

Stock Symbol: 1742

**Taiwan Wax Products Co., Ltd. and
Subsidiaries
Consolidated Financial Statement
and
Independent Auditor's Report
2024 and 2023**

**Company Address: No.1, Chung Cheng Rd,
Minhsiung Industrial District, Chiayi Hsien,
Taiwan, R.O.C.**

Telephone Number: (05)221-9180

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REPRESENTATION LETTER

For 2024 (from January 1 to December 31, 2024), the companies required to be included in the preparation of the consolidated financial statements of affiliated enterprises under the “Regulations Governing the Preparation of Consolidated Business Reports, Consolidated Financial Statements, and Reports on Affiliations” are identical to those required to be included in the consolidated parent-subsidary financial statements as prepared in accordance with International Financial Reporting Standards No. 10. Additionally, the information required to be disclosed in the consolidated financial statements of affiliated enterprises is already included in the aforementioned parent-subsidary consolidated financial statements. Therefore, the Company will not separately prepare a consolidated financial report of affiliated enterprises.

We hereby declare

Company name: TAIWAN WAX COMPANY LTD.

Responsible People: JE-YIN LIN

March 13, 2025

Independent Auditor's Report

Benison (2025) Cai-Shen-Zi No. 25

Taiwan Wax Products Co., Ltd.:

Opinion

We have completed our audit of the consolidated balance sheets of Taiwan Wax Company Co., Ltd. and its subsidiaries as of December 31, 2024, and December 31, 2023, as well as the consolidated statements of comprehensive income, consolidated statements of changes in equity, consolidated statements of cash flows, and notes to the consolidated financial statements (including a summary of significant accounting policies) for the periods from January 1 to December 31, 2024, and January 1 to December 31, 2023.

In our opinion, the aforementioned consolidated financial statements have been prepared, in all material respects, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, Interpretations, and Interpretation Bulletins endorsed and issued into effect by the Financial Supervisory Commission, and present fairly the consolidated financial position of Taiwan Wax Company Co., Ltd. and its subsidiaries as of December 31, 2024, and December 31, 2023, and their consolidated financial performance and consolidated cash flows for the periods from January 1 to December 31, 2024, and January 1 to December 31, 2023.

Basis for Opinion

We, the auditors, have conducted our audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent from Taiwan Wax Products Co., Ltd. and its subsidiaries in accordance with The

Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of Taiwan Wax Products Co., Ltd. and its subsidiaries for the year ended December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters for the consolidated financial statements of Taiwan Wax Products Co., Ltd. and its subsidiaries for the year ended 2024 are as follows:

Purchase services for aquatic products

The transactions related to the purchase services for aquatic products by Taiwan Wax Products Co., Ltd. and its subsidiaries for 2024 had significant total cash flows, and therefore, are listed as a key audit matter for the current year.

The principal audit procedures performed by our auditor in relation to this matter include:

1. Selecting samples from the detailed revenue ledger of the purchase agency services for aquatic products, and auditing the sales contracts, goods acceptance notes, invoices, and receipts, as well as verifying the corresponding procurement contracts, purchase orders, invoices, and payment vouchers.
2. Sending confirmation letters to major customers to confirm the accuracy of the accounts receivable balance at the year-end.

Other Matter

Taiwan Wax Products Co., Ltd. has prepared separate financial statements for the years 2024 and 2023, and the audit reports with unqualified opinions issued by the auditor are on file for reference.

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

consolidated Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the preparation of Financial Reports by securities issuers, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to the fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of

not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Benison Associated CPAs' Firm

Auditor:

Auditor:

Approval Document No.: (1998) Tai-Cai-Zheng (VI) No. 27051

Approved-certified No.: Jin-Guan-Zheng-Shen-Zi No. 1080339935

March 13, 2025

Taiwan Wax Products Co., Ltd. and Subsidiaries
CONSOLIDATED BALANCE SHEETS
December 31, 2024 and 2023

Unit: NTD thousands

Code	Assets	December 31, 2024		December 31, 2023	
		Amount	%	Amount	%
	Current Assets				
1100	Cash and cash equivalents (Note 6(1))	\$ 106,772	6	\$ 111,785	3
1110	Financial assets measured at fair value through profit or loss - Current (Note 6(2))	89,285	5	48,856	1
1136	Financial assets at amortised cost (Note6(3))	-	-	6,000	-
1150	Notes receivable, net (Note6(4))	1,015	-	673	-
1170	Accounts receivable, net (Note6(4))	11,299	1	19,225	1
1200	Other receivables (Note6(4))	67,319	4	684,384	18
1220	Current Income Tax Assets (Note 6(28))	8,962	-	3,271	-
130X	Inventories (Note6(5))	26,162	1	45,656	1
1410	Prepayments (Note6(6))	9,802	1	58,048	2
1470	Other current assets (Note6(7))	474,698	25	1,815,671	48
11XX	Total current assets	795,314	43	2,793,569	74
	Non-current Assets				
1518	Equity Instruments at Fair Value through Over Comprehensive Income				
	- Non-Current (Note 6(8))	9,125	-	25,755	1
1600	Property, plant and equipment (Note6(10))	867,277	47	766,485	19
1755	Right-of-use assets (Note 6(11))	26,900	1	23,788	1
1760	Investment property, net (Note 6(12))	132,730	8	132,730	4
1840	Deferred income tax assets (Note6(28))	3,465	-	3,349	-
1990	Other non-current assets (Note 6(13))	12,089	1	27,472	1
15XX	Total Non-current Assets	1,051,586	57	979,579	26
	TOTAL	\$ 1,846,900	100	\$ 3,773,148	100

(continued on next page)

(Carried forward from previous page)

Code	LIABILITIES AND EQUITY	December 31, 2024		December 31, 2023	
		Amount	%	Amount	%
	CURRENT LIABILITIES				
2100	Short-term loans (Note 6(14))	\$ 290,800	16	\$ 2,261,650	60
2130	Contract liabilities - current (Note 6(21))	6,332	-	7,208	-
2150	Accounts Payable	224	-	-	-
2170	Accounts Payable	309	-	409	-
2200	Other payables (Note 6(15))	12,011	1	9,843	-
2230	Current income tax liabilities (Note 6(28))	2,617	-	1,898	-
2280	Lease liabilities - current (Note 6(11))	4,509	-	3,569	-
2320	Long-term liabilities - current portion (Note 6(16))	12,832	1	59,323	2
2300	Other Current Liabilities	4,094	-	4,126	-
21XX	Total current liabilities	333,728	18	2,348,026	62
	NONCURRENT LIABILITIES				
2540	Long-term borrowings (Note 6(16))	72,977	4	71,071	2
2570	Deferred tax liabilities (Note 6(28))	29,033	2	29,033	1
2580	Lease liabilities - non-current (Note 6(11))	22,838	1	20,509	-
25XX	Total non-current liabilities	124,848	7	120,613	3
	Total Liabilities	458,576	25	2,468,639	65
	EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT				
3100	Capital Stock (Note 6(18))				
3110	Common shares	935,593	50	935,593	25
31XX	Total share capital	935,593	50	935,593	25
3200	Capital surplus (Note 6(18))				
3211	Capital surplus, additional paid-in capital arising from common shares	164,030	9	164,030	5
3220	Capital surplus - treasury stock transactions	1,068	-	1,068	-
3200	Total capital surplus	165,098	9	165,098	5
3300	Retained earnings (Note 6(18))				
3310	Legal Reserve	38,615	2	34,785	1
3320	Special Reserve	88,694	5	88,694	2
3350	Unappropriated earnings	162,593	9	83,708	2
33XX	Total retained earnings	289,902	16	207,187	5
3400	Other Equity				
3410	Exchange differences on translation of foreign operations' financial statements	11,636	1	8,907	-
3421	Unrealized Valuation Gain (Loss) on Financial Assets at Fair Value through Other Comprehensive Income	2,875	-	4,504	-
34XX	Total other equity	14,511	1	13,411	-
3500	Treasury stock (Note 6(18))	(16,780)	(1)	(16,780)	-
3XXX	Total Equity	1,388,324	75	1,304,509	35
	TOTAL Liabilities and Equity	\$ 1,846,900	100	\$ 3,773,148	100

(The attached notes are an integral part of the financial statements of this consolidated entity.)

Chairman: Je-Yin Lin

Manager: Je-Yin Lin

Accounting Director: Po-Yao Tseng

Taiwan Wax Products Co., Ltd. and Subsidiaries
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the years ended December 31, 2024 and 2023

Unit: NTD thousands, except Earnings Per Share in NT\$

Code		2024		2023	
		Amount	%	Amount	%
4000	Operating Revenue (Note 6(21))	\$ 231,191	100	\$ 392,001	100
5000	Operating Costs (Notes 6(5), (25) and (26))	(173,959)	(75)	(273,949)	(70)
5950	Gross profit from operations	57,232	25	118,052	30
6000	Operating Expenses (Notes 6(25) and (26))				
6100	Selling expenses	(7,643)	(3)	(6,427)	(2)
6200	Administrative expenses	(57,345)	(25)	(54,064)	(14)
6300	Research and development	-	-	-	-
6450	Expected credit impairment loss	(80,077)	(35)	(8,784)	(2)
	Total operating expenses	(145,065)	(63)	(69,275)	(18)
6900	Net Operating Income (Loss)	(87,833)	(38)	48,777	12
7000	NON-OPERATING INCOME AND EXPENSES				
7100	Interest income	57,955	25	51,309	13
7010	Other Income (Note 6(22))	9,718	4	2,334	1
7020	Other Gains and Losses (Note 6(23))	133,777	58	(28,448)	(7)
7050	Finance Costs (Note 6(24))	(30,073)	(13)	(35,512)	(9)
	Total non-operating income and expenses	171,377	74	(10,317)	(2)
7900	Net Profit before tax	83,544	36	38,460	10
7950	Income Tax Expense (Note 6(28))	(829)	-	(158)	-
8200	Net Profit for Current Year	82,715	36	38,302	10
8300	Other comprehensive income (loss)				
8310	Components of other comprehensive income that will not be reclassified to profit or loss				
8316	Unrealized Valuation Gain (Loss) on Equity Instruments at Fair Value through Other Comprehensive Income	(2,125)	(1)	4,260	1
8349	Income tax related to items not reclassified to profit or loss	-	-	-	-
		(2,125)	(1)	4,260	1
8360	Items that may be reclassified to profit or loss in the future				
8361	Exchange differences on translation of foreign operations' financial statements	2,729	1	(1,849)	-
8367	Unrealized Valuation Gain (Loss) on Debt Instruments at Fair Value through Other Comprehensive Income	496	-	(496)	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
		3,225	1	(2,345)	-
	Other comprehensive income (loss) for the year (net of tax)	1,100	-	1,915	-
8500	Total comprehensive income	\$ 83,815	36	\$ 40,217	11
	Earnings Per Share (Note 6(19))				
9750	Basic	\$ 0.89		\$ 0.41	
9850	Diluted	\$ 0.89		\$ 0.41	

(The attached notes are an integral part of the financial statements of this consolidated entity.)

Chairman: Je-Yin Lin

Manager: Je-Yin Lin

Accounting Director: Po-Yao Tseng

Taiwan Wax Products Co., Ltd. and Subsidiaries
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the years ended December 31, 2024 and 2023

Unit: NTD thousands

		EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT								
		Retained earnings				Unappropriated earnings	Others		Treasury stock	Total equity
Co de		Capital stock	Capital surplus	Legal Reserve	Special Reserve		Exchange differences on translation of foreign operations' financial statements	Unrealized Valuation Gain (Loss) on Financial Assets at Fair Value through Other Comprehensive Income		
A1	Balance on January 1, 2023	\$ 935,593	\$ 165,098	\$ 34,785	\$ 88,694	\$ 45,406	\$ 10,756	\$ 740	\$ (16,780)	\$ 1,264,292
D1	Net Income for 2023	-	-	-	-	38,302	-	-	-	38,302
D3	Other Comprehensive Income for 2023	-	-	-	-	-	(1,849)	3,764	-	1,915
Z1	Balance on December 31, 2023	\$ 935,593	\$ 165,098	\$ 34,785	\$ 88,694	\$ 83,708	\$ 8,907	\$ 4,504	\$ (16,780)	\$ 1,304,509
A1	Balance on January 1, 2024	\$ 935,593	\$ 165,098	\$ 34,785	\$ 88,694	\$ 83,708	\$ 8,907	\$ 4,504	\$ (16,780)	\$ 1,304,509
B1	2023 Earnings Appropriation and Distribution									
D1	Legal Reserve	-	-	3,830	-	(3,830)	-	-	-	-
D1	Net Income for 2024	-	-	-	-	82,715	-	-	-	82,715
D3	Other comprehensive income for 2024	-	-	-	-	-	2,729	(1,629)	-	1,100
Z1	Balance on December 31, 2024	\$ 935,593	\$ 165,098	\$ 38,615	\$ 88,694	\$ 162,593	\$ 11,636	\$ 2,875	\$ (16,780)	\$ 1,388,324

(The accompanying notes are an integral part of these consolidated financial statements)

Chairman: Je-Yin Lin

Manager: Je-Yin Lin

Accounting Director: Po-Yao Tseng

Taiwan Wax Products Co., Ltd. and Subsidiaries
Consolidated statement of cash flows
For the years ended December 31, 2024 and 2023

