Winbond Electronics Corporation

Parent Company Only Financial Statements for the Years Ended December 31, 2024 and 2023 and Independent Auditors' Report

Deloitte.

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INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Winbond Electronics Corporation

Opinion

We have audited the accompanying parent company only financial statements of Winbond Electronics Corporation (the "Company"), which comprise the parent company only balance sheets as of December 31, 2024 and 2023, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the parent company only financial statements, including material accounting policy information (collectively referred to as the "parent company only financial statements").

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as of December 31, 2024 and 2023, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Occurrence of Sales Revenue from Specific Series of Flash Memory Products

The sales revenue of Winbond Electronics Corporation is mainly derived from the sale of Customized Memory Solution products and Flash Memory products. As the gross profit and the proportion of sales revenue from the specific series of flash memory products are higher than those of other product series, and given that the net income of the specific series is significant to the net income for the year ended December 31, 2024, we considered the occurrence of sales revenue from the specific series of products a key audit matter of the parent company only financial statements for the year ended December 31, 2024.

The audit procedures that we have performed in response to the above-mentioned key audit matter included understanding the design and implementation of the key internal controls and testing the effectiveness of the relevant controls over sales revenue, selecting samples and performing tests of details on revenue items to verify the occurrence of the transactions.

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

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the 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 parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing 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 the audit committee, are responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only 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 parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not 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 parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only 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 parent company only financial statements. We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only 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.

The engagement partners on the audits resulting in this independent auditors' report are Kuo-Tyan Hong and Wen-Yea Shyu.

Wen-yea Shyu

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 18, 2025

<u>*Notice to Readers*</u>

The accompanying parent company only financial statements are intended only to present the financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such parent company only financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying parent company only financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and parent company only financial statements shall prevail.

WINBOND ELECTRONICS CORPORATION

PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	2024		2023	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	$ 6,740,151	4	$ 9,436,796	6
Current financial assets at fair value through profit or loss (Notes 4 and 7)	15,467	-	211,551	-
Current financial assets at fair value through other comprehensive income (Notes 4 and 8)	8,318,400	5	12,760,052	7
Accounts receivable, net (Notes 4 and 9)	4,037,218	3	3,437,272	2
Accounts receivable due from related parties, net (Note 27)	1,294,578	1	1,121,576	1
Other receivables (Note 27)	371,737	-	378,761	-
Inventories (Notes 4, 5 and 10)	17,087,143	11	16,124,079	10
Other current assets	1,149,784	1	1,419,807	1
Total current assets	39,014,478	25	44,889,894	27
NON-CURRENT ASSETS				
Non-current financial assets at fair value through other comprehensive income (Notes 4 and 8)	647,991	-	583,885	-
Investments accounted for using equity method (Notes 4 and 11)	18,136,381	12	21,584,279	13
Property, plant and equipment (Notes 4 and 12)	93,531,107	60	95,830,976	57
Right-of-use assets (Notes 4 and 13)	1,405,180	1	1,466,315	1
Investment properties (Notes 4 and 14)	323,344	-	334,644	-
Intangible assets (Notes 4 and 15)	7,525	-	11,327	-
Deferred income tax assets (Notes 4 and 21)	1,345,000	1	1,723,000	1
Other non-current assets (Notes 6 and 27)	874,942	1	908,530	1
Total non-current assets	116,271,470	75	122,442,956	73
TOTAL	$ 155,285,948	100	$ 167,332,850	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Current financial liabilities at fair value through profit or loss (Notes 4 and 7)	$ 104,448	-	$ -	-
Accounts payable	4,055,351	3	4,674,777	3
Accounts payable due to related parties (Note 27)	534,484	-	554,797	-
Payables on machinery and equipment	1,785,948	1	8,932,496	6
Other payables (Note 27)	4,855,631	3	4,047,687	3
Current tax liabilities (Notes 4 and 21)	-	-	474,609	-
Lease liabilities - current (Notes 4 and 13)	90,465	-	87,030	-
Long-term borrowings and bonds payable - current portion (Notes 16 and 17)	19,674,621	13	8,837,327	5
Other current liabilities	119,862	-	187,968	-
Total current liabilities	31,220,810	20	27,796,691	17
NON-CURRENT LIABILITIES				
Bonds payable (Note 17)	-	-	9,980,978	6
Long-term borrowings (Notes 16 and 24)	30,556,289	20	35,167,395	21
Lease liabilities - non-current (Notes 4 and 13)	1,406,281	1	1,459,197	1
Net defined benefit liabilities - non-current (Notes 4 and 18)	220,515	-	302,082	-
Other non-current liabilities (Note 27)	230,565	-	329,690	-
Total non-current liabilities	32,413,650	21	47,239,342	28
Total liabilities	63,634,460	41	75,036,033	45
EQUITY (Note 19)				
Share capital	45,000,002	29	41,800,002	25
Capital surplus	13,699,048	9	10,135,865	6
Retained earnings				
Legal reserve	4,772,874	3	4,772,874	3
Unappropriated earnings	23,212,159	15	22,702,753	14
Exchange differences on translation of the financial statements of foreign operations	(906,715)	(1)	(1,007,855)	(1)
Unrealized gains on financial assets measured at fair value through other comprehensive income	5,874,120	4	13,893,178	8
Total equity	91,651,488	59	92,296,817	55
TOTAL	$ 155,285,948	100	$ 167,332,850	100

The accompanying notes are an integral part of the parent company only financial statements.

WINBOND ELECTRONICS CORPORATION

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Except Earnings (Losses) Per Share)

	2024		2023	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4 and 27)	$ 47,479,392	100	$ 37,561,043	100
OPERATING COSTS (Notes 10 and 27)	37,929,203	80	31,740,350	84
GROSS PROFIT	9,550,189	20	5,820,693	16
OPERATING EXPENSES (Note 27)				
Selling expenses	1,127,350	2	1,020,564	3
General and administrative expenses	1,354,083	3	1,248,332	3
Research and development expenses	7,168,491	15	7,362,127	20
Expected credit (gain) loss (Note 9)	10,000	-	8,730	-
Total operating expenses	9,659,924	20	9,639,753	26
LOSS FROM OPERATIONS	(109,735)	-	(3,819,060)	(10)
NON-OPERATING INCOME AND EXPENSES				
Interest income	147,154	-	127,193	-
Dividend income (Note 27)	294,622	1	473,871	1
Other income (Notes 24 and 27)	187,714	-	117,099	-
Share of profit (loss) of subsidiaries and associates	664,614	1	1,847,887	5
Gains (losses) on disposal of property, plant and equipment (Note 27)	925,413	2	70,878	-
Gains (losses) on foreign exchange (Note 30)	487,743	1	72,911	-
Gains (losses) on financial instruments at fair value through profit or loss	(618,624)	(1)	(172,709)	-
Interest expense (Notes 13 and 24)	(1,157,313)	(3)	(943,182)	(2)
Other expenses	(171,712)	-	(163,633)	-
Total non-operating income and expenses	759,611	1	1,430,315	4
INCOME (LOSS) BEFORE INCOME TAX	649,876	1	(2,388,745)	(6)
INCOME TAX EXPENSE (BENEFIT) (Notes 4 and 21)	48,875	-	(1,242,223)	(3)
NET INCOME (LOSS)	601,001	1	(1,146,522)	(3)

(Continued)

WINBOND ELECTRONICS CORPORATION

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Except Earnings (Losses) Per Share)

	2024		2023	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)				
Components of other comprehensive income (loss) that will not be reclassified to profit or loss:				
Gains on remeasurement of defined benefit plans (Note 18)	$ 68,704	-	$ 88,031	-
Unrealized losses from investments in equity instruments at fair value through other comprehensive income	(4,435,160)	(9)	(1,535,934)	(4)
Share of other comprehensive income (loss) of subsidiaries and associates accounted for using equity method	(3,588,579)	(7)	711,502	2
Components of other comprehensive income (loss) that will be reclassified to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	32,013	-	(81,549)	-
Share of other comprehensive income (loss) of subsidiaries and associates accounted for using equity method	69,127	-	(271,654)	(1)
Other comprehensive loss	(7,853,895)	(16)	(1,089,604)	(3)
TOTAL COMPREHENSIVE LOSS	$ (7,252,894)	(15)	$ (2,236,126)	(6)
EARNINGS (LOSSES) PER SHARE (Note 22)				
Basic	$ 0.14		$ (0.29)	
Diluted	$ 0.14		$ (0.29)	

The accompanying notes are an integral part of the parent company only financial statements. (Concluded)

WINBOND ELECTRONICS CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

			Retained Earnings		Other Equity		
	Share Capital	Capital Surplus	Legal Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Gains (Losses) on Financial Assets Measured at Fair Value Through Other Comprehensive Income	Total Equity
BALANCE AT JANUARY 1, 2023	$ 39,800,002	$ 7,785,918	$ 3,434,165	$ 28,780,952	$ (654,652)	$ 15,016,611	$ 94,162,996
Appropriation of 2022 earnings							
Legal reserve appropriated	-	-	1,338,709	(1,338,709)	-	-	-
Cash dividends	-	-	-	(3,980,000)	-	-	(3,980,000)
Total appropriations	-	-	1,338,709	(5,318,709)	-	-	(3,980,000)
Net loss for the year ended December 31, 2023	-	-	-	(1,146,522)	-	-	(1,146,522)
Other comprehensive income (loss) for the year ended December 31, 2023	-	-	-	116,035	(353,203)	(852,436)	(1,089,604)
Total comprehensive income (loss) for the year ended December 31, 2023	-	-	-	(1,030,487)	(353,203)	(852,436)	(2,236,126)
Issuance of ordinary shares for cash	2,000,000	2,389,599	-	-	-	-	4,389,599
Share-based payment (Notes 20 and 23)	-	70,017	-	-	-	-	70,017
Changes in ownership interests in subsidiaries	-	(97,592)	-	-	-	-	(97,592)
Changes in equity of associates accounted for using equity method	-	(12,077)	-	-	-	-	(12,077)
Disposal of investments in equity instruments designated at fair value through other comprehensive income (Notes 8 and 11)	-	-	-	270,997	-	(270,997)	-
BALANCE AT DECEMBER 31, 2023	41,800,002	10,135,865	4,772,874	22,702,753	(1,007,855)	13,893,178	92,296,817
Net income for the year ended December 31, 2024	-	-	-	601,001	-	-	601,001
Other comprehensive income (loss) for the year ended December 31, 2024	-	-	-	65,270	101,140	(8,020,305)	(7,853,895)
Total comprehensive income (loss) for the year ended December 31, 2024	-	-	-	666,271	101,140	(8,020,305)	(7,252,894)
Issuance of ordinary shares for cash	3,200,000	3,503,392	-	-	-	-	6,703,392
Share-based payment (Notes 20 and 23)	-	60,712	-	-	-	-	60,712
Changes in ownership interests in subsidiaries	-	(921)	-	-	-	-	(921)
Adjustments of the difference between the carrying amount and consideration in disposal or acquisition of interests in subsidiaries	-	-	-	(155,618)	-	-	(155,618)
Disposal of investments in equity instruments designated at fair value through other comprehensive income (Note 11)	-	-	-	(1,247)	-	1,247	-
BALANCE AT DECEMBER 31, 2024	$ 45,000,002	$ 13,699,048	$ 4,772,874	$ 23,212,159	$ (906,715)	$ 5,874,120	$ 91,651,488

The accompanying notes are an integral part of the parent company only financial statements.

