments of lease liabilities is as follows:

	Less than 1 year	1 to 5 years	5 to 10 years	10 to 15 years	15 to 20 years	More than 20 years
Lease liabilities	$ 77	$ -	$ -	$ -	$ -	$ -

December 31, 2023

	Weighted average effective interest rate (%)	Payment on demand or less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	More than 5 years
Non-derivative financial liabilities						
Non-interest bearing liabilities	-	$ 101,174	$ 106,395	$ 18,636	$ -	$ -
Floating interest rate instruments	0.51~2.10	95,903	114,672	173,737	564,611	134,327
Fixed interest rate instruments	1.70~1.91	130,101	-	-	-	-
Lease liabilities	1.35~1.56	26	39	116	77	-
		$ 327,204	$ 221,106	$ 192,489	$ 564,688	$ 134,327

Further information on maturity analysis of the undiscounted total payments of lease liabilities is as follows:

	Less than 1 year	1 to 5 years	5 to 10 years	10 to 15 years	15 to 20 years	More than 20 years
Lease liabilities	$ 181	$ 77	$ -	$ -	$ -	$ -

(2) Financing amount

	December 31, 2024	December 31, 2023
The secured bank loan facility may be extended upon mutual consent of both parties.		
- Amount used	$ 277,006	$ 142,726
- Unutilized amount	-	-
	$ 277,006	$ 142,726
The unsecured bank loan facility may be extended upon mutual consent of both parties.		
- Amount used	$ 828,954	$ 1,027,679
- Unutilized amount	394,657	526,500
	$ 1,223,611	$ 1,554,179

XXV. Transactions with related parties

Other than the disclosures already made in other notes, the transactions between the Company and related parties are as follows.

(I) Names of related parties and their relationships

Name of Related Party	Relationship with the Company
AHC	Subsidiary of the Company
AAE	Subsidiary of the Company
ABC (Shanghai) Company	Third-tier subsidiary of the Company
Guangzhou ABC Company	Third-tier subsidiary of the Company
AOBA TECHNOLOGY (M) SDN. BHD. (hereinafter referred to as AOBA)	Sub-subsidiaries of the Company
Bourns, Inc.	Substantive related party

(II) Operating revenue

Account items	Category/name of related party	2024	2023
Sales revenues	Third-tier subsidiary of the Company		
	ABC (Shanghai) Company	$ 2,897	$ 3,138
	Guangzhou ABC Company	135	20
		3,032	3,158
Sales revenues	Sub-subsidiaries of the Company		
	AOBA	$ 10,098	$ 8,224
	Subsidiary of the Company		
	AAE	9	8
	Substantive related party		
	Bourns, Inc.	798,831	870,460
		$ 811,970	$ 881,850

In 2024 and 2023, the Company's sales revenue recognized by Guangzhou ABC Company, ABC (Shanghai) Company, and AOBA for processing without materials were NT$12,240 thousand and NT$8,007 thousand, and the related income and cost have been deducted from the account.

For the Company's sales with related parties, the sales is based on general trading practices. The collection period is open 60 to 120 days on a monthly basis. In order to cooperate with the operations of subsidiaries, the Company temporarily collects and pays accounts based on its funding status.

(III) Purchase of goods

Category/name of related party	2024	2023
Third-tier subsidiary of the Company		
Guangzhou ABC Company	$ 858,720	$ 820,767
ABC (Shanghai) Company	207,367	293,932
	1,066,087	1,114,699
Sub-subsidiaries of the Company		
AOBA	65,772	65,391
	$ 1,131,859	$ 1,180,090

The Company's purchases with its related parties are based on general trading practices. The payment period is open 30 to 60 days monthly basis. In order to cooperate with the operations of subsidiaries, the Company collects and pays accounts based on their funding status for the time being.

(IV) Accounts receivable - related parties

Account items	Category/name of related party	December 31, 2024	December 31, 2023
Accounts receivable	Substantive related party		
	Bourns, Inc.	$ 107,910	$ 109,371
Other receivables	Third-tier subsidiary of the Company		
	Guangzhou ABC Company	$ 82	$ 40
	Sub-subsidiaries of the Company		
	AOBA	343	312
		$ 425	$ 352

No guarantee is collected for outstanding receivables from related parties. No provision of loss allowance was provided for receivables from related parties in 2024 and 2023.

(V) Accounts payable - related parties

Account items	Category/name of related party	December 31, 2024	December 31, 2023
Accounts payable	Third-tier subsidiary of the Company		
	Guangzhou ABC Company	$ 134,469	$ 88,334
	ABC (Shanghai) Company	21,868	42,365
		156,337	130,699
	Sub-subsidiaries of the Company		
	AOBA	8,783	8,780
		$ 165,120	$ 139,479
Other payables	Third-tier subsidiary of the Company		
	ABC (Shanghai) Company	$ 227	$ 540

For the balance of payables to related parties outstanding, no guarantee has been provided.