Code		2024	Unit: NTD thousands 2023
	CASH FLOW FROM OPERATING ACTIVITIES		
A10000	Profit Before Tax for the Year	\$ 83,544	\$ 38,460
A20010	Revenue and Expense Items		
A20100	Depreciation Expense of Property, Plant and Equipment and Right-of-Use	20,730	18,914
A20300	Expected credit impairment loss	80,077	8,784
A20400	Net Gain on Financial Assets and Liabilities at Fair Value through Profit or Loss	(3,657)	(9,170)
A20900	Finance Costs	30,073	35,512
A21200	Interest Income	(57,955)	(51,309)
A21300	Dividend Income	(1,017)	(1,398)
A22500	Loss (Gain) on Disposal and Retirement of Property, Plant and Equipment	1,928	(171)
A23100	Loss on Disposal of Investments	312	-
A23700	Impairment Loss on Non-financial Assets	-	10,439
A23800	Gain on Reversal of Impairment Loss on Non-financial Assets	(2,442)	-
A23800	Gain from Recovery of Inventory Write-downs and Obsolescence	(319)	(27,606)
A24100	Unrealized Foreign Exchange (Gain) Loss	(6,108)	56,986
A30000	Changes in Operating Assets/Liabilities		
A31130	Notes Receivable	(342)	2,688
A31150	Accounts Receivable	7,932	78,242
A31180	Other Receivables	530,195	(143,537)
A31200	Inventory	19,813	38,964
A31230	Prepayments	48,246	45,405
A31240	Other Current Assets	(406,483)	246,352
A32125	Contract Liabilities	(876)	(11,643)
A32130	Accounts Payable	224	-
A32150	Accounts Payable	(100)	266
A32180	Other Payables	4,096	(1,466)
A32230	Other Current Liabilities	(32)	3,827
A33000	Cash Generated from Operations	347,839	338,539
A33100	Interest Received	57,955	51,309
A33200	Dividends Received	1,017	1,398
A33300	Interest Paid	(32,001)	(34,381)
A33500	Income Taxes Paid	(5,801)	(1,325)
AAAA	Net Cash Inflow from Operating Activities	369,009	355,540

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Code		2024	2023
	Cash Flows from Investing Activities		
B00010	Acquisition of financial assets at fair value through other comprehensive income	-	(15,001)
B00020	Disposal of Financial Assets at Fair Value through Other Comprehensive Income	14,689	-
B00050	Disposal of Financial Assets at Amortized Cost	6,000	-
B00100	Acquisition of Financial Assets at Fair Value through Profit or Loss	(98,366)	(10,965)
B00200	Disposal of financial assets at fair value through profit or loss	61,594	8,274
B02700	Cash inflow from acquisition of property, plant and equipment	(102,492)	(233,093)
B02800	Cash outflow from disposal of property, plant and equipment	4,156	171
B03700	Increase in deposits for guarantee	(2,750)	-
B03800	Decrease in deposits for guarantee	800	7,000
B06500	Increase in Other Financial Assets	-	(1,224,201)
B06600	Decrease in Other Financial Assets	1,747,456	-
B07100	Increase in Prepayments for Equipment	-	(17,333)
BBBB	Net Cash Inflow (Outflow) from Investing Activities	1,631,087	(1,485,148)
	CASH FLOW FROM FINANCING ACTIVITIES		
C00100	Increase in short-term borrowings	693,200	2,372,296
C00200	Decrease in short-term borrowings	(2,664,050)	(1,268,166)
C01600	Proceeds from long-term borrowings	-	30,000
C01700	Repayment of long-term borrowings	(44,585)	(19,080)
C04020	Principal repayment of lease liabilities	(5,164)	(4,184)
CCCC	Net Cash (Outflow) Inflow from Financing Activities	(2,020,599)	1,110,866
DDDD	Effect of Exchange Rate Changes on Cash and Cash Equivalents	15,490	(7,207)
EEEE	Decrease in Cash and Cash Equivalents	(5,013)	(25,949)
E00100	Cash and Cash Equivalents at Beginning of Year	111,785	137,734
E00200	CASH AND CASH EQUIVALENT, END OF YEAR	\$ 106,772	\$ 111,785

(The attached notes are an integral part of the financial statements of this consolidated entity.)

Chairman: Je-Yin Lin

Manager: Je-Yin Lin

Accounting Director: Po-Yao Tseng

Taiwan Wax Products Co., Ltd. and Subsidiaries

Notes to the Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

(All amounts are in New Taiwan dollars thousands unless otherwise indicated)

I. Company History:

- (I) Taiwan Wax Products Co., Ltd. (hereinafter referred to as the “Company”) was established on August 24, 1987 in accordance with the R.O.C. Company Law and other related regulations, and is principally engaged in the manufacture of various wax raw materials and finished products, the sale and purchase of optoelectronic equipment, the sale and purchase of aquatic products, and the provision of brokerage services.
- (II) The Company's shares were approved by the competent authorities for trading on the ROC Over-the-Counter Securities Exchange in May 2004.
- (III) The consolidated financial statements are expressed in New Taiwan dollars, the functional currency of the Company.

II. Date and procedure for approval of financial statements:

The consolidated financial statements were approved by the Board of Directors on March 13, 2025.

III. Application of newly issued and revised standards and interpretations:

- (I) Initial adoption of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations (IFRIC), and Interpretations (SIC) (collectively referred to as “IFRS accounting standards”) endorsed and issued into effect by the Financial Supervisory Commission (hereinafter referred to as the “FSC”)
- The application of the amended IFRS accounting standards endorsed and issued into effect by the FSC will not cause significant changes to the accounting policies of Taiwan Wax Company Co., Ltd. and its subsidiaries (hereinafter referred to as the “Group”).

- (II) IFRS accounting standards endorsed by the FSC applicable in 2025

New Releases / Amendments / Revised Criteria and Interpretations	IASB Effective date of publication
Amendments to IAS 21 “Lack of Exchangeability”	January 1, 2025 (Note 1)

Note 1: Applicable to annual reporting periods beginning on or after January 1, 2025.

Upon initial application of the amendment, comparative periods shall not be

restated, and the effects shall be recognized in retained earnings or foreign currency translation differences from foreign operations (as appropriate) in equity at the date of initial application, as well as in the related affected assets and liabilities.

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

New Releases / Amendments / Revised Criteria and Interpretations	IASB Effective date of issuance (Note 1)
“Annual Improvements to IFRSs Volume 11”	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Classification and Measurement of Financial Instruments”	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Contracts Dependent on Nature-based Electricity”	January 1, 2026
Amendments to IFRS 10 and IAS 28 “Disposal of or Contribution to Assets between an Investor and its Affiliates or Joint Ventures”	Undecided
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments 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

Note 1: Unless otherwise stated, the above new/amended/revised standards or interpretations are effective for annual periods beginning after the respective dates.

As of the date of issuance of these consolidated financial statements, the Group continues to assess the impact of these standards and interpretations on its financial position and financial performance, and will disclose the relevant impacts upon completion of the assessment.

IV. Summary of significant accounting policies:

(I) Statement of Compliance:

The consolidated financial statements have been prepared in accordance with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers, the relevant laws and regulations, and the effected IFRSs approved and issued by the FSC.

(II) Basis of compilation:

1. The consolidated financial statements have been prepared on the historical cost basis, except for financial instruments carried at fair value.
2. Fair value measurements are categorized into Levels 1 to 3 based on the degree of observability and significance of the relevant inputs:
 - (1) Level 1 inputs: Quoted prices (unadjusted) in active markets for identical assets or liabilities available at the measurement date.
 - (2) Level 2 inputs: Inputs other than those quoted in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
 - (3) Level 3 inputs: Unobservable inputs of assets or liabilities.

(III) Criteria for distinguishing between current and non-current assets and liabilities

1. Mobile assets include:
 - (1) Assets held primarily for trading purposes;
 - (2) Assets expected to be realized within 12 months of the balance sheet date; and
 - (3) Cash and cash equivalents (other than those restricted from being exchanged or settled more than 12 months after the balance sheet date).
2. Current liabilities include:
 - (1) liabilities held primarily for trading purposes;
 - (2) Liabilities due for settlement within 12 months after the balance sheet date (which are classified as current liabilities even if long-term refinancing or debt restructuring agreements have been completed after the balance sheet date but before the financial statements are authorized for issue), and
 - (3) Liabilities for which the Company does not have an unconditional right to defer settlement for at least 12 months after the balance sheet date.
3. Current assets or liabilities that are not classified as current assets or liabilities are classified as non-current assets or non-current liabilities. Terms of a liability that could, at the option of the counterparty, result in its settlement by the transfer of the Company's

equity instruments do not affect its classification as current or non-current if the Company classifies the option as an equity instrument.

(IV) Merger Basis

1. Principles for the Preparation of Consolidated Reports

The consolidated financial statements include the financial statements of the Company and entities controlled by the Company (subsidiaries). The financial statements of the subsidiaries have been adjusted to conform to the accounting policies of the Consolidated Company. In preparing the consolidated financial statements, all inter-entity transactions, account balances, gains and losses have been eliminated. The total consolidated profit or loss of the subsidiaries is attributed to the Company's owners and noncontrolling interests, even if the noncontrolling interests become deficit balances as a result.

When the change in the Consolidated Company's ownership interest in a subsidiary does not result in a loss of control, it is treated as an equity transaction. The carrying amounts of the Consolidated Company's and noncontrolling interests are adjusted to reflect the change in their relative interests in the subsidiaries. The difference between the adjusted amount of the noncontrolling interest and the fair value of the consideration paid or received is recognized directly in equity and vested in the owners of the Company.

- ##### 2. For details of subsidiaries, shareholdings and operating items, please refer to Note 6(9) and Detailed table (V) and (VI).

(V) Foreign Currency

1. When each entity prepares financial statements, transactions in currencies other than the individual functional currency (foreign currency) are recorded in the functional currency at the exchange rate on the transaction date.
2. Monetary items denominated in foreign currencies are translated at the closing rate at each balance sheet date. Exchange differences arising from the settlement of monetary items or the translation of monetary items are recognized in profit or loss in the period in which they occur.
3. Non-monetary items denominated in foreign currencies that are measured at fair value are translated at the exchange rates prevailing on the date when the fair value was determined, and the resulting exchange differences are recognized in profit or loss for

the current period, except for those arising from changes in fair value recognized in other comprehensive income.

4. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated at the exchange rates prevailing on the dates of transactions and are not retranslated.
5. In preparing the consolidated financial statements, the assets and liabilities of foreign operations (including those of subsidiaries operating in countries or currencies different from those of the Company) are translated into New Taiwan dollars at the exchange rates prevailing on each balance sheet date. Income and expense items are translated at the average exchange rate for the period, and the resulting exchange differences are included in other comprehensive income.

(VI) Inventory

Inventories include merchandise, raw materials, supplies, finished goods and work-in-process. Inventories are measured at the lower of cost or net realizable value. Comparisons between cost and net realizable value are made on an item-by-item basis, except for inventories of the same type. Net realizable value is the estimated selling price under normal circumstances, less estimated costs to complete and estimated costs to sell. The cost of inventories is calculated using the weighted-average method.

(VII) Investment in affiliated companies

1. A related party is an entity over which the Consolidated Company has significant influence, but which is not a subsidiary or joint venture.
2. The Consolidated Company applies the equity method to its investment in affiliated companies.
3. Under the equity method, investments in affiliated companies are initially recognized at cost, and the carrying amount of the investment is adjusted for any subsequent increase or decrease in the Consolidated Company's share of the profit or loss of the affiliated companies and other comprehensive income or loss and profit distribution. In addition, changes in equity in affiliated companies are recognized in proportion to the Consolidated Company's ownership interest.
4. The Consolidated Company ceases to recognize further losses when the Consolidated Company's share of losses in an affiliate equals or exceeds its interest in the affiliate (including the carrying amount of its investment in the affiliate under the equity method

and other long-term interests that are in substance a component of the Consolidated Company's net investment in the affiliate). The Consolidated Company recognizes additional losses and liabilities only to the extent that legal obligations, constructive obligations or payments have been made on behalf of the affiliated companies.

5. In assessing impairment, the Consolidated Company performs an impairment test by comparing the recoverable amount of an investment to its carrying amount as a whole as a single asset. The impairment loss recognized is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of the impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.
6. When the Consolidated Company ceases to use the equity method from the date its investment ceases to be an associate, its retained interest in the former associate is measured at fair value, and the difference between such fair value and the disposal price and the carrying amount of the investment at the date the equity method ceases to be used is recognized in profit or loss for the current period. In addition, all amounts recognized in other comprehensive income or loss related to the associated enterprise are accounted for on the same basis as if the associated enterprise had directly disposed of the related assets or liabilities.
7. Gains or losses resulting from counter-current, downstream and side-stream transactions between the Consolidated Company and its affiliates are recognized in the consolidated financial statements only to the extent that they are not related to the Consolidated Company's interest in the affiliates.

(VIII) Property, plant and equipment

1. Property, plant and equipment are recognized at cost and subsequently measured at cost less accumulated depreciation and accumulated impairment losses.
2. Property, plant and equipment under construction are recognized at cost less accumulated impairment losses. Costs include fees for professional services and borrowing costs that qualify for capitalization. Upon completion and attainment of their intended use, these assets are classified into the appropriate categories of property, plant and equipment and depreciation is commenced.
3. Except for owned land, which is not depreciated, all other property, plant, and equipment are depreciated on a straight-line basis over their estimated useful lives, with each

significant components depreciated separately. If the lease term is shorter than the useful life, depreciation is provided over the lease term. The Consolidated Company reviews the estimated useful lives, residual values and depreciation methods at least at the end of each and defers the effect of changes in applicable accounting estimates.

4. When property, plant and equipment are derecognized, the difference between the net disposal price and the carrying amount of the assets is recognized in profit or loss.