WINBOND ELECTRONICS CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	$ 649,876	$ (2,388,745)
Adjustments for:		
Depreciation expense	10,979,476	10,264,093
Amortization expense	39,141	38,872
Expected credit (gain) loss recognized on accounts receivable	10,000	8,730
(Gains) losses on financial assets and liabilities at fair value through profit or loss	(473)	3,021
Interest expense	1,157,313	943,182
Interest income	(147,154)	(127,193)
Dividend income	(294,622)	(473,871)
Share-based payment	58,769	66,637
Share of (profit) loss of subsidiaries and associates	(664,614)	(1,847,887)
(Gains) losses on disposal of property, plant and equipment	(925,413)	(70,878)
Unrealized profit (loss) on the transactions with subsidiaries	10,464	(35,812)
Carbon offset	54	42
(Gains) on lease modification	(2)	(38)
Other income under government grants	(58,831)	(56,527)
Changes in operating assets and liabilities		
(Increase) decrease in financial assets and liabilities at fair value through profit or loss	301,005	(192,278)
(Increase) decrease in accounts receivable	(609,946)	142,200
(Increase) decrease in accounts receivable due from related parties	(173,002)	57,463
(Increase) decrease in other receivables	18,288	(109,502)
(Increase) decrease in inventories	(963,064)	(3,079,711)
(Increase) decrease in other current assets	(402,838)	58,605
(Increase) decrease in other non-current assets	(32,316)	38,573
Increase (decrease) in notes payable	-	(102,011)
Increase (decrease) in accounts payable	124,384	2,501,697
Increase (decrease) in accounts payable due to related parties	(20,313)	92,758
Increase (decrease) in other payables	805,974	(1,383,773)
Increase (decrease) in other current liabilities	27,756	16,734
Increase (decrease) in other non-current liabilities	(77,402)	(63,790)
Cash flows generated by (used in) operations	9,812,510	4,300,591
Interest received	150,881	121,153
Dividends received	1,048,455	2,204,737
Interest paid	(1,301,557)	(1,080,160)
Income taxes paid	(160,475)	(589,477)
Net cash flows generated by (used in) operating activities	9,549,814	4,956,844

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WINBOND ELECTRONICS CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars)

	2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of investments accounted for using equity method	$ (293,818)	$ (424,661)
Proceeds from capital reduction of investments accounted for using equity method	-	171,703
Proceeds from disposal of financial assets at fair value through profit or loss	-	26,418
Acquisitions of financial assets at fair value through other comprehensive income	(57,614)	-
Proceeds from disposal of financial assets at fair value through other comprehensive income	-	287,024
Acquisitions of property, plant and equipment	(15,461,997)	(12,706,331)
Proceeds from disposal of property, plant and equipment	930,008	70,878
(Decrease) increase in unearned receipts - disposal of assets	(95,862)	95,862
(Increase) decrease in refundable deposits	(29,910)	(71,183)
Acquisitions of intangible assets - carbon credits	-	(5,083)
Net cash flows generated by (used in) investing activities	(15,009,193)	(12,555,373)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowings	5,000,000	12,239,430
Repayments of long-term borrowings	(8,837,327)	(4,200,000)
Cash dividends paid	-	(3,980,000)
Repayments of lease liabilities	(103,231)	(97,988)
Proceeds from issuance of ordinary shares	6,703,392	4,389,599
Increase (decrease) in guarantee deposits	(100)	120
Net cash flows generated by (used in) financing activities	2,762,734	8,351,161
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,696,645)	752,632
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	9,436,796	8,684,164
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 6,740,151	$ 9,436,796

The accompanying notes are an integral part of the parent company only financial statements. (Concluded)

WINBOND ELECTRONICS CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Winbond Electronics Corporation (the "Company") was incorporated in the Republic of China (ROC) in September 1987 and is engaged in the design, development, manufacture and marketing of very large scale integration (VLSI) integrated circuits (ICs) used in a variety of microelectronic applications.

The Company's shares have been listed on the Taiwan Stock Exchange Corporation since October 18, 1995.

The parent company only financial statements are presented in the Company's functional currency, New Taiwan dollars.

2. APPROVAL OF FINANCIAL STATEMENTS

The parent company only financial statements were approved by the board of directors on February 18, 2025.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the "IFRS Accounting Standards") endorsed and issued into effect by the Financial Supervisory Commission (FSC)

   The initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have material impact on the Company's accounting policies.

b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2025

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (Note)

Note: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2025. Upon initial application of the amendments to IAS 21, the Group shall not restate the comparative information and shall recognize any effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or, if applicable, to the cumulative amount of translation differences in equity as well as affected assets or liabilities.

c. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note)
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"	January 1, 2026
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17 "Insurance Contracts"	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: Unless stated otherwise, the above-mentioned IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

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

IFRS 18 will supersede IAS 1 "Presentation of Financial Statements". The main changes comprise:

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discontinued operations categories.

- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.

- Provides guidance to enhance the requirements of aggregation and disaggregation: The Company shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Company shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Company labels items as "other" only if it cannot find a more informative label.

- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management's view of an aspect of the financial performance of the Company as a whole, the Company shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

2) Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”

The amendments mainly amend the requirements for the classification of financial assets, including if a financial asset contains a contingent feature that could change the timing or amount of contractual cash flows and the contingent event itself does not relate directly to changes in basic lending risks and costs (e.g., whether the debtor achieves a contractually specified reduction in carbon emissions), the financial asset has contractual cash flows that are solely payments of principal and interest on the principal amount outstanding if, and only if,

- In all possible scenarios (before and after the occurrence of a contingent event), the contractual cash flows are solely payments of principal and interest on the principal amount outstanding; and

- In all possible scenarios, the contractual cash flows would not be significantly different from the contractual cash flows on a financial instrument with identical contractual terms, but without such a contingent feature.

The amendments also stipulate that, when settling a financial liability in cash using an electronic payment system, the Company can choose to derecognize the financial liability before the settlement date if, and only if, the Company has initiated a payment instruction that resulted in:

- The Company having no practical ability to withdraw, stop or cancel the payment instruction;

- The Company having no practical ability to access the cash to be used for settlement as a result of the payment instruction; and

- The settlement risk associated with the electronic payment system being insignificant.

The Company shall apply the amendments retrospectively but is not required to restate prior periods. The effect of initially applying the amendments shall be recognized as an adjustment to the opening balance at the date of initial application.

As of the date the parent company only financial statements were authorized for issue, the Company is continuously assessing other impacts of the each of the above-mentioned amended standards and interpretations on the Company’s financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

Statement of Compliance

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

Basis of Preparation

The parent company only financial statements have been prepared on the historical cost basis except for financial instruments and defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

The Company used equity method to account for its investment in subsidiaries and associates for the parent company only financial statements. The amounts of the net profit, other comprehensive income and total equity in parent company only financial statements are same with the amounts attributable to the owner of the Company in its consolidated financial statements since there is no difference in accounting treatment between parent company only basis and consolidated basis.

Classification of Current and Non-current Assets and Liabilities

Current assets include:

a. Assets held primarily for the purpose of trading;

b. Assets expected to be realized within 12 months after the reporting period; and

c. Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

a. Liabilities held primarily for the purpose of trading;

b. Liabilities due to be settled within 12 months after the reporting period; and

c. Liabilities for which the Group does not have the substantial right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

Assets and liabilities that are not classified as current are classified as non-current.

Foreign Currencies

In preparing the parent company only financial statements, transactions in currencies other than the entity’s functional currency are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement are recognized in profit or loss in the period they arise.

Exchange differences arising on the retranslation of non-monetary items measured at fair value are included in profit or loss for the period at the rates prevailing at the end of reporting period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income, in which case, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

For the purposes of presenting the parent company only financial statements, the assets and liabilities of foreign operations (including subsidiaries and associates in other countries that use currencies which are different from the currency of the Company) are translated into New Taiwan dollars using exchange rate prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. The exchange differences arising are recognized in other comprehensive income.

Cash Equivalents

Cash equivalents include time deposits and investments, which are highly liquid, readily convertible to a known amount of cash and subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

Financial Instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities other than financial assets and financial liabilities at FVTPL are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are included in the initially recognized amount of the financial assets or financial liabilities.

a. Financial assets measurement category

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis, except derivative financial assets which are recognized and derecognized on settlement date basis.

Financial assets are classified into the following categories: Financial assets at FVTPL, financial assets at amortized cost and investments in equity instruments at FVTOCI.

1) Financial asset at FVTPL

Financial assets are classified as at FVTPL when such financial assets are mandatorily classified or designated as at FVTPL. Financial assets mandatorily classified as at FVTPL include investments in equity instruments which are not designated as at FVTOCI and debt instruments that do not meet the amortized cost criteria or the FVOCI criteria.

Financial assets at FVTPL are subsequently measured at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss does not incorporate any dividend or interest earned on the financial asset. Fair value is determined in the manner described in Note 26 to the parent company only financial statements.

2) Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

a) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost are measured at amortized cost, which equals to gross carrying amount determined by the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for:

a) Purchased or originated credit-impaired financial assets, for which interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of the financial asset; and

b) Financial assets that are not credit-impaired on purchase or origination but have subsequently become credit-impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of such financial assets in subsequent reporting periods.

3) Investments in equity instruments at FVTOCI

On initial recognition, the Company may make an irrevocable selection to designate investments in equity instruments as at FVOCI. Designation at FVOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, instead, they will be transferred to retained earnings.

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

b. Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including trade receivables).

The Company always recognizes lifetime Expected Credit Loss (ECL) on accounts receivable. On all other financial instruments, the Company recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Expected credit losses reflect the weighted average of credit losses with the respective risks of a default occurring as the weights. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The Company recognizes an impairment loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amounts through a loss allowance account.

c. Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. On derecognition of an investment in a debt instrument at FVTOCI, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss which had been recognized in other comprehensive income is recognized in profit or loss. However, on derecognition of an investment in an equity instrument at FVTOCI, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss, and the cumulative gain or loss which had been recognized in other comprehensive income is transferred directly to retained earnings, without recycling through profit or loss.

d. Equity instruments

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

Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

The repurchase of the Company's own equity instruments is recognized in and deducted directly from equity, and its carrying amounts are calculated based on weighted average by share types and calculated separately by repurchase category. No gain or loss is recognized in profit or loss on the purchase, sale, issuance or cancellation of the Company's own equity instruments.

e. Financial liabilities

Financial liabilities are classified as at FVTPL when such financial liabilities are either held for trading or are designed as at FVTPL. Financial liabilities held for trading are stated at fair value, and any interest paid on such financial liabilities is recognized in finance costs; any remeasurement gains or losses on such financial liabilities are recognized in other gains or losses.

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

f. Derecognition of financial liabilities

The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

g. Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts and cross currency swaps.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. When the fair value of derivative financial instruments is positive, the derivative is recognized as a financial asset; when the fair value of derivative financial instruments is negative, the derivative is recognized as a financial liability.

Inventories

Inventories consist of raw materials, supplies, finished goods and work-in-process and are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. Net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at weighted-average cost on the balance sheet date.

Investments Accounted for Using Equity Method

Investment accounted for using equity method include investments in subsidiaries and associates.

a. Investment in subsidiaries

Subsidiaries are the entities controlled by the Company.

Under the equity method, the investment in a subsidiary is initially recognized at cost and the carrying amount is increased or decreased to recognize the Company's share of the profit or loss and other comprehensive income of the subsidiary after the date of acquisition. Besides, the Company also recognizes the Company's share of the change in other equity of the subsidiary.

Changes in the Company's ownership interests in subsidiaries that do not result in the Company's loss of control over the subsidiaries are accounted for as equity transactions. Any difference between the carrying amount of the investment and the fair value of the consideration paid or received is recognized directly in equity.