(VI) Transactions with other related parties

Account items	Category/name of related party	2024	2023
Other benefits	Subsidiary of the Company		
	AAE	18	-
	Third-tier subsidiary of the Company		
	Guangzhou ABC Company	$ 10	$ -
	Substantive related party		
	Bourns, Inc.	$ 221	$ 5,757
Other expenses	Third-tier subsidiary of the Company		
	Guangzhou ABC Company	$ 64	$ 518
	Substantive related party		
	Bourns, Inc.	$ 2,007	$ -
Manufacturing overhead	Sub-subsidiaries of the Company		
	AOBA	$ -	$ 5
Sales expense	Third-tier subsidiary of the Company		
	ABC (Shanghai) Company	$ 2	$ 7
R&D expenses	Third-tier subsidiary of the Company		
	Guangzhou ABC Company	$ 2,308	$ 1,126
	ABC (Shanghai) Company	2	-
		$ 2,310	$ 1,126
	Sub-subsidiaries of the Company		
	AOBA	$ 3	$ 5

(VII) Endorsement/Guarantee

Making endorsements and guarantees for others	December 31, 2024	December 31, 2023
Sub-subsidiaries of the Company		
AOBA - maximum guarantee amount	$ -	$ 126,576
AOBA－Actual disbursement	$ -	$ -

The Company provides endorsements and guarantees for subsidiaries' bank credit lines.

(VIII) Others

In 2019, the Company signed a contract with its subsidiary, AAE, to develop distribution channels in the U.S.A. Monthly payments of US$31.5 thousand were made, with total payments of NT$12,839 thousand and NT$12,737 thousand in 2024 and 2023, respectively, recorded under administrative expenses.

(IX) Remuneration to key management personnel

	2024	2023
Short-term employee benefits	$ 28,733	$ 34,096
Benefits after retirement	923	786
	$ 29,656	$ 34,882

The remuneration to directors and other key management personnel is determined by the Remuneration Committee in accordance with individual performance and market trends.

XXVI. Assets pledged as collateral

In addition to those disclosed in other notes, the following assets have been provided as collateral for long-term bank borrowings:

	December 31, 2024	December 31, 2023
Land	$ 299,830	$ 299,830
Housing and construction	284,507	132,959
	$ 584,337	$ 432,789

XXVII. Significant Contingent Liabilities and Unrecognized Commitments

Except for those already mentioned in other notes, the Company's significant commitments and contingencies as of the balance sheet date are as follows:

Significant commitments

The Company's unrecognized contractual commitments are as follows:

	December 31, 2024	December 31, 2023
Acquisition of property, plant and equipment	$ -	$ 13,738

XXVIII. Significant assets and liabilities denominated in foreign currencies

The following information is aggregated by foreign currencies other than the Company's functional currency. The disclosed exchange rates refer to the exchange rates at which the foreign currencies were converted into functional currencies. Significant assets and liabilities denominated in foreign currencies are as follows:

December 31, 2024

Assets denominated in foreign currencies	Foreign currency		Exchange rate	Book value	
Monetary items					
US Dollars	$	10,327	32.7850 (USD: NTD)	$	338,563
Euros		3,138	34.1400 (Euro: NTD)		107,143
Japanese Yen		712	0.2099 (JPY: NTD)		149
Hong Kong Dollars		499	4.2220 (HKD: NTD)		2,108
Renminbi		13,482	4.4700 (RMB: NTD)		60,263
				$	508,226

Liabilities denominated in foreign currencies	Foreign currency	Exchange rate	Book value	
Monetary items				
Renminbi	35,325	4.4700 (RMB: NTD)	$	157,902
US Dollars	317	32.7850 (USD: NTD)		10,380
Hong Kong Dollars	237	4.2220 (HKD: NTD)		1,002
			$	169,284

December 31, 2023

Assets denominated in foreign currencies	Foreign currency		Exchange rate	Book value	
Monetary items					
US Dollars	$	13,506	30.7050 (USD: NTD)	$	414,712
Euros		3,325	33.9800 (Euro: NTD)		112,994
Japanese Yen		12,398	0.2172 (JPY: NTD)		2,693
Hong Kong Dollars		428	3.9290 (HKD: NTD)		1,683
Renminbi		10,733	4.3190 (RMB: NTD)		46,357
				$	578,439

Liabilities denominated in foreign currencies	Foreign currency	Exchange rate	Book value	
Monetary items				
Renminbi	30,465	4.3190 (RMB: NTD)	$	131,580
US Dollars	273	30.7050 (USD: NTD)		8,390
Hong Kong Dollars	193	3.9290 (HKD: NTD)		757
			$	140,727

For fiscal years 2024 and 2023, the Company's net profit (loss) on foreign currency exchanged (realized and unrealized) was NT$32,285 thousand and NT$19,228 thousand, respectively. It is impossible to disclose exchange gains and losses by different currencies based on the significant impacts due to the many types of currencies used.