(IX) Investment real estate

1. Investment real estate is real estate held to earn rentals or for capital appreciation or both. Investment real estate also includes land held for future use that is currently undetermined.
2. Investment property owned by the Company is initially measured at cost (including transaction costs) and subsequently measured at cost less accumulated depreciation and accumulated impairment losses. Investment property is depreciated on a straight-line basis.
3. When investment property is derecognized, the difference between the net disposal price and the carrying amount of the asset is recognized in profit or loss.

(X) Impairment of property, plant and equipment, right-of-use assets, investment property and contract cost-related assets

1. The Consolidated Company assesses at each balance sheet date whether there is any indication that property, plant and equipment, right-of-use assets and investment property may be impaired. If any indication of impairment exists, the recoverable amount of the asset is estimated. If the recoverable amount of an individual asset cannot be estimated, the Consolidated Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Shared assets are allocated to individual cash-generating units on a reasonably consistent basis.
2. Intangible assets with indefinite useful lives and not yet available for use are tested for impairment at least annually and whenever there is an indication of impairment.
3. The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, and the impairment loss is recognized in profit or loss.

4. An impairment loss is recognized for inventories, property, plant and equipment and intangible assets recognized under customer contracts in accordance with the inventory impairment rules and the above provisions. The carrying amount of the assets related to contract costs is included in the respective cash-generating unit for the purpose of assessing the impairment of the cash-generating unit.
5. When an impairment loss is subsequently reversed, the carrying amount of the asset, cash-generating unit or contract cost-related asset is increased to the revised recoverable amount, provided that the increased carrying amount does not exceed the carrying amount (net of amortization or depreciation) that would have been determined had the impairment loss not been recognized in prior s for the asset, cash-generating unit or contract cost-related asset. Reversals of impairment losses are recognized in profit or loss.

(XI) Financial Instruments

1. Financial assets and financial liabilities are recognized in the consolidated balance sheet when the Consolidated Company becomes a party to the contractual provisions of the instrument.
2. When financial assets and financial liabilities are recognized at fair value through profit or loss, they are measured at fair value plus transaction costs that are directly attributable to the acquisition or issuance of the financial assets or financial liabilities. Transaction costs directly attributable to the acquisition or issuance of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

(1) Financial Assets

Regular transactions of financial assets are recognized and derecognized using trade date accounting.

A. Type of measurement

The financial assets held by the Company are classified as financial assets at fair value through profit or loss (FVTPL), financial assets at amortized cost, debt instruments at fair value through other comprehensive income (FVTOCI), and equity instruments at fair value through other comprehensive income (FVTOCI).

a. Financial assets at fair value through profit or loss

Financial assets measured at fair value through profit or loss include

financial assets that are mandatorily measured at fair value through profit or loss. Financial assets that are mandatorily measured at fair value through profit or loss include investments in equity instruments that are not designated by the Consolidated Company as being measured at fair value through other comprehensive income or loss and investments in debt instruments that do not qualify for classification as being measured at amortized cost or at fair value through other comprehensive income or loss. Financial assets carried at fair value through profit or loss are measured at fair value, and any gain or loss arising from their remeasurement (excluding any dividends or interest arising from the financial assets) is recognized in profit or loss. For the determination of fair value, please refer to Note 6(31).

b. Financial assets measured at amortized cost

The Consolidated Company's investment financial assets are classified as financial assets carried at amortized cost if both of the following conditions are met:

- (a) are held within an operating model whose objective is to hold financial assets to collect contractual cash flows; and
- (b) The terms of the contracts give rise to cash flows on specified dates that are solely for the payment of principal and interest on the outstanding principal amount.

Financial assets carried at amortized cost (including cash and cash equivalents, time deposits with original maturities of more than three months, accounts receivable at amortized cost, other financial assets and refundable deposits) are measured at amortized cost using the effective interest method to determine the total carrying amount less any impairment loss after initial recognition, with any foreign currency exchange gain or loss recognized in profit or loss.

Interest income is calculated by multiplying the effective interest rate by the total carrying amount of the financial assets, except for the following two cases:

- (a) Interest income on credit-impaired financial assets acquired or created is calculated by multiplying the credit-adjusted effective interest rate by

the amortized cost of the financial assets.

- (b) Interest income is computed by multiplying the effective interest rate by the amortized cost of the financial asset for financial assets that are not acquired or created as credit impairment but subsequently become credit impaired.

Credit-impaired financial assets are those for which the issuer or the debtor has experienced significant financial difficulties, defaulted, or where it is probable that the debtor will declare bankruptcy or other financial reorganization, or where an active market for the financial assets has disappeared due to financial difficulties.

Cash equivalents include time deposits that are highly liquid, readily convertible to fixed deposits with minimal risk of changes in value within 3 months from the date of acquisition and are used to meet short-term cash commitments.

- c. Debt instruments at fair value through other comprehensive income (FVTOCI).

The Consolidated Company classifies debt instrument investments as financial assets at fair value through other comprehensive income (FVTOCI) when both of the following conditions are met:

- (a) The assets are held within a business model whose objective is achieved by both controlling contractual cash flows and selling financial assets; and
- (b) The terms of the contracts give rise to cash flows on specified dates that are solely for the payment of principal and interest on the outstanding principal amount.

Debt instruments at fair value through other comprehensive income are measured at fair value. Changes in the carrying amount are recognized in profit or loss for interest income calculated using the effective interest method, foreign exchange gains and losses, and impairment losses or reversals. All other changes in carrying amount are recognized in other comprehensive income and reclassified to profit or loss upon disposal of the investment.

d. Equity instruments at fair value through other comprehensive income (FVTOCI)

Upon initial recognition, the consolidated Company may make an irrevocable decision to designate investments in equity instruments that are neither held for trading nor for contingent consideration for an acquisition in a business transaction to be measured at fair value through other comprehensive income (FVTOCI).

Equity instruments at fair value through other comprehensive income (FVTOCI) are measured at fair value, with subsequent changes in fair value reported in other comprehensive income and accumulated in other equity. Upon disposal of the investment, the accumulated gains or losses are transferred directly to retained earnings and are not reclassified to profit or loss.

Dividends from equity instruments at fair value through other comprehensive income (FVTOCI) are recognized in profit or loss when the Company's right to receive payment is established, unless the dividends clearly represent a recovery of part of the investment cost.

B. Impairment of financial assets

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

An allowance for loss is recognized for accounts receivable on the basis of expected credit losses over the period of time. An allowance for loss is recognized for accounts receivable on the basis of expected credit losses over the period of time. If there is no significant increase in credit risk, an allowance for loss is recognized on the basis of expected credit losses over 12 months, and if there is a significant increase, an allowance for loss is recognized on the basis of expected credit losses over the remaining period.

Expected credit losses are the weighted-average credit losses weighted by the risk of default. 12-month expected credit losses represent expected credit losses arising from possible defaults within 12 months after the reporting date of the instrument, and expected credit losses over the life of the instrument represent

expected credit losses arising from all possible defaults during the expected life of the instrument.

For internal credit risk management purposes, the Consolidated Company determines, without regard to the collateral held, that a default on a financial asset has occurred in the following circumstances:

- a. There is internal or external information indicating that the debtor is unlikely to be able to pay its debts.
- b. The Company's financial assets are overdue for more than 90 days unless there is reasonable and supportable information indicating that a delayed default basis is more appropriate. The carrying amount of all financial assets is reduced by an allowance account for impairment losses.

C. Exclusion of financial assets

The Consolidated Company derecognizes financial assets only when the contractual rights to the cash flows from the financial assets lapse or when the financial assets have been transferred and substantially all the risks and rewards of ownership of the assets have been transferred to other enterprises.

The difference between the carrying amount of the financial asset and the consideration received is recognized in profit or loss when the financial asset is derecognized as a whole at amortized cost.

(2) Equity Tools

Debt and equity instruments issued by the Consolidated Company are classified as financial liabilities or equity based on the substance of the contractual agreements and the definitions of financial liabilities and equity instruments.

Equity instruments issued by the Consolidated Company are recognized at the acquisition price less direct issue costs.

Retirement of the Company's own equity instruments is recognized and derecognized under equity. The purchase, sale, issuance or cancellation of the Company's own equity instruments is not recognized in profit or loss.

(3) Financial liabilities

A. Subsequent measurement

All financial liabilities are measured at amortized cost using the effective interest method.

B. Exclusion of financial liabilities

When a financial liability is derecognized, the difference between the carrying amount and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

(XII) Revenue Recognition

The Consolidated Company allocates the transaction price to each performance obligation after the performance obligation is identified in the customer contract and recognizes revenue when each performance obligation is satisfied.

1. Merchandise sales revenue

Revenue from sales of merchandise is derived from sales of aquatic products, optoelectronic equipment and various finished wax products. The Consolidated Company recognizes revenue and accounts receivable at the point of sale because the customer has the right to set the price and use the merchandise and has the primary responsibility to re-sell the merchandise and bears the risk of obsolescence when the merchandise meets the agreed-upon model, such as the point of shipment and destination delivery. The Consolidated Company recognizes revenue and accounts receivable at that point in time. Merchandise is sold at a fixed price under a contract.

2. Labor income

Labor income is derived from services provided on behalf of the Company, and the related income is recognized when the services are rendered. The Consolidated Company provides purchase services as an agent and recognizes net income when control of the goods is transferred to the customer and there is no subsequent obligation.

(XIII) Leasing

The Consolidated Company assesses whether a contract is (or contains) a lease at the contract inception date.

1. Consolidated company as lessor

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the asset to the lessee. All other leases are classified as operating leases.

Under operating leases, lease payments, net of lease incentives, are recognized as income on a straight-line basis over the term of the relevant lease. The original direct costs incurred in acquiring an operating lease are added to the carrying amount of the

subject asset and recognized as an expense on a straight-line basis over the lease term. Variable lease payments that do not depend on an index or rate are recognized as income in the period in which they occur.

2. Consolidated company as lessee

Right-of-use assets and lease liabilities are recognized at the lease commencement date for all leases, except for leases of low-value underlying assets to which the recognition exemption applies and short-term leases, where lease payments are recognized as expenses on a straight-line basis over the lease term.

Right-of-use assets are measured initially at cost (including the original measurement of the lease liability, lease payments made prior to the commencement date of the lease less lease incentives received, original direct cost and estimated cost to reinstate the subject asset) and subsequently measured at cost less accumulated depreciation and accumulated impairment losses, with adjustments for remeasurement of the lease liability. Right-of-use assets are presented separately in the consolidated balance sheet. Right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease to the earlier of the end of the useful life or the end of the lease term.

Lease obligations are measured initially at the present value of the lease payments. If the interest rate implied by the lease is readily determinable, lease payments are discounted using that rate. If the interest rate is not readily determinable, the lessee's incremental borrowing rate is used.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, and interest expense is allocated over the lease term. If a change in the lease term results in a change in future lease payments, the Consolidated Company remeasures the lease liability and adjusts the right-of-use asset accordingly, but if the carrying amount of the right-of-use asset is reduced to zero, the remaining remeasurement amount is recognized in profit or loss. Lease liabilities are presented separately in the consolidated balance sheet.

(XIV) Borrowing Costs

1. Borrowing costs directly attributable to the acquisition, construction or production of an asset that meets the criteria are included as part of the cost of the asset until substantially all of the activities necessary to bring the asset to its intended use or sale condition have been completed.

2. Investment income earned on specific borrowings that are temporarily invested prior to the incurrence of qualifying capital expenditures is deducted from the cost of borrowings that qualify for capitalization.
3. Except for the above, all other borrowing costs are recognized in profit or loss in the period in which they are incurred.

(XV) Employee Benefits

1. Short-term Employee Benefits

Short-term employee benefit-related liabilities are measured at the non-discounted amount expected to be paid in exchange for employee services.

2. Post-employment benefits

The defined contribution pension plan is an expense that recognizes the amount of pension benefits to be contributed during the employees' service period.

(XVI) Income Tax

Income tax expense is the sum of current income tax and deferred income tax.

1. Current income tax

- (1) The Consolidated Company determines the current income (loss) in accordance with the regulations of each income tax filing jurisdiction and calculates the income tax payable (recoverable) accordingly.
- (2) The income tax on undistributed earnings calculated in accordance with the ROC Income Tax Act is recorded as income tax expense in the when the shareholders resolve to retain the earnings.
- (3) Adjustments to prior years' income tax payable are included in the current period's income tax.

2. Deferred income tax

- (1) Deferred income tax is calculated on temporary differences between the carrying amounts of assets and liabilities and the tax bases used to compute taxable income. Deferred income tax assets and liabilities are not recognized for temporary differences arising from the initial recognition of assets and liabilities that are not part of a business combination that affects neither taxable income nor accounting profit.
- (2) Deferred income tax liabilities are generally recognized for all taxable temporary differences, and deferred income tax assets are recognized to the extent that it is

probable that taxable profit will be available against which the temporary differences and loss carryforwards can be utilized.

- (3) Deferred income tax liabilities are recognized for all taxable temporary differences associated with investments in subsidiaries, except where the Consolidated Company can control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax assets are recognized for deductible temporary differences associated with such investments only to the extent that it is probable that sufficient taxable income will be available to allow the temporary differences to be realized and the temporary differences are expected to reverse in the foreseeable future.
- (4) The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient tax assets will be available to allow recovery of all or part of the assets. The carrying amount of deferred income tax assets not previously recognized as deferred income tax assets is reviewed at each balance sheet date and increased to the extent that it is more likely than not that sufficient taxable income will be available to allow recovery of all or part of the assets.
- (5) Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the period in which the liability is settled or the asset is realized, based on tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences of the manner in which the Company expects to recover or settle the carrying amounts of its assets and liabilities at the balance sheet date.