When the Company's share of losses of a subsidiary equals or exceeds its interest in that subsidiary (which includes any carrying amount of the investment in subsidiary accounted for by the equity method and long-term interests that, in substance, form part of the Company's net investment in the subsidiary), the Company continues recognizing its share of further losses.

Profits and losses from downstream transactions with a subsidiary are eliminated in full. Profits and losses from upstream transactions with a subsidiary and sidestream transactions between subsidiaries are recognized in the parent company only financial statements only to the extent of interests in the subsidiary that are not related to the Company.

b. Investment in associates

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture.

The Company uses equity method to recognize investments in associates. Under the equity method, an investment in an associate is initially recognized at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of the associate. The Company also recognizes the changes in the Company's share of equity of associates.

Any excess of the cost of acquisition over the Company's share of the net fair value of the identifiable assets and liabilities of an associate recognized at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss.

When the Company subscribes for additional new shares of the associate, at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment differs from the amount of the Company's proportionate interest in the associate. The Company records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus. If the Company's ownership interest is reduced due to the additional subscription of the new shares of associate, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate is reclassified to profit or loss on the same basis as would be required if the investee had directly disposed of the related assets or liabilities. When the adjustment should be debited to capital surplus, but the capital surplus recognized from investments accounted for by the equity method is insufficient, the shortage is debited to retained earnings.

When the Company's share of losses of an associate equals or exceeds its interest in that associate (which includes any carrying amount of the investment accounted for by the equity method and long-term interests, that in substances, form part of the Company's net investment in the associate), the Company discontinues recognizing its share of further losses. Additional losses and liabilities are recognized only to the extent that the Company has incurred legal obligations, or constructive obligations, or made payments on behalf of that associate.

The entire carrying amount of an investment (including goodwill) is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

The Company discontinues the use of the equity method from the date on which its investment ceases to be an associate. Any retained investment is measured at fair value at that date and the fair value is regarded as its fair value on initial recognition as a financial asset. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate. The Company accounts for all amounts previously recognized in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities.

When the Company transacts with its associate, profits and losses resulting from the transactions with the associate are recognized in the parent company only financial statements only to the extent of interests in the associate that are not related to the Company.

Property, Plant and Equipment

Property, plant and equipment are stated at cost less subsequent accumulated depreciation and subsequent accumulated impairment loss.

Property, plant and equipment in the course of construction are measured at cost less any recognized impairment loss. Cost includes professional fees and borrowing costs eligible for capitalization. Before reaching its intended use, such assets are measured at the lower of cost or net realizable value, and any proceeds from selling those assets and the cost of those assets are recognized in profit or loss. Such assets are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for their intended use.

Except for freehold land which is not depreciated, the depreciation of property, plant and equipment is recognized using the straight-line method. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effects of any changes in the estimates accounted for on a prospective basis.

Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

The Company's property, plant and equipment with residual values were depreciated straight-line basis over the estimated useful life of the asset:

Buildings	7-50 years
Machinery and equipment	3-14 years
Other equipment	3-5 years

Investment Properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss, and depreciated over 20 to 50 years useful lives after considered residual values, using the straight-line method. Any gain or loss arising on derecognition of the property is calculated as the difference between the net disposal proceeds and the carrying amount of the asset and is included in profit or loss in the period in which the property is derecognized.

Intangible Assets

a. Intangible assets acquired separately

   Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful lives, residual values, and amortization methods are reviewed at the end of each reporting period, with the effects of any changes in estimates accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are measured at cost less accumulated impairment loss.

b. Derecognition of intangible assets

   On derecognition of an intangible asset, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss.

Impairment of Property, Plant and Equipment, Right-of-use Asset, Investment Properties, Intangible Assets

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment, right-of-use asset, investment properties and intangible assets, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

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 estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

When an impairment loss is subsequently reversed, the carrying amount of the corresponding asset and cash-generating unit is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized on the asset, cash-generating unit in prior years. A reversal of an impairment loss is recognized in profit or loss.

Provisions

Provisions are recognized when the Company has a present obligation as a result of a past event and at the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. For potential product risk, the Company accrues reserve for products guarantee based on commitment to specific customers.

Revenue Recognition

The Company identifies contracts with customers, allocates the transaction price to the performance obligations and recognizes revenue when performance obligations are satisfied.

Revenue from sale of goods is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances. Provision for estimated sales returns and other allowances is generally made and adjusted based on historical experience and on the consideration of varying contractual terms affecting the recognition of a provision.

Leases

At the inception of a contract, the Company assesses whether the contract is, or contains, a lease.

a. The Company as lessor

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

   When the Company subleases a right-of-use asset, the sublease is classified by reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. However, if the head lease is a short-term lease that the Company, as a lessee, has accounted for applying recognition exemption, the sublease is classified as an operating lease.

   Under operating lease, lease payments (less any lease incentives payable) are recognized as income on a straight-line basis over the terms of the relevant lease. Initial direct costs incurred in obtaining operating lease are added to the carrying amount of the underlying assets and recognized as expenses on a straight-line basis over the lease terms.

b. The Company as lessee

   The Company recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

   Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities.

   Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

   Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments, in-substance fixed payments, variable lease payments which depend on an index or a rate, residual value guarantees, the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and payments of penalties for terminating a lease if the lease term reflects such termination, less any lease incentives receivable. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses the lessee’s incremental borrowing rate.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in a lease term, a change in the amounts expected to be payable under a residual value guarantee, a change in the assessment of an option to purchase an underlying asset, or a change in future lease payments resulting from a change in an index or a rate used to determine those payments, the Company remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. For a lease modification that is not accounted for as a separate lease, the Company accounts for the remeasurement of the lease liability by (a) decreasing the carrying amount of the right-of-use asset of lease modifications that decreased the scope of the lease, and recognizing in profit or loss any gain or loss on the partial or full termination of the lease; (b) making a corresponding adjustment to the right-of-use asset of all other lease modifications. Lease liabilities are presented on a separate line in the parent company only balance sheets.

Variable lease payments that do not depend on an index or a rate are recognized as expenses in the periods in which they are incurred.

Borrowing Costs

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

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

Government Grants

Government grants are not recognized until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

Government grants related to income are recognized in other income on a systematic basis over the periods in which the Company recognizes as expenses the related costs that the grants intend to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognized as deferred revenue and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognized in profit or loss in the period in which they are received.

Government grants that take the form of a transfer of a non-monetary asset for the use of the entity are recognized and measured at the fair value of the non-monetary asset.

The benefit of a government loan received at a below-market rate of interest is treated as a government grant measured as the difference between the proceeds received and the fair value of the loan based on prevailing market interest rates.

Employee Benefits

a. Short-term employee benefits

   Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

b. Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

Defined benefit costs (including service cost, net interest and remeasurement) under the defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost and net interest on the net defined benefit liability are recognized as employee benefits expense in the period they occur. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liability represents the actual deficit in the Company's defined benefit plan. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

Share-based Payment Arrangements

The fair value at the grant date of the employee share options granted to employees is expensed on a straight-line basis over the vesting period, based on the Company's best estimates of the number of shares or options that are expected to ultimately vest, with a corresponding increase in capital surplus. The expense is recognized in full at the grant date if the grants are vested immediately. The grant date of issued ordinary shares for cash which are reserved for employees is the date on which the number of shares that the employees purchase is confirmed.

The grant by the Company of its equity instruments to the employees of a subsidiary under share-based payment/employee share options is treated as a capital contribution. The fair value of employee services received under the arrangement is measured by reference to the grant-date fair value and is recognized over the vesting period as an addition to the investment in the subsidiary, with a corresponding credit to capital surplus.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

a. Current tax

Income tax payable is based on taxable profit for the year determined according to the applicable tax laws of each tax jurisdiction.

According to the Income Tax Law in the ROC, an additional tax on unappropriated earnings is provided for in the year the shareholders approve to retain earnings. Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

b. Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences, unused loss carryforwards and unused tax credits for purchases of machinery, equipment and technology, research and development expenditures, and personnel training expenditures to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are recognized only to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and such temporary differences are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liabilities are settled or the assets are realized, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

c. Current and deferred taxes

Current and deferred taxes are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity; in which case, the current and deferred taxes are also recognized in other comprehensive income or directly in equity, respectively.

Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company’s accounting policies, management is required to make judgments, estimations and assumptions on the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

When developing material accounting estimates, the Company considers possible impact on relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised if the revisions affect only that year or in the year of the revisions and future years if the revisions affect both current and future years.

The Company’s material accounting judgments and key sources of estimation uncertainty is valuation of inventory. Net realizable value of inventory is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. The estimation of net realizable value is based on current market conditions and the historical experience from selling products of a similar nature. Changes in market conditions may have a material impact on the estimation of net realizable value.

6. CASH AND CASH EQUIVALENTS

	December 31	
	2024	2023
Cash and deposits in banks	$ 5,865,151	$ 8,836,796
Repurchase agreements	875,000	600,000
	$ 6,740,151	$ 9,436,796

The Company has time deposits pledged to secure land and building leases and customs tariff obligations which are reclassified to “other non-current assets”. The amounts were as follows:

	December 31	
	2024	2023
Time deposits	$ 192,553	$ 192,553

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	December 31	
	2024	2023
Financial assets at FVTPL - current		
Derivative financial assets		
Forward exchange contracts	$ -	$ 196,557
Non-derivative financial assets		
Domestic listed shares	15,467	14,994
	$ 15,467	$ 211,551
Financial liabilities at FVTPL - current		
Derivative financial liabilities		
Forward exchange contracts	$ 91,128	$ -
Swap contracts	13,320	-
	$ 104,448	$ -

At the date of balance sheet, the outstanding derivative foreign exchange contracts not under hedge accounting were as follows:

	Currency	Maturity Date	Contract Amount (In Thousands)
December 31, 2024			
Sell forward exchange contracts	USD to NTD	2025.01.03-2025.03.21	USD184,000/NTD5,947,383
Swap contracts	USD to NTD	2025.01.03	USD15,000/NTD478,455
December 31, 2023			
Sell forward exchange contracts	USD to NTD	2024.01.05-2024.03.15	USD279,000/NTD8,759,160
Buy forward exchange contracts	NTD to USD	2024.01.05-2024.03.07	NTD4,063,899/USD131,000
Buy forward exchange contracts	NTD to EUR	2024.01.22-2024.01.25	NTD2,406,005/EUR71,412

The Company entered into derivative financial instruments contracts to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities. The derivative financial instruments contracts entered into by the Company did not meet the criteria of hedge accounting; therefore, the Company did not apply hedge accounting treatment.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Equity Instruments at FVTOCI

	December 31	
	2024	**2023**
Domestic listed shares	$ 8,318,400	$ 12,760,052
Domestic unlisted shares	647,991	583,885
	$ 8,966,391	$ 13,343,937
Current	$ 8,318,400	$ 12,760,052
Non-current	647,991	583,885
	$ 8,966,391	$ 13,343,937

These investments in equity instruments are held for medium to long-term strategic purposes. Accordingly, the management determined to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Company's strategy of holding these investments for long-term purposes.

For the year ended December 31, 2023, the Company disposed partial shares for the investment position adjustment. The unrealized gain and loss on financial assets at fair value through other comprehensive income of NT$188,513 thousand was realized and transferred to retained earnings, refer to Note 19 to the parent company only financial statements.

