【Stock Code: 1315】

Tahsin Industrial Corporation

Parent Company Only Financial Statements and Independent Auditor's Report

For the Years Ended December 31, 2024 and 2023

Address: No. 51, 35th Road, Taichung Industrial Park, Xitun District, Taichung City

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Independent Auditors' Report

To Tahsin Industrial Corporation:

Audit Opinion

Tahsin Industrial Corporation's Parent Company Only Balance Sheets as of December 31, 2024 and 2023, in addition to the Parent Company Only Statements of Comprehensive Income, Parent Company Only Statements of Changes in Equity, Parent Company Only Statements of Cash Flows, and Notes to the Parent Company Only Financial Statements (including the Summary of Significant Accounting Policies) from January 1 to December 31, 2024 and 2023, have been audited by the CPAs.

According to our opinion, the Parent Company Only Financial Statements mentioned above have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" in all material aspects, and are considered to have reasonably expressed the parent company only financial conditions of Tahsin Industrial Corporation as of December 31, 2024 and 2023, as well as the parent company only financial performance and cash flows from January 1 to December 31, 2024 and 2023.

Basis for Opinion

We conducted our audit in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and auditing standards. Our responsibilities under those standards are further described in the section titled "Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements." We are independent from the Company pursuant to the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other responsibilities in accordance with these requirements. We believe we have obtained sufficient and appropriate audit evidence to serve as a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Parent Company Only Financial Statements of Tahsin Industrial Corporation for the year ended December 31, 2024. Such matters have been dealt with in the course of auditing and compiling the parent company only financial statements and in the preparation of our audit opinion. As such, we do not respond to each key matter individually. The key audit matters for the parent company only financial statements of Tahsin Industrial Corporation for the year ended December 31, 2024 are as follows:

<u>Revenue recognition</u>

Please refer to Note 4 (17) of the Parent Company Only Financial Statements for accounting policies regarding revenue recognition; please see Note 5 (1) 3 of the Parent Company Only Financial Statements for critical accounting judgments, estimates, and assumptions regarding revenue recognition; please see Note 6 (20) of the Parent Company Only Financial Statement for disclosure of information related to income.

Key Audit Matters:

The operating revenue of Tahsin Industrial Corporation comes mainly from sale of products. Recognition of sales revenue is mainly to verify whether the control over goods is transferred to buyers and whether there are no non-performance obligations that may affect the acceptance of products, and also is the main indicator for investors and the management to assess the financial or business performance of the Company. As the accuracy of the amount and timing of revenue recognition has a great influence on the financial statements, we have thus included it as one of the key audit matters.

Audit procedures adopted:

Our audit procedures include (i) understanding and testing the effectiveness of internal control mechanisms adopted by the management on revenue recognition; (ii) sampling and reviewing records of sales revenue recognition (including shipping documents) over a certain period of time before the balance sheet date, and determining the appropriateness of recognition timing thereof; (iii) testing selected underlying transactions before and after the end of the reporting date to verify if they were recognized in the correct period; (iv) assessing whether the risks and rewards of goods, of which the revenue had been recognized, have been transferred; and (v) performing a trend analysis on major buyers and revenues by product to determine if material irregularities exist.

Cash and cash equivalents

Please refer to Note 4 (5) of the parent company only financial statements for details of the accounting policies for cash and cash equivalents; please refer to Note 6 (1) of the parent company only financial statements for details of the accounting items for cash and cash equivalents and time deposits with an original maturity of more than three months.

Key Audit Matters:

As of December 31, 2024, the carrying amount of cash and cash equivalents and time deposits with initial term maturity date over three months (shown under other financial assets – current) held by Tahsin Industrial Corporation amounted to NTD2,116,059 thousand, accounting for approximately 21.20% of the total assets and the amounts are significant to the overall parent company only financial statements. We identified these as one of the key audit items due to the inherent risk of cash and cash equivalents and time deposits with initial term maturity date of over three months.

Audit procedures adopted:

1. Evaluate and test the effectiveness of the design and implementation of the internal control system for cash and cash equivalents and time deposits with initial terms of over three months.
2. Conduct significant transactions test and verification procedures for frequent bank accounts, including understanding the purpose of the bank account and reviewing relevant transaction vouchers to confirm the reasonableness of the receipt and payment of huge bank deposits.
3. Conduct an inventory verification process on cash and term deposits, including checking whether term deposits have provided guarantees or pledged to confirm consistency with the disclosures in the financial statements.
4. Obtain a breakdown of the balances of cash and cash equivalents and time deposits with initial terms maturity date of over three months and check the bank statements and the related relevant transaction voucher to confirm their existence. In addition, check the amount on the correspondence response letter for all financial institutions and examine whether there are any restricted incidents, which have been properly disclosed.

Financial assets measured at fair value through other comprehensive income

Accounting policies related to financial assets measured at fair value through other comprehensive income are detailed in Note 4 (6) of the parent company only financial statements; significant accounting judgments, estimates, and assumptions regarding the classification and fair value measurement of financial assets are provided in Note 5 (1) and 5 (2) of the consolidated financial statements; explanations regarding the accounting items of financial assets measured at fair value through other comprehensive income are disclosed in Note 6 (3) and 6 (7) of the consolidated financial statements.

Key Audit Matters:

As of December 31, 2024, the carrying amount of financial assets measured at fair value through other comprehensive income held by Tahsin Industrial Corporation and subsidiaries amounted to NTD3,084,275 thousand, accounting for approximately 30.91% of the total assets. The amount is significant to the overall consolidated financial statements. Therefore, the auditor considers these items as one of the key audit matters.

Audit procedures adopted:

1. Evaluate and test the effectiveness of internal control systems design and execution related to investment operations, including whether transactions are appropriately approved.
2. Perform substantive audit procedures on financial assets measured at fair value through other comprehensive income, including verifying the accuracy of initial recognition and subsequent measurement amounts, cross-checking relevant documents, obtaining confirmations or verifying relevant documents to confirm whether collateral or pledges have been provided, ensuring consistency with financial reporting information disclosure.

Responsibilities of the Management and the Governance Unit for the Parent Company Only Financial Statements

To ensure that the parent company only financial statements do not contain material misstatements caused by fraud or errors, the management is responsible for preparing prudent parent company only financial statements in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and for preparing and maintaining necessary internal control procedures pertaining to the parent company only financial statements.

In preparing the parent company only financial statements, the management is responsible for assessing Tahsin Industrial Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to the going concern and using the going concern basis of accounting unless the management either intends to liquidate Tahsin Industrial Corporation 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 Tahsin Industrial Corporation's financial reporting process.

Auditor's 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 misstatements, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards will always detect a material misstatement when it exists in the parent company only financial statements. There may still be material misstatements due to fraud or errors. If it could be reasonably anticipated that misstated amounts, individually or on aggregate, could have influenced the economic decisions made by the users of the parent company only financial statements, it will be deemed as material.

As part of an audit in accordance with the auditing standards, we exercise professional judgment and skepticism throughout the audit. We have also performed the following tasks:

1. Identify and evaluate the risk of material misstatements due to fraud or error in the parent company only financial statements; design and carry out appropriate countermeasures for the evaluated risk; and obtain sufficient and appropriate evidence as the basis for audit opinion. As fraud may involve collusion, forgery, deliberate omissions, false statements, or violations of internal controls, the risk of an undetected material misstatement due to fraud is greater than that due to errors.
2. Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate under the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls of Tahsin Industrial Corporation.
3. Assess the appropriateness of the accounting policies adopted by the management and the reasonableness of the accounting estimates and related disclosures has made.
4. Conclude on the appropriateness of the 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 Tahsin Industrial Corporation's ability to operate as a going concern. If we believe that there may be factors causing significant uncertainties, we are required to remind the users of the parent company only financial statements in our audit report of the relevant disclosures therein, or to amend our report if inappropriate disclosure was made. Our conclusions are based on information available at the date of the auditor's report. However, future events or circumstances may cause the Company to cease to continue as a going concern.
5. Evaluate the overall expression, structure and contents of the parent company only financial statements (including relevant Notes), and whether the parent company only financial statements fairly present relevant transactions and matters.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the parent company only financial statements within Tahsin Industrial Corporation to express opinions 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.

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

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

From the matters communicated with those charged with governance, we determine the key audit items of Tahsin Industrial Company’s parent company only financial statements for the year ended December 31, 2024. Such matters have been explicitly stated in our audit report, unless laws or regulations prevent their disclosures, or, in extremely rare cases, we decide not to communicate such matters in our audit report in consideration that the reasonably anticipated adverse impacts of such communication would be greater than the public interest it would promote.

Crowe (TW) CPAs

CPA: Wang，Wu-Chang

CPA: Chiu, Kuei-Ling

No. of the official approval: FSC No. 10200032833
March 12, 2025

Tahsin Industrial Corporation

Parent Company Only Balance Sheets
December 31, 2024 and 2023

Unit: Thousand NTD

Code	Assets	December 31, 2024 Amount	%	December 31, 2023 Amount	%
	Current Assets				
1100	Cash and cash equivalents (Notes 4 and 6 (1))	$1,866,059	19	$1,863,013	17
1110	Financial assets at fair value- non-current (Notes4 and 6 (2))	17,860	-	2,265	-
1120	Financial assets at fair value through other comprehensive income - current (Notes 6 (3)	2,712,936	27	3,829,878	35
1150	Notes receivable, net (Note 6 (4))	36,577	-	38,423	-
1160	Accounts receivable – related parties (Note 6 (4))	1,555	-	1,003	-
1170	Accounts receivable - net (Note 6 (5))	321,937	3	223,281	2
1180	Accounts receivable – related parties (Note 6 (5))	42,982	1	19,399	-
1200	Other receivables	12,473	-	14,010	-
1210	Other receivables - related parties	1,072	-	4,573	-
1220	Current income tax assets	-	-	11,202	-
130x	Inventories (Notes 4 and 6 (6))	460,490	5	464,777	4
1410	Prepayments	35,604	-	21,348	-
1476	Other financial assets - current (Note 6 (1))	250,000	3	375,538	4
11xx	Total current assets	5,759,545	58	6,868,710	62
	Non-current Assets				
1517	Financial assets at fair value through other comprehensive income - non-current (Notes 6 (7))	371,339	4	452,039	4
1550	Investments accounted for using the equity method (Notes 4 and 6 (8))	1,682,891	17	1,721,927	16
1600	Property, plant, and equipment (Notes 4 and 6 (9))	1,705,169	17	1,576,689	14
1755	Right-of-use asset (Notes 4 and 6 (10))	22,530	-	30,930	-
1760	Investment properties (Notes 4 and 6 (11))	345,451	3	345,455	3
1840	Deferred tax assets (Note 6 (26))	66,638	1	72,715	1
1920	Refundable deposits	1,988	-	3,202	-
1970	Other long-term investment (net)	810	-	810	-
1975	Net defined benefit asset – non-current (Notes 4 and 6 (14))	14,983	-	-	-
1990	Other non-current assets, others	8,208	-	10,488	-
15xx	Total non-current assets	4,220,007	42	4,214,255	38
1xxx	Total Assets	$9,979,552	100	$11,082,965	100

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Tahsin Industrial Corporation

Parent Company Only Balance Sheets
December 31, 2024 and 2023

Unit: Thousand NTD

Code	Liabilities and equity	December 31, 2024 Amount	%	December 31, 2023 Amount	%
	Current liabilities				
2130	Contract liabilities - current (Note 6 (20))	$43,610	1	$5,974	-
2150	Notes payable	101,309	1	87,081	1
2170	Accounts payable	50,245	1	28,364	-
2180	Accounts payable - related parties	1,511	-	7,855	-
2200	Other payables (Note 6 (12))	125,827	1	96,270	1
2220	Other payables- related parties	26,005	-	19,209	-
2230	Current income tax liabilities	15,303	-	9,390	-
2250	Provisions - current (Notes 4 and 6 (13))	8,458	-	8,458	-
2280	Lease liabilities - current (Note 6 (10))	7,441	-	8,159	-
2300	Other current liabilities	468	-	103	-
21xx	Total current liabilities	380,177	4	270,863	2
	Non-current liabilities				
2570	Deferred tax liabilities (Note 6 (26))	199,055	2	187,955	2
2580	Lease liabilities - non-current (Notes 6 (10))	15,396	-	22,837	-
2640	Net defined benefit liabilities - non-current (Notes 6 (14))	-	-	3,354	-
2645	Guarantee deposits received	2,710	-	3,556	-
2650	Investments accounted for using the equity method - credit (Note 6 (8))	961	-	-	-
25xx	Total non-current liabilities	218,122	2	217,702	2
2xxx	Total liabilities	598,299	6	488,565	4
	Equity				
3100	Share capital (Notes 4 and 6 (15))	990,990	10	990,990	9
3200	Capital surplus (Note 6 (16))	239,999	2	221,869	2
3300	Retained earnings (Note 6 (17))	7,564,645	76	7,575,050	69
3400	Other equity (Note 6 (18))	668,849	7	1,889,721	17
3500	Treasury shares (Note 6 (19))	(83,230)	(1)	(83,230)	(1)
3xxx	Total equity	9,381,253	94	10,594,400	96
	Total liabilities and equity	$9,979,552	100	$11,082,965	100

(The accompanying notes are an integral part of the Parent Company Only Financial Statements.)

Chairman: Wu, Zi-Cong　　Manager: Chen, Yi-Chien　　Chief Accountant: Chen,Ming-Je

Tahsin Industrial Corporation

Parent Company Only Statements of Comprehensive Income
For the Years Ended December 31, 2024 and 2023

Unit: Thousand NTD

Code	Items	December 31, 2024 Amount	%	December 31, 2023 Amount	%
4000	Operating revenue (Notes 4 and 6 (20))	$1,767,102	100	$1,817,854	100
5000	Operating costs (Note 6 (6) (21))	(1,537,275)	(87)	(1,575,019)	(87)
5900	Gross Profit	229,827	13	242,835	13
5910	Unrealized gain (loss) from sale, net (loss)	(2,665)	-	(1,644)	-
5920	Realized gain (loss) from sale (Loss)	1,644	-	2,057	-
5950	Net Gross Profit	228,806	13	243,248	13
	Operating expenses (Note 6 (21))				
6100	Marketing expenses	(119,505)	(7)	(115,446)	(6)
6200	Administrative expenses	(119,173)	(7)	(113,205)	(6)
6450	Expected credit impairment loss (gain)	(3,930)	-	4,073	-
6000	Total operating expenses	(242,608)	(14)	(224,578)	(12)
6900	Operating profit	(13,802)	(1)	18,670	1
	Non-operating income and expenses				
7100	Interest income (Note 6 (22))	79,926	4	77,703	4
7010	Other income (Note 6 (23))	116,364	7	209,768	12
7020	Other gains and losses (Notes 4 and 6 (24))	83,664	5	(74)	-
7050	Finance costs (Notes 4 and 6 (25))	(508)	-	(263)	-
7070	Share of profit or loss of subsidiaries, associates, and joint ventures accounted for using the equity method	(26,289)	(1)	54,170	3
7000	Total non-operating income and expenses	253,157	15	341,304	19
7900	Net profit before tax	239,355	14	359,974	20
7950	Expense (benefit) of income tax (Note 6 (26))	(33,786)	(2)	(10,575)	(1)
8000	Profit from continuing operations	205,569	12	349,399	19
8200	Net Income	205,569	12	349,399	19
	Other comprehensive income (Note 6 (27))				
	Items that will not be reclassified to profit or loss:				
8311	Remeasurement of defined benefit plans (Note 6 (14))	14,613	1	(9,654)	(1)
8316	Unrealized valuation profit or loss on investments in equity instruments at fair value through other comprehensive income	(949,493)	(54)	159,932	9
8336	Unrealized valuation gain or loss on investments in equity instruments measured at FVTOCI - subsidiaries, associates, and joint ventures	(20,802)	(1)	66,258	4
8310	Total items that will not be reclassified subsequently to profit or loss:	(955,682)	(54)	216,536	12
	Items that may be reclassified to profit or loss				
8361	Exchange differences on translating the financial statements of foreign operations	29,847	2	(11,983)	(1)
8367	Bond investments with unrealized gain and loss at fair value through other profit or loss	(9,547)	(1)	1,492	-
8399	Income tax relating to items that may be reclassified subsequently to profit or loss	(5,969)	-	2,396	-
8360	Items that may be reclassified subsequently to profit or loss:	14,331	1	(8,095)	(1)
8300	Other comprehensive income - net	($941,351)	(53)	$208,441	11
8500	Total Comprehensive Income for the Year	($735,782)	(41)	$557,840	30
	Earnings Per Share				
9750	Basic earnings per share (NTD) (Note 6 (28))	$2.15		$3.66	
9850	Diluted earnings per share (NTD) (Note 6 (28))	$2.15		$3.66	

(The accompanying notes are an integral part of the Parent Company Only Financial Statements.)

Chairman: Wu, Zi-Cong Manager: Chen, Yi-Chien Chief Accountant: Chen,Ming-Je

Tahsin Industrial Corporation

Parent Company Only Statements of Changes in Equity
For the Years Ended December 31, 2024 and 2023

Unit: Thousand NTD

			Retained earnings			Other Equity			
	Share capital of common stock	Capital Surplus	Legal reserve	Special reserve	Undistributed earnings (or loss to be compensated)	Exchange differences on translation of foreign operating organizations' financial statements	Unrealized valuation (losses) gains from financial assets measured at fair value through other comprehensive income	Treasury stock	Total Equity
Balance as of January 1, 2023	990,990	200,160	1,570,733	573,800	5,616,414	(77,742)	1,818,320	(83,230)	10,609,445
Appropriation and distribution of earnings:									
Ordinary cash dividends	-	-	-	-	(594,594)	-	-	-	(594,594)
Other changes in capital surplus	-	277	-	-	-	-	-	-	277
Net income for 2023	-	-	-	-	349,399	-	-	-	349,399
Other comprehensive income for 2023	-	-	-	-	(9,654)	(9,587)	227,682	-	208,441
Total comprehensive income in 2023	-	-	-	-	339,745	(9,587)	227,682	-	557,840
Adjustments of capital surplus for the Company's cash dividends received by subsidiaries	-	21,432	-	-	-	-	-	-	21,432
Disposals of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	68,952	-	(68,952)	-	-
Balance as of December31,2023	$990,990	$221,869	$1,570,733	$573,800	$5,430,517	($87,329)	$1,977,050	($83,230)	$10,594,400
Balance as of January 1, 2024	990,990	221,869	1,570,733	573,800	5,430,517	(87,329)	1,977,050	(83,230)	10,594,400
Appropriation and distribution of earnings:									
Ordinary cash dividends	-	-	-	-	(495,495)	-	-	-	(495,495)
Other changes in capital surplus	-	270	-	-	-	-	-	-	270
Net income for 2024	-	-	-	-	205,569	-	-	-	205,569
Other comprehensive income for 2024	-	-	-	-	14,613	23,878	(979,842)	-	(941,351)
Total comprehensive income in 2024	-	-	-	-	220,182	23,878	(979,842)	-	(735,782)
Adjustments of capital surplus for the Company's cash dividends received by subsidiaries	-	17,860	-	-	-	-	-	-	17,860
Disposals of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	264,908	-	(264,908)	-	-
Balance as of December 31,2024	$990,990	$239,999	$1,570,733	$573,800	$5,420,112	($63,451)	$732,300	($83,230)	$9,381,253

(The accompanying notes are an integral part of the Parent Company Only Financial Statements.)

Chairman: Wu, Zi-Cong Manager: Chen, Yi-Chien Chief Accountant: Chen,Ming-Je

Tahsin Industrial Corporation

Parent Company Only Statements of Cash Flows
For the Years Ended December 31, 2024 and 2023

Unit: Thousand NTD

Item	December 31, 2024	December 31, 2023
Cash flows from operating activities		
Net profit before tax	$239,355	$359,974
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation expenses	61,900	50,860
Expected credit losses (benefits)	3,930	(4,073)
Financial assets and debts at fair value through profit and loss	(595)	(287)
Interest expenses	508	263
Interest revenue	(79,926)	(77,703)
Dividend revenue	(92,627)	(177,446)
Share of loss (profit) of subsidiaries, associates and joint ventures accounted for using the equity method	26,289	(54,170)
Loss (gain) on disposal and disposition of property, plant and equipment	2,221	(27)
Loss (gain) on disposal of investments accounted for using equity method	(416)	-
Unrealized gain (loss) from sale, net (loss)	2,665	1,644
Realized loss (gain) on sales	(1,644)	(2,057)
Unrealized exchange loss (gain)	(11,799)	468
Other items	270	277
Total adjustments to reconcile profit (loss)	(89,224)	(262,251)
Changes in operating assets and liabilities		
Changes in operating assets		
Decrease (increase) in notes receivable	1,903	5,982
Decrease (increase) in notes receivable - related parties	(552)	707
Decrease (increase) in accounts receivable	(102,246)	80,136
Decrease (increase) in accounts receivable - related parties	(23,980)	15,721
Decrease (increase) in other receivables	1,001	1,336
Decrease (increase) in other receivables - related parties	3,501	(2,558)
Decrease (increase) in inventories	4,287	98,154
Decrease (increase) in prepayments	(14,256)	(1,739)
Decrease (increase) in net-defined benefit assets	(370)	1,043
Total changes in operating assets	(130,712)	198,782
Changes in operating liabilities		
Increase (decrease) in contract liabilities	37,636	(5,712)
Increase (decrease) in notes payable	14,228	(35,208)
Increase (decrease) in accounts payable	21,881	(18,192)
Increase (decrease) in accounts payable - related parties	(6,344)	5,352
Increase (decrease) in other payables	18,978	(10,604)

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Tahsin Industrial Corporation

Parent Company Only Statements of Cash Flows
For the Years Ended December 31, 2024 and 2023

Unit: Thousand NTD

Item	December 31, 2024	December 31, 2023
Increases (decreases) in other payables - related parties	$6,796	($5,487)
Increase (decrease) in other current liabilities	365	(409)
Increase (decrease) in net defined benefit liabilities	(3,354)	(6,300)
Total changes in operating liabilities	90,186	(76,560)
Total changes in operating assets and liabilities	(40,526)	122,222
Total adjustments	(129,750)	(140,029)
Cash inflow (outflow) generated from operations	109,605	219,945
Interest received	80,078	76,772
Dividends received	156,127	239,526
Interest paid	(508)	(263)
Income tax refunded (paid)	(5,463)	(48,965)
Net cash provided by (used in) operating activities	339,839	487,015
Cash flows from investing activities		
Acquisition of financial assets at fair value through other comprehensive income	(419,237)	(201,609)
Disposal of financial assets at fair value through other comprehensive income	669,522	342,164
Acquisition of financial assets at fair value through profit and loss	(15,000)	-
Acquisition of investments accounted for using the equity method	(23,991)	(72,302)
Disposal of investments accounted for using the equity method	999	-
Acquisition of property, plant, and equipment	(176,871)	(111,355)
Disposal of property, plant, and equipment	3,253	54
Increase in refundable deposits	-	(1,384)
Decrease in refundable deposits	1,214	-
Decrease in other financial assets	125,538	205,172
Increase in non-current assets	-	(10,488)
Decrease in other non-current assets	2,280	-
Net cash provided by (used in) investing activities	167,707	150,252
Cash flows from financing activities		
Decrease in guarantee deposits received	(846)	(3,344)
Repayments of principal portion of the lease	(8,159)	(2,535)
Cash dividends paid	(495,495)	(594,594)
Net cash provided by (used in) financing activities	(504,500)	(600,473)
Increase (decrease) in cash and cash equivalents	3,046	36,794
Cash and cash equivalents at beginning of the period	1,863,013	1,826,219
Cash and cash equivalents at end of the period	$1,866,059	$1,863,013

(The accompanying notes are an integral part of the Parent Company Only Financial Statements.)