3. Current and deferred income taxes

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

V. Major sources of uncertainty in significant accounting judgments, estimates and assumptions:

In adopting accounting policies, the Consolidated Company's management is required to make judgments, estimates and assumptions that are based on historical experience and other relevant

factors where relevant information is not readily available from other sources. Actual results may differ from those estimates.

Key sources of estimation and assumption uncertainty

(I) Income Tax

Please refer to Note 6(28) for the deductible temporary differences and unused loss allowances of deferred income tax assets not recognized in the Consolidated Company's balance sheet. The ability to realize deferred income tax assets depends on whether it is probable that sufficient future profits will be realized or taxable temporary differences will be realized.

VI. Description of Significant Accounting Items

(I) Cash and cash equivalents

Item	December 31, 2024	December 31, 2023
Cash in hand	\$ 376	\$ 314
Demand Deposit and Checking Deposit	106,396	109,471
Cash equivalents (time deposits within 3 months from the original maturity date)	--	2,000
	<u>\$ 106,772</u>	<u>\$ 111,785</u>

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

Item	December 31, 2024	December 31, 2023
Mandatory measurement through profit or loss at fair value		
Non-derivative financial assets		
- Domestic listed (over-the-counter) company shares	\$ 26,294	\$ 38,775
- Mutual Fund Certificates	62,991	10,081
	<u>\$ 89,285</u>	<u>\$ 48,856</u>

(III) Financial assets measured at amortized cost - current

1. The breakdown is as follows:

Item	December 31, 2024	December 31, 2023
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Time deposits with original maturity of more than 3 months	\$	--	\$	6,000
--	----	----	----	-------

2. For information regarding credit risk management and impairment assessment of financial assets measured at amortized cost, please refer to Note 6(30).

(IV) Notes receivable, accounts receivable and other receivables

1. The breakdown is as follows:

Item	December 31, 2024	December 31, 2023
<u>Notes Receivable</u>		
Measured by post-amortized cost		
Total Carrying Cost	\$ 1,015	\$ 673
Less: Allowance for losses	--	--
	<u>\$ 1,015</u>	<u>\$ 673</u>
Occurred as a result of business	<u>\$ 1,015</u>	<u>\$ 673</u>
<u>Accounts Receivable</u>		
Measured by post-amortized cost		
Total carrying amount	\$ 11,471	\$ 19,397
Less: Allowance for losses	(172)	(172)
	<u>\$ 11,299</u>	<u>\$ 19,225</u>
<u>Other Receivables</u>		
Receivables for purchase services	\$ 336,464	\$ 866,655
Less: Allowance for losses	(269,146)	(182,276)
(Note 12(3))		
	<u>67,318</u>	<u>684,379</u>
Others	1	5
	<u>\$ 67,319</u>	<u>\$ 684,384</u>

2. Accounts receivable and accounts receivable for purchase services

The average credit period for the Consolidated Company's merchandise sales is 30 to 180 days on a monthly basis, and the receivables are non-interest-bearing. The

Consolidated Company's policy is to deal only with customers whose credit ratings meet the Company's requirements and to obtain adequate guarantees, if necessary, to mitigate the risk of financial loss due to default. Credit rating information is obtained from publicly available financial information and historical transaction records for major customers. The Consolidated Company continuously monitors credit risk and counterparty credit ratings, and spreads the total transaction amount among different customers with qualified credit ratings, and reviews and approves counterparty credit limits annually to manage credit risk.

To mitigate credit risk, the Consolidated Company's president is responsible for the credit limit determination and credit approval process. In addition, the Consolidated Company reviews the recoverable amounts of receivables on a case-by-case basis at the balance sheet date to ensure that appropriate impairment losses have been recorded for uncollectible receivables. Accordingly, the Consolidated Company's management believes that the Consolidated Company's credit risk has been significantly reduced.

The Consolidated Company recognizes an allowance for losses on receivables based on expected credit losses over the life of the receivables. The expected credit losses over the period of continuation are calculated using an allowance matrix, which takes into account the customer's past default history, current financial condition and the economic conditions of the industry. Some customer groups are located in regions severely affected by the COVID-19 pandemic. As the loss patterns of these customer groups differ from those in other regions, the Company applies different provision matrices for these regional customer groups, establishing expected credit loss rates based on regional economic conditions and the financial status of the customer groups.

If there is evidence that the counter-party is in serious financial difficulty and the Consolidated Company cannot reasonably expect to recover the amount, the Consolidated Company directly eliminates the related receivables but continues the recovery activities, and the amount recovered from the recovery is recognized in profit or loss.

The Consolidated Company measured the allowance for losses on receivables based on the reserve matrix as follows:

December 31, 2024

	Not overdue	Overdue 1-30 days	Overdue 31-60 days	Overdue 61-90 days	Over 90 days past due	individual recognition	Total
Expected credit loss ratio	--	--	--	--	100.00%	80.00%	--
Total carrying amount	\$ 11,204	\$ 127	\$ --	\$ --	\$ 172	\$ 336,432	\$ 347,935
Allowance for Losses (Lifetime Expected Credit Losses)	--	--	--	--	(172)	(269,146)	(269,318)
Cost after amortization	\$ 11,204	\$ 127	\$ --	\$ --	\$ --	\$ 67,286	\$ 78,617

December 31, 2023

	Not overdue	Overdue 1-30 days	Overdue 31-60 days	Overdue 61-90 days	Over 90 days past due	individual recognition	Total
Expected credit loss ratio	--	--	--	--	100.00%	55.23%	--
Total carrying amount	\$ 555,236	\$ 593	\$ --	\$ --	\$ 172	\$ 330,051	\$ 886,052
Allowance for Losses (Lifetime Expected Credit Losses)	--	--	--	--	(172)	(182,276)	(182,448)
Cost after amortization	\$ 555,236	\$ 593	\$ --	\$ --	\$ --	\$ 147,775	\$ 703,604

Information on the changes in the allowance for losses on accounts receivable is as follows:

	2024	2023
Beginning Balance	\$ 182,448	\$ 177,054
Add: Impairment losses recognized during the year	80,077	8,784
Less: Actual write-offs during the year	--	--
Effect of foreign currency exchange differences	6,793	(3,390)
Ending Balance	\$ 269,318	\$ 182,448

(V) Net Inventory

1. The breakdown is as follows:

Item	December 31, 2024	December 31, 2023
Inventory of goods	\$ --	\$ 18,662
Finished products	24,050	23,358
Work in progress	477	--

Supplies	203	380
Inventory in transit	1,432	3,256
	<u>\$ 26,162</u>	<u>\$ 45,656</u>

2. The nature of cost of goods sold is as follows:

	2024	2023
Cost of inventories sold	\$ 159,170	\$ 288,397
Gain from Recovery of Inventory	(319)	(27,606)
Write-downs and Obsolescence		
Solar Leasing Costs	15,108	13,158
	<u>\$ 173,959</u>	<u>\$ 273,949</u>

The reversals of inventory write-downs in 2024 and 2023 resulted from increases in the selling prices in specific markets for those inventories.

(VI) Prepayments

Item	December 31, 2024	December 31, 2023
Prepaid Fees	\$ 2,581	\$ 2,123
Prepayment	--	45,696
Retained tax credit	7,221	10,229
	<u>\$ 9,802</u>	<u>\$ 58,048</u>

(VII) Other Current Assets

1. The breakdown is as follows:

Item	December 31, 2024	December 31, 2023
Temporary Payment	\$ 472,668	\$ 66,185
Other Financial Assets	2,029	1,749,485
Others	1	1
	<u>\$ 474,698</u>	<u>\$ 1,815,671</u>

2. The above provisional payments were mainly for payments made on behalf of purchases.

3. The other financial assets mentioned above are set up as a reserve for borrowing, please refer to Note 8.

(VIII) Investments in equity instruments measured at fair value through other comprehensive income or loss - non-current

1. The breakdown is as follows:

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
<u>Investments in equity</u>		
<u>instruments</u>		
Domestic privately placed		
shares of TPEX-listed		
companies		
Private Placement of		
Common Shares by YJN	\$ 9,125	\$ 11,250
CO., LTD.		
<u>Debt Instrument Investments</u>		
Foreign bonds		
AT&T Inc.	\$ --	\$ 7,352
ALTRIA Group Inc.	--	7,153
	--	14,505
	<u>\$ 9,125</u>	<u>\$ 25,755</u>

2. In January 2022, the Company subscribed to 1,000,000 privately placed common shares of YJN Co., Ltd. (formerly: HOLD JINN ELECTRONICS CO., LTD.) at NT\$6.25 per share, totaling NT\$6,250 thousand, with a three-year lock-up period. At the shareholders' meeting on June 19, 2023, YJN Co., Ltd. approved a 50% capital reduction to offset losses, with December 8, 2023 set as the record date for the capital reduction. The registration process and share issuance procedures for the capital reduction were completed in the first quarter of 2024. As of March 31, 2024, the Company holds 500,000 shares. The Consolidated Company invests in the private placement of common shares of the listed company for medium- and long-term strategic purposes and expects to make profits through long-term investments. The management of the Consolidated Company considers that it is inconsistent with the aforementioned long-term investment plan to include short-term fair value fluctuations of these investments in profit or loss, and therefore chooses to designate these investments as measured at fair value through other comprehensive income.

3. In May 2023, the Company purchased 6-year USD corporate bonds issued by AT&T Inc. and ALTRIA Group Inc., with coupon rates of 4.35% and 4.8%, respectively.
4. For information regarding credit risk management and impairment assessment of debt instruments at fair value through other comprehensive income (FVTOCI), please refer to Note 6(30).
5. For information regarding the pledged debt instruments at fair value through other comprehensive income (FVTOCI), please refer to Note 8.

(IX)Subsidiaries

The principal components of the consolidated financial statements are as follows:

Name of Investor Company	Subsidiary Name	Business Nature	Percentage of shareholding		Description
			December 31, 2024	December 31, 2023	
The Company	TAI-WAX HOLDING CO., LTD.	Sales of Formula Wax and Cultural Creative Products	100%	100%	2
The Company	TAI-WAX (THAILAND) CO., LTD.	Sales of Formula Wax and Cultural Creative Products	100%	100%	1, 2
The Company	Guan Da Green Energy Co., Ltd.	Sales and installation of solar energy equipment	100%	100%	
The Company	Gong Che Yan Fresh Seafood Co., Ltd.	Sales of aquatic and agricultural products	100%	100%	
The Company	Jinghai Aquatic Products (Shanghai) Co., Ltd.	Sales of aquatic products	100%	100%	
TAI-WAX HOLDING CO., LTD.	Panxing Trading (Shanghai) Co., Ltd.	Sales of Formula Wax and Cultural Creative Products	100%	100%	2
Jinghai Aquatic Products (Shanghai) Co., Ltd.	Jinghai Aquatic Products (Chongqing) Co., Ltd.	Sales of aquatic products	100%	--%	2

1. The Consolidated Company was dissolved and liquidated by resolution of the Board of Directors on December 27, 2016.
2. Non-significant subsidiaries whose financial statements have not been audited by independent accountants.

(X) Property, plant and equipment

	December 31, 2024	December 31, 2023
Self-use	\$ 641,232	\$ 557,240
Business Leasing	226,045	209,245
	<u>\$ 867,277</u>	<u>\$ 766,485</u>

1. Self-use

	Land	House and Building	Machinery and Equipment	Other Equipment	Unfinished work	Total
<u>Cost:</u>						
January 1, 2024	\$ 411,369	\$ 69,112	\$ 840,896	\$ 44,760	\$ 128,734	\$ 1,494,871
Adding	--	--	1,045	--	88,681	89,726
Discipline	--	(10,149)	(827,403)	(3,144)	--	(840,696)
Net exchange difference	--	--	--	199	--	199
December 31, 2024	<u>\$ 411,369</u>	<u>\$ 58,963</u>	<u>\$ 14,538</u>	<u>\$ 41,815</u>	<u>\$ 217,415</u>	<u>\$ 744,100</u>

Accumulated depreciation and impairment:

January 1, 2024	\$ --	\$ 56,835	\$ 840,856	\$ 39,940	\$ --	\$ 937,631
Depreciation	--	707	146	1,257	--	2,110
Discipline	--	(6,507)	(827,403)	(3,144)	--	(837,054)
Net exchange difference	--	--	--	181	--	181
December 31, 2024	<u>\$ --</u>	<u>\$ 51,035</u>	<u>\$ 13,599</u>	<u>\$ 38,234</u>	<u>\$ --</u>	<u>\$ 102,868</u>
Net Balance as of December 31, 2024	<u>\$ 411,369</u>	<u>\$ 7,928</u>	<u>\$ 939</u>	<u>\$ 3,581</u>	<u>\$ 217,415</u>	<u>\$ 641,232</u>

	Land	House and Building	Machinery and Equipment	Other Equipment	Unfinished work	Total
<u>Cost:</u>						
January 1, 2023	\$ 298,488	\$ 69,112	\$ 841,756	\$ 41,327	\$ 47,839	\$ 1,298,522
Adding	112,881	--	--	3,509	80,895	197,285
Discipline	--	--	(860)	--	--	(860)
Net exchange difference	--	--	--	(76)	--	(76)
December 31, 2023	<u>\$ 411,369</u>	<u>\$ 69,112</u>	<u>\$ 840,896</u>	<u>\$ 44,760</u>	<u>\$ 128,734</u>	<u>\$ 1,494,871</u>