9. ACCOUNTS RECEIVABLE

	December 31	
	2024	**2023**
Accounts receivable		
At amortized cost		
Gross carrying amount	$ 4,131,948	$ 3,522,002
Less: Allowance for impairment loss	(94,730)	(84,730)
	$ 4,037,218	$ 3,437,272

The average credit period of sales of goods was 30 to 60 days. No interest was charged on accounts receivable. The Company adopted a policy of only dealing with entities that are rated the equivalent of investment grade or higher and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. Credit rating information is supplied by independent rating agencies where available and, if not available, the Company uses other publicly available financial information and its own trading records to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored, and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved annually.

In order to minimize credit risk, the management of the Company has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Company reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Company’s credit risk was significantly reduced.

The Company applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of lifetime expected loss provision for all accounts receivable. The expected credit losses on accounts receivable are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor’s current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. The Company estimates expected credit losses based on past due days. As the Company’s historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Company’s different customer base.

The Company writes off accounts receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For accounts receivable that have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The following table details the loss allowance of accounts receivable based on the overdue aging ratio and individual customer evaluation method.

December 31, 2024

	Not Overdue	Overdue under 30 Days	Overdue 31-90 Days	Overdue 91-180 Days	Overdue Over 180 Days	Total
Expected credit loss rate	2%	2%	10%	20%	50%-100%	
Gross carrying amount	$ 3,811,558	$ 289,548	$ 21,112	$ -	$ 9,730	$ 4,131,948
Loss allowance (lifetime ECL)	(77,098)	(5,791)	(2,111)	-	-	(85,000)
Loss allowance (individual customer ECL)	-	-	-	-	(9,730)	(9,730)
Amortized cost	$ 3,734,460	$ 283,757	$ 19,001	$ -	$ -	$ 4,037,218

December 31, 2023

	Not Overdue	Overdue under 30 Days	Overdue 31-90 Days	Overdue 91-180 Days	Overdue Over 180 Days	Total
Expected credit loss rate	2%	2%	10%	20%	50%	
Gross carrying amount	$ 3,329,791	$ 179,088	$ 7,040	$ 6,083	$ -	$ 3,522,002
Loss allowance (lifetime ECL)	(70,912)	(3,540)	(548)	-	-	(75,000)
Loss allowance (individual customer ECL)	-	(2,083)	(1,564)	(6,083)	-	(9,730)
Amortized cost	$ 3,258,879	$ 173,465	$ 4,928	$ -	$ -	$ 3,437,272

The movements of loss allowance of accounts receivable were as follows:

	For the Year Ended December 31	
	2024	2023
Balance at January 1	$ 84,730	$ 76,000
Recognized impairment loss	10,000	8,730
Balance at December 31	$ 94,730	$ 84,730

10. INVENTORIES

	December 31	
	2024	2023
Finished goods	$ 675,679	$ 1,145,274
Work-in-process	15,214,187	13,219,437
Raw materials and supplies	1,197,277	1,750,615
Inventories in transit	-	8,753
	$ 17,087,143	$ 16,124,079

The detail of the operating costs related to inventories was as follows:

	For the Year Ended December 31	
	2024	2023
Inventories sold	$ 34,106,563	$ 23,863,852
Recognition of inventory write-downs and scrap of inventories, etc.	1,722,658	2,780,846
Unallocated production overhead	2,099,982	5,095,652
Operating costs	$ 37,929,203	$ 31,740,350

11. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

	December 31	
	2024	2023
Investments in subsidiaries	$ 12,633,860	$ 12,456,955
Investments in associates	5,502,521	9,127,324
	$ 18,136,381	$ 21,584,279

a. Investments in subsidiaries

Name of Subsidiaries	December 31			
	2024		2023	
	Carrying Value	Ownership Percentage	Carrying Value	Ownership Percentage
Listed companies				
Nuvoton Technology Corporation ("NTC")	$ 8,125,137	52.06%	$ 8,549,443	51.21%
Unlisted companies				
Winbond International Corporation ("WIC")	2,151,881	100.00%	1,961,148	100.00%
Winbond Electronics (H.K.) Limited ("WEHK")	908,692	100.00%	679,024	100.00%
Winbond Electronics Corporation Japan ("WECJ")	409,123	100.00%	346,194	100.00%
Miraxia Edge Technology Corporation ("METC")	354,221	100.00%	296,766	100.00%
Atfields Manufacturing Technology Corporation ("AMTC")	337,252	100.00%	285,056	100.00%
Winbond Electronics India Private Limited ("WEIL")	135,256	99.99%	131,382	99.99%
Callisto Holding Limited ("Callisto")	77,913	100.00%	76,792	100.00%
Winbond Technology Ltd. ("WTL")	104,106	100.00%	102,148	100.00%
Winbond Electronics Germany GmbH ("WEG")	30,279	100.00%	29,002	100.00%
	$ 12,663,860		$ 12,456,955	

Refer to Table 6 to the parent company only financial statements for information of the above subsidiaries' company name, main business and products, and registered location.

1) The fair value of investment in subsidiaries for which there are published price quotations, based on closing price of those investments at the balance sheet date, are summarized as follows:

Name of Subsidiary	December 31	
	2024	2023
NTC	$ 19,451,363	$ 30,523,558

2) The Company acquired 3,600 thousand shares of NTC in the open market in August 2024. As of December 31, 2024, the Company held 52.06% ownership interest of NTC.

b. Investments in associates

1) Aggregate information of associates that are not individually material

	December 31	
	2024	2023
Associates that are not individually material		
Chin Xin Investment Co., Ltd. ("Chin Xin")	$ 5,240,577	$ 8,842,850
Theaceae Conservation Corporation ("ThCC")	261,944	284,474
	$ 5,502,521	$ 9,127,324

On December 15, 2022 (the capital increase was completed at the end of May 2023) the board of directors of ThCC resolved to issue 100,000 thousand ordinary shares. The Company subscribed for 3,000 thousand ordinary shares in total with a par value of NT$10. As of December 31, 2024, the Company held 27,000 thousand shares of ThCC with a 15% ownership interest.

As of December 31, 2024, the Company held 182,841 thousand ordinary shares of Chin Xin with a 38% ownership interest.

2) Aggregate information of associates that are not individually material

	For the Year Ended December 31	
	2024	**2023**
The Company's share of:		
Profit from continuing operations for the year	$ 108,303	$ 293,770
Other comprehensive income (loss)	(3,640,439)	691,986
Total comprehensive income (loss)	$ (3,532,136)	$ 985,756

For the years ended December 31, 2024 and 2023, the associates disposed partial shares for the investment position adjustment. The unrealized gain and loss on financial assets at fair value through other comprehensive income of NT$1,247 thousand and NT$82,484 thousand were realized and transferred to retained earnings respectively, refer to Note 19 to the parent company only financial statements.

The investments accounted for using equity method and the shares of profit or loss and other comprehensive income of those investments for the years ended December 31, 2024 and 2023 were based on the subsidiaries' and associates' financial statements audited by independent auditors.

12. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Machinery and Equipment	Other Equipment	Construction in Progress and Equipment under Installation	Total
Cost						
Balance at January 1, 2024	$ 1,031,214	$ 45,984,679	$ 171,961,532	$ 5,817,638	$ 1,598,178	$ 226,393,241
Additions	284,787	1,017,905	6,074,772	345,636	809,946	8,533,046
Disposals	-	(148,416)	(5,917,867)	(13,131)	-	(6,079,414)
Reclassified	296,370	1,318,631	63,597	99,705	(1,745,764)	32,539
Balance at December 31, 2024	$ 1,612,371	$ 48,172,799	$ 172,182,034	$ 6,249,848	$ 662,360	$ 228,879,412
Accumulated depreciation and impairment						
Balance at January 1, 2024	$ -	$ 20,664,486	$ 105,879,543	$ 4,018,236	$ -	$ 130,562,265
Depreciation expense	-	2,179,514	8,166,384	506,363	-	10,852,261
Disposals	-	(147,880)	(5,913,808)	(13,131)	-	(6,074,819)
Reclassified	-	8,598	-	-	-	8,598
Balance at December 31, 2024	$ -	$ 22,704,718	$ 108,132,119	$ 4,511,468	$ -	$ 135,348,305
Carrying amount at December 31, 2024	$ 1,612,371	$ 25,468,081	$ 64,049,915	$ 1,738,380	$ 662,360	$ 93,531,107

(Continued)

	Land	Buildings	Machinery and Equipment	Other Equipment	Construction in Progress and Equipment under Installation	Total
Cost						
Balance at January 1, 2023	$ 1,049,445	$ 26,714,469	$ 123,302,798	$ 4,826,759	$ 53,465,458	$ 209,358,929
Additions	-	608,768	15,974,723	342,468	1,544,117	18,470,076
Disposals	-	(7,109)	(1,318,800)	(36,023)	-	(1,361,932)
Reclassified	(18,231)	18,668,551	34,002,811	684,434	(53,411,397)	(73,832)
Balance at December 31, 2023	$ 1,031,214	$ 45,984,679	$ 171,961,532	$ 5,817,638	$ 1,598,178	$ 226,393,241
Accumulated depreciation and impairment						
Balance at January 1, 2023	$ -	$ 18,580,334	$ 99,607,307	$ 3,596,014	$ -	$ 121,783,655
Depreciation expense	-	2,091,261	7,591,036	458,245	-	10,140,542
Disposals	-	(7,109)	(1,318,800)	(36,023)	-	(1,361,932)
Reclassified	-	-	-	-	-	-
Balance at December 31, 2023	$ -	$ 20,664,486	$ 105,879,543	$ 4,018,236	$ -	$ 130,562,265
Carrying amount at December 31, 2023	$ 1,031,214	$ 25,320,193	$ 66,081,989	$ 1,799,402	$ 1,598,178	$ 95,830,976

(Concluded)

a. As of December 31, 2024 and 2023, the carrying amounts of NT$60,292,633 thousand and NT$59,885,971 thousand of property, plant and equipment were pledged to secure long-term borrowings and corporate bonds.

b. Information about capitalized interest

	For the Year Ended December 31 2024	For the Year Ended December 31 2023
Capitalized interest amounts	$ 217,597	$ 213,770
Interest rates under capitalization	2.68%-2.84%	2.43%-2.78%

13. LEASE ARRANGEMENTS

a. Right-of-use assets

	December 31 2024	December 31 2023
Carrying amounts		
Land	$ 1,373,049	$ 1,431,666
Buildings	12,934	19,401
Other equipment	19,197	15,248
	$ 1,405,180	$ 1,466,315

	For the Year Ended December 31	
	2024	2023
Additions to right-of-use assets	$ 54,770	$ 20,956
Depreciation charge for right-of-use assets		
Land	$ 87,944	$ 85,726
Buildings	17,983	16,769
Other equipment	9,066	8,709
	$ 114,993	$ 111,204

b. Lease liabilities

	December 31	
	2024	2023
Carrying amounts		
Current	$ 90,465	$ 87,030
Non-current	$ 1,406,281	$ 1,459,197

Range of discount rate for lease liabilities are as follows:

	December 31	
	2024	2023
Land	1.83%-2.60%	1.83%-2.47%
Buildings	1.50%-1.85%	1.50%-1.87%
Other equipment	1.26%-2.25%	1.04%-2.25%

For the years ended December 31, 2024 and 2023, the interest expense under lease liabilities amounted to NT$36,447 thousand and NT$37,634 thousand, respectively.

c. Material lease-in activities and terms

The Company leased lands from Science Park Bureau, and the lease term will expire in 2037 and 2043, respectively, which can be extended after the expiration of the lease periods.

d. Other lease information

	For the Year Ended December 31	
	2024	2023
Expenses relating to short-term leases	$ 15,371	$ 10,559
Expenses relating to variable lease payments not included in the measurement of lease liabilities	$ 1,773	$ 6,209
Total cash outflow for leases	$ 156,929	$ 152,542

The Company leases certain building qualify as short-term leases and certain other equipment qualify as low-value lease. The Company has selected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

14. INVESTMENT PROPERTIES

	December 31	
	2024	2023
Investment properties, net	$ 323,344	$ 334,644

The Company has been subleasing its offices located in Hsinchu to its subsidiary, NTC, since November 2019, which was classified as operating lease with lease terms of 5 years and with an extension option. As of December 31, 2024, the fair value of such investment properties was approximately NT$728,501 thousand, which was referred by the neighborhood transactions.