Chairman: Wu, Zi-Cong　　Manager: Chen, Yi-Chien　　Chief Accountant: Chen,Ming-Je

(Amount in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

(I.) Company History

Tahsin Industrial Corporation ("The Company") was incorporated under the Company Act of Taiwan, Republic of China (R.O.C.) in 1958. The Company and its subsidiaries are primarily engaged in manufacturing and trading of a variety of plastic raincoats, nylon raincoats, overalls, wardrobes, nylon jackets, PP corrugated boards, TC garments, leather goods, handbags, file folders, plastic film, carrier bags and laminating machines, etc. The Company was approved by the Securities and Futures Bureau under the Financial Supervisory Commission (formerly the Securities and Futures Commission) for listing in 1992.

(II.) Date and Procedures of Authorization for Issuance of the Financial Statements

The parent company only financial statements have been approved and released by the Board of Directors on March 12, 2025.

(III.) Application of Newly Issued, Revised, and Amended Standards and Interpretations

a. The impact of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (hereinafter referred to as "IFRSs") endorsed and effected by the Financial Supervisory Commission (hereinafter referred to as the "FSC"):
The following table summarizes the new, revised, amended standards and interpretations of IFRSs endorsed by the FSC and are applicable in Year 2024:

New/Revised/Amended Standards and Interpretations	Effective Date Issued by IASB
Amendments to IFRS 16 “Lease Liability in a Sale and Leaseback”	January 1, 2024 (Note)
Amendments to IAS 1 “Current or Non-current Classification of Liabilities”	January 1, 2024 (Note)
Amendments to IAS 1 “Non-current Liabilities with Covenants”	January 1, 2024 (Note)
Amendments to IAS7 and IFRS7 ”Supplier Finance Arrangements”	January 1, 2024 (Note)

Note: The amendments are used in the annual reports from January 1, 2024.

1) Amendments to IFRS 16 "Lease Liability in a Sale and Leaseback"
This amendment clarifies that for sale and leaseback transactions, if the transfer of assets is accounted for as a sale under the provisions of IFRS 15, the seller-lessee should account for the liabilities arising from the leaseback in accordance with the provisions of IFRS 16 related to lease liabilities. However, if the lease payments involve variable lease payments that are not dependent on an index or a rate, the seller-lessee should still determine and recognize the lease liability arising from such variable payments in a manner that does not recognize profit or loss related to the retained right of use. The difference between the following actual lease payments and the reduction in the carrying amount of the lease liability is recognized in profit or loss.

2) Amendments to IAS 1 "Current or Non-current Classification of Liabilities "
This amendment clarifies that in determining whether a liability should be classified as non-current, an entity should assess whether it has the right, at the end of the reporting period, to defer settlement of the liability for at least 12 months after the reporting period. If the entity has this right at the end of the reporting period, regardless of whether it expects to exercise that right, the liability should be classified as non-current. If the entity must meet specific conditions to have the right to defer settlement, those conditions must be met at the end of the reporting period for the liability to be classified as non-current, even if the creditor assesses compliance with those conditions at a later date.
Additionally, for the purpose of liability classification, "settlement" as mentioned above refers to the extinguishment of the liability by transferring cash, other financial assets, or equity instruments of the Company to the counterparty. However, if the terms of the liability could result in its settlement by the transfer of equity instruments of the Company at the counterparty's option, and if that option is separately recognized as equity in accordance with IAS 32 "Financial Instruments: Presentation", then those terms do not affect the classification of the liability.

3) Amendments to IAS 1 “Non-current Liabilities with Covenants”
This amendment further clarifies that only contractual terms in effect at the end of the reporting period affect the classification of the liability as of that date. Contractual terms that must be complied with within 12 months after the reporting period do not affect the classification of the liability. However, if an entity has classified a liability as non-current as of the end of the reporting period, but it may be required to settle the liability within 12 months after the reporting period because it may not be able to comply with contractual terms, the entity should disclose relevant facts and circumstances in the notes to the financial statements.

4) Amendments to IAS 7 and IFRS 7 “Supplier Finance Arrangements”

Supplier Finance Arrangements refers that one or more financing providers pay the suppliers on behalf of the entity, and the entity agrees to make payments to the financing providers based on the payment date agreed with the suppliers or a later date. This disclosure is aimed at enabling users of the financial statements to assess the impact of these arrangements on the entity's liabilities, cash flows, and liquidity risk exposure. The amendment to IAS 7 requires entities to disclose information about their supplier financing arrangements, aiming at enabling users of the financial statements to assess the impact of these arrangements on the entity's liabilities, cash flows, and liquidity risk exposure. The amendment to IFRS 7, in its application guidance, incorporates consideration of whether entities, when disclosing how they manage liquidity risk associated with financial liabilities, may also consider whether they have obtained or can obtain financing facilities through supplier financing arrangements, and whether such arrangements may lead to concentration of liquidity risk.

The company has already evaluated that the regulations and explanations above make no significant effects on the company's financial situation and performance.

b. Effects of IFRSs issued by IASB but not yet endorsed by FSC in the Year 2025:

The following table summarizes the new, amended and revised standards in the IFRSs that have already been issued by the IASB but are yet to be endorsed by the FSC and related interpretations:

New/Revised/Amended Standards and Interpretations	Effective Date Issued by IASB
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025

This amendment defines exchangeability and provides application guidance on how an entity determines the spot exchange rate on the measurement date when a currency lacks exchangeability. In addition, the amendment requires entities to disclose more useful information in their financial statements when a currency is not exchangeable into another currency.

The Group has continued to assess the effects of amendments to other standards and interpretations on its financial conditions and financial performance. Related impacts will be disclosed upon completion of the assessment.

c. Effects of IFRSs issued by IASB but not yet endorsed by FSC:

The following table summarizes the new, amended and revised standards in the IFRSs that have already been issued by the IASB but are yet to be endorsed by the FSC and related interpretations:

New/Revised/Amended Standards and Interpretations	Effective Date Issued by IASB
Amendment to IFRS 9 and IFRS 7, "Amendments to the Classification and Measurement of Financial Instruments"	January 1, 2026
Amendment to IFRS 9 and IFRS 7, "Contracts for Renewable Electricity"	January 1, 2026
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and it's Associate or Joint Venture"	To be determined
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17 "Insurance Contracts"	January 1, 2023
Amendment to IFRS 17, "Initial 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
IFRS Annual Improvements—Volume 11	January 1, 2026

Except as described below, the above standards and interpretations have no significant impact on the Group's financial condition and financial performance based on the Group's assessment.

1) Amendment to IFRS 9 and IFRS 7, "Amendments to the Classification and Measurement of Financial Instruments"
The amendments include the following:
   (a) Clarification of the recognition and derecognition dates for certain financial assets and liabilities. The amendments introduce that, when settling a financial liability (or part of it) using an electronic payment system with cash, an entity may derecognize the liability before settlement date if, and only if, the entity has initiated the payment instruction and:
      A. the entity no longer has the ability to cancel, stop or reverse the payment instruction
      B. the entity no longer has access to the cash for settlement due to the payment instruction; and
      C. the settlement risk associated with the electronic payment system is insignificant.
   (b) Clarification and additional guidance on assessing whether a financial asset meets the "solely payments of principal and interest" (SPPI) criteria. This includes contracts with contingent terms that change cash flows (e.g., interest linked to ESG targets), non-recourse features, and contractually linked instruments.
   (c) New disclosure requirements for instruments with contractual terms that may change cash flows (e.g., those linked to ESG objectives), including qualitative descriptions of the nature of the contingent features;

quantitative information about the range of potential changes in cash flows; and the total carrying amount of financial assets and amortized cost of financial liabilities subject to such terms.

(d) Updated disclosure requirements for equity instruments designated at fair value through other comprehensive income (FVTOCI) via the irrevocable election. Entities are now required to disclose fair value by class of equity instruments, rather than individually. In addition, entities must disclose: the amount of fair value gains or losses recognized in other comprehensive income during the reporting period; separately, the amounts related to investments that were disposed of during the period and those still held at the reporting date; and the cumulative gain or loss transferred to equity upon disposal.

2) Amendment to IFRS 9 and IFRS 7, "Contracts for Renewable Electricity"

These amendments clarify how contracts related to power generation that depends on uncontrollable natural factors (e.g., weather conditions) should be treated:

(a) Clarification on the "own-use" exemption for contracts to purchase or sell renewable electricity:

When a contract obliges an entity to purchase and receive electricity upon generation, and the design and operation of the market require the entity to sell any unused electricity within a specified period, the entity must assess—based on reasonable and supportable information not exceeding 12 months—whether it is a net purchaser of electricity (i.e., purchases enough to offset its own sales in the same market). New disclosures required for such own-use contracts include:

A. risks arising from variability in the underlying volume of electricity and obligations to purchase during delivery intervals where electricity may be unusable;

B. unrecognized contractual commitments, including expected future cash flows for electricity purchases;

C. the impact of such contracts on the entity's financial performance during the reporting period.

(b) Clarification on applying hedge accounting to contracts involving renewable electricity:

An entity may designate a variable notional amount of forecast electricity transactions—matching the variable amount of renewable electricity to be delivered by the generating facility referenced in the hedging instrument—as the hedged item. When designating such contracts as hedging instruments in a cash flow hedge, the forecast transaction is presumed to be highly probable if it depends on the delivery of electricity by the specified facility. Entities applying hedge accounting with such contracts shall disclose the terms and conditions of the hedge instruments by risk category in accordance with IFRS 7.

3) Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and it's Associate or Joint Venture"

These amendments address the inconsistency between IFRS 10 and IAS 28 regarding the recognition of gains or losses on such transactions:

(a) When the transferred assets constitute a business, the entire gain or loss is recognized;

(b) When the assets do not constitute a business, only the portion of gain or loss attributable to the unrelated investors in the associate or joint venture is recognized.

4) IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 replaces IAS 1 and updates the structure of the statement of profit or loss. It introduces new disclosure requirements for management-defined performance measures and enhances principles for aggregation and disaggregation across primary financial statements and notes.

5) IFRS 19 "Subsidiaries without Public Accountability:Disclosures"

This standard permits eligible subsidiaries to apply reduced disclosure requirements under IFRS.

As of the date of authorization of the Parent Company Only Financial Statements, the Company has continued to assess the effects of amendments to other standards and interpretations on its financial conditions and financial performance. Related impacts will be disclosed upon completion of the assessment.

(IV.) Summary of Significant Accounting Policies

The main accounting policies used in preparing the parent company only financial statements are described below. Unless otherwise stated, these policies are consistently applicable throughout all reporting periods.

a. Compliance declaration

The parent company only financial statements have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers."

b. Preparation basis

1) Except for the following significant items, these parent company only financial statements have been prepared under the historical cost convention:

a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

b) Financial assets measured at fair value through other comprehensive income are measured at fair value.

c) Liability based on cash-settled share-based payment arrangement measured at fair value.

d) Defined benefit liability is derived from retirement plan assets less the present value of net defined benefit obligation.

2) Significant accounting estimates are required when preparing financial statements based on the IFRSs recognized by FSC. When the Company adopts the accounting policies, the management is required to exercise judgments on highly judgmental or complex items or significant assumptions and estimates with regard to the financial statements. For more details, please refer to Note 5.
3) When preparing parent company only financial statements, the Company adopts the equity method for investments in subsidiaries, affiliates or joint ventures. In order to align profit or loss, other comprehensive income, and equity from the current year in the Parent Company Only Financial Statements with those attributable to the Company's owners, the differences in accounting treatment with individual and consolidated basis have led to adjustments in "investments accounted for using the equity method," "share of profit or loss of subsidiaries, associates, and joint ventures accounted for using the equity method," "share of other comprehensive income of subsidiary, associates, and joint ventures accounted for using the equity method" and related equity items.

c. Foreign currency conversion
   1) Foreign currency transactions and balances
      a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in profit or loss in the period in which they arise.
      b) Balances of monetary assets and liabilities denominated in foreign currencies are adjusted at the spot exchange rates prevailing at the balance sheet date. Exchange gains or losses arising from such adjustments are recognized in profit or loss.
      c) Non-monetary assets and liabilities denominated in foreign currencies that are measured at FVTPL, are retranslated at the exchange rates prevailing at the balance sheet date, where their translation differences are recognized in profit or loss as part of the fair value gain or loss. Non-monetary assets and liabilities denominated in foreign currencies measured at FVTOCI are retranslated at the exchange rates prevailing at the balance sheet date, where their translation differences are recognized in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the initial transaction dates.
   2) Conversion of foreign operations
      a) The operating results and financial position of all subsidiaries, affiliates, and jointly controlled entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
         i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the end of the financial reporting period;
         ii. Income and expenses on the statements of comprehensive income are translated at the average exchange rates of that period; and
         iii. All resulting exchange differences are recognized in other comprehensive income.
      b) When the foreign operation partially disposed of or sold is a related enterprise or jointly controlled entity, exchange differences that were recorded in other comprehensive income are proportionately reclassified to income as part of the profit or loss of sale. However, if the Company still holds partial interests in the former associate or jointly controlled entity but has already lost influence over the related enterprise or lost joint control over the jointly controlled entity, such transaction is accounted for as disposal of all interests in such foreign operation.
      c) When the foreign operation that is partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interests in this foreign operation. However, if the Company still retains partial interests in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in this foreign operation.
d. The standards for assets and liabilities classified as current and non-current
   1) Assets that meet one of the following criteria are classified as current assets:
      a) Assets that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle.
      b) The holder primarily for trading purposes.
      c) Assets expected to be realized within 12 months after the balance sheet date.
      d) Cash or equivalent cash, except for those used to exchange or settle liabilities or subject to other restrictions more than 12 months after the balance sheet date.

      The Company classifies all the assets that do not meet the above-mentioned criteria as non-current.
   2) Liabilities that meet one of the following criteria are classified as current liabilities:
      a) Liabilities that are expected to be settled within the normal operating cycle.
      b) The holder primarily for trading purposes.

c) Those who are restricted by the exchange or liquidation of debts within 12 months after the end of each reporting period (after the end of each reporting period and the completion of the long-term refinancing or rescheduling payment agreement before the release of the financial statements, it is also considered as a current liability).

d) Where the entity does not have an unconditional right as of the balance sheet date to defer settlement of the liability for at least 12 months after the balance sheet date. Terms of a liability that could, at the option of the counter-party, result in its settlement by the issue of equity instruments do not affect its classification.

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

e. Cash and cash equivalents

The cash and cash equivalents include cash in treasury, bank discount and short-term investments that can be converted into fixed cash at any time with little change in value at risk and high liquidity (including fixed deposit with an original date due within three months).

f. Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument.

Initially, financial assets and liabilities should be recognized at fair value. Upon initial recognition, transaction costs that are directly attributable to the acquisition or issuance of the financial assets and financial liabilities (except for financial assets and financial liabilities at fair value through profit or loss) should be added to, or subtracted from the fair value of such financial assets and financial liabilities. Transaction costs that are directly attributable to financial assets and financial liabilities measured at FVTPL are recognized as the initial measurements of financial assets and financial liabilities.

1) Financial assets

a) Types of measurement

Financial assets purchased or sold in a regular way are recognized using transaction date accounting. Financial assets held by the Company comprise financial assets measured at fair value through profit or loss, financial assets at amortized cost, investments in debt instruments measured at fair value through other comprehensive income, and investments in equity instruments measured at fair value through other comprehensive income.

i. Financial assets at fair value through profit or loss

Financial assets measured at FVTPL include financial assets measured at FVTPL and financial assets designated as measured at FVTPL. Financial assets measured at FVTPL include investments in equity instruments not designated by the Company as measured at FVTOCI and investments in debt instruments not classified as measured at amortized cost or FVTOCI.

The financial assets measured at amortized cost or fair value through other comprehensive income at initial recognition would eliminate or significantly reduce a measurement or recognition inconsistency which would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases, the Company shall make an irrevocable choice to, at initial recognition, designate the financial asset as a financial asset measured at FVTPL.

Such assets are measured at fair value, of which any dividends accrued are recognized as other revenue, interest revenue and the benefits or losses arising from the re-measurement are recognized in other profits and losses. Please refer to Note 12 (3) for the methods of determination of fair value

ii. Financial assets at amortized cost

A financial asset of the Company is measured at amortized cost if both of the following conditions are met:

i) Financial assets are under a business model whose purpose is to hold financial assets and collecting contractual cash flows; and

ii) The terms of the contract generate a cash flow on a specified date that is solely for the payment of interest on the principal and the amount of principal outstanding.

After initial recognition, financial assets measured at amortized cost are measured at the gross carrying amount determined based on the effective interest method less any impairment losses, and any gains or losses on foreign exchange are recognized in profit or loss.

Except for the following two situations, interest revenue is calculated by the effective interest rate multiplied by the gross carrying amount of financial assets:

i) For purchased or initial credit-impaired financial assets, interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of the financial assets.

ii) For financial assets that are not purchased or originated credit-impaired but subsequently have become credit-impaired, interest income is calculated by applying the effective interest rate to the amortized cost balance of such financial assets.

iii. Investments in debt instrument at fair value through other comprehensive income
Investments in debt instruments of the Company are classified as financial assets at FVTOCI if both of the following conditions are met:
  i) It is held under a certain business model whose purpose is achieved by collecting contractual cash flows and selling financial assets; and
  ii) The terms of the contract generate a cash flow on a specified date that is solely for the payment of interest on the principal and the amount of principal outstanding.
  Investments in debt instruments at FVTOCI are measured at fair value. Among changes in the carrying amount, interest revenue calculated using the effective interest method, gain or loss on foreign exchange, and impairment loss of foreign exchange or gain on reversal of impairment loss of foreign exchange are recognized in profit or loss; other changes are recognized in other comprehensive income and reclassified as profit or loss upon disposal of investments.

iv. Investments in equity instruments at fair value through other comprehensive income
At the time of original recognition, the Company make an irrevocable decision to designate an equity instrument that is neither held for trading nor contingent consideration arising from a business combination to be measured at fair value through other comprehensive income.
Investments in equity instruments at FVTOCI are measured at fair value, and subsequent changes in the fair value are recognized in other comprehensive income and accumulated in other equity. Upon disposal of investments, the cumulative profit or loss is directly transferred to retained earnings and is not reclassified as profit or loss.
Dividends on investments in equity instruments at FVTOCI are recognized in profit or loss when the Company's right to receive payments is established, unless such dividends clearly represent the recovery of the investment cost in part.

b) Impairment of financial assets
  i. The Company assesses financial assets (including accounts receivable) measured at amortized cost based on expected credit losses on each balance sheet date, debt instrument investments measured at fair value through other comprehensive income, operating lease receivables, and Impairment losses on contract assets.
  ii. Accounts receivable, contract assets and operating lease receivables are all recognized as allowance for losses based on the expected credit losses during the term of duration. For other financial assets, whether there is a significant increase in credit risk after initial recognition shall be determined first. If there is no significant increase in credit risk, the allowance for loss is recognized based on the 12-month expected credit losses. If there is a significant increase in credit risk, the allowance for loss is recognized based on the lifetime expected credit losses.
  iii. The expected credit loss is based on the weighted average credit loss determined by the risk of default. The 12-month expected credit losses refer to expected credit losses arising from possible default of financial instruments within 12 months after the reporting date. The lifetime expected credit losses refer to expected credit losses arising from all possible default of financial instruments in the expected duration.
  iv. The impairment loss of all financial assets is reduced by the allowance account to reduce its carrying amount, but the loss allowance of debt instrument investment measured at fair value through other comprehensive income is recognized in other comprehensive income and does not reduce its carrying amount.

c) Derecognition of financial assets
The Company will derecognize a financial asset when one of the following conditions is met:
  i. The right to a contract from the financial asset cash flow is void.
  ii. When transfer the contractual right to receive the cash flow of financial assets and almost all the risks and rewards of the ownership of the financial assets have been transferred.
  iii. It neither transfers nor retains almost all the risks and rewards of the ownership of the financial assets, but does not retain the control over the financial assets.
  On de-recognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received is recognized in profit or loss. On derecognizing an investment in a debt instrument in its entirety at FVTOCI, the difference between the carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss. On derecognizing an investment in an equity instrument at FVTOCI, the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, rather than reclassified as profit or loss.

2) Equity instruments

The debt and equity instruments issued by the Company are classified as financial liabilities or equity instruments in accordance with the definition of financial liabilities and equity instruments and the contractual substance.

Equity instruments refer to any contracts containing an enterprise's residual interest after subtracting liabilities from assets. Equity instruments issued by the Company are recognized as the net of proceeds less direct issuance costs.

3) Financial liabilities

a) Subsequent measurement

Except the following situation, all the financial liabilities are measured at amortized cost using the effective interest method.

i. Financial liabilities measured at fair value through profit or loss refer to financial liabilities held for trading or designated as financial liabilities measured at fair value through profit or loss at the time of original recognition. A financial liability is classified as held for trading if has been acquired principally for the purpose of repurchasing it in the near term and is a derivative that is not designated and effective as a hedging instrument. When financial liabilities meet one of the following criteria, the Company designates them to be measured at FVTPL on initial recognition:

i) It is a hybrid (combined) contract containing embedded derivatives, where the main contract does not fall within the scope of IFRS 9 assets; or

ii) It is able to eliminate or significantly reduce a measurement or recognition inconsistency; or

iii) It is a tool to manage and evaluate its performance on a fair value basis in accordance with a documented risk management or investment strategy.

ii. Financial liabilities at fair value through profit or loss are initially recognized at fair value. Related transaction costs are recognized in profits or losses. For subsequent fair value measurements, changes in fair value are recognized in current profit or loss.

iii. Designated as a financial liability measured at fair value through profit or loss, the amount of changes in fair value due to changes in credit risk is recognized in other comprehensive income, and will not be reclassified to profits or losses in the future. The remaining fair value changes in the liability are reported in profit or loss. However, if the above accounting treatment causes or exacerbates the improper accounting ratio, the profit or loss of the liability will be fully listed in profit or loss.

b) Derecognition of financial liabilities

The Company will derecognize a financial liability only when the obligation is discharged, cancelled or expired. When financial liabilities are derecognized, the difference between their carrying amount and the paid consideration (including any transferred non-cash assets or liabilities assumed) shall be recognized in profit or loss.

4) The revision of Financial Instruments

When contractual cash flows of a financial instrument are renegotiated or modified without requiring the derecognition of the financial instruments, the Company will re-calculate the total book value amount or amortized cost of the financial liabilities using the contractual cash flows discounting at the original effective interest rate, and recognize the modified benefits and losses as profits and loss. Any costs or fees incurred will be reflected as an adjustment to the carrying book value amount of the modified financial instrument and amortized over the remaining period. If the renegotiation or revision leads to the derecognition of the financial instruments, then it should be in accordance with derecognition requirements.