Accumulated depreciation and impairment:

January 1, 2023	\$ --	\$ 56,076	\$ 841,520	\$ 38,473	\$ --	\$ 936,069
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Depreciation	--	759	196	1,532	--	2,487
Discipline	--	--	(860)	--	--	(860)
Net exchange difference	--	--	--	(65)	--	(65)
December 31, 2023	<u>\$ --</u>	<u>\$ 56,835</u>	<u>\$ 840,856</u>	<u>\$ 39,940</u>	<u>\$ --</u>	<u>\$ 937,631</u>
Net Balance as of December 31, 2023	<u>\$ 411,369</u>	<u>\$ 12,277</u>	<u>\$ 40</u>	<u>\$ 4,820</u>	<u>\$ 128,734</u>	<u>\$ 557,240</u>

2. Business Leasing

	<u>Assets for Lease</u>
<u>Cost:</u>	
Balance on January 1, 2024	\$ 285,515
Adding	<u>30,099</u>
Balance on December 31, 2024	<u>\$ 315,614</u>
<u>Accumulated depreciation and impairment:</u>	
Balance on January 1, 2024	\$ 76,270
Depreciation	<u>13,299</u>
Balance on December 31, 2024	<u>\$ 89,569</u>
Net Balance as of December 31, 2024	<u>\$ 226,045</u>

	<u>Assets for Lease</u>
<u>Cost:</u>	
Balance on January 1, 2023	\$ 250,602
Adding	<u>34,913</u>
Balance on December 31, 2023	<u>\$ 285,515</u>
<u>Accumulated depreciation and impairment:</u>	
Balance on January 1, 2023	\$ 53,721
Depreciation	12,110
Impairment loss	<u>10,439</u>
Balance on December 31, 2023	<u>\$ 76,270</u>
Net Balance as of December 31, 2023	<u>\$ 209,245</u>

3. In April 2024, the consolidated Company sold machinery and equipment for NT\$2,442 thousand, resulting in a reversal of previously recognized impairment losses of NT\$2,442 thousand. In June 2023, certain solar power generation equipment was

assessed as no longer usable, resulting in reduced future cash flows. Consequently, an impairment loss of NT\$10,439 thousand was recognized.

4. Depreciation expenses are provided on a straight-line basis over the following years:

Buildings

Factory main building 35 to 55 years

Auxiliary Equipment 5 to 25 years

Machinery and Equipment 3 to 12 years

Assets for Lease 16 to 20 years

Other Equipment 3 to 10 years

5. The consolidated company has signed a power purchase agreement for solar power generation with Taiwan Power Company (Taipower). According to the agreement, starting from the interconnection date of both systems, all electricity generated by the consolidated company's power generation system will be sold to Taipower. The contract period is 20 years, and it is accounted for as an operating lease in accordance with IFRIC 4 "Determining Whether an Arrangement Contains a Lease" and IFRS 16 "Leases". The rental payment is calculated based on the actual electricity generated and the verified feed-in tariff announced by the regulatory authority. Therefore, there are no future minimum lease payments that are non-cancellable.

6. Please refer to Note 8 for the amount of property, plant and equipment leased under self-use and operating leases that are pledged as collateral for loans.

(XI) Lease Agreement

1. Right-of-use assets

Item	December 31, 2024	December 31, 2023
Carrying amount of right-to-use assets		
Buildings	\$ 335	\$ 323
Transportation Equipment	6,932	2,697
Other Equipment	19,633	20,768
	<u>\$ 26,900</u>	<u>\$ 23,788</u>
Item	2024	2023
Increase in the use of right assets	\$ 8,421	\$ 6,242
Depreciation expense on right-of-use assets		
Buildings	\$ 499	\$ 496
Transportation Equipment	3,687	2,830
Other Equipment	1,135	991

	\$ 5,321	\$ 4,317
2. Leasing Liabilities		
Item	December 31, 2024	December 31, 2023
Carrying amount of lease liabilities		
Mobile	\$ 4,509	\$ 3,569
Non-mobile	\$ 22,838	\$ 20,509

The discount rate range for lease liabilities is as follows:

Item	December 31, 2024	December 31, 2023
Buildings	3.63%	4.05%
Transportation Equipment	1.33%–1.93%	1.33%, 1.45%
Other Equipment	1.45%, 2.33%	1.45%, 2.33%

3. Other Leasing Information

(1) Please refer to Notes 6(12) for the agreements to lease the Consolidated Company's own property, plant and equipment and investment property under operating leases.

(2) Other Leasing Information

Item	2024	2023
Short-term lease and low-value asset lease charges	\$ 1,750	\$ 1,774
Total cash (outflow) from leases	\$ 7,375	\$ 6,324

The Consolidated Company elected to apply a recognition exemption to certain equipment leases that qualify as low-value asset leases and did not recognize the related right-of-use assets and lease liabilities for these leases.

(XII) Net investment property

1. The breakdown is as follows:

	Land
<u>Cost:</u>	
Balance on January 1, 2024	\$ 132,730
Adding	--
Balance on December 31, 2024	\$ 132,730
<u>Accumulated depreciation and impairment:</u>	
Balance on January 1, 2024	\$ --
Depreciation	--

Balance on December 31, 2024	\$ --
Net Balance as of December 31, 2024	\$ 132,730

	Land
<u>Cost:</u>	
Balance on January 1, 2023	\$ 132,730
Adding	--
Balance on December 31, 2023	\$ 132,730
<u>Accumulated depreciation and impairment:</u>	
Balance on January 1, 2023	\$ --
Depreciation	--
Balance on December 31, 2023	\$ --
Net Balance as of December 31, 2023	\$ 132,730

- The fair value of investment properties was not appraised by independent valuers, but was evaluated by the consolidated Company's management with reference to market evidence of transaction prices for similar properties. The fair value determined by these evaluations was NT\$603,492 thousand as of December 31, 2024 and December 31, 2023.
- For the amount of investment property pledged as collaterals for loans, please refer to Note 8.

(XIII) Other non-current assets

Item	December 31, 2024	December 31, 2023
Prepayment of equipment	\$ --	\$ 17,333
Deposit Guarantee	9,185	7,235
Others	2,904	2,904
	<u>\$ 12,089</u>	<u>\$ 27,472</u>

(XIV) Short-term borrowings

- The breakdown is as follows:

Item	December 31, 2024	December 31, 2023
Secured Loans	<u>\$ 290,800</u>	<u>\$ 2,261,650</u>
Interest Rate Range	2.28%–2.39%	1.75%–2.20%

- Please refer to Note 8 for the guarantees provided by the Consolidated Company.

(XV) Other payables

Item	December 31, 2024	December 31, 2023
Payroll	\$ 4,702	\$ 2,951
Compensation to employees	844	391
Directors' Remuneration Payable	1,054	450
Other expenses payable	5,411	6,051
	<u>\$ 12,011</u>	<u>\$ 9,843</u>

(XVI) Long-term loans

1. The breakdown is as follows:

Item	December 31, 2024	December 31, 2023
Secured Loans	\$ 85,809	\$ 130,394
Less: Classified as part due within 1 year	(12,832)	(59,323)
Long-term loans	<u>\$ 72,977</u>	<u>\$ 71,071</u>

2. In 2019, the consolidated Company obtained a new bank loan of NT\$60,000 thousand, repayable over 5 years with monthly principal payments of NT\$350 thousand and the remaining balance due at maturity. However, when the loan matured in April 2024, the consolidated Company refinanced the remaining balance of NT\$39,350 thousand. As of December 31, 2024, the interest rate was 2.37%, and the loan is repayable over 9 years with monthly principal and interest payments of NT\$405 thousand. In accordance with the loan agreement, the Consolidated Company's right to enter into a contract with Taipower for the purchase and sale of solar power generation system and the Consolidated Company's solar power equipment (recorded as rental assets) are pledged to the borrowing bank, please refer to Note 8.
3. In 2020, the consolidated Company obtained a new bank loan of NT\$50,000 thousand. As of December 31, 2024 and December 31, 2023, the interest rates were 2.44% and 2.32%, respectively. The loan is repayable over 5 years with monthly principal payments of NT\$833 thousand. In accordance with the loan agreement, the Consolidated Company's property, plant and equipment leased for its own use and under operating leases are pledged to the borrowing banks, as described in Note 8.
4. In 2022, the consolidated Company obtained a new bank loan of NT\$50,000 thousand. As of December 31, 2024 and December 31, 2023, the interest rates were 2.32% and

2.20%, respectively. The loan is repayable over 15 years with monthly principal and interest payments. In accordance with the loan agreement, the Consolidated Company's solar power equipment (recorded as rental assets) is pledged to the borrowing bank, see Note 8.

(XVII) Post-employment benefit plans

The pension system under the Labor Pension Act, which is administered by the government, is a defined contribution pension plan under which the Company and its domestic subsidiaries contribute 6% of employees' monthly salaries to the individual accounts of the Bureau of Labor Insurance.

The foreign subsidiaries of the Consolidated Company are also appropriated and paid to the relevant legal authorities for management in accordance with the local laws and regulations.

(XVIII) Equity

1. Common shares (Unit: NT\$)

	December 31, 2024	December 31, 2023
Number of shares	200,000,000	200,000,000
Authorized capital	\$ 2,000,000,000	\$ 2,000,000,000
Number of shares issued and fully paid	93,559,300	93,559,300
Issued Share Capital	\$ 935,593,000	\$ 935,593,000

- (1) The Company's shareholders approved the issuance of privately placed common shares at the Annual General Meetings held on June 22, 2016, June 22, 2017, June 25, 2019, and July 20, 2021, for 7,550,000 shares, 8,750,000 shares, 16,500,000 shares, and 10,000,000 shares, respectively. These shares were fully subscribed as of October 3, 2016, April 9, 2018, August 22, 2019, and October 14, 2021, respectively, and the registration of these changes was approved by the competent authority.
- (2) The Company's shareholders approved a capital reduction to offset losses in 2017 and a stock dividend distribution in 2021. After the capital reduction, the privately placed common shares issued in 2016 mentioned above were reduced to 4,838,905 shares. Additionally, in 2022, 5,968,436 shares were issued as stock dividends for the privately placed common shares, bringing the total to 46,057,341 shares.

2. Capital surplus

	December 31, 2024	December 31, 2023
<u>may be used to make up losses,</u>		
<u>to make cash payments or to</u>		
<u>capitalize</u>		
Stock Issuance Premium	\$ 164,030	\$ 164,030
Treasury Stock Trading	1,068	1,068
	<u>\$ 165,098</u>	<u>\$ 165,098</u>

Such capital surplus may be used to offset losses or, when the Company has no losses, to distribute cash or be capitalized, provided that each capitalization is limited to a certain percentage of the paid-in capital.

3. Retained earnings and dividend policy

- (1) In accordance with the Company's Articles of Incorporation, if there is any surplus in the annual accounts, the Company shall pay tax and make up for the accumulated deficit, and then set aside 10% as legal reserve, and set aside or reverse the rest as special reserve as required by law; if there is any remaining balance, the Board of Directors shall, together with the accumulated undistributed earnings, prepare a proposal for distribution of earnings and submit it to the shareholders' meeting for resolution to distribute dividends to shareholders. For the Company's employee and director compensation distribution policy as stipulated in the Articles of Incorporation, please refer to Note 6(27).
- (2) The legal reserve should be appropriated until the remaining balance reaches the Company's paid-in capital. If the Company has no deficit, the portion of the legal reserve that exceeds 25% of the paid-in capital may be appropriated to capital and distributed in cash.
- (3) When the Company first adopted the IFRSs recognized by the FSC, it chose to apply the exemptions of IFRS 1 "First-time Adoption of International Financial Reporting Standards" and recorded an unrealized revaluation increment of NT\$176,947 thousand in land under stockholders' equity, and provided a special reserve of the same amount in accordance with the related administrative regulations. When the related assets are disposed of or reclassified, the special reserve may be reversed and distributed in proportion to the special reserve.

However, since the increase in retained earnings resulting from the conversion was insufficient, only NT\$88,694 thousand of the increase in retained earnings from the conversion is provided for as special reserve. As of December 31, 2024 and 2023, the balance of this special reserve was NT\$88,694 thousand.

- (4) At the shareholders' meeting held on June 14, 2023, the Company approved the loss offsetting proposal for 2022. As there was a loss in 2022, no earnings distribution was made.
- (5) The appropriation of earnings for 2023, as approved by the shareholders at the annual general meeting held on June 21, 2024, was as follows

	2023
Legal Reserve	\$ 3,830

- (6) On March 13, 2025, the Company's Board of Directors proposed the following earnings distribution for the fiscal year 2024, which is subject to approval at the shareholders' meeting scheduled for June 3, 2025.

	2024
Legal Reserve	\$ 8,272

4. Treasury stock

Reason for recovery	Transfer of shares to employees (in thousands)
Number of Shares as of January 1 and December 31, 2024	888
Reason for recovery	Transfer of shares to employees (in thousands)
Number of Shares as of January 1 and December 31, 2023	888

In 2022, the Company transferred 600 thousand shares to employees at NT\$18.88 per share with a buyback cost of NT\$11,328 thousand, which was delivered to employees as of December 31, 2022. The Company recognized employee compensations cost of NT\$1,062 thousand on the date of grant and recognized capital surplus - treasury stock transactions of NT\$1,062 thousand on the date of stock delivery to employees.

Treasury stock held by the Company is not pledged under the Securities and Exchange Act, and is not entitled to dividend distribution or voting rights.