	For the Year Ended December 31	
	2024	2023
Cost		
Balance at January 1	$ 373,448	$ 303,622
Reclassified	125	69,826
Balance at December 31	$ 373,573	$ 373,448
Accumulated depreciation and impairment		
Balance at January 1	$ 38,804	$ 28,368
Depreciation expense	11,425	10,436
Balance at December 31	$ 50,229	$ 38,804

15. INTANGIBLE ASSETS

	Deferred Technical Assets	Other Intangible Assets	Carbon Credits	Total
Cost				
Balance at January 1, 2024	$ 17,900,729	$ 40,978	$ 5,804	$ 17,947,511
Disposals	(16,778,916)	-	-	(16,778,916)
Carbon offset	-	-	(54)	(54)
Balance at December 31, 2024	$ 1,121,813	$ 40,978	$ 5,750	$ 1,168,541
Accumulated amortization and impairment				
Balance at January 1, 2024	$ 17,900,729	$ 35,455	$ -	$ 17,936,184
Amortization expenses	-	3,748	-	3,748
Disposals	(16,778,916)	-	-	(16,778,916)
Balance at December 31, 2024	$ 1,121,813	$ 39,203	$ -	$ 1,161,016
Carrying amount at December 31, 2024	$ -	$ 1,775	$ 5,750	$ 7,525

(Continued)

	Deferred Technical Assets	Other Intangible Assets	Carbon Credits	Total
Cost				
Balance at January 1, 2023	$ 17,900,729	$ 40,978	$ 763	$ 17,942,470
Additions	-	-	5,083	5,083
Carbon offset	-	-	(42)	(42)
Balance at December 31, 2023	$ 17,900,729	$ 40,978	$ 5,804	$ 17,947,511
Accumulated amortization and impairment				
Balance at January 1, 2023	$ 17,892,605	$ 31,707	$ -	$ 17,924,312
Amortization expenses	8,124	3,748	-	11,872
Balance at December 31, 2023	$ 17,900,729	$ 35,455	$ -	$ 17,936,184
Carrying amount at December 31, 2023	$ -	$ 5,523	$ 5,804	$ 11,327

(Concluded)

The amounts of deferred technical assets were the technical transfer fees in connection with certain technical transfer agreements. The above technical assets pertained to different products or process technology. The assets were depreciated on a straight-line basis from the commencement of production or over the estimated useful lives of the assets. The estimated useful lives of technical assets were based on the economic benefits generated from the assets or the terms of the technical asset contracts.

The Company’s carbon credits were purchased from the TCX platform in Taiwan and the CIX platform in Singapore, which were certified by third parties regarding forest carbon rights, etc. The carbon credits are used to offset carbon emissions to achieve a net-zero emission plan.

16. BORROWINGS

Long-term borrowings

	Period	Interest Rate	December 31 2024	December 31 2023
Secured borrowings				
Bank of Taiwan syndicated loan (V)	2019.09.19-2026.09.19	2.87%	$ 29,400,000	$ 37,800,000
Bank of Taiwan syndicated loan (VI) (Note 24)	2023.12.15-2030.12.15	2.43%-2.73%	6,300,000	1,300,000
Unsecured borrowings				
Government preferential loan (Note 24)	2020.12.28-2028.11.15	1.38%-1.58%	4,694,273	5,131,600
			40,394,273	44,231,600
Less: Current portion			(9,680,985)	(8,837,327)
Less: Syndication agreement management fee			(45,427)	(80,820)
Less: Government loan discount (Note 24)			(111,572)	(146,058)
			$ 30,556,289	$ 35,167,395

a. Bank of Taiwan Syndicated Loan (V)

1) On January 14, 2019, the Company entered into a syndicated loan, with a group of financial institutions to build up and procure equipment for its fab. The credit line amounted to NT$42 billion. The principal will be repaid every six months from September 19, 2023 until maturity.

2) The amounts of 12-inch building, fab facilities, machinery and equipment and related ancillary equipment pledged as collateral for bank borrowings are disclosed in Note 12 to the parent company only financial statements.

3) The Company is required to maintain certain financial covenants, including current ratio, debt ratio, interest coverage ratio, and total equity, on June 30 and December 31 during the tenures of the loans. The Company was in compliance with the agreed financial ratio requirements. The computations of financial ratios mentioned above are done based on the annually audited and semi-annually reviewed consolidated financial statements.

b. Bank of Taiwan Syndicated Loan (VI)

1) On April 12, 2023, the Company entered into a syndicated loan with a group of financial institutions to procure equipment and related ancillary equipment for its fab. The credit line was divided into parts A and B, which amounted to NT$15 billion and NT$20 billion, respectively; the total line of credit should not exceed NT$20 billion.

2) Part A will be repaid every month from December 15, 2026 until maturity; part B will be repaid every six months from December 15, 2026 until maturity.

3) The amounts of 12-inch building, fab facilities, machinery and equipment and related ancillary equipment pledged as collateral for bank borrowings are disclosed in Note 12 to the parent company only financial statements.

4) The Company is required to maintain certain financial covenants, including current ratio, debt ratio, interest coverage ratio, and total equity, on June 30 and December 31 during the tenures of the loans. The Company was in compliance with the agreed financial ratio requirements. The computations of financial ratios mentioned above are done based on the annually audited and semi-annually reviewed consolidated financial statements.

17. BONDS PAYABLE

	December 31	
	2024	**2023**
Domestic secured bonds	$ 9,993,636	$ 9,980,978
Less: Current portion	(9,993,636)	-
	$ -	$ 9,980,978

On July 10, 2018, the Company was approved by the FSC to offer and issue the first secured corporate bonds of 2018, with an aggregate principal amount of NT$10 billion. The terms of issuance, amounts and interest rate as follows:

Issuance Date	Period	Amount	Coupon Rate	Repayment and Interest Payment
2018.07.17	7 years	$10 billion	1%	The principal will be repaid upon maturity. The interest is payable once a year at the coupon rate accrued annually on a simple basis starting from the issue date.

Refer to Note 12 to the parent company only financial statements for collateral of 12-inch Fab Manufacturing facilities on corporate bonds.

18. RETIREMENT BENEFIT PLANS

a. Defined contribution plan

The Company adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, an entity makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

b. Defined benefit plan

The defined benefit plan adopted by the Company in accordance with the Labor Standards Law is operated by the government. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the 6 months before retirement. The Company contributes amounts equal to 2% of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee of the Company. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, the Company assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Company is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the "Bureau"); the Company has no right to influence the investment policy and strategy.

The amount included in the balance sheet in respect of the Company's obligation to its defined benefit plan was as follows:

	December 31	
	2024	2023
Present value of the defined benefit obligation	$ 1,321,075	$ 1,377,144
Fair value of the plan assets	(1,100,560)	(1,075,062)
Net defined benefit liabilities, non-current	$ 220,515	$ 302,082

Movements in net defined benefit liabilities (assets) were as follows:

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Liabilities (Assets)
Balance at January 1, 2024	$ 1,377,144	$ (1,075,062)	$ 302,082
Service cost			
Current service cost	19,331	-	19,331
Net interest expense (income)	18,632	(14,541)	4,091
Recognized in profit or loss	37,963	(14,541)	23,422
Remeasurement			
Actuarial (gain) loss			
- realized rate greater than the discounted rate	-	(94,824)	(94,824)
- changes in financial assumptions	3,953	-	3,953
- experience adjustments	22,167	-	22,167
Recognized in other comprehensive income	26,120	(94,824)	(68,704)
Contributions from the employer	-	(18,214)	(18,214)
Benefits paid	(102,081)	102,081	-
Paid by the Company	(18,071)	-	(18,071)
Balance at December 31, 2024	$ 1,321,075	$ (1,100,560)	$ 220,515
Balance at January 1, 2023	$ 1,440,800	$ (1,061,695)	$ 379,105
Service cost			
Current service cost	22,895	-	22,895
Net interest expense (income)	26,638	(19,623)	7,015
Recognized in profit or loss	49,533	(19,623)	29,910
Remeasurement			
Actuarial (gain) loss			
- realized rate greater than the discounted rate	-	(25,041)	(25,041)
- changes in financial assumptions	49,155	-	49,155
- experience adjustments	(112,145)	-	(112,145)
Recognized in other comprehensive income	(62,990)	(25,041)	(88,031)
Contributions from the employer	-	(18,902)	(18,902)
Benefits paid	(50,199)	50,199	-
Balance at December 31, 2023	$ 1,377,144	$ (1,075,062)	$ 302,082

Amounts recognized in profit or loss in respect of these defined benefit plans analyzed by function were as follows:

	For the Year Ended December 31	
	2024	2023
Operating costs	$ 12,165	$ 15,542
Selling expenses	1,289	1,685
General and administrative expenses	2,073	2,768
Research and development expenses	7,895	9,915
	$ 23,422	$ 29,910

Through the defined benefit plans under the Labor Standards Law, the Company is exposed to the following risks:

1) Investment risk: The plan assets are invested in domestic/and foreign/equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets should not be below the interest rate for a 2-year time deposit with local banks.

2) Interest risk: A decrease in the government bond interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plan's debt investments.

3) Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The principal assumptions used for the purposes of the actuarial valuations were as follows:

	December 31	
	2024	**2023**
Discount rates	1.60%	1.40%
Expected rates of salary increase	3.00%	1.00%-3.00%

If possible reasonable changes in each of the significant actuarial assumptions occur and all other assumptions remain constant, the present value of the defined benefit obligation would increase (decrease) as follows:

	December 31	
	2024	**2023**
Discount rates		
0.5% increase	$ (43,971)	$ (49,155)
0.5% decrease	$ 46,393	$ 52,114
Expected rates of salary increase/decrease		
0.5% increase	$ 45,538	$ 51,164
0.5% decrease	$ (43,558)	$ (48,767)

The sensitivity analysis presented above may not be representative of the actual change in the present value of the defined benefit obligation as it is unlikely that the changes in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

	December 31	
	2024	**2023**
The expected contribution to the plan for the next year	$ 18,071	$ 19,743
The average duration of defined benefit obligation	7 years	7.7 years

19. EQUITY

a. Share capital

Ordinary shares

	December 31	
	2024	2023
Number of shares authorized (in thousands)	6,700,000	6,700,000
Shares authorized	$ 67,000,000	$ 67,000,000
Number of shares issued and fully paid (in thousands)	4,500,000	4,180,000
Shares issued	$ 45,000,002	$ 41,800,002

On August 18, 2023, the Company's board of directors resolved to issue 200,000 thousand shares with a par value of NT$10 for capital increase, and the price of the issue at premium NT$22 per share. The issuance of shares was approved by the Financial Supervisory Commission, Taiwan, R.O.C. on September 25, 2023. The subscription date of the capital increase, which was determined by the chairman, was set on November 9, 2023. The relevant issuance costs amounted to NT$10,401 thousand and were recognized as the deduction of capital surplus from the issuance of share capital.