The index rate revolution results in the variation of the contractual cash flows of financial instruments-determined bases and if such variation is directly required by the change in the index rate and the new basis is substantially the same as the basis before the change in the effective interest rate when determining. Aside from the change in rate in contractual cash flows bases, the variable changes in financial instruments also incurred. The Company will first adopt the practice of discretion to the changes required by to the changes required by the index rate change, then apply the regulations of financial instrument modification to any additional changes that are not applicable to the practical discretion.

g. Inventories

Inventories are measured at the lower of cost and net realizable value. The perpetual inventory system is adopted and the cost is determined using the weighted average method. The cost of finished goods and work in process comprises raw materials, direct labor, other direct costs and related production overheads (allocated based on normal operating capacity). It excludes borrowing costs. The item-by-item approach is used in applying lower of cost and net realizable value. Net realizable value refers to the balance of the estimated selling price in the ordinary course of business less the estimated costs to be incurred till completion and related variable selling expenses.

h. Subsidiaries and affiliates using the equity method

1) Subsidiaries refer to all entities (including structured entities) controlled by the Company. The Company controls an entity when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.
2) Unrealized gains or losses arising from the transactions between the Company and its subsidiaries have been eliminated. Accounting policies of its subsidiaries have been adjusted where necessary, and are consistent with the policies adopted by the Company.
3) The Company's share of profit or loss in subsidiaries after acquisition is recognized in profit or loss, whereas its share of other comprehensive income in subsidiaries after acquisition is recognized in other comprehensive income. When the Company's share of losses in a subsidiary equal or exceeds its interest in the subsidiary, the company shall continue to recognize losses in proportion to its shareholding.
4) A change in the shareholding of a subsidiary that does not result in loss of control (a transaction with a non- controlling interest) is treated as an equity transaction, that is, a transaction with the owner. The difference between the adjusted amount of non-controlling interest and the fair value of the consideration paid or received is directly recognized in equity.
5) 5. When the Company loses control over a subsidiary, the retained investment in such former subsidiary is remeasured and the remeasured value is regarded as the fair value on initial recognition of a financial asset, or as the cost on initial recognition of an investment in an associate or joint venture. Difference between fair value and carrying amount is recognized in profit or loss. All amounts recognized in other comprehensive income in relation to that subsidiary should be accounted for on the same basis as would be required if the Company had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognized in other comprehensive income would be reclassified to profit or loss on the disposal of the related assets or liabilities, the company reclassifies the gain or loss from equity to profit or loss.
6) Associates are entities over which the Company has significant influence but not control. In general, it is presumed that an investor has significant influence, if an investor holds, directly or indirectly 20% or more of the voting power of the investee. Investments in associates by the Company are treated using the equity method and recognized at cost when acquired.
7) The Company's share of its associates' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. If the Company's share of loss in any of its related enterprises equals or exceeds its interest in the related enterprise (including the book value and actual cost determined by the equity method, and part of any long-term interests from substantial net investments to the related businesses), it does not recognize further losses, unless it has legal obligations and constructive obligations in the related enterprise, or makes payments on behalf of the related enterprise.
8) Unrealized gains on transactions between the Company and its associates are eliminated to the extent of the Company's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. The accounting policies of associates have been adjusted as necessary, and are consistent with the policies adopted by the Company.
9) Where an associate issues new shares and the Company does not subscribe or acquire new shares proportionately, which results in a change in the Company's ownership percentage of the associate but maintains significant influence on the associate, the "capital surplus" and "investments accounted for under the equity method" shall be adjusted for the increase or decrease of its share of equity interest. Where its investment proportion decreases, in addition to the above adjustments, the profit or loss previously recognized in other comprehensive income due to decrease in its ownership interest and the profit or loss to be reclassified to profit or loss during the disposal of assets or liabilities shall be reclassified to profit or loss based on the proportion of decrease.
10) Upon loss of significant influence over an associate, the Company shall remeasure the remaining investment retained in the former associate at its fair value. Any difference between the fair value and the carrying amount is recognized in profit or loss for the period.
11) When the Company disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognized in other comprehensive income in relation to the associate are handled on the same basis as would be required if the relevant assets or liabilities were disposed of. That is, the profits or losses recognizes in other comprehensive income are reclassified to profit or loss upon disposal of such assets or liabilities. In circumstances where the Company loses significant influence over this associate, such assets or liabilities are reclassified to profit or loss. If the Company still has a significant influence on the related enterprise, only the amount of previously recognized in other comprehensive income is transferred according to the above-mentioned method.
12) When the Company disposes of its investment in an associate and loses significant influence over this associate, the amounts previously recognized as capital surplus in relation to the associate are transferred to profit or loss. If it retains significant influence over this associate, the amounts previously recognized as capital surplus in relation to the associate are transferred to profit or loss proportionately.

13) According to "Regulations Governing the Preparation of Financial Reports by Securities Issuers," the profit or loss of the period and other comprehensive income presented in parent company only financial statements shall be the same as the allocations of profit or loss of the period and of other comprehensive income attributable to owners of the parent presented in the financial statements prepared on a consolidated basis, and the owners' equity presented in the parent company only financial statements shall be the same as the equity attributable to owners of the parent presented in the financial statements prepared on a consolidated basis.

i. Property, plant, and equipment

1) Property, plant, and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalized. Before the completion of property, factories and equipment has reached the expected state of use, the samples of tested production of these assets are measured by the lower cost and net present value to see if the assets can operate normally. The sales price and cost are recognized in the income statement.
2) Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The replaced part of the carrying amount shall be derecognized. All other repair and maintenance costs incurred are recognized in current profit or loss during the period in which they are incurred.
3) Depreciation is not mentioned for land The cost model is adopted for other property, plant and equipment, which is depreciated on a straight-line basis based on the estimated useful life. The Company reviews the residual values, useful lives, and depreciation methods of each asset at the end of each financial year. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" from the date of the change. The useful life of each asset is as follows:
Buildings 5 - 55 years
Machinery and equipment 5 - 18 years
Transportation equipment 5 - 12 years
Miscellaneous equipment 5 - 15 years
4) Property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. The amount of gain or loss arising from the derecognition of property, plant and equipment is the difference between the net disposal value and the carrying amount of the asset, and is recognized in current profit or loss.

j. Leases

The Company assesses whether the contract is (or includes) a lease on the date of its establishment. Where a contract includes a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract to the lease component on the basis of the relative separate price of each lease component and the aggregate separate price of non-lease components.

1) The Company is a lessee:

The Company recognizes right-of-use assets and lease liabilities at the beginning of the lease start date for other leases, except for leases of low-value underlying assets and short-term leases that recognize expenses on a straight-line basis.

<u>Right-of-use assets</u>

The right-of-use asset is initially measured at cost (including the original measured amount of the lease liability, the lease payment paid before the lease commencement date minus the lease incentive received, the original direct cost and the estimated cost of the recovery target asset), and subsequently measured at cost minus the accumulated depreciation and the accumulated impairment loss and adjusted for the remeasurement of the lease liability.

Except for right-of-use assets that meet the definition of investment property, right-of-use assets are listed on parent company only balance sheets as separate line items.

The right-of-use assets shall be depreciated on a straight-line basis from the beginning of the lease to the expiration of the term of the useful life or the expiration of the lease period, whichever is earlier. However, if the ownership of the underlying assets will be acquired at the end of the lease term, or if the cost of the right-of-use assets reflects the exercise of the purchase option, the depreciation shall be accrued from the beginning of the lease to the expiration of the term of the useful life of the underlying assets.

<u>Lease liabilities</u>

Lease liabilities are initially measured at the present value of lease payments (including fixed payments; substantive fixed payments; variable lease payments that are determined by an index or a rate; amounts expected to be paid by the lessee under residual value guarantee; the exercise price of a purchase option when it is reasonably certain to exercise the option; the term of the lease reflects the termination penalty that the lessee will exercise the option to terminate the lease, deducting the present value measurement of the lease incentives received. If the implied interest rate on the lease is easy to defined, the lease payment is discounted with the interest rate. If the interest rate is not easy to determine, the lessee's incremental borrowing rate shall be used.

Subsequently, the lease liability is measured on the basis of amortized cost using the effective interest method, and the interest expense is apportioned during the lease period. When there is a change in a lease term, valuation of exercise price of a purchase option of the underlying asset, expected payable amount based on residual value, or indexes or rates which are used to determine variable lease payments, resulting in a change in future lease payments, the Company re-measures the lease liabilities with a corresponding adjustment to the right-of-use assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the re-measurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the parent company only balance sheets.

Changes in the lease agreement that do not depend on index or rate are recognized as expenses in the period in which they are incurred.

2) The Company is a lessor:

If a lease transfers almost all the risks and rewards attached to the ownership of the underlying asset, it is classified as a financial lease; otherwise, it is classified as an operating lease.

When a lease includes elements of land and buildings, the Company assesses the classification of each element as a financial lease or an operating lease, and apportions the lease payment (including any one-time front-end payment) to the land and buildings according to the fair value of the lease right of the land and buildings on the establishment date of the contract. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease unless it is clear that both elements are operating leases; in which case, the entire lease is classified as an operating lease.

When the Company sublets the right-of-use asset, it judges the classification of sublease based on the right-of-use asset (not the underlying assets). However, if the main lease is a short-term lease where the recognition exemption is applicable to the Company, the sublease is classified as an operating lease.

Finance lease liabilities are initially measured at the present value of lease payments (including fixed payments; in-substance fixed payments; variable lease payments that are determined by an index or a rate; amounts expected to be paid by the lessee under residual value guarantees; the exercise price of a purchase option when it is reasonably certain to exercise the option; and penalties for terminating the lease reflected in the lease term; less any lease incentives receivable). The net amount of lease investment is measured as the sum of the present value of lease receivables and unguaranteed residual value plus the original direct cost and expressed as finance lease receivable. The Company allocates the financing income to the lease term on a systematic and reasonable basis to reflect the fixed rate of return that the unexpired net lease investment can obtain on a regular basis.

In the case of operating leases, the lease payment after deducting the lease incentives is recognized as the lease income on a straight-line basis over the lease term. The initial direct costs arising from acquisition of operating leases is added to the carrying amount of the underlying assets; and an expense is recognized for the lease on a straight-line basis over the lease term.

Changes in leases that do not depend on an index or a rate in lease agreements are recognized as expenses in the period in which they take place.

k. Investment properties

Investment real estate refers to real estate held for rent or capital appreciation or both (including real estate in the process of construction for these purposes) Investment property also includes land whose future use is yet to be decided. Investment property also includes right-of-use assets that meet the definition of investment property.

Self-owned investment property is initially measured at cost (including transaction costs), and subsequently measured at cost less accumulated depreciation and accumulated impairment losses. Depreciation is recognized on a straight-line basis.

Investment property under construction is recognized at cost less accumulated impairment loss. Cost includes professional service fees and borrowing costs that are eligible for capitalization. Depreciation of such assets begins when they reach the expected state of use.

In the event of derecognition of an investment property, it is the difference between the net disposal price and the carrying amount of the asset, and is recognized in the current profits and losses.

l. Impairment of financial assets

The Company estimates the recoverable amount of assets that have signs of impairment on the balance sheet date. When the recoverable amount is lower than its carrying amount, impairment loss is recognized. Recoverable amount refers to the fair value of an asset less costs to sell or its value in use, whichever is higher. When the recognition of asset impairment in the previous year no longer exists, the impairment loss is reversed to the extent of the amount of losses recognized in the previous year.

m. Provisions

Provision is a present legal or constructive obligation arising from a past event, where an inflow of economic benefits is probably required to pay off the obligation. The obligation can also be recognized when its amount can be estimated reliably. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation on the balance sheet date, which is discounted using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to passage of time is recognized as interest expense. Provisions are not recognized for future operating losses.

n. Employee Benefits

1) Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid and should be recognized as expenses in the period when the employees render service.

2) Pension

a) Defined contribution plans

Under a defined contribution plan, the amount of pension funds that should be contributed on an accrual basis is recognized as current pension expense. Prepaid contributions are recognized as an asset to the extent of a cash refund or a reduction in the future payments.

b) Defined benefit plans

i. The determination of the net obligation under the defined benefit plan is based on the discounted amount of future benefits earned by employees during the current or past periods when services are (were) rendered. Such obligation is recognized at the amount of the net of the present value of the net defined obligation less the fair value of the plan asset. The defined benefit obligations are calculated each year by the actuary through the projected unit credit method. The discount rate employed is the market yields on high quality corporate bonds (on the balance sheet date) of which the currency and term are consistent with the currency and term of the defined benefit plan. The discount rate employed can also be the market yields on corporate bonds if there is no deep market for such bonds in the country.

ii. Determine the re-measurement amount caused by the benefit plan and recognize it as other comprehensive profits or losses during the occurrence period, and express it as retained earnings.

iii. Expenses related to past service costs are immediately recognized as gains or losses.

3) Compensation to directors and employees

Employees' compensation and directors' and supervisors' compensation are recognized in expenses and liabilities when they are subject to legal or constructive obligations, and when the amounts can be reasonably estimated. Any difference between the actual amount allocated after the resolution and the estimated amount is treated as changes in accounting estimates.

4) Termination benefits

Termination benefits are benefits that are provided when an employee is dismissed before the normal retirement date or when an employee decides to accept the Company's offer of benefits in exchange for earlier termination of employment. The Company recognizes expenses at the earlier of when it can no longer withdraw the termination contracts or when it recognizes relevant restructuring costs. Benefits that are not expected to be fully settled within 12 months after the balance sheet date shall be discounted.

o. Share capital and treasury shares

1) Share capital

Common stock is listed as equity. An incremental cost directly attributable to the issuance of new shares or warrants stated in equity is presented under equity as a deduction to proceeds.

2) Treasury stock

Issued shares repurchased by the Company are recognized in "treasury stock" as a deduction to equity based on the amount of consideration paid during share buyback (including directly attributable costs). When the disposal price for a treasury stock is higher than its carrying amount, the difference between its disposal price and its carrying amount is listed as capital reserve - treasury stock transactions. When its disposal price is lower than its carrying amount, the difference between the above shall offset against capital reserve arising from the trading of the same type of treasury stock. If deficiency arises, it is debited into retained earnings. The carrying amount of a treasury stock is determined using weighted average and calculated separately based on reasons for repurchase.

During retirement, treasury stock is debited into capital reserve - premium on issued shares and share capital according to the proportion of shares. If its carrying amount is higher than the sum of its face value and premium on issued shares, the difference between both of the above shall be offset against capital reserve arising from the trading of the same type of treasury shares. If deficiency arises, it is then offset against retained earnings. If its carrying amount is lower than the sum of its face value and premium on issued shares, the difference between the aforementioned shall be debited into capital reserve arising from the trading of the same type of treasury share.

p. Income tax

1) The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.
2) The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date where the Company generates taxable income. Senior management regularly assesses the status of income tax returns in accordance with applicable income tax-related regulations, and shall estimate income tax liabilities based on taxes that are expected to be paid to the tax authority when necessary. An additional income tax is levied on undistributed earnings in accordance with the Income Tax Act. After the distribution plan for the earnings generated in the current year is approved at the shareholders' meeting in the following year, undistributed earnings shall be recognized as income tax expense based on the actual distribution of earnings.
3) Deferred income tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the parent company only balance sheets. The deferred income tax liabilities arising from the originally recognized goodwill are not recognized. If the deferred income tax originates from the initial recognition of assets or liabilities in transactions (excluding merger) and does not affect accounting profits or taxable incomes (taxable losses) at the time of transactions, and if, at the time of the transaction, the transaction does not give rise to equal amounts of taxable and deductible temporary differences, it is not recognized. Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.
4) Deferred income tax assets are recognized to the extent that temporary differences, unused tax losses and unused tax credits are likely to be available for future tax income. The unrecognized and recognized deferred income tax assets are reassessed on each balance sheet date.
5) Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis, or realize the asset and settle the liability, simultaneously.
6) Tax incentives from acquisitions of equipment or technology, research and development expenditures, employees' training costs and equity investments are recognized in the form of tax credits.

q. Revenue recognition

The recognition principle on the revenue of the Company from customer contracts is as follows:

1) Identify the customer contracts;
2) Identify the performance obligations in the contract;
3) Determine the transaction price;
4) Allocate the transaction price to the performance obligations in contracts; and
5) Recognize revenue upon satisfaction of performance obligations.

a) Sales revenue

The Company recognizes revenue when control over products is transferred to customers. The transfer of control over products means that products are delivered to customers with no unfulfilled obligations that may affect customers' acceptance of the products. Deliver refers to the time when customers accept products based on the terms of transactions, the risk of obsolescence and loss is transferred to customers, and the Company has objective evidence that all acceptance conditions are met.

The Company recognizes accounts receivable when goods are delivered, as it has the right to receive the payment unconditionally at that time.

When material is supplied for processing, control over the ownership of processed goods is not transferred. Thus, supply of material is not recognized as revenue.

b) Service revenue

The Company provides service as an OEM and recognizes revenue when service is transferred to customers (that is, control over assets is obtained by customers) without subsequent obligations.

r. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their capital expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other than those stated above, all other borrowing costs are recognized as profit or loss in the period in which they are incurred.

(V.) Major Sources of Uncertainties in Material Accounting Judgments, Estimates, and Assumptions

The Company incorporates the economic impacts resulting from the COVID-19 pandemic/climate change and related government policies and regulations/Russia and Ukraine military conflicts and associated international sanctions/inflation and market interest rate fluctuations into significant accounting estimates and continuously monitors underlying assumptions and estimates. If the revision of estimates affects only the current period, it is recognized in the period of revision; if the revision of accounting estimates affects both the current period and future periods, it is recognized in both the current period and future periods.

When the Company prepares the parent company only financial statements, the significant judgments, estimates, and assumptions used in the accounting policies adopted by the Company are as follows:

a. Significant judgments for applying the accounting policies

1) Judgments on the business model of classification of financial assets

The Company assesses the business model of financial assets based on the class of financial assets managed to achieve the specific business purpose. This assessment requires all relevant evidence, including the measurement method for asset performance, risk of impact on performance, and compensation for the management, and also requires judgment. The Company continues to assess whether the business model is judged appropriately and monitor the financial assets measured at amortized cost and investments in debt instruments at FVTOCI derecognized before maturity to determine whether such disposal is consistent with the purpose of the business model. If it finds that the business model has changed, the Company will reclassify financial assets in accordance with IFRS 9 requirements, and applied prospectively from the date of reclassification.

2) Investment properties

The Company holds certain properties for the purposes of earning rentals or capital appreciation, whereas the some are for own use. When each part of a property cannot be sold separately and cannot be leased out separately through finance leases, the property is classified as investment property only if the part held for own use is not significant relative to the individual property,.

3) Revenue recognition

According to IFRS 15, the Company judges whether control over specific goods or service is obtained prior to the transfer of such products or service to customers and whether it is the principal or agent in the transaction. If the Company is the agent in the transaction, the net amount of the transaction is recognized as revenue.

The Company is the principal if any of the following conditions applies:

a) The Company acquires control of the goods or assets in advance from another party before they are transferred to customers; or

b) By controlling the right of provision of service by another party, the Company has the discretion to have another party to provide services to customers on behalf of the Company; or

c) The goods or services provided to customers are a combination of other goods or services and the goods and services of which the control is obtained by the Company from another party.

Indicators used to help judge whether the Company controls specific products or service before the transfer of such products or service to customers include (but are not limited to):

a) The Company takes main responsibility for the commitment of completing the provision of specific commodity or labor service.

b) The Company bears the inventory risk before and after the specific goods or services is transferred to the customer.

c) The Company has discretionary power to set prices.

4) Lease term

In determining the lease term, the Company considers all relevant facts and circumstances that give rise to an economic incentive to exercise (or not to exercise) the option, including all expected changes in facts and circumstances from the commencement date to the exercise date of the option. Factors to be considered include the contractual terms and conditions for the period covered by the option, significant leasehold improvements made (or anticipated) during the contract period, the significance of the underlying assets to the Company's operations, etc. The lease period is reassessed whenever there are significant events or changes in circumstances within the control of the Company.

b. Significant accounting related estimates and assumptions

1) Estimated impairment of financial assets

The estimated impairment of accounts receivable is based on the Company's assumed default rate and expected loss rate. The Company considers the historical experience, current market conditions, and forward-looking information to make assumptions and select the inputs for impairment assessment. Where the future cash flows are less than expected, a material impairment loss may arise.

2) Fair value measurement and valuation process

When assets and liabilities measured at fair value have no quoted prices in an active market, the Company determines based on relevant laws and regulations or its judgment whether assets and liabilities are valuated externally and determines the appropriate fair value valuation techniques. If the estimated fair value cannot be derived from Level 1 inputs, the Company shall determine the inputs with reference to the analysis of financial conditions and operating results of investees, recent transaction prices, quoted prices of the same equity instruments in a non-active market, quoted prices of similar instruments, and valuation multiples of comparable companies. If changes in future inputs are not as expected, changes in the fair value may occur. The Company regularly updates inputs based on market conditions to monitor the appropriateness of fair value measurement. For descriptions of fair value evaluation techniques and input values, please refer to Note 12 (3) for details.

3) Impairment assessment of tangible assets and intangible assets

The company assesses the impairment of assets based on its subjective judgment and determines the separate cash flows of a specific group of assets, useful lives of assets and the future possible income and expenses arising from the assets depending on how assets are utilized and their industrial characteristics. Any changes in these estimates arising from changes in economic conditions or business strategies could lead to significant impairment losses in the future.

4) Investment loss assessment using the equity method

When there is an indication that an investment accounted for using the equity method may be impaired, the company will immediately assess the impairment of the investment. The company assesses the recoverable amount based on the discounted value of the expected future cash flows from the investee or the discounted value of future cash flows arising from expected cash dividends and disposal of the investment, and assesses the reasonableness of underlying assumptions.

5) Realizability of deferred income tax assets

Deferred tax assets are recognized only when it is probable that sufficient taxable profits will be available against which the deductible temporary differences can be utilized in the future. When the realizability of deferred tax assets is assessed, it is necessary to involve significant accounting judgments and estimates of the senior management, including assumptions on future growth in sales revenue and profit margins, tax exemption periods, available tax credits, and tax planning. Any changes in the global economic environment and industrial environment, as well as changes in laws and regulations may result in major adjustments to deferred tax assets.

6) Evaluation of inventories

As inventories are stated at the lower of cost and net realizable value, the Company must determine the net realizable value of inventories on balance sheet date using judgments and estimates.

The Company evaluates the amounts of normal inventory consumption, obsolete inventories or inventories without market selling value on balance sheet date, and writes down the cost of inventories to the net realizable value.

7) The calculation of a net defined benefit liability

When calculating the present value of the defined benefit obligations, the Company must use judgments and estimates to determine the relevant actuarial assumptions on the balance sheet date, including the discount rate and the future growth rate of salaries. Any changes in actuarial assumptions may lead to significant effects on the amount of the Company's defined benefit obligations.

8) Lessee's incremental borrowing rate of interest

When determining the lessee's incremental borrowing rate of interest used for lease payment discounting, the reference interest rate is the risk-free interest rate of the same currency and the relevant period, and the estimated lessee credit risk discount and lease specific adjustment (such as asset specific and secured factors) are taken into account.