(XIX) Earnings per Share

The weighted-average number of shares of common shares and earnings per share used in the calculation of earnings per share were as follows

Net Profit for Current Year

	2024	2023
Net Profit for Current Year	\$ 82,715	\$ 38,302

Number of Shares

Weighted number of common

shares for basic earnings per

share calculation

92,671

92,671

Effect of potential common shares

with dilution:

Employee Compensation

54

48

Weighted number of common

shares for the purpose of diluted

92,725

92,719

earnings per share

If the Company has the option to pay employees in stock or cash, the calculation of diluted earnings per share assumes that employee compensation will be paid in stock and is included in the weighted-average number of common shares outstanding for the purpose of calculating diluted earnings per share when the potential common shares have a dilutive effect. The dilutive effect of these potential common shares will continue to be considered in the calculation of diluted earnings per share prior to the Board of Directors' resolution on the number of shares to be issued for employee compensation in the following .

(XX) Cash Flow Information

Changes in liabilities from financing activities:

2024

	January 1, 2024	Cash flow	Change in non-cash Lease Modificati ons	Foreign Currency Translatio n Adjustme nts	December 31, 2024
Short-term borrowings	\$ 2,261,650	\$ (1,970,850)	\$ --	\$ --	\$ 290,800

Long-term loans	130,394	(44,585)	--	--	85,809
Leasing Liabilities	24,078	(5,164)	8,421	12	27,347
	<u>\$ 2,416,122</u>	<u>\$ (2,020,599)</u>	<u>\$ 8,421</u>	<u>\$ 12</u>	<u>\$ 403,956</u>

2023

	January 1, 2023	Cash flow	Change in non-cash Lease Modifications	Foreign Currency Translation Adjustments	December 31, 2023
Short-term borrowings	\$ 1,157,520	1,104,130	\$ --	\$ --	\$ 2,261,650
Long-term loans	119,474	10,920	--	--	130,394
Leasing Liabilities	22,026	(4,184)	6,242	(6)	24,078
	<u>\$ 1,299,020</u>	<u>\$ 1,110,866</u>	<u>\$ 6,242</u>	<u>\$ (6)</u>	<u>\$ 2,416,122</u>

(XXI) Net Sales Revenue

1. The breakdown is as follows:

Item	2024	2023
Customer Contract Revenue		
Wax product sales revenue	\$ 171,504	\$ 147,901
Revenue from purchase agency services	32,565	98,698
Revenue from sales of optoelectronic equipment	--	119,513
Lease income		
Lease income from optical equipment	27,122	25,889
	<u>\$ 231,191</u>	<u>\$ 392,001</u>

2. Description of Customer Agreement

- (1) Note 4(12) shows the revenue from customer contracts.
- (2) Lease income is detailed in Note 6(11).

3. Contract Balance

	December 31, 2024	December 31, 2023	January 1, 2023
Contractual liabilities	\$ 6,332	\$ 7,208	\$ 18,851
- sales of goods			

The change in contractual liabilities mainly arises from the difference between the point at which performance obligations are met and the point at which customers pay.

4. Revenue recognized in 2024 and 2023 that was included in the contract liabilities balance at the beginning of the period amounted to NT\$7,208 thousand and NT\$11,881 thousand, respectively.

(XXII) Other Income

Item	2024	2023
Dividend Income	\$ 1,017	\$ 1,398
Other income - other	8,701	936
	<u>\$ 9,718</u>	<u>\$ 2,334</u>

(XXIII) Other interests and losses

Item	2024	2023
Net foreign currency exchange gain (loss)	\$ 130,075	\$ (27,249)
Gains on financial assets at fair value through profit or loss	3,657	9,170
Reversals of impairment loss (impairment loss) on non-financial assets	2,442	(10,439)
(Loss) gain on disposal of property, plant and equipment	(1,928)	171
Loss on Disposal of Investments	(312)	--
Others	(157)	(101)
	<u>\$ 133,777</u>	<u>\$ (28,448)</u>

(XXIV) Finance Costs

Item	2024	2023
Interest on bank loans	\$ 29,612	\$ 35,146
Interest on lease liabilities	461	366

		<u>\$</u>	<u>30,073</u>	<u>\$</u>	<u>35,512</u>
(XXV)	Depreciation and amortization				
	Item		2024		2023
	Property, Plant and Equipment	\$	15,409	\$	14,597
	Right-of-use assets		5,321		4,317
		\$	<u>20,730</u>	\$	<u>18,914</u>

Depreciation expense is
summarized by function

	Operating Costs	\$	15,268	\$	13,851
	Operating Expenses		5,462		5,063
		\$	<u>20,730</u>	\$	<u>18,914</u>

(XXVI) Employee benefits expense

	Item		2024		2023
	Short-term Employee Benefits	\$	33,949	\$	34,188
	Post-employment benefits		1,205		1,270
	Separation Benefits		--		--
		\$	<u>35,154</u>	\$	<u>35,458</u>

	Item		2024		2023
	Summary by Function				
	Operating Costs	\$	7,593	\$	7,499
	Operating Expenses		27,561		27,959
		\$	<u>35,154</u>	\$	<u>35,458</u>

(XXVII) Employee remuneration and directors' remuneration

1. The Company allocates employee remuneration and directors' remuneration at rates of no less than 1% and no more than 3%, respectively, of the profit before income tax and before deducting the amounts of employee and directors' remuneration. However, when the company has losses, it should make up for them first. The estimated employee remuneration and directors' remuneration for 2024 and 2023 were resolved by the Board of Directors on March 13, 2025, and March 14, 2024, respectively, as follows:

Estimated Ratio

	<u>2024</u>	<u>2023</u>
--	-------------	-------------

Employee Compensation	1%	1%
Directors' Compensation	1%	1.15%

Amount

	2024	2023
Employee Compensation	\$ 844	\$ 391
Directors' Compensation	\$ 844	\$ 450

2. If there is any change in the annual consolidated financial statements after the date of adoption, the change in accounting estimate will be treated as an adjustment in the following year.
3. The actual distribution amounts of employee and director remuneration for 2023 and 2022 did not differ from the amounts recognized in the consolidated financial statements for 2023 and 2022.
4. For information regarding employee and director remuneration resolved by the Board of Directors, please refer to the Market Observation Post System (MOPS) of the Taiwan Stock Exchange.

(XXVIII) Income Tax

1. The major components of income tax recognized in profit or loss are as follows:

	2024	2023
Current income tax		
Generated in Current Year	\$ 782	\$ 63
Prior generators	47	95
Deferred income tax		
Generated in Current Year	--	--
Income tax expense recognized in profit or loss	\$ 829	\$ 158

2. The reconciliation of accounting income to income tax expense is as follows:

	2024	2023
Net Profit before tax	\$ 83,544	\$ 38,460
Income tax expense (benefit) at statutory tax rate on net income before income tax	\$ (7,834)	\$ (1,586)

Non-deductible expenses for tax purposes	872	603
Tax-free income	(864)	(2,114)
Unallocated surplus plus levy	--	--
Unrecognized deductible temporary differences	23,750	14,512
Unrecognized loss carry forward	(15,142)	(11,352)
Adjustments to current income		
tax expense in prior years	47	95
Income tax expense recognized in profit or loss	\$ 829	\$ 158

3. Deferred income tax assets and liabilities

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

<u>2024</u>	Beginning Balance	Recognized in profit or loss	Recognized in other comprehensive income	Exchange Difference	Current Payments	Ending Balance
<u>Deferred income tax assets</u>						
Allowance for losses	\$ 3,349	\$ --	\$ --	\$ 116	\$ --	\$ 3,465
<u>Deferred income tax liabilities</u>						
Land Value Added Tax	\$ (29,033)	\$ --	\$ --	\$ --	\$ --	\$ (29,033)
<u>2023</u>	Beginning Balance	Recognized in profit or loss	Recognized in other comprehensive income	Exchange Difference	Current Payments	Ending Balance
<u>Deferred income tax assets</u>						
Allowance for losses	\$ 3,411	\$ --	\$ --	\$ (62)	\$ --	\$ 3,349
<u>Deferred income tax liabilities</u>						
Land Value Added Tax	\$ (29,033)	\$ --	\$ --	\$ --	\$ --	\$ (29,033)

4. The amount of deductible temporary and unused loss carryforwards for deferred income tax assets not recognized in the balance sheet is as follows

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Loss Deduction Credit		

Expiring in 2025	--	62,710
Expiring in 2026	2,254	22,314
Expiring in 2028	31,673	31,673
Expiring in 2029	415	415
Expiring in 2030	1,960	1,960
Expiring in 2031	3,354	3,354
Expiring in 2032	37,399	44,243
Maturing in 2033	28,488	28,161
Maturing in 2034	16,637	--
	<u>\$ 122,180</u>	<u>\$ 194,830</u>

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Temporary differences can be reduced		
Allowance for loss on decline in value of inventories	\$ 5,408	\$ 5,727
Expected credit impairment loss	269,146	182,276
The equity method is used to recognize the profit or loss of subsidiaries	421,357	322,089
Impairment loss on machinery and equipment and assets leased to others	30,952	44,195
Others	(7,947)	59,103
	<u>\$ 718,916</u>	<u>\$ 613,390</u>

5. Income tax return approval situation

The income tax returns of the Company and its domestic subsidiaries have been examined and cleared by the tax authorities through 2022.

(XXIX) Capital risk management

Based on the current operational characteristics of our industry and future development prospects, while considering external environmental changes and other factors, the consolidated company has planned for future operational capital requirements (including debt repayment) to ensure sustainable operations and provide returns to shareholders, while simultaneously considering the interests of other stakeholders and maintaining an optimal capital structure to enhance shareholder value.

(XXX) Financial instruments

1. Fair Value Information

(1) Fair value information - financial instruments not carried at fair value

The Consolidated Company's management considers that the carrying amounts of financial assets and financial liabilities that are not measured at fair value approximate their fair values.

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

December 31, 2024

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets measured at fair value through profit or loss - Current</u>				
Domestic listed stocks	\$ 26,294	\$ --	\$ --	\$ 26,294
Mutual Fund Certificates	62,991	--	--	62,991
	<u>\$ 89,285</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 89,285</u>
<u>Financial assets at fair value through other comprehensive income or loss - non-current</u>				
Investments in equity instruments				
Domestic listed stocks	\$ 9,125	\$ --	\$ --	\$ 9,125

December 31, 2023

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets measured at fair value through profit or loss - Current</u>				
Domestic listed stocks	\$ 38,775	\$ --	\$ --	\$ 38,775
Mutual Fund Certificates	10,081	--	--	10,081
	<u>\$ 48,856</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 48,856</u>

Financial assets at fair value through other comprehensive income or loss - non-current

Investments in equity instruments

Domestic listed stocks	\$ 11,250	\$ --	\$ --	\$ 11,250
Debt Instrument Investments				
Foreign USD Bonds	--	14,505	--	14,505
	<u>\$ 11,250</u>	<u>\$ 14,505</u>	<u>\$ --</u>	<u>\$ 25,755</u>

2. Types of Financial Instruments

December 31, 2024 December 31, 2023

Financial Assets

Financial assets at fair value through profit or loss - current		
Mandatory measurement through profit or loss at fair value	\$ 89,285	\$ 48,856
Financial assets carried at amortized cost (Note 1)	197,619	2,578,787
Financial assets at fair value through other comprehensive income or loss - non-current	9,125	25,755

Financial liabilities

Financial liabilities measured at amortized cost (Note 2)	382,553	2,398,504
---	---------	-----------

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

Note 2: The balance includes financial liabilities measured at amortized cost, such as short-term borrowings, accounts payable, other payables, long-term borrowings and guarantee deposits.

3. Financial risk management objectives and policies:

The Consolidated Company's financial management department provides services to each business unit, coordinates access to domestic and international financial markets, and monitors and manages financial risks associated with the Consolidated Company's operations by analyzing internal risk reports on the extent and breadth of risk exposures. These risks include market risk, credit risk and liquidity risk.

The Consolidated Company's significant financial activities are reviewed by the Board of Directors in accordance with the relevant regulations and internal control system. During the implementation of the financial plan, the Consolidated Company must comply with the relevant financial operating procedures regarding the overall financial risk management and the allocation of authority and responsibility.

(1) Market Risk

The main financial risks to which the Consolidated Company is exposed as a result of the Consolidated Company's operating activities are the risk of changes in foreign currency exchange rates (see A below) and the risk of changes in interest rates (see B below).

There is no change in the Consolidated Company's exposure to market risk of

financial instruments and the way it manages and measures such exposure.

A. Exchange rate risk

The Consolidated Company engages in foreign currency-denominated sales and import transactions, which expose the Consolidated Company to exchange rate fluctuations.

The carrying amounts of monetary assets and monetary liabilities denominated in non-functional currencies as of the balance sheet data (including monetary items denominated in non-functional currencies that have been eliminated in the consolidated financial statements) are described in Note 12(1).

The Consolidated Company is primarily affected by fluctuations in the U.S. dollar exchange rate.

The sensitivity analysis includes only outstanding foreign currency monetary items and adjusts for a 1% change in the exchange rate translated at the end of the period. The following table details the sensitivity analysis of the Consolidated Company when the exchange rate of the New Taiwan dollar (functional currency) increases and decreases by 1% against the U.S. Dollar. 1% is the sensitivity ratio used by key management within the Consolidated Company to report exchange rate risk and represents management's assessment of the reasonably possible range of changes in foreign currency exchange rates. The positive numbers in the table below represent the decrease in pre-tax income when the NTD strengthens by 1% against the U.S. dollar, and the negative impact on pre-tax income when the NTD depreciates by 1% against the U.S. Dollar.