XXIX. Disclosures in notes

(I) Information on significant transactions:

1. Loaning of funds to others: None.
2. Endorsements/guarantees for others: None.
3. Marketable securities held at the end of the period (excluding investment in subsidiaries, associates, and joint ventures):

Unit: NTD thousand, unless stated otherwise

Company held	Type of marketable securities	Name of marketable securities	Relationship with issuer of securities	Accounting titles in book	End of period				Note
					Number of shares	Book value	Percentage of Ownership (%)	Fair value/book value	
The Company	Shares of stock	PROSPERITY DIELECTRICS CO., LTD.	—	Financial assets at fair value through other comprehensive profit or loss	803,880	$ 34,285	0.47	$ 34,285	Note

Note: Calculated based on the stock closing price on December 31, 2024.

4. Aggregate purchases or sales of the same securities reaching NT$300 million or 20% of the paid-in capital or more: None.
5. Acquisition of real estate reaching NT$300 million or 20% of the paid-in capital or more: None.
6. Disposal of real estate reaching NT$300 million or 20% of the paid-in capital or more: None.
7. Amount on purchase from and sale to related parties reaching NT$100 million or more than 20% of the paid-in capital:

Unit: NTD thousand, unless stated otherwise

Purchasing (selling) company	Counterparty	Relationship	Status of transactions				Trading terms different from general trade and reasons		Notes and accounts receivable (payable)		Note
			Purchasing (selling) goods	Amount	Percentage of total purchase (sale)	Credit period	Unit price	Credit period	Balance	As a percentage of total notes and accounts receivable (payable)	
The Company	Guangzhou ABC Company	Third-tier subsidiaries held 100% by the Company	Purchase goods	$ 858,720	69%	Monthly settlement of 60 days	Same as Note XXV (III)	Same as Note XXV (III)	($ 134,469)	(66%)	—
	ABC (Shanghai) Company	Third-tier subsidiaries held 100% by the Company	Purchase goods	207,367	17%	Monthly settlement of 60 days	Same as Note XXV (III)	Same as Note XXV (III)	(21,868)	(11%)	—
	Bourns, Inc.	Substantive related party of the Company	Sales of goods	798,831	48%	Monthly settlement of 60 days	Same as Note XXV (II)	Same as Note XXV (II)	107,910	49%	—

8. Accounts receivable from related parties reaching NT$ 100 million or more than 20% of the paid-in capital.

Unit: NTD thousand, unless stated otherwise

The company that accounts for the accounts receivable	Name of counterparty	Relationship	Balance for receivables from related parties	Turnover	Overdue accounts receivable from related parties		Subsequent recovery of receivables from related parties	Allowance for Doubtful Accounts
					Amount	Disposal method		
The Company	Bourns, Inc.	Substantive related party	$ $107,910	7.35	$ -	—	$ 88,860	$ -

9. Trading of derivatives: None.

(II) Information about reinvestment business:

Unit: NTD thousand, unless stated otherwise

Name of investment company	Name of investee company	Location of the Company	Main business items	Initial investment amount		Held at the end of period			Gains (losses) on investees for the current period	Investment income (loss) recognized by the Company	Note
				End of current period	End of last year	Number of shares	Percentage (%)	Book value			
The Company	AHC	Mauritius	Reinvestment of the holding company in Mainland China	USD 33,004 Thousand ($ 1,082,036)	USD 29,254 Thousand ($ 898,244)	33,184,161	100	$ 1,246,393	($ 62,510)	($ 63,664)	Subsidiary of the Company
	AAE	USA	Trading of electronic components	USD 105 Thousand ($ 3,442)	USD 105 Thousand ($ 3,224)	220,000	100	1,187	(287)	(287)	Subsidiary of the Company
AHC	ATEC UNIVERSAL COMPANY	Mauritius	Reinvestment of the holding company in Mainland China	USD 6,274 Thousand ($ 205,693)	USD 6,274 Thousand ($ 192,643)	6,274,457	100	523,978	(2,604)	(2,604)	Sub-subsidiaries of the Company
	A-TEC INTER-NATIONAL COMPANY	Mauritius	Reinvestment of the holding company in Mainland China	USD 5,691 Thousand ($ 186,579)	USD 5,691 Thousand ($ 174,742)	5,110,938	100	263,585	(34,562)	(34,562)	Sub-subsidiaries of the Company
	AOBA	Malaysia	Manufacture, processing, and sale of electronic machine components, etc.	USD 21,078 Thousand ($ 691,042)	USD 20,078 Thousand ($ 616,495)	67,022,080	100	455,582	(16,683)	(25,688)	Sub-subsidiaries of the Company
ATEC UNIVERSAL COMPANY	Guangzhou ABC Company	Guangzhou City, China	Manufacture, processing, and sale of electronic machine components, etc.	USD 6,274 Thousand ($ 205,693)	USD 6,274 Thousand ($ 192,643)	-	100	523,978	(2,604)	(2,604)	Third-tier subsidiary of the Company
A-TEC INTER-NATIONAL COMPANY	ABC (Shanghai) Company	Shanghai City, China	Manufacture, processing, and sale of electronic machine components, etc.	USD 5,691 Thousand ($ 186,579)	USD 5,691 Thousand ($ 174,742)	-	100	209,945	(34,562)	(34,562)	Third-tier subsidiary of the Company

(III) Information on investment in Mainland China:

1. The name of the investee company in Mainland China, the main businesses and products, its paid-in capital, method of investment, information on inflow and outflow of capital, ownership percentage, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the Mainland China area.