On May 2, 2024, the Company's board of directors resolved to issue 320,000 thousand shares with a par value of NT$10 for capital increase and the price of the issue at premium NT$21 per share. The issuance of shares was approved by the Financial Supervisory Commission, Taiwan, R.O.C. on June 14, 2024. The subscription date of the capital increase, which was determined by the chairman, was set on August 15, 2024. The relevant issuance costs amounted to NT$16,608 thousand and were recognized as the deduction of capital surplus - from the issuance of share capital.

b. Capital surplus

	December 31	
	2024	2023
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital		
Arising from issuance of share capital	$ 11,050,593	$ 7,486,489
Arising from treasury share transactions	2,342,036	2,342,036
Arising from conversion of bonds	136,352	136,352
May only be used to offset a deficit		
Arising from changes in percentage of ownership interest in subsidiaries	153,221	154,142
Arising from share of changes in capital surplus of associates	16,846	16,846
	$ 13,699,048	$ 10,135,865

The capital surplus generated from the excess of the issuance price over the par value of share capital (including the shares issued for new capital, mergers and convertible bonds) may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or share dividends up to a certain percentage of the Company's paid-in capital. The capital surplus from share of changes in equities of subsidiaries and associates may be used to offset a deficit; however, when generated from issuance of restricted shares for employees, such capital surplus may not be used for any purpose.

c. Retained earnings and dividend policy

According to the Company's Articles of Incorporation, the Company's dividend distribution policy is as follows:

From the pre-tax net profit of the current year, before deducting remuneration of employees and remuneration of directors, no more than 1% shall be allocated as remuneration of directors and no less than 1% as remuneration of employees. The remuneration of employees may be distributed in stock or cash upon resolution of the board of directors and may be distributed to the employees of subsidiaries of the Company meeting certain criteria.

However, if the Company has accumulated losses, the Company shall first set aside an amount for making up losses, and then allocate remuneration of employees and remuneration of directors according to the percentage set forth in the preceding paragraph.

The Company purchases its shares for transferring such treasury shares, issues employee options, provides pre-emptive right for employees' subscription upon issuing new shares, issues new restricted employee shares, and distributes employee remuneration, to employees of the Company's controlling or subordinated companies who meet certain criteria, which shall be determined and resolved by the board of directors.

If the Company has pre-tax profits at the end of the current fiscal year, after paying all taxes and covering all accumulated losses, the Company shall set aside 10% of said earnings as legal reserve. However, legal reserve need not be made when the accumulated legal reserve equals the paid-in capital of the Company. After setting aside or reversing special reserve pursuant to applicable laws and regulations and orders of competent authorities or based on the business needs of the Company, if there is any balance, the board of directors may submit a proposal for allocation of the remaining balance and the accumulated undistributed earnings to the shareholders meeting for resolution of distributing bonuses and dividends to shareholders.

The board of directors shall be authorized to distribute the profit, the legal reserve and the capital reserve mentioned in the preceding paragraph in cash upon resolution by a majority vote at a board meeting attended by two-thirds or more of the directors, and shall report the same to the shareholders' meeting.

The Company's dividend distribution policy is made in accordance with the Company Act and the Articles of Incorporation in consideration of factors including capital and financial structure, operating status, retained earnings, industry characteristics and economic cycle. The dividends shall be distributed in a steady manner. With respect to distribution of dividends, in consideration of future operation scale and cash flow needs, no less than 30% of the remaining amount of the net profit after tax of the current year, after covering the accumulative losses and setting aside the legal reserve and the special reserve, shall be distributed to shareholders as dividends (The Company shall not issue dividends if the dividends are less than NT$0.1.), which may be distributed in share dividend or cash dividend, and the distribution of cash dividend shall not be less than 50% of total dividends, so as to maintain continuous growth.

The Company may distribute its profit or make up its losses at the end of each half of a fiscal year. The business report, the financial statements, and the proposal for distribution of earnings or making up loss shall be prepared by and then resolved by the board of directors.

The Company, in distributing its profit according to the preceding paragraph, shall estimate and reserve employee and director remuneration and any taxes payable as well as cover any losses and set aside the legal reserve in accordance with the law; however, provided that the legal reserve amounts to the total paid-in capital, the legal reserve need not be set aside. Where the Company distributes the profit in cash, such distribution shall be resolved by the board of directors, but where the profit is distributed in the form of newly issued shares, such distribution shall be resolved by the shareholders' meeting.

Appropriation of earnings to legal reserve shall be made until the legal reserve equals the Company's paid-in capital. The legal reserve may be used to offset deficits. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

Pursuant to existing regulations, the Company is required to set aside additional special capital reserve equivalent to the net debit balance of the other components of shareholders' equity, such as the accumulated balance of foreign currency translation reserve, unrealized valuation gain (loss) from available-for-sale financial assets, net amount of fair value below the cost of the Company's ordinary shares held by subsidiaries, etc. For the subsequent decrease in the deduction amount to shareholders' equity, any special reserve appropriated may be reversed to the extent that the net debit balance reverses.

The appropriations of earnings and cash dividends per share for 2023 and 2022 were as follows:

	Appropriation of Earnings		**Cash Dividends Per Share (NT$)**	
	For Year 2023	**For Year 2022**	**For Year 2023**	**For Year 2022**
Legal reserve appropriated	$ -	$ 1,338,709		
Cash dividends	-	3,980,000	$ -	$ 1.0
	$ -	$ 5,318,709		

Cash dividends appropriated for 2022 were resolved by the board of directors on March 14, 2023; legal reserve appropriated for 2022 was resolved by the shareholders on May 30, 2023.

No cash dividends appropriated for 2023 were resolved by the board of directors on February 6, 2024; no legal reserve appropriated for 2023 was resolved by the shareholders on May 9, 2024.

The appropriation of earnings for 2024 was as follows:

	For the Year Ended December 31, 2024
Legal reserve appropriated	$ 50,941
Cash dividends	$ -
Cash dividends per share (NT$)	$ -

The above-mentioned appropriation for cash dividends has been resolved by the board of directors on February 18, 2025 not to be distributed. The other appropriation will be resolved by the shareholders in their meeting to be held on May 27, 2025.

d. Other equity items

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

	For the Year Ended December 31	
	2024	2023
Balance at January 1	$ (1,007,855)	$ (654,652)
Exchange differences arising on translating the financial statements of foreign operations	32,013	(81,549)
Share of exchange differences of subsidiaries and associates accounted for using equity method	69,127	(271,654)
Balance at December 31	$ (906,715)	$ (1,007,855)

The exchange differences arising on translation of foreign operation's net assets from its functional currency to the Company's presentation currency are recognized directly in other comprehensive income and also accumulated in the foreign currency translation reserve.

2) Unrealized gains (losses) on financial assets at FVTOCI

	For the Year Ended December 31	
	2024	2023
Balance at January 1	$ 13,893,178	$ 15,016,611
Unrealized gains (losses) on revaluation of financial assets at FVTOCI	(4,435,160)	(1,535,934)
Share of unrealized gains (losses) on revaluation of financial assets at FVTOCI of subsidiaries and associates accounted for using equity method	(3,585,145)	683,498
Disposal of investments in equity instruments designated at FVTOCI of subsidiaries and associates accounted for using equity method	1,247	(82,484)
Disposal of investments in equity instruments designated at FVTOCI	-	(188,513)
Balance at December 31	$ 5,874,120	$ 13,893,178

Unrealized gains (losses) on financial assets at FVTOCI represents the cumulative gains or losses arising from the fair value measurement on financial assets at FVTOCI that are recognized in other comprehensive income. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, instead, they will be transferred to retained earnings.

20. EMPLOYEE BENEFITS EXPENSE, DEPRECIATION, AND AMORTIZATION

	For the Year Ended December 31, 2024			
	Classified as Operating Costs	Classified as Operating Expenses	Classified as Non-operating Income and Losses	Total
Short-term employee benefits				
Salary	$ 3,260,549	$ 2,515,501	$ -	$ 5,776,050
Insurance	$ 240,602	$ 165,797	$ -	$ 406,399
Board compensation	$ -	$ 17,900	$ -	$ 17,900
Post-employment benefits				
Pension	$ 162,655	$ 111,690	$ -	$ 274,345
Share-based payment	$ 27,415	$ 31,354	$ -	$ 58,769
Depreciation	$ 10,423,524	$ 543,730	$ 12,222	$ 10,979,476
Amortization	$ -	$ 3,748	$ 35,393	$ 39,141

	For the Year Ended December 31, 2023			
	Classified as Operating Costs	Classified as Operating Expenses	Classified as Non-operating Income and Losses	Total
Short-term employee benefits				
Salary	$ 3,127,962	$ 2,344,113	$ -	$ 5,472,075
Insurance	$ 254,171	$ 177,929	$ -	$ 432,100
Board compensation	$ -	$ 9,000	$ -	$ 9,000
Post-employment benefits				
Pension	$ 163,746	$ 111,698	$ -	$ 275,444
Share-based payment	$ 31,680	$ 34,957	$ -	$ 66,637
Depreciation	$ 9,721,263	$ 530,483	$ 12,347	$ 10,264,093
Amortization	$ -	$ 11,872	$ 27,000	$ 38,872

There were 3,574 and 3,544 employees in the Company as of December 31, 2024 and 2023, respectively. There were 8 full time board directors as of December 31, 2024 and 2023.

For the years ended December 31, 2024 and 2023, the average employee benefits and average salaries and wages were NT$1,827 thousand and NT$1,766 thousand, NT$1,636 thousand and NT$1,566 thousand, respectively. The 2024 average salaries and wages increase a 4% compared to 2023.

The Company has established the Audit Committee. There was neither supervisors nor remuneration to supervisors.

The remuneration policies of the Company were as follows:

a. Directors:

In accordance with the Article 22 of the Company's Articles of Incorporation, the distribution of the remuneration of directors shall be appropriated at the rates no more than 1% of net profit before income tax before deducting remuneration to employees and directors. The Remuneration Committee will recommend remuneration to directors in accordance with the Company's Articles of Incorporation, the internal Rules for Remuneration of Directors and Performance Assessment of The Board of Directors, board members' self-assessment results, and annual profit deduct the accumulative losses. The remuneration was resolved by the board of directors and reported to the shareholders' meeting.

b. Managers:

The remuneration of the managers, which depends on responsibilities and performance of individuals to encourage managers to take responsibilities and achieve performance, shall be competitive to attract external talent and stabilize internal talent. The managers have the responsibilities for operating performance, the encouragement shall be taken both short-term and long-term performance into account.

c. Employees:

Employees' compensation, including fixed and variable compensation, was taken both internal fairness and external competitiveness into consideration. The Company gives bonus immediately and shares operating performance with the employees to attract, encourage and retain the talent. In accordance with the Articles of Incorporation, it stipulates distribution of the compensation of employees at the rates no less than 1% of net profit before income tax before deducting remuneration to employees and directors. The remuneration of employees may be distributed in shares or cash upon resolution of the board of directors and reported to the shareholders' meeting. Personal salary is determined by responsibilities and professional skills. Bonus and compensation are in relation to individual's performance and contribution.

For the year ended December 31, 2024, the employees' compensation and remuneration of directors were as follows: (There was no estimation of employees' compensation and remuneration of the directors in 2023 due to a net loss before income tax.)

	For the Year Ended December 31, 2024	
	Amounts	Accrual Rate
Employees' compensation	$ 13,400	2%
Remuneration of directors	$ 6,700	1%

If there is a change in the proposed amounts after the annual financial statements were authorized for issue, the differences are recorded as a change in accounting estimate.