	The Impact of the Dollar	
	2024	2023
Profit and Loss	\$ 1,993	\$ 24,887

These receivables and payables are mainly due to the Consolidated Company's outstanding U.S. dollar-denominated receivables and payables that are not cash flow hedged as of the balance sheet date.

B. Interest Rate Risk

Interest rate risk arises because the consolidation within the Consolidated Company borrows funds at floating interest rates.

The carrying amounts of the Consolidated Company's financial assets and financial liabilities exposed to interest rate risk as of the balance sheet date were as follows

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Subject to fair value interest rate risk		
- Financial Assets	\$ --	\$ 14,505
Cash flow rate risk		
- Financial Assets	\$ 108,401	\$ 1,866,933
- Financial liabilities	376,609	2,392,044

The sensitivity analysis below is based on the interest rate risk of the non-derivative instruments at the balance sheet date. For floating rate liabilities, the analysis assumes that the amount of the liability outstanding at the balance sheet date is outstanding for the reporting period. The rate of change used in reporting interest rates internally to key management is a 1% increase or decrease in interest rates, which also represents management's assessment of the range of reasonably possible changes in interest rates.

If interest rates increased/decreased by 1%, with all other variables holding constant, the Group's profit before tax for 2024 would have decreased/increased by NT\$2,682 thousand, mainly due to the Group's net position in variable-rate bank deposits and variable-rate borrowings.

If interest rates increased/decreased by 1%, with all other variables holding constant, the Group's profit before tax for 2023 would have decreased/increased by NT\$5,251 thousand, mainly due to the Group's net position in variable-rate bank deposits and variable-rate borrowings.

(2) Credit Risk

Credit risk refers to the risk of financial loss resulting from the default of contractual obligations by counter-parties. As of the balance sheet date, the Consolidated Company's maximum exposure to credit risk, which may result in financial loss due to the counter-parties' default on their obligations and provision of financial guarantees, mainly arises from the carrying amount of financial assets recognized in the Consolidated Balance Sheet.

The business units manage customer credit risk in accordance with the Consolidated

Company's customer credit risk policies, procedures and controls. The credit risk of all customers is evaluated by taking into account the customer's financial condition, ratings from credit rating agencies, historical transaction experience, the current economic environment and the Consolidated Company's internal rating standards. The Consolidated Company also uses certain credit enhancement tools (such as advance receipts) at appropriate times to reduce the credit risk of specific customers.

The consolidated company selects counterparties with investment grade ratings and establishes individual limits to reduce financial credit risk. The consolidated company regularly monitors and reviews market conditions and adjusts limits based on the creditworthiness of counterparties.

The consolidated company's investment policy aims to pursue returns while safeguarding principal and maintaining liquidity. This policy requires investments in investment-grade securities and sets maximum credit exposure limits for individual bond issuers. The consolidated company evaluates whether credit risk has significantly increased since initial recognition based on financial market conditions, changes in external credit ratings of debt instrument issuers, and other significant information.

(3) Liquidity risk

The Consolidated Company manages and maintains a sufficient amount of cash to support its operations and mitigate the impact of cash flow fluctuations. The Consolidated Company's management monitors the use of banking facilities and ensures compliance with the terms of borrowing contracts.

The analysis of the remaining contractual maturities of non-derivative financial liabilities is prepared based on the undiscounted cash flows (including principal and estimated interest) of financial liabilities based on the earliest possible date on which the Consolidated Company can be required to make repayment. Therefore, bank loans that the Consolidated Company may be required to repay immediately are listed in the table below for the earliest period, without considering the probability that the bank will immediately enforce the right; the maturity analysis of other non-derivative financial liabilities is prepared based on the contractual repayment dates.

	Within 6 months (inclusive)	Over 6 months to 1 year	More than 1 year
December 31, 2024			
Non-derivative financial liabilities			
Non-interest-bearing liabilities	\$ 12,418	\$ --	\$ --
Leasing Liabilities	2,230	1,586	24,229
Variable Rate Instrument	301,273	5,238	81,759
	<u>\$ 315,921</u>	<u>\$ 6,824</u>	<u>\$ 105,988</u>

	Within 6 months (inclusive)	Over 6 months to 1 year	More than 1 year
December 31, 2023			
Non-derivative financial liabilities			
Non-interest-bearing liabilities	\$ 8,198	\$ --	\$ --
Leasing Liabilities	2,193	1,754	23,691
Variable Rate Instrument	2,285,997	45,515	78,384
	<u>\$ 2,296,388</u>	<u>\$ 47,269</u>	<u>\$ 102,075</u>

VII. Related Party Transactions

The transactions, account balances, revenues and expenses between the Consolidated Company and its subsidiaries (which are related parties of the Company) were eliminated upon consolidation and are therefore not disclosed in this note, and the transactions between the Consolidated Company and other related parties were as follows:

(I) Name and relationship of related parties

Name of Related Party	Relationship with the Company
Qiu Xiang Lin	Second-degree relatives of the Chairman

(II) Land

Item	December 31, 2024	December 31, 2023
Qiu Xiang Lin	<u>\$ --</u>	<u>\$ 112,881</u>

(III) Key management compensation information:

Item	2024	2023
Short-term Employee Benefits	<u>\$ 6,356</u>	<u>\$ 6,914</u>

VIII. Pledged assets

(I) The breakdown is as follows:

	December 31, 2024	December 31, 2023
Other Financial Assets - Mobile	\$ 2,029	\$ 1,749,485
Investments in debt instruments at fair value through other comprehensive income - non-current	--	14,505
Property, plant and equipment		
Land	214,283	214,283
Buildings	5,843	9,924
Assets for Lease	159,925	170,796
Investment real estate		
Land	98,676	98,676
	<u>\$ 480,756</u>	<u>\$ 2,257,669</u>

(II) The above assets are pledged as collaterals for loans.

IX. Significant Contingent Liabilities and Unrecognized Contractual Commitments

(I) Significant commitments: None.

(II) Contingent items: None.

X. Major disaster damage: None.

XI. Significant post-term events: None.

XII. Others

(I) Information on foreign currency assets and liabilities with significant effect

- The following information is expressed in foreign currencies other than the functional currency of the Consolidated Company and the exchange rates disclosed are the rates at which those currencies were translated into the functional currency. Assets and liabilities denominated in foreign currencies that have a significant effect are as follows:

December 31,
2024

<u>Foreign currency</u> <u>assets</u>	<u>Foreign</u> <u>Currency</u>	<u>Exchange rate</u>	<u>Carrying amount</u>
Monetary items			
USD	\$	6,078 32.785 (USD: NTD)	\$ 199,265
USD		5 7.321 (USD: RMB)	176

Foreign currency liabilities

Monetary items			
USD	4,450	7.321 (USD: RMB)	145,893
<u>December 31, 2023</u>			

	<u>Foreign Currency</u>	<u>Exchange rate</u>	<u>Carrying amount</u>
<u>Foreign currency assets</u>			
Monetary items			
USD	\$ 81,051	30.705 (USD: NTD)	\$ 2,488,665
USD	5	7.096 (USD: RMB)	165

Foreign currency liabilities

Monetary items			
USD	4,489	7.096 (USD: RMB)	137,838

2. Foreign currency exchange (gains) (losses) with significant impact (unrealized) were as follows:

	<u>2024</u>		<u>2023</u>	
Foreign Currency	Exchange rate	Net exchange (loss) gain	Exchange rate	Net exchange (loss) gain
USD	32.785 (USD: NTD)	\$ 6,108	30.705 (USD: NTD)	\$ (56,986)

(II) In May 2024, our company was informed that the Taiwan Chiayi District Prosecutors Office has indicted the Company's Chairman, Vice President, and former Financial Manager for alleged violations of the Securities and Exchange Act between July 2018 and October 2022. As of December 31, 2024, court proceedings have not yet commenced. The Company has assessed that the transactions during this period did not cause any losses to the consolidated company, and currently, the consolidated company's operations have not been affected in any way.

(III) Jinghai Aquatic Products (Chongqing) Co., Ltd., on behalf of Jinghai Aquatic Products (Shanghai) Co., Ltd., has filed a civil lawsuit against Shanghai Tengyu Trading Co., Ltd. and Shanghai Xiawan Supply Chain Management Co., Ltd. for failing to fulfill payment obligations according to the repayment agreement. The case was heard on January 14, 2025, at the People's Court of Fuling District, Chongqing City, and a ruling has not yet been issued.

XIII. Notes Disclosure Items

(I) Information on major transactions and

(II) transfer of investment business:

1. Loan of funds to others: Detailed table (I)

2. Endorsement for others: Detailed table (II)
3. Marketable securities held at the end of the period (excluding investments in subsidiaries, affiliates and joint ventures): Detailed table (III)
4. Cumulative purchase or sale of the same marketable securities amounting to at least NT\$300 million or 20% of the paid-in capital: None
5. Acquisition of real estate amounting to at least NT\$300 million or 20% of the paid-in capital: None
6. Disposal of immovable property amounting to at least NT\$300 million or 20% of the paid-in capital: None
7. Purchase or sale of goods with related parties amounting to at least NT\$100 million or 20% of the paid-in capital: None
8. Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Detailed table (IV)
9. Engaged in derivatives trading: None
10. Other: Business relationships and significant intercompany transactions between the parent and subsidiaries and between subsidiaries and the amounts involved: Detailed table (VII)
11. Information on investee companies: Detailed table (V)

(III) Mainland Investment Information:

1. Information on investee companies: Detailed table (VI)
2. Significant transactions with Mainland China investees:
 - (1) Purchases and related payables: None
 - (2) Sales and related receivables: Detailed table (VIII)
 - (3) Property transactions: None
 - (4) Note endorsement guarantee or provision of collateral: None
 - (5) Information and Financial Communication: None
 - (6) Other transactions that had a significant effect on the current period's profit or loss or financial position: None

(IV) Information on major shareholders: Name, amount and percentage of shares held by shareholders with more than 5% ownership: Detailed table (IX)

XIV. Segment information

(I) General Information

The information provided by the Consolidated Company to its chief operating decision maker for the purpose of allocating resources and evaluating divisional performance focuses on the types of products or services provided. In 2024 and 2023, the consolidated company's reportable segments were Wax Products, Optoelectronics, and Aquatic Products. The accounting policies of the reportable segments are the same as the summary description of significant accounting policies described in Note 4.

(II) Segment Revenue and Operating Results

2024

	Wax Products	Optoelectr onics	Aquatic Products	Total
Revenue from external customers	\$ 171,504	\$ 27,122	\$ 32,565	\$ 231,191
Interdepartmental revenue	--	--	--	--
Departmental Revenue	<u>\$ 171,504</u>	<u>\$ 27,122</u>	<u>\$ 32,565</u>	231,191
Internal elimination				--
Consolidated revenue				<u>\$ 231,191</u>
Departmental (Loss) Profit	<u>\$ (18,968)</u>	<u>\$ 4,261</u>	<u>\$ (73,126)</u>	\$ (87,833)
Non-operating income and expenses				171,377
Net Profit before tax				<u>\$ 83,544</u>

2023

	Wax Products	Optoelectr onics	Aquatic Products	Total
Revenue from external customers	\$ 147,901	\$ 145,402	\$ 98,698	\$ 392,001
Interdepartmental revenue	--	--	--	--
Departmental Revenue	<u>\$ 147,901</u>	<u>\$ 145,402</u>	<u>\$ 98,698</u>	392,001
Internal elimination				--
Consolidated revenue				<u>\$ 392,001</u>
Departmental (Loss) Profit	<u>\$ (13,618)</u>	<u>\$ 10,059</u>	<u>\$ 52,336</u>	\$ 48,777
Non-operating income and expenses				(10,317)
Net Profit before tax				<u>\$ 38,460</u>

Interdepartmental sales are calculated based on market prices.

Segment profit or loss represents the operating profit or loss of each segment, excluding non-operating income and expenses and income taxes. This measure is provided to the chief operating decision maker for the purpose of allocating resources to the division and evaluating its performance.

(III) Segment assets and liabilities

Information on the Consolidated Company's assets and liabilities is not routinely provided

to the chief operating decision maker; therefore, all assets and liabilities are not allocated to reportable segments.

(IV) Revenue from major products and services

For analysis of the consolidated company's main products and service revenue, please refer to Note 6(21).

(V) Region Information

	Revenue from external customers		Non-current assets	
	2024	2023	2024	2023
Taiwan	\$ 220,663	\$ 377,336	\$ 1,038,226	\$ 968,109
China	10,528	14,665	4,175	4,235
	<u>\$ 231,191</u>	<u>\$ 392,001</u>	<u>\$ 1,042,401</u>	<u>\$ 972,344</u>

Non-current assets do not include refundable deposits and net defined benefit assets.

(VI) Main Customer Information

Customers with more than 10 percent of consolidated net operating revenues:

Customer Code	2024	2023
21014	\$ 26,600	\$ 27,582

Table (I)

Loans to others

Unit: NTD thousands/USD thousands

No. (Note 1)	Name of lender	Name of borrower	Account	Related party	Maximum balance for the period	Ending Balance	Actual usage Amount	Interest Rate Range	Nature of Fund Lending	Business Transaction Amount	Reasons for Short-term financing	Allowance for doubtful accounts	Collateral		Individual funding limits (Note 3)	Maximum limit for fund financing. (Note 2)
													Name	Value		
0	Taiwan Wax Products Co., Ltd.	Guan Da Green Energy Co., Ltd.	Amounts due from related parties	Y	50,000	50,000	--	--	Short-term Financing	--	Operating turnover	--	--	--	138,832	277,665
1	Guan Da Green Energy Co., Ltd.	Taiwan Wax Products Co., Ltd.	Amounts due from related parties	Y	35,000	35,000	35,000	--	Short-term Financing	--	Repayment of Loans	--	--	--	41,000	41,000

Note 1: The issuer is entered as 0; the investee companies are numbered in order by company, starting at 1.