Unit: NTD thousand, unless stated otherwise

Name of investees in Mainland China	Main business items	Paid-in capital	Method of investment	Accumulated Investment Amount from Taiwan at Beginning of Period	Investment amount for outward remittance or recovered in the current period		Accumulated Investment Amount from Taiwan at End of Period	Gains (losses) on investees for the current period	The Company's shareholding percentage by direct or indirect investment (Note 2)	Recognition of investment gain (loss) in the current period (Note 2)	Book value of investments at end of period (Note 2)	Investment income remitted back of the current period
					Outward remittance	Withdraw						
Guangzhou ABC Company	Manufacture, processing, and sale of electronic machine components, etc.	USD 6,274 Thousand ($ 205,693)	Note 1	USD 3,479 Thousand ($ 114,059)	$ -	$ -	USD 3,479 Thousand ($ 114,059)	($ 2,604)	100%	($ 2,604)	$ 523,978	$ -
ABC (Shanghai) Company	Manufacture, processing, and sale of electronic machine components, etc.	USD 5,691 Thousand ($ $186,579)	Note 1	USD 5,691 Thousand ($ 186,579)	-	-	USD 5,691 Thousand ($ 186,579)	(34,562)	100%	(34,562)	209,945	-

Accumulated Investment Amount from Taiwan to Mainland China at the End of Current Period The cumulative amount of investment from Taiwan to Mainland China at the end of the current period	Investment Amount Approved by Investment Commission, Ministry of Economic Affairs (MOEA), R.O.C..	Investment to Mainland China is capped at 60% of the net worth as specified by the Investment Commission, MOEA, R.O.C..
USD 9,170 thousand ($ 300,638)	USD 10,117 thousand ($ $331,686)	$926,889

Note 1: Investing in companies in Mainland China through companies invested and incorporated in a third region.
Note 2: Calculated based on the financial statements audited and attested by the independent auditors of the parent company in Taiwan and the consolidated shareholding ratio.
Note 3: Figures in this table that involve foreign currencies are converted into NTD at the exchange rate on the date of the financial reporting.

2. Any of the following significant transactions with investee companies in Mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses:

Unit: NTD thousand, unless stated otherwise

Name of investees in Mainland China	Type of transaction	Purchase and sale of goods		Price	Trading terms and conditions		Notes and accounts receivable (payable)		Unrealized gain or loss	Note
		Amount	Percentage		Payment terms	Comparison with general transaction	Amount	Percentage		
ABC (Shanghai) Company	Sales of goods	$ 2,897	-	Calculated by product price	Same as Note XXV (II)	Same as Note XXV (II)	$ -	-	$ -	—
Guangzhou ABC Company	Purchase goods	858,720	69%	Calculated by product price	Same as Note XXV (III)	Same as Note XXV (III)	(134,469)	(66%)	2,590	—
ABC (Shanghai) Company	Purchase goods	207,367	17%	Calculated by product price	Same as Note XXV (III)	Same as Note XXV (III)	(21,868)	(11%)	(225)	—

(IV) Information on major shareholders: Name of shareholders with an ownership of 5% or more, number of shares held, and percentage:

Name of major shareholder	Shares	
	Number of shares held (shares)	Shareholding ratio
CTBC Bank was entrusted with the custody of the investment account of Bourns, Inc.	9,117,736	8.68%
Joseph M. E. Hsu	6,152,038	5.85%

Note 1: The major shareholders in this table are shareholders holding more than 5% of the ordinary and special shares with dematerialized registration and delivery completed (including treasury shares) on the last business day of the quarter calculated by the Taiwan Depository & Clearing Corporation. The share capital recorded in the Company's Parent Company Only Financial Statements and the number of shares actually delivered by the Company with the dematerialized registration completed may differ due to different calculation bases.

Note 2: The above information will be disclosed based on the trust accounts opened by the trustees for each trustor, if any. As for the insider declaration of more than 10% of the shares in accordance with the Securities and Exchange Act, the shareholding includes the shares placed in a trust and has the right to decide the utilization of the trust assets. For the information on the insider declaration of shareholding, please refer to the MOPS.

§TABLE OF SIGNIFICANT ACCOUNTING ITEMS§

ABC Taiwan Electronics Corp
Statement of Cash and cash equivalents
December 31, 2024

Statement No. 1 Unit: NTD thousand, unless stated otherwise

Items	Amount
Deposits in banks	
Deposits denominated in foreign currencies (Note 1)	$ 266,218
Demand deposits	78,988
Check deposits	8
	345,214
Cash on hand and petty cash (Note 2)	548
Equivalent cash	
Time deposit (Note 3)	32,785
Total	$ 378,547

Note 1: US$4,252 thousand (exchange rate USD1: NT$32.785),
EUR1,905 thousand (exchange rate EUR1: NT$34.14),
JPY675 thousand (exchange rate JPY1: NT$0.2099),
HKD469 thousand (exchange rate HKD1: NT$4.222),
RMB13,346 thousand (exchange rate RMB1: NT$4.470).