The compensation to employees and remuneration to the directors of 2022 were approved by the Company's board of directors on March 14, 2023, were as below: (There was no employees' compensation and remuneration of the directors in 2023 due to a net loss before income tax.)

	For the Year Ended December 31, 2022	
	Amounts	Rate
Employees' compensation	$ 307,880	2%
Remuneration of directors	$ 153,940	1%

There was no difference between the actual amounts of employees' compensation and remuneration of directors paid and the amounts recognized in the parent company only financial statements for the year ended December 31, 2022.

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

21. INCOME TAXES RELATING TO CONTINUING OPERATIONS

a. Income tax recognized in profit or loss

Major components of income tax (benefit) expense were as follows:

	For the Year Ended December 31	
	2024	2023
Current income tax (benefit) expense		
Current tax expense	$ (417,245)	$ (281,772)
Adjustment for prior years	88,120	(47,451)
Deferred income tax		
Change in current year	378,000	(913,000)
Income tax (benefit) expense recognized in profit or loss	$ 48,875	$ (1,242,223)

Reconciliation of accounting profit and income tax (benefit) expense were as follows:

	For the Year Ended December 31	
	2024	2023
Income tax (benefit) expense from continuing operations at the statutory rate	$ 130,000	$ (478,000)
Tax effect of adjustment item		
Permanent differences	(171,000)	(435,000)
Income tax on unappropriated earnings	-	346,093
Loss carryforwards, investment credits and deductible temporary differences	-	(611,542)
Adjustment for prior years' income tax expense	88,120	(47,451)
Others	1,755	(16,323)
Tax (benefit) expense recognized in profit or loss	$ 48,875	$ (1,242,223)

Based on the Income Tax Act in the ROC, the corporate income tax rate is 20%.

b. Current tax assets and liabilities

	December 31	
	2024	2023
Current tax assets	$ 26,874	$ 11,883
Current tax liabilities	$ -	$ 474,609

c. Deferred tax assets

The movements of deferred tax assets were as follows:

For the year ended December 31, 2024

Deferred Tax Assets	Opening Balance	Recognized in Profit or Loss	Closing Balance
Temporary differences			
Allowance for loss on inventories	$ 788,000	$ 317,000	$ 1,105,000
Idle capacity	384,000	(248,000)	136,000
Allowance for impairment loss	70,000	(44,000)	26,000
Others	58,000	20,000	78,000
Loss carryforwards	423,000	(423,000)	-
	$ 1,723,000	$ (378,000)	$ 1,345,000

For the year ended December 31, 2023

Deferred Tax Assets	Opening Balance	Recognized in Profit or Loss	Closing Balance
Temporary differences			
Allowance for loss on inventories	$ 235,000	$ 553,000	$ 788,000
Idle capacity	344,000	40,000	384,000
Allowance for impairment loss	120,000	(50,000)	70,000
Others	111,000	(53,000)	58,000
Loss carryforwards	-	423,000	423,000
	$ 810,000	$ 913,000	$ 1,723,000

d. Tax return assessments

The tax returns of the Company through 2022 have been assessed the tax authorities.

e. Income tax legislation of Pillar Two

Taiwan, where the Company is incorporated, has not yet enacted the Pillar Two income tax legislation and the Company has no related current tax exposure.

22. EARNINGS (LOSSES) PER SHARE

	For the Year Ended December 31					
	2024			2023		
	Amounts (Numerator) Net Income after Income Tax	Shares (Denominator) (In Thousands)	Earnings Per Share (NT$) Net Income after Income Tax	Amounts (Numerator) Net Loss after Income Tax	Shares (Denominator) (In Thousands)	Losses Per Share (NT$) Net Loss after Income Tax
Basic earnings (losses) per share						
Net income (loss) attributed to ordinary shareholders	$ 601,001	4,301,530	$ 0.14	$ (1,146,522)	4,009,041	$ (0.29)
Effect of dilutive potential ordinary shares						
Employees' compensation	-	905		-	-	
Diluted earnings (losses) per share						
Net income (loss) attributed to ordinary shareholders	$ 601,001	4,302,435	$ 0.14	$ (1,146,522)	4,009,041	$ (0.29)

For the years ended December 31, 2024 and 2023, the issuance of ordinary shares for cash was included in the computation of the weighted average number of shares outstanding, which were 4,301,530 thousand shares and 4,009,041 thousand shares, respectively. The Company may settle the compensation or bonuses paid to employees by cash or shares; therefore, the Company assumes that the entire amount of the compensation or bonuses will be settled in shares and the resulting potential shares will be included in the weighted average number of shares outstanding used in the computation of diluted earnings per share (EPS), if the shares have a dilutive effect. Such dilutive effect of the potential shares is included in the computation of diluted EPS until the number of shares to be distributed to employees is resolved in the following year.

For the year ended December 31, 2023, the Company had a loss. If the effects of the compensation or bonuses paid to employees were included in the computation of diluted EPS, there wound be an anti-dilutive effect; therefore, the compensation or bonuses paid to employees were excluded from the computation of diluted losses per share.

23. SHARE-BASED PAYMENT ARRANGEMENTS

The Company was approved by the FSC on June 14, 2024 and September 25, 2023 to issue 320,000 thousand and 200,000 thousand shares for cash capital increase, respectively. The board of directors resolved to retain 10% of the issued shares for employees' subscriptions (including NTC's employees). The number of shares retained for employees' subscriptions was confirmed on August 11, 2024 and November 2, 2023, respectively. The fair value of such share options subscribed for by the Company's employees on the grant date was measured using the Black-Scholes Option Pricing Model and amounted to NT$60,712 thousand and NT$70,017 thousand, which were recorded as compensation costs with a corresponding increase in capital surplus, respectively.

a. The Company's share-based payment agreements were as follows:

Agreement	Grant Date	Number of Shares Confirmed on Grant Date	Vesting Conditions
Cash capital increase reserved for employee share options	2024.08.11	31,954 thousand shares	Vested immediately
Cash capital increase reserved for employee share options	2023.11.02	19,723 thousand shares	Vested immediately

b. The fair value of share options acquired by employees on grant day, August 11, 2024 and November 2, 2023, respectively, were measured using the Black-Scholes Option Pricing Model. Relevant information is as follows:

Share Price (NT$)	Exercise Price (NT$)	Expected Price Volatility	Expected Vesting Period	Risk-free Interest Rate	Fair Value Per Share (NT$)
$22.90	$21	29.87%	2 days	1.27%	$1.90
$25.55	$22	34.57%	2 days	0.98%	$3.55

24. GOVERNMENT GRANTS

The Company received government preferential loans of NT$5,131,600 thousand at a below-market interest rate. It will be used for the purchase of machinery and equipment and for supporting working capital. The first installment will be made in the 36th-37th month of the principal, and each month thereafter, the principal will be repaid in 48-49 equal installments. The Company also received Part A of Bank of Taiwan Syndicated Loan (VI) of NT$1,770,000 thousand at a below-market interest rate. The total fair value of the loans was estimated by using the prevailing market interests rate. The total difference between the proceeds and the fair value of the loans is the benefit derived from the below-market rate of interest which has been recognized as deferred revenue. The deferred revenue will be recognized as other income over time. For the years ended December 31, 2024 and 2023, the other income under government grants were NT$58,831 thousand and NT$56,527 thousand, respectively. The interest expense under loans were NT$167,223 thousand and NT$125,251 thousand, respectively.

Additionally, the Company applied for the “IC Design Summit Grant Program” from the Ministry of Economic Affairs’ Industrial Technology Department, which was approved in September 2024. The total approved grant was NT$555,500 thousand, with the grant program starting from April 1, 2024 to September 30, 2027. As of December 31, 2024, a total of NT$81,086 thousand has been received, and NT$57,118 thousand was recognized as other income under government grant for the year ended December 31, 2024. The Company has established a dedicated account for the grant, and monthly withdrawals must be based on the expenses summary report, with the withdrawal amount not exceeding the actual expenses incurred. The dedicated account for the grant will be closed once the project is completed. Starting from April 1, 2025, each grant installment (with a six-month period) will be disbursed by the Ministry of Economic Affairs after the actual expense report has been reviewed.

Additionally, the Company participated in the Industrial Development Administration, Ministry of Economic Affairs’ “Post-Pandemic Low Carbon Transformation Grant Program” to collaborate with 13 suppliers and outsourcing manufacturers to develop a carbon reduction plan. The grant program started from September 1, 2023 to August 31, 2025, with annual progress reviews. The Ministry of Economic Affairs will allocate the grant after reviewing the actual expenses summary report. As of December 31, 2024, a total of NT$6,635 thousand has been received, and NT$4,201 thousand was recognized as other income under government grants for the year ended December 31, 2024.

25. CAPITAL MANAGEMENT

The Company’s capital management objective is to ensure it maintains the necessary financial resources and operational plan so that it can cope with the next twelve months working capital requirements, capital expenditures, research and development activities, debt repayments and dividends payments.

26. FINANCIAL INSTRUMENT

a. Fair value of financial instruments

1) Valuation techniques and assumptions used in fair value measurement

The fair values of financial assets and financial liabilities are determined as follows:

- The fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices (includes publicly traded stock and mutual funds).

- The fair values of derivative foreign exchange contracts are measured using quoted middle and discount rates of foreign exchange contracts matching the foreign exchange rate on the maturity date of the contracts.

- Domestic and overseas unlisted equity instrument at FVTOCI were all measured based on Level 3. Fair values of the above equity instruments were determined using discounted cash flow of income approach and comparable listed company approach, refer to strike price of similar business at active market, implied value multiple of the price and relevant information. Significant unobservable inputs included PE ratio, value multiple and market liquidity discount.

2) Fair value measurements recognized in the parent company only balance sheets

The fair value of financial instruments is grouped into Levels 1 to 3 based on the degree to observability of inputs.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;

- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

- Level 3 inputs are unobservable inputs for an asset or liability.