(VI.) Explanation of Important Accounting items

a. Cash and cash equivalents

Items	December 31, 2024	December 31, 2023
Cash	$639	$714
Bank deposits	909,430	840,882
Cash equivalents (short-term commercial papers due within three months)	955,990	
Total	$1,866,059	$1,863,013

1) The Company deals with financial institutions having high credit quality. The Company also deals with various financial institutions in order that credit risks can be diversified. Therefore, the expected risk of default is pretty low.
2) The Company's original maturity date is more than three months' time deposits transferred to other financial assets - current, the details are as follows:

Items	December 31, 2024	December 31, 2023
Time deposit (the original maturities of more than three months)	$250,000	$375,538

3) The Company did not pledge cash or equivalent cash as of December 31, 2024 and 2023.

b. Financial assets and liabilities at fair value through comprehensive income

Items	December 31, 2024	December 31, 2023
Financial assets-current		
Forced measure at fair value through comprehensive income		
Non-derivative financial assets		
Beneficiary certificate of fund	$17,860	$2,265

1. The Company has not provided any collateral for financial assets measured at fair value through profit or loss.

2. Details of the related credit risk management and evaluation methods are shown in Note 12(2).

c. Financial assets at fair value through other comprehensive income - current

Items	December 31, 2024	December 31, 2023
Equity instruments		
Stocks listed in TWSE or TPEx	$2,527,578	$2,575,548
Fund beneficiary certificates	10,061	10,061
Subtotal	$2,537,639	$2,585,609
Valuation adjustments	175,297	1,244,269
Total	$2,712,936	$3,829,878

1) The Company has chosen to classify the equity investments of domestic listed companies with stable dividends as financial assets measured at FVTOCI, which were valued at NTD2,712,936 thousand and NTD3,829,878 thousand respectively for year December 31, 2024 and 2023.
2) In 2024 and 2023, the Company adjusted its investment position to diversify its risk. As for the sale of some common stocks and beneficiary certificates of the listed companies at fair value of NTD 669,522 thousand and NTD342,164 thousand, respectively, and the related other equity - unrealized gain (loss) on financial assets at fair value through other comprehensive income amounted to NTD 249,527 thousand and NTD68,466 thousand, respectively, were transferred to retained earnings.
3) The Company did not pledge financial assets (current) measured at fair value through other comprehensive income as of December 31, 2024 and 2023.
4) Please refer to Note 12(2) for details of relevant price risk information.

d. (Net) Notes receivable and notes receivable - (Net) related parties

Items	December 31, 2024	December 31, 2023
Notes receivable		
Occurs due to business	$37,708	$39,611
Less: provision for losses	(1,131)	(1,188)
(Net) Notes receivable	$36,577	$38,423
Notes receivable - related parties		
Occurs due to business	$1,555	$1,003
Less: provision for losses	-	-
Accounts receivable - related parties, net	$1,555	$1,003

1) As of December 31, 2024 and 2022, the Company did not pledge any notes receivable as collateral.
2) Disclosure of allowance for losses on notes receivable, please refer to the description of accounts receivable below.

e. (Net) Accounts receivable and accounts receivable - (Net) related parties

Items	December 31, 2024	December 31, 2023
Account receivables		
Measured at amortized cost		
Total Carrying Amount	$332,623	$230,377
Less: provision for losses	(10,686)	(7,096)
(Net) Accounts receivable	$321,937	$223,281

Items	December 31, 2023	December 31, 2022
Trade receivables - related party		
Measured at amortized cost		
Total Carrying Amount	$43,667	$19,687
Less: provision for losses	(685)	(288)
(Net) Accounts receivable - related parties	$42,982	$19,399

1) The Company's accounts receivable from the sale of goods met the credit standards according to the industry characteristics, business scale, and profitability of its counterparties, where the average credit period was between 60-120 days.
2) The Company did not pledge the accounts receivable as of December 31, 2024 and 2023.
3) The Company adopts the simplified method to recognize the allowance loss of notes receivable and accounts receivable according to the expected credit loss during the duration. The lifetime expected credit losses took into account the past history of default and the current financial and operating conditions of customers. There was no significant difference in the loss patterns between different customer bases according to the historical experience of the company's credit losses. Therefore, the provision matrix did not further differentiate customer bases but only set the expected credit loss rate based on the overdue days of accounts receivable.
The Company uses the provision matrix to measure the loss of allowance on notes receivable and accounts receivable (including related parties) as follows:

December 31, 2024	Total Carrying Amount	Loss allowance (lifetime ECLs)	Amortized Cost
Not past due	$382,366	$10,799	$371,567
0 to 30 days overdue	32,337	1,617	30,720
31 to 180 days overdue	848	85	763
181 to 365 days overdue	2	1	1
More than one year overdue	-	-	-
Total	$415,553	$12,502	$403,051

December 31, 2023	Total Carrying Amount	Loss allowance (lifetime ECLs)	Amortized Cost

Not past due	$284,027	$8,188	$275,839
0 to 30 days overdue	5,603	278	5,325
31 to 180 days overdue	1,045	105	940
181 to 365 days overdue	3	1	2
More than one year overdue	-	-	-
Total	$290,678	$8,572	$282,106

The expected credit loss rate of the Company in each of the age of receivables mentioned on above (excluding abnormal accounts, 100% of which shall be presented), not overdue as 0%-3%, 2% -10% within 30 days overdue, 10%-15% within 180 days overdue, and 100% overdue for more than one year.

4) The changes in the allowance loss of notes receivables and accounts receivables (including notes receivables, accounts receivables and collections) are as follows:

Items	December 31, 2024	December 31, 2023
Beginning balance	$8,572	$12,645
Add: Provision of impairment loss	3,930	-
Less: Reversal of impairment loss	-	(4,073)
Less: Write-off of unrecoverable accounts	-	-
Ending balance	$12,502	$8,572

The amounts shown above did not include other credit enhancements.

5) Please refer to Note 12 (2) for details of relevant credit risk management and assessment methods.

f. Inventories and operating cost

Items	December 31, 2024	December 31, 2023
Raw materials	$72,718	$67,361
Materials	50,252	47,392
Work in process	193,768	167,400
Finished goods	143,752	182,624
Total	$460,490	$464,777

1) The inventory gains (losses) recognized as operating costs in the current period are as follows:

Items	December 31, 2024	December 31, 2023
Cost of goods sold	$1,534,634	$1,571,105
Unallocated manufacturing costs	6,748	7,897
Write-downs of inventories and obsolescence loss (gain from price recovery)	(1,266)	9
Loss on discarding of inventory	-	307
Loss (gain) on physical inventory	-	4
Income from sale of scraps	(2,841)	(4,303)
Total operating costs	$1,537,275	$1,575,019

2) In 2024 and 2023, the Company offset the inventory to the net realizable value or recovered the net realizable value of the inventory due to the digestion of inventory. As a result, the loss (gains on inventory value recoveries) of inventory depreciation recognized by the Company was NTD(1,266) thousand and NTD9 thousand, respectively.

3) The Company did not pledge the inventory as of December 31, 2024 and 2023.

g. Financial assets at fair value through other comprehensive income - non-current

Items	December 31, 2024	December 31, 2023
Investments in equity instruments		
Domestically unlisted stocks	$127,287	$127,287
Valuation adjustments	85,481	215,529
Subtotal	212,768	342,816
Investments in liability instruments		
Corporate Bonds	167,882	108,987
Valuation adjustments	(9,311)	236
Subtotal	158,571	109,223
Total	$371,339	$452,039

1) According to the long-term strategic objectives, Tahsin Group invested in the unquoted shares and corporate bonds of the domestic market mentioned above. The company invests in the stocks of the aforementioned domestic OTC companies pursuant to its medium-term and long-term strategies for the purpose of making a profit. The management of the Company believes that if the short-term fair value fluctuations of these investments are included in the profit and loss, it is inconsistent with the aforementioned long-term investment plan, so they choose to designate these investments as measured at fair value through other comprehensive income.
2) As of December 31, 2024 and 2023, the Company did not pledge any financial assets - non-current measured at fair value through other comprehensive income.
3) Please refer to Note 12 (2) for details of relevant credit risk management and assessment methods.

h. Investments Accounted for Using the Equity Method

Investee	December 31, 2024	December 31, 2023
Subsidiary:		
Tahsin Shoji Co., Ltd.	$109,558	$110,970
Tahsin Industrial Corporation, USA	-	5,679
Tai Ho Co., Ltd. (Tai Ho Co.,)	42	39
DAFU Plastic Industry Co., Ltd.	259,234	210,181
Tah Viet Co., Ltd.	153,996	143,272
Myanmar Tah Hsin Industrial Co., Ltd.	243,758	289,708
Tah Fa Investment Co., Ltd.	975,168	1,008,743
TAHSIN INNOVATIVE MACHINERY VINA CO.,LTD.	24,365	33,222
Less: Recognized as treasury stock (Tah Fa Investment)	(83,230)	(83,230)
Subtotal	$1,682,891	$1,718,584
Affiliates: Individually insignificant affiliates	-	3,343
Subtotal	-	$3,343
Total	$1,682,891	$1,721,927

Investments accounted for using the equity method - credit:

Investee	December 31, 2024	December 31, 2023
Subsidiary:		
Tahsin Industrial Corporation, USA	($961)	-

1) Subsidiaries:

For information of the subsidiaries, please refer to Note 4 (3) of the Company's consolidated financial statements for the year ended December 31, 2024.

2) Affiliates:

The Company's share of individually insignificant associates is summarized as follows:

	December 31, 2024	December 31, 2023
The Group's share of:		
Profit	($2,662)	($3,200)
Other comprehensive income (net income)	(97)	799
Total comprehensive income in 2021	($2,759)	($2,401)

3) The Company did not provide pledges for its investments using the equity method on December 31, 2024 and 2023.

i. Property, plant, and equipment

Items	December 31, 2024	December 31, 2023
Owner-occupied	$1,704,358	$1,575,783
Operating lease	811	906
Total	$1,705,169	$1,576,689

1) Owner-occupied

Items	December 31, 2024	December 31, 2023
Land	$1,111,980	$1,111,980
Buildings	680,754	686,695
Machinery and equipment	215,545	354,833
Transportation equipment	22,272	22,837
Other equipment	103,819	105,177
Construction in progress and equipment to be inspected	182,757	2,541
Total cost	$2,317,127	$2,284,063
Less: accumulated depreciation	(612,769)	(708,280)
Accumulated impairment	-	-
Total	$1,704,358	$1,575,783

	Land	Buildings	Machinery and equipment	Transportation equipment	Other equipment	Construction in progress and equipment to be inspected	Total
Cost							
Balance at January 1, 2024	$1,111,980	$686,695	$354,833	$22,837	$105,177	$2,541	$2,284,063
Purchase	-	-	548	-	3,107	183,580	187,235
Disposal	-	(9,221)	(139,836)	(565)	(4,549)		(154,171)
Reclassification	-	3,280	-	-	84	(3,364)	-
Balance at December 31, 2024	$1,111,980	$680,754	$215,545	$22,272	$103,819	$182,757	$2,317,127
Accumulated depreciation and impairment							
Balance at January 1, 2024	-	$407,623	$259,003	$15,205	$26,449	-	$708,280
Depreciation expenses	-	16,494	21,401	2,425	12,867	-	53,187
Disposal	-	(9,220)	(134,374)	(564)	(4,540)	-	(148,698)
Reclassification	-	-	-	-	-	-	-
Recognized (reversed) impairment loss	-	-	-	-	-	-	-
Balance at December 31, 2024	-	$414,897	$146,030	$17,066	$34,776	-	$612,769

	Land	Buildings	Machinery and equipment	Transportation equipment	Other equipment	Construction in progress and equipment to be inspected	Total
Cost							
Balance at January 1, 2023	$1,031,044	$498,122	$351,218	$22,837	$57,004	$155,112	$2,115,337
Purchase	-	4,440	1,713	-	11,019	54,530	71,702
Disposal	-	-	(810)	-	(13,577)		(14,387)
Reclassification	80,936	184,133	2,712	-	50,731	(207,101)	111,411
Balance at December 31, 2023	$1,111,980	$686,695	$354,833	$22,837	$105,177	$2,541	$2,284,063
Accumulated depreciation and impairment							
Balance at January 1, 2023	-	$363,623	$237,998	$12,780	$29,790	-	$644,191
Depreciation expenses	-	13,537	21,810	2,425	10,215	-	47,987
Disposal	-	-	(805)	-	(13,556)	-	(14,361)
Reclassification	-	30,463	-	-	-	-	30,463
Recognized (reversed) impairment loss	-	-	-	-	-	-	-
Balance at December 31, 2023	-	$407,623	$259,003	$15,205	$26,449	-	$708,280

a) Capitalization amount and interest rate range of borrowing costs for properties, plants and equipment:

	December 31, 2024	December 31, 2023
Amount capitalized	-	-
Interest rate collars	-	-

b) For information on guarantees provided by owner-occupied property, plant and equipment, please refer to Note 8.

2) Operating lease

Items	December 31, 2024	December 31, 2023
Machinery and equipment	$1,701	$1,856
Other equipment	46	46
Total cost	$1,747	$1,902
Less: accumulated depreciation	(936)	(996)
Accumulated impairment	-	-
Total	$811	$906

	Machinery and equipment	Other equipment	Total
Cost			
Balance at January 1, 2024	$1,856	$46	$1,902
Purchase	215	-	215
Disposal	(370)	-	(370)
Balance at December 31, 2024	$1,701	$46	$1,747
Accumulated depreciation and impairment			
Balance at January 1, 2024	$978	$18	$996
Depreciation expenses	300	9	309
Disposal	(369)	-	(369)

Balance at December 31, 2024	$909	$27	$936

	Land	Buildings	Machinery and equipment	Other equipment	Total
Cost					
Balance at January 1, 2023	$80,936	$30,475	$1,859	$46	$113,316
Purchase	-	-	205	-	205
Disposal	-	-	(208)	-	(208)
Reclassification	(80,936)	(30,475)	-	-	(111,411)
Balance at December 31, 2023	-	-	$1,856	$46	$1,902
Accumulated depreciation and impairment					
Balance at January 1, 2023	-	$30,454	$927	$9	$31,390
Depreciation expenses	-	9	258	9	276
Disposal	-	-	(207)	-	(207)
Reclassification	-	(30,463)	-	-	(30,463)
Balance at December 31, 2023	-	-	$978	$18	$996

a) The Company leases part of lands, plants and offices, and other assets under operating lease with lease terms of 1-2 years. The lessee has no preferential right to take over the asset at the end of the lease term.

b) The total amount of lease payments that will be collected in the future for operating leases of owner-occupied property, plant and equipment is as follows:

	December 31, 2024	December 31, 2023
Year 1	$34	$31
Year 2	31	-
Year 3	-	-
Year 4	-	-
Year 5	-	-
More than 5 years	-	-
Total	$65	$31

c) The Company did not pledge real estate, plant and equipment leased under operating leases for others on December 31, 2024 and 2023.

3) As of December 31, 2024 and 2023, property, plant and equipment showed yet no signs of impairment with assessment.

4) The adjustments to the acquisition of properties, plants and equipment listed in the statements of cash flows are as follows:

Items	December 31, 2024	December 31, 2023
Increased amount of property, plant and equipment	$187,450	$71,907
Increase or decrease in equipment payment	(10,579)	39,448
Cash paid for acquisition of property, plant, and equipment	$176,871	$111,355

j. Tenancy agreement

1) Right-of-use assets

Items	December 31, 2024	December 31, 2023
Buildings	$31,292	$31,292

Transportation equipment	-	4,004
Total cost	$31,292	$35,296
Less: accumulated depreciation	(8,762)	(4,366)
Accumulated impairment	-	-
Net amount	$22,530	$30,930

Cost	Buildings	Transportation equipment	Total
Balance at January 1, 2024	$31,292	$4,004	$35,296
Increase in this period	-	-	-
Decrease in this period	-	(4,004)	(4,004)
Balance at December 31, 2024	$31,292	-	$31,292
Accumulated depreciation and impairment			
Balance at January 1, 2024	$1,252	$3,114	$4,366
Depreciation expenses	7,510	890	8,400
Decrease in this period	-	(4,004)	(4,004)
Balance at December 31, 2024	$8,762	-	$8,762

Cost	Buildings	Transportation equipment	Total
Balance at January 1, 2023	-	$4,004	$4,004
Increase in this period	$31,292	-	31,292
Decrease in this period	-	-	-
Balance at December 31, 2023	$31,292	$4,004	$4,004
Accumulated depreciation and impairment			
Balance at January 1, 2023	-	$1,779	$1,779
Depreciation expenses	$1,252	1,335	2,587
Decrease in this period	-	-	-
Balance at December 31, 2023	$1,252	$3,114	$4,366

2) Lease liabilities

Items	December 31, 2024	December 31, 2023
Carrying amount of lease liabilities		
Current	$7,441	$8,159
Non-current	$15,396	$22,837

The discount rate range for lease liabilities is 1%-1.84%.
Information on lease liability maturity analysis is as follows:

	December 31, 2024	December 31, 2023
Less than one year	$7,787	$8,642
1-5 year(s)	15,669	23,456
5-10 years	-	-
10-15 years	-	-
15-20 years	-	-
20 years or more	-	-

Total undiscounted lease payments	$23,456	$32,098

3) Important lease activities and terms
The Company leases the building and transportation equipment as a sales office and use of operation for 3 years to 4 years. In accordance with the contract, the Company may not sublet the leased assets to others without the consent of the lessor.
As of December 31, 2024 and 2023, the right-of-use assets showed no signs of impairment with assessment.

4) Other lease information
   a) Please refer to Note 6 (9) " Property, plant and equipment" and Note 6 (11) " Investment properties" for the agreement on the lease of the Company's own property, plant and equipment and investment property under operating leases.
   b) In 2024 and 2023, the Company decided to apply recognition exemption to short-term lease and low value asset lease, and not recognize related right-of-use assets and lease liabilities for the said leases.
   c) The information on lease-related expenses of the Company in 2024 and 2023 is as follows:

Items	December 31, 2024	December 31, 2023
Expenses relating to short-term leases	$700	$677
Expenses relating to low-value asset lease	$139	$138
Variable lease payments not included in lease liability measurement	--	
Total cash flows on lease	$9,481	$3,458

k. Investment properties

Items	December 31, 2024	December 31, 2023
Land	$345,444	$345,444
Buildings	32,498	32,498
Total cost	$377,942	$377,942
Less: accumulated depreciation	(32,491)	(32,487)
Accumulated impairment	-	-
Total	$345,451	$345,455

1) The changes in the costs, accumulated depreciation and impairments of investment property are as follows:

	Land	Buildings	Total
Cost			
Balance at January 1, 2024	$345,444	$32,498	$377,942
Increase in this period	-	-	-
Disposal	-	-	-
Balance at December 31, 2024	$345,444	$32,498	$377,942
Accumulated depreciation and impairment			
Balance at January 1, 2024	-	$32,487	$32,487
Depreciation expenses	-	4	4
Disposal	-	-	-
Balance at December 31, 2024	-	$32,491	$32,491

	Land	Buildings	Total
Cost			
Balance at January 1, 2023	$345,444	$32,498	$377,942
Increase in this period	-	-	-
Disposal	-	-	-
Balance at December 31, 2023	$345,444	$32,498	$377,942

Accumulated depreciation and impairment			
Balance at January 1, 2023	-	$32,477	$32,477
Depreciation expenses	-	10	10
Disposal	-	-	-
Balance at December 31, 2023	-	$32,487	$32,487

2) Rental revenue and direct operating expenses of investment property:

Items	December 31, 2024	December 31, 2023
Rental income from investment property	$18,264	$21,511
Direct operating expenses incurred from investment properties that generate current rental income that generates rental income in the current period	$544	$618
Direct operating expense from investment property that do not generate rental income in the current period	$953	$846

3) The lease term of investment property is 2-3 years. The lessee does not have a bargain purchase option to acquire the asset at the expiration of the lease periods.
4) The total amount of lease payments that to be collected in the future for investment property by operating leases is as follows:

	December 31, 2024	December 31, 2023
Year 1	$17,990	$11,888
Year 2	13,500	890
Year 3	9,150	-
Year 4	-	-
Year 5	-	-
More than 5 years	-	-
Total	$40,640	$12,778

5) Depreciation of investment property-housing and construction on a straight-line basis in 10 to 20 years.
6) The fair value of the investment property held by the Company as at December 31, 2024 and 2023 was NTD1,523,171 thousand as estimated from the transaction prices of land or buildings located in the adjacent areas inquired by the "Registering the Actual Selling Price of Real Estate" of Department of Land Administration, Ministry of the Interior.
7) For information on guarantees provided by investment property, please refer to Note 8.

l. Provisions - Current

Item	December 31, 2024	December 31, 2023
Salaries and bonuses payable	$61,644	$63,545
Insurance premiums payable	4,334	4,327
Processing fees payable	10,057	4,095
Payables on equipment	10,895	316
Pension payable	989	973
Employees' remuneration payable	5,408	8,029
Directors' remuneration payable	1,140	1,800
Other payable	31,360	13,185
Total	$125,827	$96,270

m. Provisions - Current

Items	December 31, 2024	December 31, 2023
Beginning balance	$8,458	$8,458
Current additional provisions recognized	6,601	6,632
Current reductions arising from payments	(6,601)	(6,632)
Ending balance	$8,458	$8,458

Provisions were calculated by estimating compensation for employees' accumulated leaves that could occur based on the historical experience, judgments of the senior management, and other known reasons.

n. Pension

1) Defined contribution plans

a) The Company adopts a pension plan under the "Labor Pension Act," which is a state-managed defined contribution plan. According to the Labor Pension Act, the Company makes monthly contributions at 6% of their monthly salaries to employees' individual pension accounts in the Bureau of Labor Insurance.

b) Contributions made in accordance with the specific percentage stipulated in the defined contribution plan amounted to NTD5,557 thousand and NTD5,352 thousand for the years ended December 31, 2024 and 2023 respectively, and were recognized as expenses in the parent company only statements of comprehensive income.