Note 2: The total amount of the Company's loans to external parties shall not exceed 20% of the Company's net worth.

The total amount of Kuan Ta's external loans shall not exceed 40% of the company's net worth.

Note 3: The amount of individual loans to the Company is limited to 10% of the Company's net worth.

The amount of Kuan Ta's individual loans shall not exceed 40% of the company's net worth.

Table (II)

Endorsements Guarantees for others:

Unit: NTD thousands

No. (Note 1)	Endorser's company name	Endorsed guarantee recipient.		Limits on amount of guarantees and endorsemen ts for a specific enterprise (Note 3)	Highest balance for guarantee and endorsement s during the period	Balance of guarantees and endorsement s, end of year	Actual usage amount	Amount of property pledged for guarantee and endorseme nts	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amounts for guarantees and endorsement s (Note 3)	Parent company endorseme nts/guarant ees to subsidiary	Subsidiary endorseme nts/guarant ees to the parent company	Endorseme nts/guarant ees to third parties on behalf of companies in Mainland China
		Company Name	Relations hip (Note 2)										
0	Taiwan Wax Products Co., Ltd.	Guan Da Green Energy Co., Ltd.	2	416,497	50,000	50,000	--	--	3.60%	416,497	Y	--	--

Note 1: The description of the number column is as follows:

1. The issuer fills in 0.
2. The investee companies are numbered in order by company, starting at 1.

Note 2: The relationship between the endorser and the endorsed guarantor is as follows:

1. Companies that have business dealings.
2. Companies in which the Company directly or indirectly holds more than 50% of the voting shares.
3. A company that directly or indirectly holds more than 50% of the voting shares of the company.
4. The company directly and indirectly holds more than 90% of the voting shares of the intercompany.
5. A company that is mutually insured by the contract between interbank or co-builders based on the needs of the contracted work.
6. Companies that are guaranteed by all shareholders in proportion to their shareholdings due to joint investment.
7. Interbank engagement in the performance guarantee of pre-sale contracts in accordance with the Consumer Protection Act.

Note 3: 1. The Company's endorsement and guarantee for a single enterprise shall not exceed 30% of the Company's net worth.
2. The total amount of the Company's external endorsement guarantee shall not exceed 30% of the Company's net worth.

Table (III)

Marketable securities held at the end of the period (excluding investments in subsidiaries, affiliated companies and jointly controlled entities):

Unit: NTD thousands/share

Companies held	Type and Name Securities Held		Relationship with the issuer of securities	Account items	End of period				Remarks
	Type	Name			Number of shares (units)	Carrying amount	Shareholding Ratio	Fair value	
Taiwan Wax Products Co., Ltd.	Stock	DACOME INTERNATIONAL LTD.	None	Financial assets measured at fair value through profit or loss - Current	526,000	13,413	1.57 %	13,413	--
Taiwan Wax Products Co., Ltd.	Stock	DAILY POLYMER CORP.	None	Financial assets measured at fair value through profit or loss - Current	891	21	0.00 %	21	--
Taiwan Wax Products Co., Ltd.	Stock	CROWELL DEVELOPMENT CORP.	None	Financial assets measured at fair value through profit or loss - Current	18,000	765	0.00 %	765	--
Taiwan Wax Products Co., Ltd.	Stock	CHUNG HUNG STEEL CORPORATION	None	Financial assets measured at fair value through profit or loss - Current	50,000	888	0.00 %	888	--
Taiwan Wax Products Co., Ltd.	Stock	RIGHT WAY INDUSTRIAL CO., LTD.	None	Financial assets measured at fair value through profit or loss - Current	45,000	585	0.01 %	585	--
Taiwan Wax Products Co., Ltd.	Stock	JEAN CO., LTD.	None	Financial assets measured at fair value through profit or loss - Current	102,241	2,576	0.04 %	2,576	--
Taiwan Wax Products Co., Ltd.	Stock	CKM APPLIED MATERIALS CORP.	None	Financial assets measured at fair value through profit or loss - Current	80,000	2,764	0.10 %	2,764	--
Taiwan Wax Products Co., Ltd.	Stock	THINKING ELECTRONIC INDUSTRIAL CO., LTD.	None	Financial assets measured at fair value through profit or loss - Current	7,000	1,060	0.01 %	1,060	--
Taiwan Wax Products Co., Ltd.	Stock	HU LANE ASSOCIATE INC.	None	Financial assets measured at fair value through profit or loss - Current	5,125	902	0.00 %	902	--
Taiwan Wax Products Co., Ltd.	Stock	PHOENIX SILICON INTERNATIONAL CORP.	None	Financial assets measured at fair value through profit or loss - Current	10,000	1,395	0.01 %	1,395	--
Taiwan Wax Products Co., Ltd.	Stock	FEEDBACK TECHNOLOGY CORP.	None	Financial assets measured at fair value through profit or loss - Current	10,000	1,255	0.02 %	1,255	--
Taiwan Wax Products Co., Ltd.	Beneficiary Certificates	Cathay US Bond ETF Umbrella Fund's 20+ Year US Treasury Bond Index Securities Investment Trust Fund	None	Financial assets measured at fair value through profit or loss - Current	800,000	23,824	-- %	23,824	--
Taiwan Wax Products Co., Ltd.	Beneficiary Certificates	Yuanta Japan Leaders Equity Fund - Accumulation Type	None	Financial assets measured at fair value through profit or loss - Current	17,079,369	37,678	-- %	37,678	--
Gong Che Yan Fresh Seafood Co., Ltd.	Stock	FEEDBACK TECHNOLOGY CORP.	None	Financial assets measured at fair value through profit or loss - Current	5,000	670	0.00 %	670	--
Gong Che Yan Fresh Seafood Co., Ltd.	Beneficiary Certificates	Cathay US Bond ETF Umbrella Fund's 20+ Year US Treasury Bond Index Securities Investment Trust Fund	None	Financial assets measured at fair value through profit or loss - Current	50,000	1,489	-- %	1,489	--
Taiwan Wax Products Co., Ltd.	Stock	YJN CO., LTD. (Former Name: HOLD JINN ELECTRONICS CO., LTD.)	None	Investments in equity instruments measured at fair value through other comprehensive income or loss - non-current	500,000	9,125	1.15 %	9,125	--

Table (IV)

Receivables from related parties amounting to at least NT\$100 million or 20 percent of the paid-in capital:

Unit: NTD thousands

Companies with accounts receivable	Counterparty Name	Relationships	Balance of receivables from related parties	Turnover rate	Overdue amounts due from related parties		Subsequent recoveries of amounts due from related parties	Allowance for doubtful accounts	Remarks
					Amount	Processing Method			
Taiwan Wax Products Co., Ltd.	Jinghai Aquatic Products (Shanghai) Co., Ltd.	Subsidiaries	Other Receivables 145,893	--	--	--	19,737 (Note)	--	--

Note: Amount received as of March 3, 2025.

Table (V)

Name of Investee Company, location and other related information (excluding Mainland China Investee Company)

Unit: NTD thousands/Foreign currency thousands

Name of Investor Company	Name of Investee Company	Location	Main Business	Original investment amount		Held at the end of the period			Profit (loss) of investees in the current period	Gain (loss) of investees recognized in the current period	Remarks
				End of the period	Year-end of previous year	Number of shares	Percentage (%)	Carrying amount			
Taiwan Wax Products Co., Ltd.	TAI-WAX HOLDING CO., LTD.	Cecil	Formula Wax and Cultural Creative Products Sales	112,659 (USD 3,730)	112,659 (USD 3,730)	3,730,000	100.00%	--	--	--	
Taiwan Wax Products Co., Ltd.	TAI-WAX (THAILAND) CO., LTD.	Thailand	Formula Wax and Cultural Creative Products Sales	5,580 (THB 6,000)	5,580 (THB 6,000)	60,000	100.00%	--	--	--	
Taiwan Wax Products Co., Ltd.	Guan Da Green Energy Co., Ltd.	Taiwan	Sales and installation of solar energy equipment	100,000	100,000	--	100.00%	102,500	2,387	2,387	
Taiwan Wax Products Co., Ltd.	Gong Che Yan Fresh Seafood Co., Ltd.	Taiwan	Sales of aquatic and agricultural products	20,000	20,000	--	100.00%	7,881	(1,016)	(1,016)	

Table (VI)

Transfer of investment to China

Unit: NT\$, USD thousand

Name of Mainland China Investee Company	Main Business	Paid-in capital	Investment Mode	Accumulated investment amount remitted from Taiwan at the beginning of the period	Amount of investment remitted or recovered during the period		Accumulated investment amount exported from Taiwan at the end of the current period	Profit/Loss of the Invested Company during the current period.	Percentage of shares held directly or indirectly by the Company	Investment gains and losses recognized during the period	Carrying value of investments at the end of the period	Cumulative repatriation of investment income for the period ended
					Export	Take back						
Panxing Trading (Shanghai) Co., Ltd.	Sales of Formula Wax and Cultural Creative Products	31,968 (USD 1,000)	Note 1	31,968 (USD 1,000)	--	--	31,968 (USD 1,000)	--	100.00%	--	--	--
Jinghai Aquatic Products (Shanghai) Co., Ltd.	Sales of aquatic products	288,476 (USD 10,000)	Note 2	288,476 (USD 10,000)	--	--	288,476 (USD 10,000)	(99,268)	100.00%	(99,268)	(3,010)	--
Jinghai Aquatic Products (Chongqing) Co., Ltd.	Sales of aquatic products	--	Note 2	--	--	--	--	(1,304)	100.00%	(1,304)	(1,311)	--

Cumulative amount of investment from Taiwan to Mainland China at the end of the period	Amount of investment approved by the Investment Commission of the Ministry of Economic Affairs	Investment quota in Mainland China according to the Investment Commission of the Ministry of Economic Affairs
320,444	455,712 (USD13,900)(Note 3)	832,994

Note 1: Reinvestment in Mainland China through a third-party subsidiary, TAI-WAX HOLDING CO.

Note 2: Directly invest in mainland China.

Note 3: Translated at the spot rate on the balance sheet date.

Table (VII)

inter-parent-subsidary and inter-subsidary business relationships and significant transactions and amounts

Unit: NTD thousands

No. (Note 1)	Name of the trader	Trading partners	Relationship with the counter party (Note 2)	Transaction history			
				Subjects	Amount	Trading Conditions	Percentage of total consolidated revenue or total assets
0	Taiwan Wax Products Co., Ltd.	Jinghai Aquatic Products (Shanghai) Co., Ltd.	1	Other Receivables	145,893	Note 3	7.90 %
0	Taiwan Wax Products Co., Ltd.	Jinghai Aquatic Products (Shanghai) Co., Ltd.	1	Revenue from purchase agency services	1,395	Note 3	0.60 %
0	Taiwan Wax Products Co., Ltd.	Guan Da Green Energy Co., Ltd.	1	Other Receivables	1,896	Note 3	0.10 %
0	Taiwan Wax Products Co., Ltd.	Guan Da Green Energy Co., Ltd.	1	Other Payables	35,000	Note 3	1.90 %
0	Taiwan Wax Products Co., Ltd.	Guan Da Green Energy Co., Ltd.	1	Other Income	1,500	Note 3	0.65 %
1	Jinghai Aquatic Products (Shanghai) Co., Ltd.	Jinghai Aquatic Products (Chongqing) Co., Ltd.	3	Other Receivables	1,311	Note 3	0.07 %

Note 1: Information on business transactions between the parent company and subsidiaries should be indicated in the numbered column, respectively, and the number should be completed as follows:

1. Enter 0 for the parent company.
2. Subsidiaries are numbered sequentially by company, starting at the 1.

Note 2: There are three types of relationships with traders as follows, and it is sufficient to indicate the type.

1. Parent company to subsidiary company.
2. Subsidiary to parent company.
3. Subsidiary to Subsidiary.

Note 3: The terms of the transactions were not materially different from those of unrelated parties.

Table (VIII)

The following significant transactions with Mainland China investees, directly or indirectly through third parties, and their prices, payment terms, unrealized gains or losses, and other related information

Unit: NTD thousands

Name of Mainland China Investee Company	Transaction Type	Revenue from purchase agency services		Price	Trading Conditions		Accounts receivable		Unrealized gross profit	Remarks
		Amount	Percentage		Payment Terms	Comparison with general trading	Amount	Percentage		
Jinghai Aquatic Products (Shanghai) Co., Ltd.	Revenue from purchase agency services	1,395	6.63%	There are no significant differences	90 days - 180 days	There are no significant differences	145,893	100.00%	5	--

Table (IX)

Major Shareholders Information

Name of Major Shareholders	Shares	
	Number of shares held (shares)	Shareholding Ratio
Yuanjin Co.	14,599,719	15.60 %
E-Long Investment Co.	8,932,304	9.54 %
Shangpin Investment Co.	8,776,256	9.38 %
Lingru Huang	7,588,703	8.11 %
Zongyuan Huang	6,498,385	6.94 %

Note 1: The information on major shareholders in this table is based on the last business day of each quarter, and is calculated based on the total number of common and preferred shares held by shareholders of 5% or more of the Company that have been delivered without physical registration (including treasury stock). The number of shares recorded in the Company's individual financial statements and the actual number of shares delivered without physical registration may differ depending on the basis of preparation of the calculations.