Note 2: This includes US$2 thousand (exchange rate USD1: NT$32.785),
EUR2.9 thousand (exchange rate EUR1: NT$34.14),
JPY98 thousand (exchange rate JPY1: NT$0.2099),
HKD2.9 thousand (exchange rate HKD1: NT$4.222),
RMB13 thousand (exchange rate RMB1: NT$4.470),
As well as other miscellaneous foreign currencies.

Note 3: US$1,000 thousand (exchange rate USD1: NT$32.785)

ABC Taiwan Electronics Corp
Statement of notes receivable - non-related parties
December 31, 2024

Statement No. 2 | Unit: NTD thousand

Customer name	Amount
YUEH SHIN HIGH-TECHNOLOGY CO., LTD.	$ 192
ZINWELL CORPORATION	103
VIGOR ELECTRIC CORPORATION	70
Tiptek International Enterprise Co., Ltd.	27
Others (Note)	72
Total	$ 464

Note: The balance of each customer did not exceed 5% of the balance of this accounting title.

ABC Taiwan Electronics Corp
Statement of Accounts Receivable - Non-related Parties
December 31, 2024

Statement No. 3 Unit: NTD thousand

Customer name	Amount
Company A	$ 31,106
Company B	9,627
Company C	8,784
Company D	7,301
Company E	6,634
Others (Note)	48,657
Total	112,109
Allowance for losses	(2,979)
Net amount	$ 109,130

Note: The balance of each customer did not exceed 5% of the balance of this accounting title.

ABC Taiwan Electronics Corp
Inventory statement
December 31, 2024

Statement No. 4 Unit: NTD thousand

Items	Amount	
	Cost	Net realizable value
Commodities	$ 1,638	$ 1,824
Finished goods	58,661	77,379
Work-in-progress	71	71
Raw materials and supplies	4,277	4,374
Total	$ 64,647	$ 83,648

ABC Taiwan Electronics Corp
Statement of Prepayments and Other Receivables
December 31, 2024

Statement No. 5 Unit: NTD thousand

Items	Amount
Prepayments	
Prepaid industry-academia collaboration fee	$ 7,843
Prepaid software license fees	3,000
Prepaid product development costs	1,975
Others (Note)	2,127
Sub-total	14,945
Other receivables	
Tax refund receivable - Sales tax	9,131
Others (Note)	51
Sub-total	9,182
Total	$ 24,127

Note: The balance of each item did not exceed 5% of the balance of the accounting title.

ABC Taiwan Electronics Corp
Statement of Changes in Financial Assets at Fair Value through Other Comprehensive Income - non-current
January 1 to December 31, 2024

Statement No. 6

Unit: NTD thousand, unless stated otherwise

Name	Beginning of the year		Increase in the current year		Decrease in the current year		Changes in fair value	At the end of the year		Accumulated impairment	Provision of guarantees or pledges	Note
	Shares (in thousand)	Fair value	Shares (in thousand)	Amount	Shares (in thousand)	Amount		Shares (in thousand)	Fair value			
Equity instruments												
TWSE(TPEx) domestic listed companies												
PROSPERITY DIELECTRICS CO., LTD.	804	$ 39,189	-	$ -	-	$ -	($ 4,904)	804	$ 34,285	$ -	None	Note

Note: Calculated based on the closing price at the end of December 2024.

ABC Taiwan Electronics Corp
Statement of Changes in Investment Using the Equity Method
January 1 to December 31, 2024

Statement No. 7

Unit: NTD thousand, unless stated otherwise

Name of investee company	Balance at the beginning of the year		Increase/decrease in the current year		Recognized investment income (loss) under equity method	Conversion adjustment	Adjustments to unrealized gain or loss on counter-current transactions	Balance at the end of the year			Net value of equity	Note
	Shares (in thousand)	Amount	Shares (in thousand)	Amount				Shares (in thousand)	Shareholding ratio (%)	Amount		
Non-TWSE/TPEx listed company												
ATEC HOLDING COMPANY	29,434	$ 1,119,720	3,750	$ 119,606	($ 62,510)	$ 70,731	($ 1,154)	33,184	100	$ 1,246,393	$ 1,248,388	–
ABC AMERICA ELECTRONICS CORP.	220	1,393	-	-	(287)	81	-	220	100	1,187	1,187	–
		$ 1,121,113		$ 119,606	(62,797)	70,812	(1,154)			$ 1,247,580	1,249,575	