2) Defined benefit plans

a) The Company's pension system under the "Labor Standards Act" of the Republic of China (Taiwan) is a defined welfare retirement plan managed by the government. The payment of the employee's pension is based on the period of service and the average salary of 6 months before the approved retirement date. The Company contributes monthly an amount equal to 9% of the employees' monthly salaries to a retirement fund that is deposited in Bank of Taiwan under the name of The Supervisory Committee of Workers' Retirement Fund. Before the end of year, if the balance at the retirement fund is not sufficient to pay employees who will meet the retirement criteria next year, a lump-sum deposit for the shortfall should be made to put in The Bureau of Labor Funds, Ministry of Labor administers the account. Once before the end of March of the following year. However, The Company has no right over its investment and administration strategies.

b) The amounts recognized in the balance sheet for obligations from defined benefit plans are as follows:

Items	December 31, 2024	December 31, 2023
Present value of defined benefit obligations	($276,228)	($275,578)
Fair value of plan assets	291,211	272,224
Net Defined Benefit (Liabilities) Assets	$14,983	($3,354)

c) Changes in net defined benefit liabilities are as follows:

Items	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liabilities
Balance as of January 1, 2024	($275,578)	$272,224	($3,354)
Service costs			
Current service costs	(1,369)	-	(1,369)
Previous service costs	(75)	-	(75)
Interest expenses (income)	(3,226)	3,240	14
Recognized in profit or loss	(4,670)	3,240	(1,430)
Remeasurements			
Return on planned assets (excluding the amounts included in net interest)	--	24,557	24,557
Actuarial (profits) losses - Change of population statistic assumption	-	-	-
Changes in financial assumptions	(5,310)	-	(5,310)
Experience adjustments	(4,634)	-	(4,634)
Recognized in other comprehensive income	(9,944)	24,557	14,613
Employer provision	-	3,782	3,782
Welfare payment amount	13,964	(12,592)	1,372
Balance as of December 31, 2024	($276,228)	$291,211	$14,983

Items	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liabilities
Balance as of January 1, 2023	($272,904)	$273,947	$1,043
Service costs			
Current Service costs	(1,953)	-	(1,953)
Previous service cost	(324)	-	(324)
Interest expenses (income)	(3,839)	3,914	75
Recognized in profit or loss	(6,116)	3,914	(2,202)
Remeasurements			
Return on planned assets (excluding the amounts included in net interest)	--	1,875	1,875
Actuarial (profits) losses -			
Changes in financial assumptions	(5,933)	-	(5,933)
Experience adjustments	(5,596)	-	(5,596)
Recognized in other comprehensive income	(11,529)	1,875	(9,654)
Employer provision	-	3,847	3,847
Welfare payment amount	14,971	(11,359)	3,612
Balance as of December 31, 2023	($275,578)	$272,224	($3,354)

d) The Company is exposed to the following risks due to the implementation of the pension system under the Labor Standards Act: The Company is exposed to the following risks due to:

i. Investment Risks

The Bureau of Labor Funds, Ministry of Labor invests the labor pension fund in equity securities, debt securities, and bank deposits in domestic (foreign) banks through independent implementation and commissioned operations. However, the distributed amount from the plan assets received by the Company shall not be lower than interest on a two-year time deposit at a local bank.

ii. Interest rate risk

The decline in the interest rate of government bonds will increase the present value of defined welfare obligations, and at the same time, the debt investment return of the planned assets will also increase accordingly. Both of which will partially offset the impact of the net defined welfare liabilities.

iii. Salary risk

The calculation basis for determining the present value of the benefit obligation is to refer to the future salaries of the project members. Therefore, the salary increase of plan members will increase the present value of the defined benefit obligation.

e) The present value of the determined benefit obligation formulated by the Company is calculated by certified actuaries. The principal assumptions adopted on the valuation date are as follows:

Items	Valuation date December 31, 2024	 December 31, 2023
Discount rate	1.50%	1.25%
Rate of future salary increase	3.00%	2.50%
Average duration of defined benefit obligations	8.3 years	8.8 years

i. Future Mortality Rate is estimated based on the 2021 Taiwan Standard Ordinary Experience Mortality Table.

ii. If the major actuarial assumptions are subject to reasonably possible changes with other assumptions unchanged, the present value of defined benefit obligations will increase (decrease) as follows:

Items	December 31, 2024	December 31, 2023
Discount rate	1.50%	1.25%
Increase 0.25%	($5,606)	($5,933)
Decrease 0.25%	$5,779	$6,124
Rate of future salary increase	3.00%	2.50%
Increase 0.25%	$5,597	$5,943
Decrease 0.25%	($5,458)	($5,788)

As actuarial assumptions may be related to one another, the likelihood of fluctuation in a single assumption is not high. Therefore, the aforementioned sensitivity analysis may not reflect the actual fluctuations of the present value of defined benefit obligations.

f) The Company expects to make contributions of NTD3,720 thousand to the pension plans in the year ended December 31, 2025.

o. Share capital

1) The reconciliation of the Company's outstanding number of common stocks and its amounts at beginning and end of period is as follows:

Items	December 31, 2024 Number of Shares (Thousands)	 Amount
Balance at January 1	99,099	$990,990
Balance at December 31	99,099	$990,990

Items	December 31, 2023 Number of Shares (Thousands)	 Amount
Balance at January 1	99,099	$990,990
Balance at December 31	99,099	$990,990

2) As of December 31, 2024 and December 31, 2023, the Company had a nominal capital of NTD2,415,227 thousand, which is divided into 241,523 thousand shares (NTD10 per share). The paid-in capital averaged NTD990,990 thousand. The actual number of shares issued was 99,099 thousand shares on average.

p. Capital Surplus

Items	December 31, 2024	December 31, 2023
Treasury share transactions	$235,776	$217,916
Difference between the price received from acquisition or disposal of interest in subsidiaries and book value	2,113	2,113
Value of the acquired or disposed shares of subsidiaries		
Others (return of overdue unclaimed dividends)	2,110	1,840
Total	$239,999	$221,869

q. Retained earnings and dividend policy

The surplus distribution policy stipulated in the original articles of association stipulates that if there is profit in its general final account, the Company shall first pay all taxes and dues and cover accumulated losses, and then set aside 10% of such profits as a legal reserve. However, where such legal reserve amounts to the total amount of capital stock, this provision shall not apply. In addition, special surplus reserve shall be allocated or reversed in accordance with laws and regulations or regulations of the competent authority. If there is any surplus, the balance shall be added to the accumulated undistributed surplus. The Board of Directors shall prepare a distribution motion, to be submitted to the shareholders' meeting for resolution before issuance of new shares.

After the shareholders' meeting on June 5, 2020, it was revised as follows: The Company's surplus distribution or loss allowance can be made after the end of each semi-financial year, if there is any surplus in the semi-financial year's final accounts, the Company shall first pay all taxes and dues and cover accumulated losses, and then set aside 10% of such profits as a legal reserve. However, where such legal reserve amounts to the total amount of capital stock, this provision shall not apply. As stipulated by law or regulations or competent authority, the remaining balance shall then be appropriated for provisions or special reserve reversed. If there are still surplus and/or accumulated undistributed earnings, the Board of Directors shall submit an allocation proposal, and where new shares are issued, resolution at the shareholders' meeting shall be adopted before allocation.

Pursuant to Paragraph 5 of Article 240 of the Company Act, the company may authorize the distributable dividends and bonuses or in whole or in part legal reserve and capital reserve as provided in Paragraph 1 of Article 241 of the Company Act may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two- thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

The Company has too diverse products to be divided by the stages of growth. With steady profitability and sound financial structure, the Company is able to distribute dividends and bonuses in cash at a ratio of 20% to 100% in principle. However, when there is any important investment, the company may reallocate all dividends and bonuses for a capital increase.

1) The statutory surplus reserve shall not be used except for the loss of the Company and the issuance of new shares or cash in proportion to the original share of the shareholders. However, if new shares or cash is issued, it shall be limited to the surplus exceeding 25% of the paid-in capital.

2) Special reserve

   a) The Company may allocate earnings only after providing special reserve for debt balance under other equity on the balance sheet date, and the reversal of debit balance under other equity, if any, may be stated as distributable earnings.

   b) As initial application of IFRSs, the special reserve set aside in accordance with the order issued by the FSC, the Company shall reverse the special reserve set aside proportionately as distributable retained earnings when the relevant assets are used, disposed of or reclassified subsequently.

3) The Company's resolutions on earnings distribution and dividends per share for the first half and second half of 2022 had been proposed by the Company's Board of Directors on August 12, 2022 and March 24, 2023, and they are as follows:

Items	Profit distribution plan		Dividends per Share (NTD)	
	First half of 2022	Second half of 2022	First half of 2022	Second half of 2022
Ordinary cash dividends	$247,747	$346,847	2.50	3.50

The distribution of cash dividends was reported to the shareholders' meeting on June 17, 2022; the reversal and appropriation of other earnings items were approved by electronic voting at the general meeting of shareholders before June 17, 2022.

4) The appropriations of earnings and dividends per share for the first half and second half of 2023 had been proposed by the Company's Board of Directors on August 11, 2023 and March 12, 2024, and they are as follows:

Items	Profit distribution plan		Dividends per Share (NTD)	
	First half of 2023	Second half of 2023	First half of 2023	Second half of 2023
Ordinary cash dividends	$247,747	$247,748	2.50	2.50

The distribution of cash dividends was reported to the shareholders' meeting on June 21, 2024; the reversal and appropriation of other earnings items were approved by electronic voting at the general meeting of shareholders before June 21, 2024.

5) The appropriations of earnings and dividends per share for the first half of 2024 had been proposed by the Company's Board of Directors on August 12, 2024, and they are as follows:

Items	Profit distribution plan	Dividends per Share (NTD)
	First half of 2024	First half of 2024
Ordinary cash dividends	$247,747	2.50

6) The appropriations of earnings and dividends per share for the second half of 2024 had been proposed by the Company's Board of Directors on March 12, 2025, and they are as follows:

Items	Profit distribution plan	Dividends per Share (NTD)
	Second half of 2024	Second half of 2024
Ordinary cash dividends	$247,747	2.50

7) Information on employee compensation resolved by the Board meetings is available on the "Market Observation Post System" of the Taiwan Stock Exchange Corporation.

r. Other equities

Items	Exchange differences on translation of foreign operating organizations' financial statements	Unrealized valuation (losses) gains from financial assets measured at fair value through other comprehensive income	Total
Balance at January 1, 2024	($87,329)	$1,977,050	$1,889,721
Exchange differences on translation of financial statements of foreign operations	23,878	-	23,878
Unrealized valuation profit or loss on investments in equity instruments at fair value through other comprehensive income	-	(949,493)	(949,493)
The shares of subsidiaries, affiliates and joint ventures are recognized by the equity method	-	(20,802)	(20,802)
Disposals of equity instruments at fair value through other comprehensive income		(264,908)	(264,908)
Unrealized valuation gains or losses from investments in debt instruments measured at fair value through other comprehensive income		(9,547)	(9,547)
Balance at December 31, 2022	($63,451)	$732,300	$668,849

Items	Exchange differences on translation of foreign operating organizations' financial statements	Unrealized valuation (losses) gains from financial assets measured at fair value through other comprehensive income	Total
Balance at January 1, 2023	($77,742)	$1,818,320	$1,740,578
Exchange differences on translation of financial statements of foreign operations	(9,587)	-	(9,587)
Unrealized valuation profit or loss on investments in equity instruments at fair value through other comprehensive income	-	159,932	159,932
The shares of affiliates and joint ventures are recognized by the equity method	-	66,258	66,258
Disposals of equity instruments at fair value through other comprehensive income		(68,952)	(68,952)
Unrealized valuation profit or loss on investments in debt instruments at fair value through other comprehensive income		1,492	1,492
Balance at December 31, 2023	($87,329)	$1,977,050	$1,889,721

s. Treasury stock

December 1, 2024

Unit: Thousand shares

Subsidiary Name	Number of shares at the beginning of the period	Net increase (decrease)	Number of shares at the end of the period
Tah Fa Investment Co., Ltd.	3,572	-	3,572

December 31, 2023

Unit: Thousand shares

Subsidiary Name	Number of shares at the beginning of the period	Net increase (decrease)	Number of shares at the end of the period
Tah Fa Investment Co., Ltd.	3,572	-	3,572

Investments in the Company's shares held by its subsidiaries are regarded as treasury stock, where these subsidiaries can still receive dividends from the Company but are not able to exercise their voting rights. As of December 31, 2024 and December 31, 2023, the Company's investment company, Tah Fa Investment Co., Ltd., held 3,572 thousand shares issued by the Company, with a total cost of NTD83,230 thousand. The investment company continued to hold its shares due to a stable share price, where its market price per share was NTD69.90 and NTD72.80 as of December 31, 2024 and December 31, 2023, respectively.

t. Operating revenue

Items	December 31, 2024	December 31, 2023
Revenue from customer contracts		
Sales revenue	$1,770,910	$1,825,802
Less: Sales Return	(1,596)	(5,766)
Sales Allowances	(2,212)	(2,182)
(Net) Revenue from Contracts with Customers	$1,767,102	$1,817,854

1) Description of customer contract
The Company produces plastic products for the midstream and downstream of the plastics industry. Applied to daily supplies, the main products include rainwear, garments, PP corrugated boards, and binding machines, and laminators. In terms of export, materials of rainwear and garments are prepared in Taiwan for production overseas; in terms of domestic sales, rainwear and garments, including workwear, are sold by distributors. The Company's products are sold at fixed prices according to the contractual terms.

2) Customer contract revenue breakdown
The Company derives revenue from the transfer of goods and services over time and at a point in time in the following operating segments:

Product Category	December 31, 2024	December 31, 2023
Raincoat	$840,196	$827,831
Garment	412,688	456,919
Binding machine	151,465	172,360
PP corrugated board	213,842	209,052
Others	148,911	151,692
Total	$1,767,102	$1,817,854

Region	December 31, 2024	December 31, 2023
Taiwan	$496,659	$381,074
America	297,505	324,141
Europe	663,287	666,650
Japan	124,326	173,121
Others	185,325	272,868
Total	$1,767,102	$1,817,854

3) Contract balance

The Company's accounts receivable and contract liabilities relating to revenue from contracts with customers are as follows:

Items	December 31, 2024	December 31, 2023	December 31, 2022
Notes receivable and payments	$415,553	$290,678	$398,745
Less: provision for losses	(12,502)	(8,572)	(12,645)
Total	$403,051	$282,106	$386,100
Contract liabilities – current	$43,610	$5,974	$11,686

a) Significant changes in contract assets and liabilities

The changes in contract assets and contract liabilities mainly arise from the difference between the time of fulfilling the obligations and the time of customer payment, and there are no other significant changes.

b) The amount of contract liabilities from the beginning of the year that are recognized in operating revenue in 2024 and 2023 were NTD5,951 thousand and NTD11,351 thousand respectively.

4) Unfulfilled customer contracts

The Company's unfulfilled contracts for the sale of goods or services as of December 31, 2024 and 2023 are expected to last for less than one year and are expected to be fulfilled and recognized as revenue in the next year.

u. Employee benefits, depreciation and amortization expenses

	December 31, 2024		
Category	Classified as operating costs	Classified as operating expenses	Total
Employee benefits expense			
Salary expenses	$109,703	$113,964	$223,667
Labor and health insurance	11,482	10,975	22,457
Pension expenses	2,966	4,021	6,987
Director's remuneration	-	6,540	6,540
Other employee benefits	4,882	6,448	11,330
	$129,033	$141,948	$270,981
Depreciation expenses	$37,036	$24,864	$61,900
Amortization expense	-	-	-

Category	December 31, 2023		
	Classified as operating costs	Classified as operating expenses	Total
Employee benefits expense			
Salary expenses	$107,691	$115,026	$222,717
Labor and health insurance	11,361	10,944	22,305
Pension expenses	3,145	4,409	7,554
Director's remuneration	-	6,950	6,950
Other employee benefits	4,968	6,529	11,497
	$127,165	$143,858	$271,023
Depreciation expenses	$36,629	$14,231	$50,860
Amortization expense	-	-	-

1) Additional information on the number of employees and employee benefits expenses of the company as of December 31, 2024 and 2023 are as follows:

	December 31, 2024	December 31, 2023
Numbers of Employees	340	348
Number of directors who are not employees	5	5
Average employee benefits expenses	$789	$770
Average employee salary expenses	$668	$649
Adjustment of average employee salary expenses	2.93%	0.93%

The Company's salary and remuneration policies are as follows:

a) The remuneration of the Directors and Supervisors of the Company is divided into two categories: 1) Monthly fixed remuneration and according to Article 27 of the Company's Articles of Incorporation. And 2) If the company makes a profit during the distribution period, the profits distributed as employee compensation shall be no less than 0.5% of the total profits and that distributed as remuneration to Directors and Supervisors shall be no more than 0.5% of the total profits. However, when the Company has accumulated losses, the amount to cover the losses should be reserved in advance. The resolution on the compensation of the employees and the remuneration of directors and supervisors in the preceding paragraph shall be approved and adopted by a special resolution of the board of directors and submitted to the shareholders' meeting. If the Director is also an employee, additional remuneration is provided according to the provisions of (2) and (3) below.

b) For remuneration of General Manager and Deputy General Managers, in addition to fixed monthly salary in accordance to corporate standards, year-end bonus and festive bonuses are issued based on the operation of the Company. The remuneration of the General Manager and Deputy General Manager of the Company shall be paid in monthly fixed salary, and year-end bonus, festival bonus, etc. according to the Company's operating conditions. The salary structure and year-end bonus of the manager and the payment standard of year-end bonus shall be reviewed by the salary Committee and submitted to the Board of Directors for approval.

c) Employees' salaries are paid monthly at fixed rates in accordance with the Company's salary standards, and year-end bonuses, holiday bonuses, etc. are paid according to the Company's year-end bonus calculation methods and in accordance with Article 27 of the Company's Articles of Association: No less than 0.5% of the Company's profit shall be allocated for employees and no more than 0.5% for Directors and Supervisors, if the company makes a profit during the distribution period. However, when the Company has accumulated losses, the amount to cover the losses should be reserved in advance. The resolution on the compensation of the employees and the remuneration of directors and supervisors in the preceding paragraph shall be approved and adopted by a special resolution of the board of directors and submitted to the shareholders' meeting.

2) Compensation to employees and remuneration to directors and supervisors for the years of 2023 and 2022 were resolved and approved by the Board of Directors on March 12, 2025 and March 12, 2024. Relevant amounts recognized in the financial statement are as follows:

	December 31, 2024		December 31, 2023	
	Employee Compensation	Remuneration of directors	Employee Compensation	Remuneration of directors
Approved amount of distribution	$1,280	$1,140	$1,900	$1,800
Amounts recognized in the annual financial statements	1,280	1,140	1,900	1,800
Differences	-	-	-	-

a) The employee remunerations listed above are all paid in cash.

b) If there are changes made to the amount after the annual financial statements are published, the changes shall be handled as changes in accounting estimates and recognized in the next year's financial statements.

3) For information on the Company's remunerations for employee and Directors as resolved by the Board of Directors, please visit the "Market Observation Post System" of Taiwan Stock Exchange.

v. Interest revenue

Items	December 31, 2024	December 31, 2023
Interest revenue		
Interest on bank deposits	$72,007	$74,987
Other interest income (overdue interest)	-	54
Interest income from financial assets measured at fair value through other comprehensive income	7,919	2,662
Total	$79,926	$77,703

w. Other income

Items	December 31, 2024	December 31, 2023
Rental income		
Investment properties		
Variable rent not depending to index or rate changes	$18,264	$21,511
Other operating leases		
Variable rent not depending to index or rate changes	34	6,035
Other rent	309	267
Total rental income	18,607	27,813
Dividend revenue	92,627	177,446
Other income	5,130	4,509
Total	$116,364	$209,768

x. Other profits and losses

Items	December 31, 2024	December 31, 2023
Gain (loss) on disposal of property, plant and equipment	($2,221)	$27
Net foreign exchange gains (losses)	96,174	4,849
Financial assets at fair value through profit and loss	595	287
Gain on disposal of investments	416	-
Miscellaneous expenses	(11,300)	(5,237)
Total	$83,664	($74)

y. Financial costs

Items	December 31, 2024	December 31, 2023
Interest expense:		
Bank loans	$25	$155
Interest on lease liabilities	483	108
Subtotal	$508	$263
Less: Amount qualified for capitalization	-	-
Financial costs	$508	$263

z. Income tax

1) Income tax expense

a) Income tax expense (benefit) components:

Items	December 31, 2024	December 31, 2023
Current income tax		
Income tax generated in the current period	$22,558	$33,530
Income tax overestimate/underestimate for previous years	20	(13,397)
Total income tax for the year	22,578	20,133
Deferred income tax		
Origination and reversal of temporary differences	11,208	(9,558)
Deferred income tax expenses	11,208	(9,558)
Income tax expense (gains)	$33,786	$10,575

b) Income tax expense (benefit) related to other comprehensive income:

Items	December 31, 2024	December 31, 2023
Exchange differences on translation of foreign operating organizations' financial statements	$5,969	($2,396)
Total	$5,969	($2,396)

2) The reconciliation of accounting income and income tax expense recognized in profit and loss for the current year is as follows:

Items	December 31, 2024	December 31, 2023
Net profit before taxes	$239,355	$359,974
Net profit before tax is calculated at the statutory tax rate	$47,871	$71,995
Effect of taxes on adjusted items:		
Effect of items not included when calculating taxable income		
Unpaid pensions	(745)	(1,051)
Loss (Gain) on investments accounted for using equity method	5,258	(10,834)
Tax-free income and stopped taxable income from securities transactions	(18,609)	(35,489)
Financial assets evaluation profit and loss	(119)	(58)
Unrealized exchange gains and losses	(11,088)	9,613
Loss on investments (realized)	(9,894)	-
Other adjustments	9,884	(646)
Income tax adjustment for the previous year	20	(13,397)
Net change in deferred income tax	11,208	(9,558)
Income tax expense (gains) recognized in profit or loss	$33,786	$10,575

The tax rate applicable to the Company was 20% and, and the tax rate applicable to undistributed earnings is 5%.

In July of 2019, the President announced the amendment to the Statute for Industrial Innovation, which clearly stipulated that the undistributed earnings from 2018 onwards to build or purchase specific assets or technologies to reach a certain amount can be recognized as deduction items in the calculation of undistributed earnings. The Company only deducted the capital expenses that has actually been invested when calculating the tax on unappropriated earnings.

3) Deferred income tax assets or liabilities from temporary difference, loss carry forwards and investment credits:

Items	Beginning balance	Recognized in profit (loss)	Recognized in other comprehensive income	Ending balance
Deferred tax assets:				
Temporary differences				
Unrealized employee benefit liabilities	$1,692	-	-	$1,692
Financial asset valuation losses	108	($108)	-	108
Foreign investment losses under the equity method	49,083	-	-	49,083
Debit (credit) accounts of foreign operations exchange differences in	21,832	-	($5,969)	15,863

Items	Beginning balance	Recognized in profit (loss)	Recognized in other comprehensive income	Ending balance
financial statement translation				
Subtotal	$72,715	($108)	($5,969)	$66,638
Deferred tax liabilities				
Temporary differences				
Unrealized benefits of exchanging	(7,209)	($11,089)	-	($18,298)
Financial asset valuation gain	-	(11)	-	(11)
Land Value Increment Tax	($180,746)	-	-	(180,746)
Subtotal	($187,955)	($11,100)	-	($199,055)
Total	($115,240)	($11,208)	($5,969)	($132,417)

	December 31, 2023			
Items	Beginning balance	Recognized in profit (loss)	Recognized in other comprehensive income	Ending balance
Deferred tax assets:				
Temporary differences				
Unrealized employee benefit liabilities	$1,692	-	-	$1,692
Financial asset valuation losses	-164	($56)	-	108
Foreign investment losses under the equity method	49,083	-	-	49,083
Debit (credit) accounts of foreign operations exchange differences in financial statement translation	19,436	-	2,396	21,832
Subtotal	$70,375	($56)	$2,396	$72,715
Deferred tax liabilities				
Temporary differences				
Unrealized benefits of exchanging	(16,823)	$9,614	-	($7,209)
Land Value Increment Tax	($180,746)	-	-	(180,746)
Subtotal	($197,569)	9,614	-	($187,955)

	December 31, 2023			
Items	Beginning balance	Recognized in profit (loss)	Recognized in other comprehensive income	Ending balance
Total	($127,194)	$9,558	$2,396	($115,240)

4) Items not recognized as deferred tax assets

Items	December 31, 2024	December 31, 2023
Loss on investment accounted for using the equity method	$54,084	$42,912

5) The Company's corporate income tax returns have been assessed by the Tax Authorities until 2022.

aa. Other comprehensive income

	December 31, 2022		
Items	Pre-tax	Income Tax Expense (Gain)	Net Amount After Taxes
Items that are not reclassified to profit or loss:			
Re-measurements of defined benefit plans	$14,613	-	$14,613
Unrealized valuation profit or loss on investments in equity instruments at fair value through other comprehensive income	(949,493)	-	(949,493)
Unrealized valuation gain or loss on investments in equity instruments measured at FVTOCI - subsidiaries, associates, and joint ventures	(20,802)	-	(20,802)
Subtotal	(955,682)	-	(955,682)
Items that may be subsequently reclassified to profit or loss:			
Exchange margins on transaction of foreign operating organizations' financial statements	29,847	($5,969)	23,878
Unrealized valuation of gains or losses on investments measured at FVTOCI	(9,547)		(9,547)
Subtotal	20,300	(5,969)	14,331
Recognized in other comprehensive income	($935,382)	($5,969)	($941,351)

	December 31, 2023		
Items	Pre-tax	Income Tax Expense (Gain)	Net Amount After Taxes
Items that are not reclassified to profit or loss:			
Re-measurements of defined benefit plans	($9,654)	-	($9,654)
Unrealized valuation profit or loss on investments in equity instruments at fair value through other comprehensive income	159,932	-	159,932
Unrealized valuation gain or loss on investments in equity instruments measured at FVTOCI - subsidiaries, associates, and joint ventures	66,258	-	66,258
Subtotal	216,536	-	216,536

Items that may be subsequently reclassified to profit or loss:			
Exchange margin on transaction of foreign operating organizations' financial statements	(11,983)	$2,396	(9,587)
Unrealized valuation of gains or losses on investments measured at FVTOCI	1,492		1,492
Subtotal	(10,491)	2,396	(8,095)
Recognized in other comprehensive income	$206,045	$2,396	$208,441

bb. Earnings Per Share

Items	December 31, 2024	December 31, 2023
A. Basic earnings per share:		
Net profit attributable to common shareholders of the parent company	$205,569	$349,399
Weighted average number of outstanding shares (thousand shares)	95,527	95,527
Basic earnings per share (after tax) (NTD)	$2.15	$3.66
B. Diluted earnings per share:		
Net profit attributable to common shareholders of the parent company	$205,569	$349,399
Weighted average number of outstanding shares	95,527	95,527
The effect of diluting potential common stocks:		
Number of employees' compensation impacts (note)	23	39
Calculate the weighted average number of outstanding shares of diluted earnings per share	95,550	95,566
Diluted earnings per share (after tax) (NTD)	$2.15	$3.66

(Note) If the Company chooses to offer employee compensation or share profits in the form of cash or stock, while calculating diluted earnings per share, and assuming that the compensation is paid in the form of stock, the dilutive potential common shares will be included in the weighted average number of outstanding shares to calculate diluted earnings per share. The dilutive effect of such potential common shares shall continue to be considered when calculating diluted earnings per share before the number of shares to be distributed as employee compensation is approved in the following year.

cc. Reconciliation of liabilities from fund-raising activities

Items	January 1, 2024	Cash flow	Non-cash Changes		December 31, 2024
			Fluctuation in exchange	Other Non-cash Changes	
Lease liabilities (including current and non-current)	$30,996	($8,159)	-	-	$22,837
Guarantee deposits received	3,556	(846)	-	-	2,710
Total liabilities from financing activities	$34,552	($9,005)	-	-	$25,547

Non-cash Changes

Items	January 1, 2023	Cash flow	Fluctuation in exchange	Other Non-cash Changes	December 31, 2023
Lease liabilities (including current and non-current)	$2,239	($2,535)	-	$31,292	$30,996
Guarantee deposits received	6,900	(3,344)	-	-	3,556
Total liabilities from financing activities	$9,139	($5,879)	-	$31,292	$34,552

(VII.) Related Party Transactions

a. The parent company and the ultimate controlling party

The Company has no parent company and ultimate controller.

b. Name and relation of related party

Name of Related Party	Relationship with the Company
Tahsin Shoji Co., Ltd. (Tahsin Shoji. Japan)	Subsidiary
TAHSIN INDUSTRIAL CORP U.S.A. (T.H.U.S.A.)	Subsidiary
Tai Ho Co., Ltd. (Tai Ho Co.,)	Subsidiary
Fujian Putian DAFU Plastic Industry Co., Ltd. (Dafu Company)	Subsidiary
Tah Viet Co., Ltd. (Tah Viet)	Subsidiary
Myanmar Tah Hsin Industrial Co., Ltd. (Myanmar Tahsin)	Subsidiary
TAHSIN INNOVATIVE MACHINERY VINA CO.,LTD.	Subsidiary
Tah Fa Investment Co., Ltd. (Tah Fa)	Subsidiary
Tah Chi Enterprise Co., Ltd. (Tah Chi Co.)	Sub-subsidiary
Good Harvest Machinery Industrial Co., Ltd. (Good Harvest Co.)	Related enterprise
Truong Giang Garment Joint-stock Company (TGC)	Associate of subsidiary
TAHHSIN PHU MY JOINT STOCK COMPANY(TAHHSIN PHU MY CO)	Sub-subsidiary
Fujian Putian DAFU Plastic Industry Co., Ltd. (DAFU Co., Ltd.)	Other related party
TAMERICA PRODUCTS, INC.(T.P.I.)	Other related party
HAVE OUR PLASTIC INC. CANADA (HOP CANADA)	Other related party
HOP INDUSTRIAL CORP. U.S.A. (HOP U.S.A.)	Other related party
Yuk Wing Development Limited (Yuk Wing Limited)	Other related party
All directors, presidents, and vice presidents	Main members of the senior management

c. Substantial Transaction with Related Party

The Company's transactions with related parties are disclosed as follows:

1) Operating revenue

Ledger account	Type/name of related parties	December 31, 2024	December 31, 2023
Sales revenue	Subsidiary	$79,415	$95,201
	Sub-subsidiary	13,320	4,824
	Other related party	120,518	112,327

Total		$213,253	$212,352

The Company's transaction price of sales revenue to related parties is based on the transaction prices and conditions of customers, the terms and conditions conformed to normal business practices, and payment period is about 1 to 3 months.

2) Purchases

Type/name of related parties	December 31, 2024	December 31, 2023
Subsidiary	$42,336	$36,391

The transaction price of purchases made by the company from related parties is determined based on transaction prices and terms of general manufacturers.

3) Contract asset: None.

4) Contract liability: None.

5) Accounts receivable from related parties (excluding loans and contract assets to related parties)

Items	Type/name of related parties	December 31, 2024	December 31, 2023
Notes receivable	Sub-subsidiary	$1,555	$1,003
Account receivables	Subsidiary	$11,971	$9,384
	Sub-subsidiary	8,885	704
	Other related party	22,811	9,599
Total		$43,667	$19,687
Less: provision for losses		(685)	(288)
Net amount		$42,982	$19,399
Other receivables	Subsidiary		
	TAHSIN INNOVATIVE MACHINERY VINA CO.,LTD.	-	$3,571
	Others	$179	107
	Other related party	893	895
Total		$1,072	$4,573
Less: provision for losses		-	-
Net amount		$1,072	$4,573

6) Accounts payable from related parties (excluding loans from related parties)

Items	Type/name of related parties	December 31, 2024	December 31, 2023
Accounts payable	Subsidiary		
	Fujian Putian DAFU Plastic Industry Co., Ltd. (Dafu Company)	$1,511	$7,855

Items	Type/name of related parties	December 31, 2024	December 31, 2023
Other payables	Subsidiary		
	Tah Viet Co., Ltd. (Tah Viet)	$13,645	$12,188
	Other	7,885	6,531
	Sub-subsidiary	999	19
	Related enterprise	3,144	-
	Other related party	332	471
Total		$26,005	$19,209

7) Prepayments

Items	Type/name of related parties	December 31, 2024	December 31, 2023
Prepayments	Subsidiary		
	Fujian Putian DAFU Plastic Industry Co., Ltd. (Dafu Company)	-	$2,373
	Related enterprise	-	1,417
Total		-	$3,790

8) Property transaction: None.
9) Tenancy agreement: None.
10) Rental agreement:
The Company leases part of its offices, machineries and equipment and other assets to Ta Chun and DAFU as operating lease. The machinery and equipment leased is used for processing products, and the rental income is calculated based on the amount of depreciation.
The lease term of all the above contracts is one year. As of December 31, 2024 and 2023, the total future lease payment to be received is zero. The rental income recognized for years 2024 and 2023 were NTD309 thousand and NTD267 thousand, respectively.
11) Loan to related parties: None.
12) Loan from related parties: None.
13) Endorsements/Guarantees Provided for Others
Details of guarantee and endorsement provided by the Company for related parties' bank loans are as follows:

Type/name of related parties	December 31, 2024	December 31, 2023
Subsidiary	$132,848 Including JPY 639,000 thousand	$138,791 Including JPY 639,000 thousand

14) Others
a) Income items

Ledger account	Type/name of related parties	December 31, 2024	December 31, 2023
Commission income	Subsidiary		
	Tahsin Shoji Co., Ltd.	$115	$175
Interest income	Subsidiary	-	$54
Overdue interest			
Total		-	$54

b) Expenses

Ledger account	Type/name of related parties	December 31, 2024	December 31, 2023
Processing fees	Subsidiary		
	Tah Viet Co., Ltd.	$70,500	$61,682
	Tahsin Myanmar	90,823	147,590
	Others	16,230	16,984
	Sub-subsidiary	25,910	23,514
	Other related party	6,297	7,953
	Related enterprise		
	Truong Giang Garment Joint-stock Company (TGC)	69,359	50,779
Total		$279,119	$308,502
Miscellaneous fees	Other related party		
	Yuk Wing Limited	-	$357

Total	-	$357

15) The Company's participation in the capital increase of related parties and the increase of the investment amount are as follows:

December 31, 2024:

Investee	Investment Increase		Shareholding Ratio	
	Number of Shares (Thousands)	Amount	Before Investment	After Investment
Subsidiary				
T.H.USA	-	$7,892	100.00%	100.00%
Tah Viet Co., Ltd. (Tah Viet)	-	16,100	100.00%	100.00%

December 31, 2023:

Investee	Investment Increase		Shareholding Ratio	
	Number of Shares (Thousands)	Amount	Before Investment	After Investment
Subsidiary				
TAHSIN INNOVATIVE MACHINERY VINA CO.,LTD.	-	$37,031	100.00%	100.00%
T.H.USA	-	26,017	100.00%	100.00%
Tah Viet Co., Ltd.	-	9,254	100.00%	100.00%

d. Remuneration to the top management

Items	December 31, 2024	December 31, 2023
Salaries and other short-term employee benefits	$27,140	$27,848
Post-employment benefits	-	-
Other long-term employee benefits	-	-
Termination benefits	-	-
Share-based payments	-	-
Total	$27,140	$27,848

(VIII.) Pledged Assets

The following assets were provided as collateral for various borrowings and performance guarantees:

Items	December 31, 2024	December 31, 2023
Property, Plant, and Equipment	$574,120	$581,516
Investment properties	147,805	147,805
Total	$721,925	$729,321

(IX.) Significant Contingent Liabilities and Unrecognized Contractual Commitments

a. For the years ended December 31, 2024 and 2023, the guaranteed notes received by the Company for project performance guarantees and ensure payment claims, etc. were NTD85,717 thousand and NTD27,372 thousand, respectively.

b. As of December 31, 2024 and 2023, the Group had issued performance guarantee promissory notes in the amounts of NTD10,000 thousand and NTD0 thousand, respectively, in connection with sales contracts entered into with customers.

c. Significant capital expenditures contracted but not yet incurred:
As of December 31, 2024 and 2023, the Group had entered into a construction contract with Lee Ming Construction Co., Ltd. for the development of an office and residential building located in Yongsin Section, Nantun District, with a total contract amount of NTD314,286 thousand. As of those dates, payments made under the contract amounted to NTD88,571 thousand and NTD0 thousand, respectively.
As of December 31, 2024 and 2023, the Group had also signed a commissioned construction and urban renewal implementation agreement with Formosa Plastics Construction Corporation for the Formosa Taipei Building

urban renewal project. The total commissioned construction fee was NTD595,271 thousand, and payments made under the agreement amounted to NTD89,291 thousand and NT$0 thousand, respectively.

d. As of December 31, 2024 and 2023, For information on the Company's endorsements and guarantees for others, please refer to Note 7 (3) 13. and Note 13 (1)2.

(X.) Significant Disaster Losses: None.

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

(XII.) Others

a. Capital Risk Management

The Company plans its needs for working capital and dividend payments in the future based on the characteristics of the industries to which its operations belong and future development of the company, and by taking into consideration changes in the external environment, to ensure that it can continue the operations, give back to shareholders, and protect the interests of stakeholders at the same time, as well as maintain the best capital structure to enhance shareholder value in the long run. To maintain an adjustable capital structure, the Company may adjust the amount of dividends paid to shareholders by issuing new shares, distributing cash to shareholders or buying back its shares.

The Company monitors its funds by regularly reviewing the asset-to-debt ratio.

b. Financial instruments

1) Financial risk of financial instruments

a) Financial risk management policies

The daily operations of the Company are affected by a number of financial risks, including market risk (exchange risk, interest rate risk, and other price risk), credit risk, and liquidity risk. To reduce related financial risks, the company is committed to identifying, assessing and avoiding market uncertainties, so as to reduce potentially unfavorable effects of market changes on its financial performance.

The Company's major financial activities are reviewed by its Board of Directors according to the relevant regulations and its internal control system. During the implementation of a financial plan, the Company must strictly comply with the financial procedures relating to overall financial risk management and segregation of duties.

b) The nature and degree of significant financial risks

i. Market risks

i) Exchange risks

The Company is exposed to exchange rate risks arising from sales, purchases and net investments in foreign operating entities that are not denominated in the functional currency of the Company. The company's functional currency is New Taiwan dollar. Such transactions are mainly denominated in U.S. dollars. The company's receivables and payables due in foreign currencies are denominated in the same currency. At this moment, natural hedges may arise in various sections. To avoid the decrease in the value of foreign currency assets and fluctuations in future cash flows due to changes in exchange rates, the company uses derivative instruments (including swap transactions) to hedge exchange rate risks. The use of such derivative instruments can assist the company in reducing the effects of changes in foreign exchange rates, but is still unable to fully eliminate such effects because the expiry dates are less than 12 months. The use of such derivative instruments can assist the company in reducing the effects of changes in foreign exchange rates, but is still unable to fully eliminate such effects.

Due to the fact that net investments in foreign operating entities are strategic investments, the company has not hedged these investments.

(a) The analysis of foreign exchange exposures and sensitivity is as follows:

Items	December 31, 2024			December 31, 2023		
	Foreign currency (in thousands)	Exchange rate currency (NTD)	Presented amount (New Taiwan Dollars)	Foreign currency (in thousands)	Exchange rate currency (NTD)	Presented amount (New Taiwan Dollars)
(Foreign currency: Functional currency)						
Financial assets						
Monetary items						
USD:NTD	$45,251	32.735	$1,481,277	$46,538	30.705	$1,428,955
JPY:NTD	97,615	0.2079	20,294	10,965	0.2172	2,382
Non-monetary items						

USD:NTD	20,785	32.735	680,392	22,213	30.705	682,063
JPY:NTD	526,976	0.2079	109,558	510,911	0.2172	110,970
Financial liabilities						
Monetary items						
USD:NTD	1,867	32.735	61,108	1,115	30.705	34,235

The sensitivity analysis of the Company's exchange rate risk is mainly performed to assess the effects of appreciation/depreciation of foreign currency monetary and non-monetary items on the company's profit or loss and equity at the end of the reporting period. The exchange rate risk of the Company is mainly affected by the fluctuation of the exchange rate of USD and JPY. When the appreciation/depreciation of USD and JPY is 5%, the after-tax net profit of the Company in 2024 and 2023 will increase/decrease by NTD57,619 thousand and NTD55,884 thousand respectively, and the equity will increase/decrease by NTD31,598 thousand and NTD31,721 thousand respectively.

(b) Due to the exchange rate volatility, total exchange gains and losses (including realized and unrealized) on the Company's monetary items amounted to NTD96,174 thousand and NTD4,849 thousand as of December 31, 2024 and 2023, respectively.

ii) Other price risks

As the investment in equity instruments held by the Company in the parent company only balance sheets is classified as financial assets measured at fair value through other comprehensive income, the Company is exposed to the price risk of equity instruments. The Company mainly invests in stocks and beneficiary certificate of domestic listed and OTC companies. The price of these equity instruments will be affected by the certainty of the future value of the investment targets. If the price of equity instruments rises or falls by 5%, profit and loss after tax in 2024 and 2023 will increase or decrease by NTD893 thousand and NTD 113 thousand respectively due to the rise or decrease of financial assets measured at fair value through profits and losses. Other comprehensive profit and loss after tax in 2024 and 2023 will increase or decrease by NTD154,214 thousand and NTD 214,096 thousand respectively due to the rise or decrease of financial assets measured at fair value through other comprehensive profits and losses.

iii) Interest rate risk

The Group's exposure to interest rate risk primarily arises from its investment positions and financial liabilities. The carrying amounts of financial assets and financial liabilities exposed to interest rate risk as of the reporting date are as follows:

	Carrying amount	
Items	December 31, 2024	December 31, 2023
Interest rate risk with fair value		
Financial assets	$158,571	$109,223
Financial liabilities	-	-
Interest rate risk with cash flow		
Financial assets	$2,096,404	$2,219,946
Financial liabilities	-	-
Net amount	$2,096,404	$2,219,946

(a) Sensitivity analysis of interest rate risk with fair value instruments

The Company's fixed-rate financial assets expose the Group to fair value interest rate risk. A 1% increase or decrease in borrowing rates, assuming all other factors remain constant, would result in a decrease or increase of NTD1,586 thousand and NTD1,092 thousand, respectively, in the other comprehensive income for 2024 and 2023. This is primarily due to the classification of fixed-rate bond investments as financial assets measured at fair value through other comprehensive income, where changes in market interest rates result in corresponding changes in the fair value of bond investments.

The Company has yet to classify any fixed-rate financial assets and liabilities as measured at fair value through profit or loss. Besides, it has also yet to designate derivative instruments (interest rate swaps) as a hedging tool under the fair value hedge accounting model. Therefore, changes in interest rates on the reporting date will not affect profit or loss.

(b) Sensitivity analysis of interest rate risk with cash flow

The company's variable interest rate financial instruments belong to floating interest rate assets (liabilities). Therefore, changes in market interest rates will result in changes in effective interest rates, thereby causing fluctuations in future cash flows. Every 1 percent increase in the market interest rate would lead to an increase in net profit before tax, for 2024 and 2023 by NTD20,964 thousand and NTD22,199 thousand, respectively.

ii. Credit risk

Credit risk refers to the risk that a counterparty violates contractual obligations and causes financial loss to the company. The Company's credit risk comes mainly from accounts receivable arising from its operating activities, bank deposits arising from its investing activities, and other financial instruments. Operations-related credit risks and financial credit risks are managed separately.

i) Operation related credit risk

To maintain the quality of accounts receivable, the company has established procedures for the management of operations-related credit risks.

Factors that may affect customers' ability to pay, such as the financial status of a customer, the Company's internal credit rating, historical transaction records, and current economic conditions, are taken into account in the risk assessment of individual customers.

ii) Financial credit risk

The credit risks of bank deposits and other financial instruments are measured and monitored by the Company's financial department. The Company does not expect significant credit risk because the counterparties are creditworthy and investment-graded financial institutions, companies and government agencies without any significant default concerns. The management of credit risk of debt instruments is done through external agencies that assess credit ratings, credit quality of bonds, regional conditions, and counterparty risks to identify credit risk.

(a) The risk of credit concentration

As of December 31, 2024 and 2023, the top ten clients accounted for 82.90% and 72.76%, respectively, of the Company's accounts receivable. No significant credit concentration risk was shown from the remaining accounts receivables.

(b) Measurement of expected credit impairment losses

(1) Accounts receivable: A simplified approach is adopted, please refer to Note 6 (5) for more information.

(2) Basis for judging whether the credit risk increases significantly: The Company’s investments in debt instruments measured at amortized cost or investments in debt instruments measured at FVTOCI have acquired a good valuation with low credit risk.

(3) The Company obtained collateral of NTD80,000 thousand from some customers to avoid the credit risks of some financial assets.

iii. Liquidity risk

i) Liquidity risk management:

The objective of the company's liquidity risk management is to maintain cash and cash equivalents, highly liquid securities and sufficient bank facilities required for its operations, so as to ensure that the company possesses adequate financial flexibility.

ii) Analysis of maturity of financial liabilities:

The following table shows the analysis of the company's financial liabilities based on the maturity and undiscounted due amount of these financial liabilities within the agreed repayment periods, as for the leasing expiry dates, please refer to Note 6 (10) 2:

	December 31, 2024						
Non-derivative financial liabilities	less than 6 months	7-12 months	1-2 year(s)	2-5 years	More than 5 years	Contractual cash flows	Carrying amount
Accounts payable (including related parties)	$101,309	-	-	-	-	$101,309	$101,309
Trade payables (including related parties)	51,756	-	-	-	-	51,756	51,756

	December 31, 2024						
Other payables (including related parties)	78,317	-	-	-	-	78,317	78,317
Guarantee deposits received	-	$760	-	$1,950	-	2,710	2,710
Total	$231,382	$760	-	$1,950	-	$234,092	$234,092

	December 31, 2023						
Non-derivative financial liabilities	less than 6 months	7-12 months	1-2 year(s)	2-5 years	More than 5 years	Contractual cash flows	Carrying amount
Accounts payable (including related parties)	$87,081	-	-	-	-	$87,081	$87,081
Trade payables (including related parties)	36,219	-	-	-	-	36,219	36,219
Other payables (including related parties)	36,805	-	-	-	-	36,805	36,805
Guarantee deposits received	1,686	$1,710	$160	-	-	3,556	3,556
Total	$161,791	$1,710	$160	-	-	$163,661	$163,661

1

The Company does not expect a significant difference in the cash flows timing or the actual amount from the maturity analysis.

2) Types of financial instruments

The book value of various financial assets and financial liabilities of the Company as at December 31, 2024 and 2023 are as follows:

	December 31, 2024	December 31, 2023
Financial assets		
Financial assets at amortized cost		
Cash and cash equivalents	$1,866,059	$1,863,013
Notes and accounts receivable (including related parties)	403,051	282,106
Other receivables (including related parties)	13,545	18,583
Other financial assets - current	250,000	375,538
Refundable deposits	1,988	3,202
Financial assets measured at fair value through profit and loss - current	17,860	2,265
Financial assets at fair value through other comprehensive income - current	2,712,936	3,829,878
Financial assets at fair value through other comprehensive income - non-current		
Financial liabilities		
Financial liabilities measured at amortized cost		
Notes and accounts payable (including related parties)	153,065	123,300
Other payables (including related parties)	78,317	36,805
Guarantee deposits received	2,710	3,556

c. Information on fair value:

1) Please refer to Note 12 (3)2. for the information on fair value of financial assets and financial liabilities of the Company not measured at fair value. Please refer to Note 6 (10) for information on the fair value of financial assets and investments in real estate measured at cost of the Company.

2) Definition of fair value hierarchy

Level 1:

Level 1 inputs are quoted prices in active markets for identical assets or liabilities. An active market is a market that meets all of the conditions set below: the items traded in the market are homogeneous, willing buyers and sellers can normally be found at any time and prices are available to the public. The Company invests in listed and OTC stocks, beneficiary certificates, investments in on-the-run Taiwan's government bonds, and derivative instruments with quoted prices in active markets are all included.

Level 2:

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (e.g., price) or indirectly (e.g., derived from price) from the active markets. The fair value of the company's investments in off-the-run government bonds, corporate bonds, financial bonds, convertible corporate bonds, and most derivative instruments belong to this level.

Level 3:

Level 3 inputs refer to inputs that measure fair value to the extent that relevant observable inputs are not available in the market. Some of the Company's investments in derivative instruments and equity instruments without active market.

3) Financial instruments not measured by fair value:

The Company's financial instruments not measured at fair value, such as cash and cash equivalents, notes and amounts receivable, other financial assets, deposits, notes and amounts payable, and the carrying value of guarantee deposits, are reasonable approximations to their fair values.