ABC Taiwan Electronics Corp
Statement of Short-term Borrowings
December 31, 2024

Statement No. 8

Unit: New Taiwan Dollar thousand, unless otherwise noted

Name of creditor	Summary	Duration of the contract	Annual interest rate (%)	Balance at the end of the year	Financing amount	Mortgage or guarantee
Fubon Bank	Working capital fund	2024/12/18~2025/03/18	1.8830	$ 90,000	$ 120,000	None
E.Sun Bank	Working capital fund	2024/12/11~2025/03/11	1.8700	50,000	100,000	None
Hua Nan Bank	Working capital fund	2024/12/04~2025/01/03	1.8700	30,000	100,000	None
First Bank	Working capital fund	2024/12/24~2025/01/21	1.9250	20,000	100,000	None
				$ 190,000		

ABC Taiwan Electronics Corp
Statement of Notes Payable
December 31, 2024

Statement No. 9 Unit: NTD thousand

Name of supplier	Amount
I PAO ELECTRONICS CO., LTD.	$ 29
Others (Note)	7
Total	$ 36

Note: The balance of each customer did not exceed 5% of the balance of this accounting title.

ABC Taiwan Electronics Corp
Statement of Accounts Payable - Non-related Parties
December 31, 2024

Statement No. 10 Unit: NTD thousand

Name of supplier	Amount
E-LIVEN TECHNOLOGY CO., LTD.	$ 9,234
WELL FORE SPECIAL WIRE CORPORATION	8,063
MAX ECHO TECHNOLOGY CORP.	7,358
PROMOSTS INTERNATIONAL CO., LTD.	5,201
Others (Note)	9,196
Total	$ 39,052

Note: The balance of each customer did not exceed 5% of the balance of this accounting title.

ABC Taiwan Electronics Corp
Statement of Long-term Borrowings
December 31, 2024

Statement No. 11

Unit: NTD thousand, unless stated otherwise

Name	Summary	Amount of borrowings	Duration of the contract	Annual interest rate (%)	Mortgage or guarantee
Hua Nan Bank	Medium and long-term secured borrowings	$ 111,029	2017/07/27~2037/07/26	2.1400	Note
First Bank	Medium and long-term secured borrowings	10,656	2022/02/21~2027/02/21	1.9250	Note
First Bank	Medium and long-term unsecured borrowings	89,105	2023/08/15~2028/08/15	2.0250	–
CTBC	Medium and long-term unsecured borrowings	84,000	2023/05/05~2025/05/05	2.0863	–
Hua Nan Bank	Medium and long-term unsecured borrowings	83,022	2024/02/01~2031/01/15	1.6350	–
Far Eastern Bank	Medium and long-term unsecured borrowings	80,000	2024/03/25~2026/12/04	2.0750	–
Yuanta Commercial Bank Co., Ltd.	Medium and long-term unsecured borrowings	50,000	2024/11/12~2026/10/23	2.1000	–
Yuanta Commercial Bank Co., Ltd.	Medium and long-term unsecured borrowings	50,000	2024/12/03~2026/10/13	2.1000	–
Fubon Bank	Medium and long-term unsecured borrowings	33,333	2022/12/09~2025/12/09	2.1947	–
Hua Nan Bank	Medium and long-term unsecured borrowings	26,174	2024/09/23~2031/01/15	1.6350	–
Hua Nan Bank	Medium and long-term unsecured borrowings	22,162	2024/05/27~2031/01/15	1.6350	–
First Bank	Medium and long-term unsecured borrowings	21,194	2022/03/02~2027/03/02	1.9250	–
Hua Nan Bank	Medium and long-term unsecured borrowings	13,416	2022/09/23~2030/02/15	0.6350	–
Hua Nan Bank	Medium and long-term unsecured borrowings	11,958	2022/11/25~2030/02/15	0.6350	–
Hua Nan Bank	Medium and long-term unsecured borrowings	10,899	2021/01/27~2030/02/15	0.6350	–
Hua Nan Bank	Medium and long-term unsecured borrowings	10,182	2024/01/24~2030/02/15	0.6350	–
E.Sun Bank	Medium and long-term unsecured borrowings	10,000	2022/09/01~2025/09/01	2.1500	–
Hua Nan Bank	Medium and long-term unsecured borrowings	9,614	2020/08/27~2030/01/15	0.6350	–
Hua Nan Bank	Medium and long-term unsecured borrowings	9,371	2023/02/17~2030/02/15	0.6350	–
Hua Nan Bank	Medium and long-term unsecured borrowings	8,674	2021/10/27~2030/02/15	0.6350	–
Hua Nan Bank	Medium and long-term unsecured borrowings	7,598	2021/02/17~2030/01/15	0.6350	–
Hua Nan Bank	Medium and long-term unsecured borrowings	6,956	2022/06/24~2030/02/15	0.6350	–
Hua Nan Bank	Medium and long-term unsecured borrowings	6,867	2022/05/20~2030/02/15	0.6350	–
Hua Nan Bank	Medium and long-term unsecured borrowings	6,708	2021/12/30~2030/02/15	0.6350	–
Hua Nan Bank	Medium and long-term unsecured borrowings	6,708	2022/03/15~2030/02/15	0.6350	–
Hua Nan Bank	Medium and long-term unsecured borrowings	6,708	2022/04/21~2030/02/15	0.6350	–
Hua Nan Bank	Medium and long-term unsecured borrowings	6,444	2020/06/11~2030/01/15	0.6350	–
Hua Nan Bank	Medium and long-term unsecured borrowings	6,347	2021/07/09~2030/02/15	0.6350	–
Hua Nan Bank	Medium and long-term unsecured borrowings	6,299	2020/10/19~2030/02/15	0.6350	–
Hua Nan Bank	Medium and long-term unsecured borrowings	6,187	2021/12/27~2030/01/15	0.6350	–
Hua Nan Bank	Medium and long-term unsecured borrowings	5,272	2020/08/11~2030/01/15	0.6350	–
Hua Nan Bank	Medium and long-term unsecured borrowings	5,031	2021/07/29~2030/02/15	0.6350	–
Hua Nan Bank	Medium and long-term unsecured borrowings	4,828	2020/04/13~2030/01/15	0.6350	–
Hua Nan Bank	Medium and long-term unsecured borrowings	4,419	2022/06/10~2030/02/15	0.6350	–
Hua Nan Bank	Medium and long-term unsecured borrowings	4,191	2020/03/11~2030/02/15	0.6350	–
Hua Nan Bank	Medium and long-term unsecured borrowings	4,191	2021/03/24~2030/02/15	0.6350	–
Hua Nan Bank	Medium and long-term unsecured borrowings	4,191	2021/05/10~2030/02/15	0.6350	–