4) Fair value hierarchy

The financial instruments measured at fair value by the Company is on a recurring basis, and the information on the fair value hierarchy of the Company is as follows:

	December 31, 2024			
Items	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value				
Financial assets at fair value through profit and loss				
Beneficiary certificate	$17,860	-	-	$17,860
Financial assets at fair value through other comprehensive income				
Equity securities	2,712,936	-	$212,768	2,925,704
Corporate bonds	-	$158,571	-	158,571
Total	$2,730,796	$158,571	$212,768	$3,102,135

	December 31, 2023			
Items	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value				
Financial assets measured at fair value through profit and loss				
Beneficiary certificate	$2,265	-	-	$2,265
Financial assets measured at fair value through other comprehensive income				
Equity securities				
Corporate bonds	3,829,878	-	$342,816	4,172,694
Total	-	$109,223	-	109,223
	$3,832,143	$109,223	$342,816	$4,284,182

5) Fair value valuation technique for instruments measured at fair value:

a) If a financial instrument has a quoted price in an active market, the quoted price will be adopted as the fair value.

The categories and characteristics of fair value measurement for the financial instruments with active markets held by the Company were as follows:

i. Listed company stocks: closing prices.

ii. Open-end funds: net worth.

b) The fair value of stocks of unlisted (OTC) companies without an active market held by the Company is mainly estimated by the market method, and the judgment is made with reference to the evaluation of similar companies, third-party quotations, company net worth and operating conditions.

c) When evaluating non-standardized and less complex financial instruments, such as debt instruments, interest rate swaps, foreign exchange contracts and options in illiquid markets, the Company uses valuation techniques widely used by market participants. The parameters used in the valuation model of such financial instruments are usually from observable market information.

d) Valuation of derivative financial instruments adopts valuation models that are commonly used by market participants, such as discounted cash flows method and option pricing model. Forward foreign exchange contracts are usually valuated based on the current forward exchange rates.

e) The output of the valuation model is the estimated value, and the valuation methods may not reflect all relevant factors of the financial and non-financial instruments held by the Company. Therefore, the estimated value of the valuation model will be adjusted according to additional parameters, such as model risk or liquidity risk. According to the Company's fair value valuation model management policy and related control procedures, the management believes that it is appropriate and necessary to make appropriate adjustments to express the fair value of financial and non-financial instruments in the individual balance sheet. The price information and parameters used in the valuation process are carefully evaluated and properly adjusted according to the current market situation.

f) The Company takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Company's credit quality.

6) Transfers between Level 1 and Level 2 fair value hierarchy: None.

7) Statement of changes in Level 3 fair value hierarchy:

	Equity securities	
Items	December 31, 2024	December 31, 2023
Beginning balance	$342,816	$335,691
Recognized in other comprehensive income	(130,048)	6,929
Acquisition in the current period	-	196
Disposal in the current period	-	-
Transfer into Level 3	-	-
Transfer out of Level 3	-	-
Ending balance	$212,768	$342,816

8) Quantitative information about the significant unobservable inputs (Level 3) used in the fair value measurement:

	Fair value as of December 31, 2024	Valuation Technique	Material Unobservable Inputs	Percentage	Relationship of inputs to fair value
Non-derivative equity instruments:					
Investment in shares of companies	$209,900	Net asset value method	Not applicable	Not applicable	Not applicable
Non-listed company stocks	2,868	Market approach	Lack of market liquidity discount	20%	The higher the lack of market liquidity discount, the lower the fair value

	Fair value as of December 31, 2023	Valuation Technique	Material Unobservable Inputs	Percentage	Relationship of inputs to fair value
Non-derivative equity instruments:					
Investment in shares of companies	$339,700	Net asset value method	Not applicable	Not applicable	Not applicable
Non-listed company stocks	3,116	Market approach	Lack of market	20%	The higher the lack of market liquidity

liquidity discount	discount, the lower the fair value

9) Valuation process for Level 3 fair value measurement:
The valuation process regarding Level 3 fair value is conducted by the Company's finance department, by which the independence of fair value of financial instruments is verified though use of independent data source in order to make the valuation results close to market conditions. Such valuation results are regularly reviewed therefrom so as to ensure their reasonableness.

d. Transfer of financial assets: None.
e. Offsetting financial assets and financial liabilities: None.

(XIII.) Additional Disclosures

1. Information on significant transactions
   1) Loaning to Others: None.
   2) Endorsements/Guarantees Provided for Others: Table 1.
   3) Securities Held at End of Period (Excluding Investments in Subsidiaries, Associates, and Joint Ventures): Table 2.
   4) The Accumulated Purchase or Sale of the Same Securities Amounting to NTD300 Million or More Than 20% of Paid-in Capital: Table 3.
   5) Acquisition of Property Amounting to NTD300 million or More Than 20% of Paid-in Capital: Table 4.
   6) Disposal of Property Amounting to NTD300 million or More Than 20% of Paid-in Capital: None.
   7) Purchases or Sales with Related Parties Amounting to NTD100 Million or More than 20% of Paid-in Capital: None.
   8) Receivables From Related Parties Amounting to NTD100 Million or More Than 20% of Paid-in Capital: None.
   9) Derivatives Transactions: None.
2. Information on Investee Companies: Table 5.
3. Information on investments in mainland China
   1) Information on any investee company in mainland China (name, main business, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, investment income, carrying amount of investment at end of period, repatriations of investment income, and limit on the amount of investment in mainland China): Table 6.
   2) Significant transactions with Hong Kong Tai Ho Co., Ltd. for reinvestment in DAFU Plastic Industry Co., Ltd.:
      a) Amount of sales and balance of the account payables at the end of the period: The purchase amount is NTD42,336 thousand and account payable at the end of the period is NTD1,511 thousand.
      b) Amount of sales and balance of the receivables at the end of the period: Sales amount is NTD650 thousand.
      c) The amount of property transactions and the amount of the gains or losses: none
      d) Bill endorsement, guarantee or provision of collateral: none
      e) Financial accommodation: none
      f) In 2024, product processing fees of NTD13,874 thousand by DAFU Plastic Industry Co., Ltd. through Tai Ho Co., Ltd. Other payables (include purchasing of raw materials) at the end of the period were NTD1,161 thousand.
      g) The Company (hereafter referred to as the Principal) entrusts Hong Kong Tai Ho Co., Ltd.(hereafter referred to as the Agent) to invest in DAFU Plastic Industry Co., Ltd. in Putian, China, and both parties agree to abide by the following terms and conditions:
         i. The client appointed the trustee to invest in mainland China to establish Fujian Putian Dafu Plastic Industry Co., Ltd. with a total amount of USD8,100,000.
         ii. The Agent shall apply to the Chinese competent authority for investment and capital increase in DAFU Plastic Industry Co., Ltd. in the Agent's name. The fund is to be remitted to the Mainland Area from Hong Kong by the Agent.
         iii. Should Fujian Putian DAFU Plastic Industry Co., Ltd. has any income or interest distribution, the trustee shall first receive the interest and then remit it to it to the client.
         iv. If DAFU Plastic Industry Co., Ltis required to return the investment fund due to capital reduction, cessation of operation or other reasons, the Agent shall firstly obtain the said amount and then transfer the amount in full to the Principal.

v. If the Agent is required to transfer the investment fund, dividends, or profits due to the reasons listed in the preceding two paragraphs, the Agent shall notify the Principal and the payment shall be made in the way specified by the Principal.
vi. Based on the entrusted investment relationship, the rights and obligations of the trustee to Fujian Putian DAFU Plastic Industry Co., Ltd. are transferred to the client, and the trustee does not guarantee its profits and losses
vii. The Agent shall exercise due care of a prudent administrator in discretionary investment, capital increase, exchange settlement, and receipt of dividends.
viii. The Agent shall send the financial statements of DAFU Plastic Industry Co., Ltd. to the Principal regularly, and the Principal may entrust certified public accountant or other audit personnel to audit the financial statements.
ix. Matters not stipulated in this power of attorney shall be handled in accordance with relevant laws and regulations of the Republic of China on domestic and foreign financial practices, etc.

h) The Company increased investment in Hong Kong Tai Ho Co., Ltd. by HKD10,075,000 (equivalent to USD1,300,000), which was then to be re-invested in DAFU Plastic Industry Co., Ltd.

4. Information of Major Shareholders: Table 7.

Tahsin Industrial Corporation

Endorsements/Guarantees Provided for Others
January 1 to December 31, 2024

Unit: Thousand NTD

<table>
<tr><th rowspan="2">Number</th><th rowspan="2">Endorser/Guarantor</th><th colspan="2">Counterparty of endorsements/guarantees</th><th rowspan="2">Limit on Endorsements/Guarantees Provided for Single Entity</th><th rowspan="2">Maximum balance of endorsement/guarantee amount for current period</th><th rowspan="2">Endorsement/Guarantee Balance, End of Period</th><th rowspan="2">Actual drawdown amount Amount</th><th rowspan="2">Endorsement/Guarantee Amount Secured by Property</th><th rowspan="2">Ratio of Cumulative Endorsement/Guarantee Amount to Net Worth in Latest Financial Statements</th><th rowspan="2">Endorsement/Guarantee Ceiling</th><th rowspan="2">Endorsements/guarantees provided by the parent company to the subsidiaries</th><th rowspan="2">Endorsements/guarantees provided by the subsidiaries to the parent company</th><th rowspan="2">Endorsement/Guarantee to Investee in the Mainland Area</th></tr>
<tr><th>Name</th><th>Relationships</th></tr>
<tr><td>0</td><td>Tahsin Industrial Corporation Ltd</td><td>Tahsin Shoji Co., Ltd.</td><td>Subsidiaries in which the Tahsin Group directly holds more than 50% of the common shares.</td><td>$1,876,250</td><td>$140,772</td><td>$132,848</td><td>$106,288</td><td>$-</td><td>1.42%</td><td>$4,690,626</td><td>Y</td><td>N</td><td>N</td></tr>
</table>

Note 1. The amounts/guarantees of endorsement by the Company to a single enterprise shall not exceed 20% of the net worth of the Company’s latest financial statements (December 31, 2024).

Note 2. The total amount of the Company’s external endorsements/guarantees is limited to 50% of the Company’s net worth as stated in its latest financial statements (as of December 31, 2024).

Table 2

Tahsin Industrial Corporation

Securities Held at End of Period (Excluding Investments in Subsidiaries, Associates, and Joint Ventures)
December 31, 2024
Unit: NTD Thousand/ Number of shares(unit): Thousand

Holding Company	Type and Name of Securities	Relationship with Securities Issuer	Ledger account	End of Period				Remarks
				Shares	Carrying amount	Shareholding Ratio	Fair Value	
Tahsin Industrial Corporation	Stocks/Nan Ya Plastic Corporation	-	Financial assets at fair value through other comprehensive income - current	32,140	$960,986	0.41%	$960,986	
	Stocks/Formosa Taffeta Co., Ltd.	-	Financial assets at fair value through other comprehensive income - current	200	3,670	0.01%	3,670	
	Stocks/Feng Hsin Steel Co., Ltd.	-	Financial assets at fair value through other comprehensive income - current	600	41,760	0.10%	41,760	
	Stocks/Mega Financial Holding Co., Ltd.	-	Financial assets at fair value through other comprehensive income - current	3,502	135,527	0.02%	135,528	
	Stocks/Formosa Plastics Corporation	-	Financial assets at fair value through other comprehensive income - current	1,500	53,250	0.02%	53,250	
	Stocks/Taiwan Semiconductor Manufacturing Company Limited	-	Financial assets at fair value through other comprehensive income - current	650	698,750	-	698,750	
	Stocks/Sinon Corporation	-	Financial assets at fair value through other comprehensive income - current	3,280	141,696	0.78%	141,696	
	Stocks/YungShin Global Holding Corporation	-	Financial assets at fair value through other comprehensive income - current	1,000	53,900	0.38%	53,900	
	Stocks/Taiwan Cement Corporation	-	Financial assets at fair value through other comprehensive income - current	3,850	122,045	0.05%	122,045	
	Stocks/Asia Cement Corporation	-	Financial assets at fair value through other comprehensive income - current	2,000	80,800	0.06%	80,800	
	Stocks/ Taiwan Paiho Limited	-	Financial assets at fair value through other comprehensive income - current	1,000	68,200	0.34%	68,200	
	Stocks/MAKALOT industrial co., ltd.	-	Financial assets at fair value through other comprehensive income - current	276	88,596	0.11%	88,596	
	Stocks/ Te Chang Construction Co., Ltd.	-	Financial assets at fair value through other comprehensive income - current	1,400	87,780	1.23%	87,780	

(Continued on next page)

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Table 2

Tahsin Industrial Corporation

Securities Held at End of Period (Excluding Investments in Subsidiaries, Associates, and Joint Ventures)
December 31, 2024
Unit: NTD Thousand/ Number of shares(unit): Thousand

Holding Company	Type and Name of Securities	Relationship with Securities Issuer	Ledger account	End of Period				Remarks
				Shares	Carrying amount	Shareholding Ratio	Fair Value	
	Stocks/ CTBC Financial Holding Co., Ltd.		Financial assets at fair value through other comprehensive income - current	4,000	$156,400	0.02%	$156,400	
	Beneficiary certificate/ Yuanta/P-shares Taiwan Top 50 ETF	-	Financial assets at fair value through other comprehensive income - current	100	19,575	-	19,575	
	Beneficiary certificate/ Jih Sun Vietnam Opportunity Fund A (USD)	-	Financial assets at fair value through profit or loss - current	10	2,596	-	2,596	
	Beneficiary certificate/ PineBridge Global ESG Quantitative Bond Fund A	-	Financial assets at fair value through profit or loss - current	10,000	209,900	2.35%	209,900	
	Stock/ ASIA PACIFIC INVESTMENT CORPORATION		Financial assets at fair value through other comprehensive income - non-current	100	2,868	0.15%	2,868	
	Stock/ Vetnostrum Animal Health Co., Ltd.		Financial assets at fair value through other comprehensive income - non-current	-	15,000	-	15,000	
	Corporate bond/ TSMC Arizona(3)		Financial assets at fair value through other comprehensive income - non-current	-	16,762	-	16,762	
	Corporate bond/3M Company		Financial assets at fair value through other comprehensive income - non-current	-	14,642	-	14,642	
	Corporate bond/ TSMC Arizona Corp.		Financial assets at fair value through other comprehensive income - non-current	-	15,618	-	15,618	
	Corporate bond/ Johnson & Johnson JNJ.US		Financial assets at fair value through other comprehensive income - non-current	-	15,890	-	15,890	
	Corporate bond/ United Parcel Service, Inc.		Financial assets at fair value through other comprehensive income - non-current	-	16,153	-	16,153	
	Corporate bond/Bank of America		Financial assets at fair value through other comprehensive income - non-current	-	15,448	-	15,448	
	Corporate bond/Apple Inc.		Financial assets at fair value through other comprehensive income - non-current					
	Corporate bond/UnitedHealth Group	-	Financial assets at fair value through other comprehensive income – non-current	-	$14,529	-	$14,529	
	Corporate bond/Philip Morris International Inc.	-	Financial assets at fair value through other comprehensive income – non-current	-	17,541	-	17,541	
	Corporate bond/UBS Group AG	-	Financial assets at fair value through other comprehensive income – non-current	-	16,988	-	16,988	
Tah Fa Investment Co., Ltd.	Stocks/Chunghwa Telecom Co., Ltd.	-	Financial assets at fair value through other comprehensive income - current	90	11,115	-	11,115	
	Stocks/Taiwan Semiconductor Manufacturing Company Limited	-	Financial assets at fair value through other comprehensive income - current	3	3,225	-	3,225	

Holding Company	Type and Name of Securities	Relationship with Securities Issuer	Ledger account	End of Period				Remarks
				Shares	Carrying amount	Shareholding Ratio	Fair Value	
	Stocks/Tahsin Industrial Corporation	The investment company which values the Company using the equity method	Financial assets at fair value through other comprehensive income - non-current	3,572	249,688	3.60%	249,688	Note 1
	Stocks/Tah Cheng Investment Co., Ltd.	The investee company which values the investment using the equity method	Financial assets at fair value through other comprehensive income - non-current	2,500	235,390	33.33%	235,390	Note 2

Note 1. A subsidiary holding shares of the parent company has been presented as treasury stock according to the original investment cost.
Note 2. It was approved for dissolution on June 20, 2002 and is currently under liquidation.

<u>Table 3</u>

Tahsin Industrial Corporation

The Accumulated Purchase or Sale of the Same Securities Amounting to NTD300 Million or More Than 20% of Paid-in Capital
January 1 to December 31, 2024
Unit: NTD Thousand/ Number of shares: Thousand

Company Name	Type and Name of Securities	Ledger account	Counterparty	Relationships	Beginning of Period(Note1)		Purchase		Sale				End of Period	
					Shares	Amount (Note 2)	Shares	Amount (Note 2)	Shares	Selling Price	Carrying Cost	Gains or losses on disposal (Note 3)	Shares	Amount (Note 2)
Tahsin Industrial Corporation	Stocks/Taiwan Semiconductor Manufacturing Company Limited	Financial assets at fair value through other comprehensive income - current	-	-	1,100	$545,702	170	$145,482	620	$545,495	$321,375	$224,120	650	$369,809
Tah Fa Investment Co., Ltd.	Stocks/Taiwan Semiconductor Manufacturing Company Limited	Financial assets at fair value through other comprehensive income - current	—	—	-	-	63	55,284	60	65,241	52,643	12,598	3	2,641

Note 1. The beginning date is June 14, 2023.
Note 2. Refer to the original acquisition cost.
Note 3. Gain on disposal of investments is directly transferred to retained earnings.

Table 4

Tahsin Industrial Corporation and its subsidiaries

Acquisition of Property Amounting to NTD300 million or More Than 20% of Paid-in Capital
January 1 to December 31, 2024
Unit: Thousand NTD

Company Acquiring the Real Estate	Property Name	Date of Occurrence	Transaction Amount	Payment Status of the Consideration	Transaction Counterparty	Relationship with Transaction Party	Previous Transfer Information of the Related Party Counterparty				Basis for Price Determination	Purpose of Acquisition and Current Use	Other Terms
							Owner	Relationship with the Issuer	Date of Transfer	Amount			
Tahsin Industrial Corporation	Office and residential building located in Yongsin Section, Nantun District	April 30. 2024	$314,286	$88,571	Lee Ming Construction Co., Ltd.	None	—	—	—	$-	Engaging others to build on its own land	Office and Employee Dormitory	None
	Formosa Building Urban Renewal Project	December 13, 2024	595,271	89,291	Formosa Plastics Construction Corporation	None	—	—	—	-	Construction and Urban Renewal Implementation Agreement	Land and Building of the Original Taipei Office	Additional Compensation for Rights Conversion: $60,483

Table 5

Tahsin Industrial Corporation

Related information on Name and Location of Investee, etc. (Excluding mainland China investees)
December 31, 2024
Unit: NTD Thousand/Number of Shares: Thousand

Name of investors	Company's names and location of investees	Location	Principal Business Activities	Initial investment amount		Held at the end			Profit or Loss of Investee for Current Period	Investment Profit/Loss Recognized in the Current Period	Remarks
				End of Current Period	End of Previous Period	Shares	Ratio	Carrying amount			
Tahsin Industrial Corporation	Tahsin Shoji Co., Ltd.	8-2, 2-Chome, Imagome Higashi-Osakashi, Japan	1. Domestic trading of artificial leather, other synthetic resins and various fiber products 2. Import and export business of handbags, packaging bags, clothing and other supplies and merchandises	$90,196 ￥400,000	$90,196 ￥400,000	800	100.00%	$109,558	$4,212	$4,558	Note 1
	Tahsin Industrial Corporation, USA	111 Howard Blvrd,Suite 206,Mt Arlington,N.J.07856	Sale of Tahsin products, ready-to-wear, raincoats, PVC products, etc.	224,546 USD7,310	216,655 USD7,060	1	100.00%	(961)	(14,912)	(14,912)	
	Yuk Wing Development, Ltd.	No. 16, Wang Hoi Road, Kowloon Bay, Hong Kong (Room 1503, Telford Building)	Trading	35 HK10	35 HK10	-	100.00%	42	-	-	
	Tah Viet Co., Ltd.	Tân Thuận Đông, Quận 7, Hồ Chí Minh, Vietnam	Processing of raincoats, ready-to-wear garments, leather goods, wardrobes, etc.	234,052 USD8,003	217,953 USD7,503	-	100.00%	153,996	(13,518)	(13,518)	
	Myanmar Tah Hsin Industrial Co., Ltd.	Plot No.D-1 Mingaladon Industrial Park, Mingaladon	Processing of raincoats, ready-to-wear garments, leather goods, wardrobes, etc.	472,523 USD14,700	472,523 USD14,700	-	100.00%	243,758	(63,871)	(63,871)	
	Tah Fa Investment Co., Ltd.	West District, Taichung City	Generic investments, property purchase, sales and leases	180,000	180,000	18,000	100.00%	975,168	50,095	32,235	Note 2
	TAHSIN INNOVATIVE MACHINERY VINA CO.,LTD.	Renchao Industrial Zone in Thanh Hoa Province, Vietnam	Office machinery manufacturing and processing of binding machines and laminators, etc.	37,031 USD1,200	37,031 USD1,200	-	100.00%	24,365	(10,844)	(10,844)	
	Good Harvest Machinery Industrial Co., Ltd.	Zhunan Township, Miaoli County, Taiwan	Chemical machinery, piping cistern, rubber machinery, plastic machinery, and other machineries.	-	50,000	-	-	-	(10,042)	(2,662)	

(Continued on next page)

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Table 5

Tahsin Industrial Corporation

Related information on Name and Location of Investee, etc. (Excluding mainland China investees)
December 31, 2023
Unit: NTD Thousand/Number of Shares: Thousand

Name of investors	Company's names and location of investees	Location	Principal Business Activities	Initial investment amount		Held at the end			Profit or Loss of Investee for Current Period	Investment Profit/Loss Recognized in the Current Period	Remarks
				End of Current Period	End of Previous Period	Shares	Ratio	Carrying amount			
Tah Fa Investment Co., Ltd.	Tah Cheng Investment Co., Ltd.	West District, Taichung City	Generic investments	21,000	21,000	2,100	41.18%	124,529	17,800	7,330	
	Tah Quan Investment Co., Ltd.	West District, Taichung City	Generic investments	87,000	87,000	8,700	44.39%	309,762	37,952	16,846	
	Tah Chi Enterprise Co., Ltd.	DaanDist., Taipei City, Taiwan	Wholesale and retail of fabric, clothing, shoes, caps, umbrella, clothing products; furniture, bedding, kitchen appliance, installation products; daily necessities; cultural and educational products, musical instruments, sports and recreational products; food, beverages industry	23,000	23,000	2,300	100.00%	5,667	(716)	(716)	Note 1
Tah Viet Co., Ltd.	TRUONG GIANG GARMENT JOINT-STOCK COMPANY	No. 239, Huynh Thuc Khang St, An Xuân, Tam Kỳ, Quang Nam Province, Vietnam	Manufacture and processing of ready-to-wear garments for export and domestic sales; sales and marketing of various garment supplies, equipment and raw materials; provision of consultancy services in fashion and textile industry	12,945 USD435	12,945 USD435	37	44.17%	13,299	2,287	1,010	
	TAHHSIN PHU MY JOINT STOCK COMPANY	Phu My Industrial Zone, Tam, Phuoc Soci Phu Ninh District, Quang Nam Province, Vietnam	Manufacturing and processing of ready-to-wear garments for export and domestic sales	32,072 USD1,049	21,851 USD732	-	84.83%	23,922	(3,512)	(2,747)	

Note 1. The investment gains and losses recognized during the period include the net (un)realized gains and losses between affiliated companies.
Note 2. The investment gains and losses recognized in the current period include the amount of write-off of cash dividends received by the company of NTD17,860 thousand

Table 6

Tahsin Industrial Corporation

Information on investments in mainland China

January 1 to December 31, 2024

Unit: Thousand NTD

Investees in the Mainland China	Principal Business Activities	Paid-up capital	Investment method (Note 1)	Accumulated Investment Amount Remitted from Taiwan at Beginning of Period	Investment Amount Remitted or Received in Current Period		Accumulated Investment Amount Remitted from Taiwan at End of Period	Profit or Loss of Investee for Current Period	Shareholding Percentage of Direct or Indirect Investments by the Company	Recognized Investment Profit or Loss for Current Period	Carrying Amount of Investments at End of Period	Repatriated Investment Profit or Loss as of End of Period
					Remitted	Received						
DAFU Plastic Industry Co., Ltd.	Mainly produce raincoats and other plastic products.	$291,605	2	$263,164	$-	$-	$263,164	$46,837	91.26%	$42,725	$259,234	$-

Accumulated Investment Amount Remitted from Taiwan to the Mainland Area at End of Period	Investment Amount Approved by the Investment Commission, M.O.E.A	Investment quota in mainland China as stipulated by Investment Commission, M.O.E.A. (Note 2)
$263,164	$263,164	$5,646,209

Note 1. Investment method: The Company entrusted Hong Kong Tai Ho Co., Ltd. to invest USD8,100,000 in the establishment of Fujian Putian DAFU Plastic Industry Co., Ltd. In 2011, the invested amount in Hong Kong Tai Ho Co. Ltd was increased to HKD10,075,000 (USD1,300,000) which was subsequently reinvested into Fujian Putian DAFU Plastic Industry Co., Ltd.