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Name	Summary	Amount of borrowings	Duration of the contract	Annual interest rate (%)	Mortgage or guarantee
Hua Nan Bank	Medium and long-term unsecured borrowings	$ 4,191	2021/07/21~2030/02/15	0.6350	—
Hua Nan Bank	Medium and long-term unsecured borrowings	4,191	2021/08/27~2030/02/15	0.6350	—
Hua Nan Bank	Medium and long-term unsecured borrowings	4,191	2022/08/30~2030/02/15	0.6350	—
Hua Nan Bank	Medium and long-term unsecured borrowings	3,493	2023/05/11~2030/02/15	0.6350	—
Hua Nan Bank	Medium and long-term unsecured borrowings	3,264	2020/02/11~2030/01/15	0.6350	—
Hua Nan Bank	Medium and long-term unsecured borrowings	3,042	2023/03/10~2030/01/15	0.6350	—
Hua Nan Bank	Medium and long-term unsecured borrowings	2,878	2021/05/14~2030/01/15	0.6350	—
Hua Nan Bank	Medium and long-term unsecured borrowings	2,093	2022/08/31~2030/01/15	0.6350	—
Hua Nan Bank	Medium and long-term unsecured borrowings	2,086	2021/03/05~2030/01/15	0.6350	—
Hua Nan Bank	Medium and long-term unsecured borrowings	1,771	2021/04/26~2030/02/15	0.6350	—
Hua Nan Bank	Medium and long-term unsecured borrowings	1,728	2023/04/27~2030/02/15	0.6350	—
Hua Nan Bank	Medium and long-term unsecured borrowings	1,610	2022/04/20~2030/01/15	0.6350	—
Hua Nan Bank	Medium and long-term unsecured borrowings	1,610	2022/12/27~2030/01/15	0.6350	—
Hua Nan Bank	Medium and long-term unsecured borrowings	1,502	2022/01/26~2030/02/15	0.6350	—
Hua Nan Bank	Medium and long-term unsecured borrowings	1,137	2020/10/19~2030/02/15	0.6350	—
E.Sun Bank	Medium and long-term unsecured borrowings	1,111	2022/04/27~2025/04/27	2.1500	—
Hua Nan Bank	Medium and long-term unsecured borrowings	924	2022/07/27~2030/01/15	0.6350	—
Hua Nan Bank	Medium and long-term unsecured borrowings	848	2020/03/11~2030/01/15	0.6350	—
Chang Hwa Bank	Medium and long-term unsecured borrowings	556	2022/01/10~2025/01/10	2.1450	—
Sub-total		885,960			
Due within one year		(257,191)			
Total		$ 628,769			

Note: The loan was secured by land and buildings.

ABC Taiwan Electronics Corp
Statement of Operating revenue
January 1 to December 31, 2024

Statement No. 12 Unit: NTD thousand, unless stated otherwise

Name	Quantity (Thousand unit)	Amount
Inductor	590,991	$ 1,644,624
Ceramic Heat Sink	384	1,606
Precision metal parts	38,995	38,138
Others	5,603	7,700
Total		1,692,068
Sales returns and allowances		(22,662)
Net amount		$ 1,669,406

ABC Taiwan Electronics Corp
Statement of Operating Costs
January 1 to December 31, 2024