Note 2. Calculate the upper limit of the cumulative amount or proportion of investment in mainland China at 60% of the net value or consolidated net value (whichever is higher) in accordance with the investment review committee of the Ministry of Economic Affairs.

Table 7

Tahsin Industrial Corporation
Information of Major Shareholders
December 31, 2024
Unit: Thousand shares

Name of major shareholders	Shares	
	Number of shares held	Shareholding Ratio
Tah Cheng Investment Co., Ltd.	10,075	10.16%
Tah Quan Investment Co., Ltd.	9,500	9.58%
Chang Cai Industry Co., Ltd.	9,699	9.78%

Note 1. The major shareholders in this table are shareholders holding more than 5% of the ordinary and special shares that are issued and delivered without physical registration (including treasury stocks) on the last business day of each quarter calculated by the Taiwan Depository & Clearing Corporation. However, the share capital recorded in the Company's financial statements and the number of shares actually delivered by the Company without physical registration may differ due to calculation basis.

Note 2. If a shareholder delivers its shareholding information to the trust, the aforesaid information shall be disclosed by the individual trustee who opened the trust account. For information on shareholders, who declare to be insiders holding more than 10% of shares in accordance with the Securities and Exchange Act, and their shareholdings include their shareholdings plus their delivery of trust and shares with the right to make decisions on trust property, please refer to MOPS.

(XIV.) Department Information

Information regarding business segments has been disclosed in the consolidated financial statements. Therefore, the Company does not disclose such information in the parent company only financial statements.

Lists of Statements of Significant Accounting Items

Items	Number / index
Statements of Assets, Liabilities and Equity Items	
Statement of cash and cash equivalents	Statement 1
Statement of financial assets at fair value through profit and loss- changes in current	Statement 2
Statement of financial assets at fair value through other comprehensive income - current	Statement 3
Statement of notes receivable - unrelated parties	Statement 4
Statement of accounts receivable - unrelated related parties	Statement 5
Statement of other receivables	Statement 6
Statement of inventories	Statement 7
Statement of Prepayments	Statement 8
Statement of financial assets at fair value through other comprehensive income - non-current	Statement 9
Statement of changes in investments accounted for using the equity method	Statement 10
Statement of changes in property, plant, and equipment	Note 6 (9)
Statement of changes in accumulated depreciation of property, plant, and equipment	Note 6 (9)
Statement of changes in right-of-use assets	Note 6 (10)
Statement of changes in accumulated depreciation of right-of-use assets	Note 6 (10)
Statement of changes in investment properties	Note 6 (11)
Statement of changes in accumulated depreciation of investment properties	Note 6 (11)
Statement of deferred income tax assets	Note 6 (26)
Statement of changes in long-term investments	Statement 11
Statement of Notes Payable	Statement 12
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Statement of other payables	Statement 14
Statement of provisions - current	Note 6 (13)
Statement of deferred tax liabilities	Note 6 (26)
Statement of profit or loss items	
Statement of operating revenue	Statement 15
Statement of operating costs	Statement 16
Statement of manufacturing expenses	Statement 17
Statement of marketing expenses	Statement 18
Statement of general and administrative expenses	Statement 18
Statement of employee benefits and depreciation, amortization expenses by function	Note 6 (21)
Statement of other net operating income and expenses	Statement 19
Statement of Finance Costs	Note 6 (25)

Statement 1

Tahsin Industrial Corporation

Statement of cash and cash equivalents

December 31, 2024

Unit: NTD and Foreign Currency / Thousand

Items	Summary	Amount
Cash		
Cash on hand		$101
Working capital		148
Foreign currency	Including USD4, JPY106, EUR4, HK6, CNY6	390
Subtotal in cash		639
Bank deposits		
Check deposits		19,016
Demand deposits - NTD		53,653
Foreign currencies demand deposits	Including USD1,234、JPY97,509、CNY42	60,847
Time deposits		370,000
Foreign currency time deposit	Including USD12,400	405,914
Subtotal of bank deposits		909,430
Short-term notes and bills within three months	Including USD17,000	955,990
Total		$1,866,059

Foreign currency exchange rate on December 31, 2024

USD：NTD＝1:32.735

JPY：NTD＝1:0.21272079

EUR：NTD＝1:33.9894

CNY：NTD＝1:4.327453

SGP：NTD＝1:23.2924.04

GBP：NTD＝1:39.1540.99

Statement 2

Tahsin Industrial Corporation

Statement of financial assets at fair value through profit and loss - current

December 31, 2024

Unit: NTD Thousand/Number of shares: 1000

Financial instruments	Summary	Stock units	Carrying amount((Dollar)	Total	Rate	Acquisition cost	Fair value		The fair value changes of credit risk at fair value	Remarks
							Unit(USD)	Total		
Open-end fund	Jih Sun Vietnam Opportunity Fund A(USD)	10	USD 10	$2,803	-	$2,803	$259.62	$2,596	-	
Bond fund	PineBridge Global ESG Quantitative Bond Fund A	1,577	NTD 9.5 137	15,000	-	15,000	9.681	15,264		
Total				$17,803		$17,803		$17,860		

Note: The fair value of the open-end fund is the net value on December 31, 2024

Statement 3

Tahsin Industrial Corporation

Statement of financial assets at fair value through other comprehensive income - current

December 31, 2024

Unit: NTD Thousand/Number of shares: 1000

Name of Financial Instruments	Summary	Number of Shares	Carrying amount (NTD)	Total Amount	Interest Rate	Acquisition cost	Accumulated impairment	Fair Value		Remarks
								Unit price (NTD)	Total Amount	
Shares of listed company	Nan Ya Plastics Corporation	32,140	10	$321,400	–	$1,094,371	Not applicable	$29.90	$960,986	
Shares of listed company	Formosa Taffeta Co., Ltd	200	10	2,000	–	5,842	Not applicable	18.35	3,670	
Shares of listed company	Feng Hsin Steel Co., Ltd.	600	10	6,000	–	39,679	Not applicable	69.60	41,760	
Shares of listed company	Mega Financial Holding Co., Ltd.	3,502	10	35,020	–	104,877	Not applicable	38.70	135,528	
Shares of listed company	Formosa Plastics Corporation	1,500	10	15,000	–	139,373	Not applicable	35.50	53,250	
Shares of listed company	TSMC	650	10	6,500	–	369,809	Not applicable	1,075.00	698,750	
Beneficiary certificates	Yuanta/P-shares Taiwan Top 50 ETF	100	-	10,000	–	10,061	Not applicable	195.75	19,575	
Shares of listed company	Sinon Corporation	3,280	10	32,800	–	91,981	Not applicable	43.20	141,696	
Shares of listed company	YungShin Global Holding Corporation	1,000	10	10,000	–	43,245	Not applicable	53.90	53,900	
Shares of listed company	Taiwan Cement Corporation	3,850	10	38,500	–	166,196	Not applicable	31.70	122,045	
Shares of listed company	Asia Cement Corporation	2,000	10	20,000	–	99,475	Not applicable	40.40	80,800	
Shares of listed company	MAKALOT industrial co., ltd.	276	10	2,760	–	99,567	Not applicable	321.00	88,596	
Shares of OTC company	Tah Cheng Investment Co., Ltd.	1,400	10	14,000	–	99,692	Not applicable	62.70	87,780	
Shares of listed company	CTBC Financial Holding Co., Ltd.	4,000	10	40,000	–	98,199	Not applicable	39.10	156,400	
Shares of listed company	Taiwan Paiho Limited	1,000	10	10,000	–	75,272	Not applicable	68.20	68,200	
Total				$ 563,980		$2,537,639			$2,712,936	

Note: The fair value of public shares/beneficiary certificate is the closing market price on December 31, 2024

Statement 4

Tahsin Industrial Corporation

Statement of notes receivable - unrelated parties

December 31, 2024

Unit: Thousand NTD

Customer name	Summary	Amount	Remarks
Total amount of notes receivable			
Company A		$5,688	
Company B		3,179	
Company C		2,468	
Others		26,373	
Total		$37,708	(5% and under)
Less: provision for losses		(1,131)	
Net amount		$36,577	

Statement 5

Tahsin Industrial Corporation

Statement of accounts receivable - unrelated related parties

December 31, 2024

Unit: NTD and foreign currency/ Thousand

Customer name	Summary	Amount	Remarks
Unrelated party			
Company A	USD 4,935	$161,539	
Company B	USD 1,552	50,802	
Company C	USD 1,186	38,836	
Others	(Including USD1,731)	81,446	
Total		332,623	(Under 5%)
Less: provision for losses		(10,686)	
Net amount		$321,937	

Foreign exchange rate on December 31, 2024
USD:NTD=1:32.735

Statement 6

Tahsin Industrial Corporation

Statement of other receivables

December 31, 2024

Unit: NTD and foreign currency/ Thousand

Items	Summary	Amount	Remarks
Other receivables			
	Business tax refundable	$2,627	
	Dividends receivable	2,800	
	Others	7,046	
Total		$12,473	
Other receivables - related parties			
	Receivable from money advanced for others	$1,072	
Total		$1,072	

Statement 7

Tahsin Industrial Corporation

Statement of inventories

December 31, 2024

Unit: Thousand NTD

Items	Summary	Amount: Cost	Amount: Net Realizable Value	Remarks
Raw materials		$72,718	$72,718	
	PP Compound COPO	34,880		
	TAFFETA	4,291		
	Three-layer laminated cloth	4,371		
	Others	29,176		
Materials		$50,252	$50,252	
	New machine materials	39,062		
	Others	11,190		
Work in process		$193,768	$193,768	
	Raincoat	136,396		
	Garment	32,625		
	Laminator	15,883		
	PP Corrugated Board	8,864		
Finished goods		$144,745	$143,752	
	Garment	54,788		
	Raincoat	50,861		
	PP Corrugated Board	19,986		
	Others	19,110		
Total inventory		$461,483	$460,490	
Less: Allowance for loss for market price decline and obsolete and slow-moving inventories.		(993)		
Net inventory		$460,490	$460,490	

Statement 8

Tahsin Industrial Corporation

Statement of Prepayments

December 31, 2024

Unit: NTD and foreign currency/ Thousand

Items	Summary	Amount	Remarks
Prepayments for purchases		$26,266	
Prepaid expenses	Prepaid insurance premiums	521	
	Prepaid repairs and maintenance	2,025	
	Prepaid processing fees	51	
	Others	5,621	
Office supplies		1,120	
Total		$35,604	

Tahsin Industrial Corporation

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

January 1 to December 31, 2024

Unit: NTD Thousand/Number of shares: 1000

Name	Beginning balance		Increase in this period		Decrease in this period		Ending balance		Accumulated impairment	Provide guarantee or pledge	Remarks
	Shares	Fair Value	Shares	Amount	Shares	Amount	Shares	Fair Value			
Investments in equity instruments at fair value through other comprehensive income: Asia Pacific Investment Corporation	10,000	$339,700	-	-	-	129,800	10,000	$209,900	Not applicable	None	
Vetnostrum Animal Health Co., Ltd.	100	3,116	-	-	-	248	100	2,868	Not applicable	None	
subtotal		342,816		-		130,048		212,768		None	
Investments in liability instruments at fair value through other comprehensive income:									-		
TSMC Arizona Corp Bond (3)	-	14,891	-	109	-	-	-	15,000		None	
3M Company Bond	-	16,614	-	148	-	-	-	16,762		None	
TSMC Arizona Corp. Bond	-	15,024	-	-	-	382	-	14,642		None	
Johnson & Johnson JNJ.US Bond	-	15,801	-	-	-	183	-	15,618		None	
United Parcel Service, Inc. Bond	-	15,936	-	-	-	46	-	15,890		None	
Bank of America	-	15,317	-	836	-	-	-	16,153		None	
Apple Inc. Bond	-	15,640	-	-	-	192	-	15,448		None	
UnitedHealth Group bond	-	-	-	14,529	-	-	-	14,529		None	
Philip Morris International Inc. bond	-	-	-	17,541	-	-	-	17,541		None	

UBS Group AG bond	-	-	-	16,988	-	-	-	16,988	None
Subtotal		109,223		50,151		803		158,571	
Total		$452,039		$50,151	-	$130,851		$371,339	

Description: Current period increases (decreases) includes recognized unrealized valuation gains (losses) and difference in interest income amortized by effective interest rate.

Tahsin Industrial Corporation

Statement of changes in investments accounted for using the equity method (including investments accounted for using the equity method - credit)
January 1 to December 31, 2024
Unit: NTD Thousand/Number of shares: 1000

Name	Beginning balance		Increase in this period		Decrease in this period		Ending balance			Market value or Net Equity Value		Provide guarantee	
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Shareholding Ratio	Amount	Unit price (NTD)	Net equity	or pledge	Remarks
Subsidiaries:													
Tahsin Shoji Co., Ltd.	800	$110,970	-	-	-	$1,412	800	100.00	$109,558	$139.05	$111,247	None	
Tahsin Industrial Corporation CORP. (T. H. USA)	1	5,679	-	$7,892	-	13,571	1	100.00	-	-	-	-	
Yuk Wing Development, Ltd.		39	-	3	-	-	-	100.00	42		42	None	
DAFU Plastic Industry Co., Ltd.		210,181	-	49,053	-	-	-	91.26	259,234		259,234	None	
Tah Viet Co., Ltd.		143,272	-	16,100	-	5,376	-	100.00	153,996		153,996	None	
Myanmar Tah Hsin Industrial Co., Ltd.		289,708	-	-	-	45,950	-	100.00	243,758		243,758	None	
TAHSIN INNOVATIVE MACHINERY VINA CO.,LTD.		33,222	-	-	-	8,857	-	100.00	24,365		24,365	None	
Tah Fa Investment Co., Ltd.	18,000	1,008,743	-	29,425	-	63,000	18,000	100.00	975,168	63.44	1,141,857	None	
Less: Recognized as treasury stock (Tah Fa Investment Co., Ltd) (Tah Fa Investment Co., Ltd)		(83,230)	-	-		-	-		(83,230)				
Subtotal of subsidiary		1,718,584		102,473		138,166	-	-	1,682,891				
Affiliates:													
Good Harvest Machinery Industrial Co., Ltd.	-	3,343	- 5000	3,343	-	-	-		-	-	-	-	
Total		$1,721,927		$102,473		$141,509			$1,682,891				
Investments accounted for using the equity method - credit													
Subsidiary:													
USA TAHSININDUSTRIALCORP.	1	-	-	-	-	$961	1	100.00	($961)	(961.37)	(961)	None	
Total		-		-		$961			($961)				

Statement 11

Tahsin Industrial Corporation

Statement of changes in long-term investments

January 1 to December 31, 2024

Unit: NTD Thousand/Number of shares: 1000

Name	Beginning balance		Increase in this period		Decrease in this period		Ending balance		Market value or Net Equity Value		Provide guarantee or pledge	Remarks
	Shares	Fair Value	Shares	Amount	Shares	Amount	Shares	Fair Value	Unit Price	Total		
Golf license		$810	-	-	-	-	-	$810	-	-	None	
Total		$810	-	-	-	-	-	$810				

Statement 12

Tahsin Industrial Corporation

Statement of Notes Payable

December 31, 2024

Unit: Thousand NTD

Object	Summary	Amount	Remarks
Company A		$12,057	
Company B		10,552	
Company C		9,324	
Company D		8,160	
Others		61,216	(Under 5%)
Total		$101,309	

Statement 13

Tahsin Industrial Corporation

Statement of Accounts Payable (Related-parties included)

December 31, 2024

Unit: (Thousand NTD/ Thousand Foreign Currency)

Object	Summary	Amount	Remarks
Unrelated party			
Company A		$7,633	
Company B	Including USD196	6,301	
Company C		3,369	
Company D		2,709	
Company E		2,421	
Others	Including USD132、HK1 21	27,812	(Under 5%)
Total		$50,245	
Related parties:			
Fujian Putian DAFU Plastic Industry Co., Ltd.	Including USD46	$1,511	

Statement 14

Tahsin Industrial Corporation

Statement of Other Payables (including related party)

December 31, 2024

Unit: NTD and foreign currency/ Thousand

Items	Summary	Amount	Remarks
Salary payable		$12,466	
Bonus payable		59,506	
	Year-end bonus payable	49,178	
	Bonuses payable to outsourced processing entities	9,835	Including USD300
	Bonuses payable to distribution dealers	493	
Processing fees payable		26,177	Including USD557
Equipment expenses payable		10,895	
Insurance premiums payable		4,334	
Freight payable		3,582	Including USD4
Employee compensation payable		5,408	
Utility expenses payable		1,061	
Remuneration for directors and supervisors payable		1,140	
Pension payable		989	
Meals expenses payable		626	
Employee benefits payable		310	
Others		25,338	Including USD609
Total		$151,832	

Tahsin Industrial Corporation

Statement of operating revenue

December 31, 2024

Unit: Thousand NTD

Items	Quantity		Amount	Remarks
Raincoat	95,632	Dozens	$842,281	
Garment	783	Thousand Pieces	413,383	
Wardrobe	4,091	Sets	2,516	
Household fittings	1,974	Thousand PCS	94,376	
Binding machine	35,519	Sets	151,847	
Processing of Miscellaneous Items	18,011	Dozens	47,662	
PP Board	10,789	Thousand PCS	213,899	
Waterproof fabrics	43	Thousand Yard	4,946	
Total Revenue			1,770,910	
Less: Sales Return			(1,596)	
Sales Allowances			(2,212)	
Net operating revenue			$1,767,102	

Statement 16

Tahsin Industrial Corporation

Statement of operating costs
December 31, 2024
Unit: Thousand NTD

Items	Amount: Subtotal	Amount: Total
Raw materials at beginning of period	$67,361	
Purchase	495,943	
Less: Raw materials - end of period	(72,718)	
Disposals	(413)	
Raw materials consumed		$490,173
Materials, beginning of period	47,392	
Purchase	229,772	
Less: Supplies, end of the period	(50,252)	
Disposals	(514)	
Materials consumed		226,398
Direct labor		43,967
Manufacturing expenses (Statement 17)		561,670
Manufacturing cost		1,322,208
Less: work-in-process at beginning of period		167,400
Disposal		(193,768)
Cost of finished goods		1,295,840
Finished products at beginning of period		184,883
Finished goods purchased from external sources		203,652
Less: finished products at end of period		(144,745)
Disposals		(4,996)
Cost of sales		1,534,634
Add (less): Loss due to inventory write-down (gain on recovery)		(1,266)
Add: Unallocated manufacturing expenses		6,748
Less: Gains on sale of scraps		(2,841)
Total operating costs		$1,537,275

Statement 17

Tahsin Industrial Corporation

Statement of manufacturing expenses

December 31, 2024

Unit: Thousand NTD

Items	Summary	Amount
Salary expenses		$73,137
Rent expenses		494
Stationery		314
Traveling Expenses		1,144
Freight cost		483
Cable Fee		225
Repair and maintenance expenses		4,630
Water, electricity, and gas fees		14,976
Insurance expenses		8,362
Subcontract processing expenses		416,007
Entertainment expenses		31
Tax expense		28
Depreciation		37,036
Meal expenses		2,850
Training expenses		19
R&D expenses		85
Gasoline expenses		327
Pension		2,234
Fuel expenses		349
Die-cut and printing plate expenses		125
Consumables		1,834
Sample fees		501
Business operation expenses		3,227
Less: Unallocated manufacturing expenses		(6,748)
Total	$	$561,670

Statement 18

Tahsin Industrial Corporation

Statement of operating expenses
December 31, 2024
Unit: Thousand NTD

Items	Marketing expenses	Administrative expenses	Total
Salary expenses	$56,732	$62,632	$119,364
Rent expenses	284	62	346
Stationery	329	311	640
Traveling Expenses	3,164	3,174	6,338
Freight cost	17,090	16	17,106
Cable Fee	645	308	953
Repair and maintenance expenses	990	2,972	3,962
Advertisement expenses	309	19	328
Water, electricity, and gas fees	775	2,424	3,199
Insurance expenses	5,995	6,330	12,325
Entertainment expenses	504	531	1,035
Charity Donations	3,634	723	4,357
Tax expense	227	3,007	3,234
Depreciation	7,536	17,328	24,864
Meal expenses	1,778	1,915	3,693
Employee benefits	-	2,755	2,755
Training expenses	-	124	124
Labor costs	22	2,883	2,905
Pension	2,065	1,956	4,021
Harbor due	356	-	356
Gasoline expenses	719	440	1,159
Custom clearance expenses	3,267	-	3,267
Cleaning expenses	232	1,197	1,429
Sample fees	2,317	-	2,317
Air/Sea freight expenses	885	-	885
Negotiation charges	342	-	342
Building management fees	581	74	655
General operating expenses	7,523	-	7,523
Business operation expenses	1,204	7,992	9,196
Subtotal	$119,505	$119,173	$238,678
Expected credit losses			3,930
Total			$242,608

Statement 19

Tahsin Industrial Corporation

Statement of other net operating income and expenses

December 31, 2024

Unit: Thousand NTD

Items	Summary	Amount	Remarks
Gain (loss) on disposal of property, plant and equipment		($2,221)	
Gain on disposal of investment		416	
Net foreign exchange gains (losses)		96,174	
Gain (loss) of financial assets(liabilities) at fair value through P/L		595	
Miscellaneous expenses		(11,300)	
	Stock affairs agency fees	(1,385)	
	House tax and land value tax on land and property leased to others	(3,027)	
	Demolition Project of the Old Dormitories at Chung-kang Plant	(4,120)	
	Others	(2,768)	
Total		$83,664	