Statement No. 13 Unit: NTD thousand

Items	Amount
Raw materials at beginning of year	$ 1,979
Purchase of materials in the current year	28,801
Raw materials at end of year	(4,277)
Sale of raw materials	(17,657)
Reclassified to expenses and others	(1,145)
Consumables for the current year	7,701
Direct labor cost	21,374
Processing fees	1,414
Manufacturing overhead	76,216
Manufacturing cost	106,705
Work-in-progress at beginning of the year	261
Input of finished goods	28,627
Work-in-progress at year-end	(71)
Cost of finished goods	135,522
Finished goods at the beginning of the year	54,004
Purchase of goods for current year	1,210,931
Finished goods at the end of the year	(58,661)
Input in production process	(28,627)
Reclassified to expenses and others	(1,481)
Cost of production and sales	1,311,688
Others	393
Merchandise at the beginning of the year	1,161
Purchase of goods in the current year	8,840
Reclassified to expenses and others	(1,576)
Merchandise at the end of the year	(1,638)
Cost of purchase and sales	6,787
Cost of raw materials sold	17,657
Operating cost	$ 1,336,525

ABC Taiwan Electronics Corp
Statement of Operating Expenses
January 1 to December 31, 2024

Statement No. 14 Unit: NTD thousand

Name	Sales and marketing expenses	Management expenses	R&D expenses
Salary	$ 14,364	$ 51,686	$ 21,501
Import/export expenses	12,101	65	17
Commission expense	6,239	-	-
Amortization	1,089	9,969	5,980
Other bonuses	440	1,640	6,015
Depreciation	281	13,626	21,938
Consumables expenses	13	279	5,563
Labor service expenses	-	26,431	362
Others (Note)	14,558	53,882	11,929
Total	$ 49,085	$ 157,578	$ 73,305

Note: The amount of each item does not exceed 5% of the amount of the respective accounting title.

ABC Taiwan Electronics Corp

Summary table of employee benefits, depreciation and amortization expenses incurred in the current period

From January 1 to December 31, 2024 and 2023

Statement No. 15 Unit: NTD thousand

	2024			2023		
	Attributable to operating cost	Attributable to operating expenses	Total	Attributable to operating cost	Attributable to operating expenses	Total
Employee benefit expenses						
Salary expenses	$ 37,257	$ 93,358	$ 130,615	$ 39,755	$ 109,725	$ 149,480
Labor and national health insurance expenses	5,131	10,006	15,137	5,024	11,541	16,565
Pension expense	1,978	4,453	6,431	1,984	4,674	6,658
Remuneration to directors	-	289	289	-	2,655	2,655
Other employee benefit expenses	5,020	14,894	19,914	6,173	8,429	14,602
Total	$ 49,386	$ 123,000	$ 172,386	$ 52,936	$ 137,024	$ 189,960
Depreciation expense	$ 24,800	$ 35,845	$ 60,645	$ 26,493	$ 22,845	$ 49,338
Amortized expenses	$ 385	$ 17,038	$ 17,423	$ -	$ 14,069	$ 14,069

Note 1: The number of employees for this year and the previous year were 219 and 229, respectively, of which the number of directors who did not serve as employees concurrently was both 8 and 6.

Note 2: Companies whose stocks have been listed on the Taiwan Stock Exchange or Taipei Exchange shall additionally disclose the following information:

(1) The average employee benefits expense for the year was NT$816 thousand ("Total employee benefits expense for the current year – Total directors' remuneration" / "Number of employees for the current year - Number of directors who are not employees concurrently").
The average employee benefits expense for the previous year was NT$840 thousand ("Total employee benefit expenditure for the previous year - Total directors' remuneration" / "Number of employees for the previous year - Number of directors who were not employees concurrently").

(2) The average employee salaries and wages for the year was NT$619 thousand (Total employee salary expense for the current year / "Number of employees for the current year - Number of directors who are not employees concurrently").
The average employee salary expense for the previous year was NT$670 thousand (Total employee salary expense for the previous year / "Number of employees for the previous year - Number of directors who were not also employees").

(3) Variance in the average employee salary expense adjustment was 8% ("Average employee salary expense of the current year - Average employee salary expense of the previous year" / Average employee salary expense of the previous year).

(4) The Company has no supervisor since the Audit Committee was established on June 23, 2020.

(5) Please describe the Company's salary and remuneration policy (including directors, supervisors, managers, and employees):
The remuneration to directors and independent directors is negotiated with reference to the payment level of peers in the same industry. After evaluating the Company's current scale of operation and the Company's current operation, the Company's policy of remuneration to directors is positively related to the Company's business performance and future risk exposure.
The remuneration to the Company's directors and supervisors is based on the remuneration to directors and supervisors stipulated in the Company's Articles of Incorporation, and in consideration of the general remuneration in the same industry of monthly payment between NTD 10 to 20 thousand. If the director or supervisor is concurrently an employee, he/she would receive salary, bonuses and employees' compensation according to company regulations.
The Company's President and Vice Presidents receive bonuses and employees' compensation based on the business performance, in addition to salaries specified by the Company regulations. The Company has established a Remuneration Committee on December 28, 2011, and the remuneration for directors, supervisors and managers is given in accordance with the Remuneration Committee Charter.