3) Fair value of financial instruments that are not measured at fair value

Fair value hierarchy as of December 31, 2024

	Fair Value			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial liabilities				
Financial liabilities at amortized cost				
Bonds payable (secured)	$ -	$ 9,993,636	$ -	$ 9,993,636

Fair value hierarchy as of December 31, 2023

	Fair Value			
	Level 1	Level 2	Level 3	Total
Financial liabilities				
Financial liabilities at amortized cost				
Bonds payable (secured)	$ -	$ 9,980,978	$ -	$ 9,980,978

4) Fair value of financial instruments that are measured at fair value on a recurring basis

Fair value hierarchy as of December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets at FVTPL				
Non-derivative financial assets				
Domestic listed securities	$ 15,467	$ -	$ -	$ 15,467
Financial assets at FVTOCI				
Equity securities				
Domestic listed securities	$ 8,318,400	$ -	$ -	$ 8,318,400
Domestic unlisted securities	-	29,400	618,591	647,991
	$ 8,318,400	$ 29,400	$ 618,591	$ 8,966,391
Financial liabilities				
Financial liabilities at FVTPL				
Derivative financial liabilities	$ -	$ 104,448	$ -	$ 104,448

Fair value hierarchy as of December 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets at FVTPL				
Derivative financial assets	$ -	$ 196,557	$ -	$ 196,557
Non-derivative financial assets				
Domestic listed securities	14,994	-	-	14,994
	$ 14,994	$ 196,557	$ -	$ 211,551
Financial assets at FVTOCI				
Equity securities				
Domestic listed securities	$ 12,760,052	$ -	$ -	$ 12,760,052
Domestic unlisted securities	-	23,460	560,425	583,885
	$ 12,760,052	$ 23,460	$ 560,425	$ 13,343,937

5) Reconciliation of Level 3 fair value measurements of financial instruments

The financial assets measured at Level 3 fair value were equity investments classified as financial assets at FVTOCI. Reconciliations for the years ended December 31, 2024 and 2023 were as follows:

	For the Year Ended December 31	
	2024	2023
Balance at January 1	$ 560,425	$ 556,504
Additions	57,614	-
Recognized in other comprehensive income	552	3,921
Balance at December 31	$ 618,591	$ 560,425

b. Categories of financial instruments

Fair values of financial assets and liabilities were summarized as follows:

	December 31			
	2024		2023	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets				
Measured at amortized cost				
Cash and cash equivalents	$ 6,740,151	$ 6,740,151	$ 9,436,796	$ 9,436,796
Accounts receivable (included related parties)	5,331,796	5,331,796	4,558,848	4,558,848
Other receivables	371,737	371,737	378,761	378,761
Refundable deposits (recorded in other non-current assets)	313,803	313,803	283,893	283,893
Financial assets at FVTPL	15,467	15,467	211,551	211,551
Financial assets at FVTOCI (current and non-current)	8,966,391	8,966,391	13,343,937	13,343,937
Financial liabilities				
Measured at amortized cost				
Accounts payable (included related parties)	4,589,835	4,589,835	5,229,574	5,229,574
Payable on equipment and other payables	6,641,579	6,641,579	12,980,183	12,980,183
Bonds payable (included current portion)	9,993,636	9,993,636	9,980,978	9,980,978
Long-term borrowings (included current portion)	40,237,274	40,237,274	44,004,722	44,004,722
Guarantee deposits (recorded in other non-current liabilities)	1,830	1,830	1,930	1,930
Financial liabilities at FVTPL	104,448	104,448	-	-

c. Financial risk management objectives and policies

The Company's Corporate Treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk, credit risk and liquidity risk.

The use of financial derivatives was governed by the Company's policies approved by the board of directors, which provide written principles on foreign exchange risk, and use of financial derivatives. Compliance with policies and exposure limits was reviewed by the internal auditors on a continuous basis.

1) Market risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company uses forward foreign exchange contracts to hedge the foreign currency risk on export.

There had been no change to the Company's exposure to market risks or the manner in which these risks were managed and measured.

a) Foreign currency risk

The Company uses forward foreign exchange contracts to hedge the exchange rate risk within approved policy parameters utilizing forward foreign exchange contracts.

The sensitivity analysis included only outstanding foreign currency denominated monetary items and foreign exchange forward contracts designated as cash flow hedges, and adjusts their translation at the end of the year for a 1% change in foreign currency rates. For a 1% weakening of the New Taiwan dollar against the relevant currency, there would be an equal and opposite impact on post-tax profit and other equity. For a 1% depreciation of New Taiwan dollars against U.S. dollars, there would be impact on net income with an increase in the amounts of NT$54,311 thousand and NT$36,839 thousand for the years ended December 31, 2024 and 2023, respectively.

b) Interest rate risk

The Company's interest rate risk arises primarily from floating rate borrowings.

The carrying amounts of the Company's financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	December 31	
	2024	**2023**
Cash flow interest rate risk		
Financial liabilities	$ 40,394,273	$ 44,231,600

The sensitivity analyses below were determined based on the Company's exposure to interest rates for fair value of variable-rate derivatives instruments at the end of the reporting period. If interest rates had been higher by 1 percentage point, the Company's cash outflows would increased by NT$403,943 thousand and NT$442,316 thousand for the years ended December 31, 2024 and 2023, respectively.

2) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company.

The Company adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. In order to minimize credit risk, the management of the Company has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue receivables. In addition, the Company reviews the recoverable amount of each individual accounts receivables at the end of the reporting period to ensure that adequate impairment losses are recognized for irrecoverable amounts. In this regard, the directors of the Company consider that the Company's credit risk was significantly reduced.

3) Liquidity risk

The Company has enough operating capital to comply with loan covenants; liquidity risk is low.

The Company's non-derivative financial liabilities and their agreed repayment period were as follows:

	December 31, 2024			
	Within 1 Year	**1-2 Years**	**Over 2 Years**	**Total**
Non-interest bearing	$ 11,231,414	$ 1,830	$ -	$ 11,233,244
Lease liabilities	125,519	125,140	1,549,965	1,800,624
Variable interest rate liabilities	9,680,985	22,543,607	8,169,681	40,394,273
Fixed interest rate liabilities	10,000,000	-	-	10,000,000
	$ 31,037,918	$ 22,670,577	$ 9,719,646	$ 63,428,141

Additional information about the maturity analysis for lease liabilities:

	Less than 2 Years	**2-5 Years**	**More than 5 Years**
Lease liabilities	$ 250,659	$ 343,905	$ 1,206,060

	December 31, 2023			
	Within 1 Year	**1-2 Years**	**Over 2 Years**	**Total**
Non-interest bearing	$ 18,209,757	$ 1,930	$ -	$ 18,211,687
Lease liabilities	122,677	121,516	1,637,585	1,881,778
Variable interest rate liabilities	8,837,327	9,680,985	25,713,288	44,231,600
Fixed interest rate liabilities	-	10,000,000	-	10,000,000
	$ 27,169,761	$ 19,804,431	$ 27,350,873	$ 74,325,065

Additional information about the maturity analysis for lease liabilities:

	Less than 2 Years	**2-5 Years**	**More than 5 Years**
Lease liabilities	$ 244,193	$ 340,133	$ 1,297,452

27. RELATED PARTY TRANSACTIONS

a. The names and relationships of related parties are as follows:

Related Party	Relationship with the Company
Walsin Lihwa Corporation ("Walsin Lihwa")	Investor that exercises significant influence over the Company
WEHK	Subsidiary
WEG	Subsidiary
WTL	Subsidiary
Callisto	Subsidiary
Callisto Holding Limited Taiwan Branch (Hong Kong)	Subsidiary
WECJ	Subsidiary
NTC	Subsidiary
METC	Subsidiary
AMTC	Subsidiary
Winbond Electronics (Suzhou) Limited ("WECN")	Sub-subsidiary
Winbond Electronics Corporation America ("WECA")	Sub-subsidiary
Miraxia Technology Taiwan Corporation ("MTTC")	Sub-subsidiary
Nuvoton Technology Corporation Japan ("NTCJ")	Sub-subsidiary
ThCC	Associate
Chin Xin	Associate
Walton Advanced Engineering Inc. ("Walton")	Related party in substance
Walton Advanced Engineering Ltd. (Suzhou) ("Walton (Suzhou)")	Related party in substance
Walsin Technology Corporation ("Walsin Technology")	Related party in substance
Hannstar Display Corporation ("Hannstar Display")	Related party in substance
Taiwan Cement Corporation ("Taiwan Cement")	Related party in substance

b. Operating activities

	For the Year Ended December 31	
	2024	2023
1) Operating revenue		
Subsidiary		
WEHK	$ 10,787,479	$ 7,869,748
Others	4,590,464	3,982,116
Sub-subsidiary	4,061,000	3,385,509
	$ 19,438,943	$ 15,237,373

Price and terms were determined in accordance with mutual agreements.

	For the Year Ended December 31	
	2024	2023
2) Manufacturing expenses		
Related party in substance	$ 3,326,913	$ 3,075,520

	For the Year Ended December 31	
	2024	2023
3) Selling expenses		
Sub-subsidiary		
WECA	$ 329,885	$ 290,388
Subsidiary	79,072	83,039
Related party in substance	485	842
	$ 409,442	$ 374,269
4) General and administrative expenses		
Investor that exercises significant influence over the Company	$ 11,054	$ 11,139
Subsidiary	155	-
	$ 11,209	$ 11,139
5) Research and development expenses		
Subsidiary	$ 618,185	$ 595,597
Sub-subsidiary	395,827	342,020
	$ 1,014,012	$ 937,617
6) Dividend income		
Investor that exercises significant influence over the Company		
Walsin Lihwa	$ 272,280	$ 445,550
Related party in substance	21,627	27,711
	$ 293,907	$ 473,261
7) Other income		
Subsidiary		
NTC	$ 20,834	$ 18,510
Others	-	10
Related party in substance	5,973	490
Associate	106	81
Sub-subsidiary	90	60
	$ 27,003	$ 19,151

	December 31	
	2024	2023
8) Accounts receivable		
Subsidiary		
WEHK	$ 563,260	$ 717,591
Others	508,502	285,653
Sub-subsidiary	222,816	118,332
	$ 1,294,578	$ 1,121,576
9) Accounts payable		
Related party in substance	$ 534,484	$ 554,797
10) Other receivables		
Subsidiary		
NTC	$ 80,318	$ 91,716
Sub-subsidiary	6,044	440
	$ 86,362	$ 92,156
11) Other payables		
Sub-subsidiary	$ 190,999	$ 169,414
Subsidiary	91,814	88,369
Related party in substance	12,248	21,805
Investor that exercises significant influence over the Company	1,449	2,614
	$ 296,510	$ 282,202
12) Refundable deposits (recorded in "other non-current assets")		
Subsidiary	$ 545	$ 545
Investor that exercises significant influence over the Company	203	203
	$ 748	$ 748
13) Guarantee deposits (recorded in "other non-current liabilities")		
Subsidiary	$ 1,780	$ 1,780

The Company's transactions with the related party were conducted under normal terms.

c. Acquisitions of property, plant and equipment

	Acquisitions Price For the Year Ended December 31	
	2024	**2023**
Subsidiary	$ 691	$ -

d. Disposal of property, plant and equipment

	Disposal Price For the Year Ended December 31		Gain (Loss) on Disposal For the Year Ended December 31	
	2024	**2023**	**2024**	**2023**
Related party in substance	$ 2	$ 5	$ 2	$ 5

The prices of the above transaction were determined based on the original acquisition cost of the machinery and equipment and reference to the recent quoted market price.

e. Lease arrangements - the Company is lessee

	Disposal of Right-of-use Assets For the Year Ended December 31		Gain (Loss) on Disposal of Right-of-use Assets For the Year Ended December 31	
	2024	**2023**	**2024**	**2023**
Investor that exercises significant influence over the Company	$ -	$ 5,845	$ -	$ 36

f. Lease arrangements - the Company is lessor/sublease arrangements

Refer to Note 14 to the parent company only financial statements.

g. Acquisition of shares

For the year ended December 31, 2024: None.

For the year ended December 31, 2023

Related Party Category/Name	Line Item	Number of Shares	Underlying Assets	Purchase Price
Associate				
ThCC	Investments accounted for using equity method	3,000,000	Ordinary shares of ThCC	$ 30,000
Subsidiary				
NTCJ	Investments accounted for using equity method	4,000	Shares of AMTC	394,661
GTD	Investments accounted for using equity method	27,998,400	Shares of WEIL	106,939
				$ 531,600

h. Endorsements and guarantees

Endorsements and guarantees provided by the Company

Related Party Category/Name	December 31 2024	2023
Sub-subsidiary		
Amount endorsed	$ 6,297,000	$ 6,516,000
Amount utilized	$ 1,490,290	$ 847,080

i. Compensation of key management personnel

	For the Year Ended December 31 2024	2023
Short-term employment benefits	$ 108,895	$ 173,433
Post-employment benefits	756	987
Share-based payment	2,449	6,191
	$ 112,100	$ 180,611

The remuneration of directors and key management personnel was determined by the remuneration committee having regard to the performance of individuals and market trends. And the remuneration was resolved by the board of directors.

28. PLEDGED AND COLLATERALIZED ASSETS

Refer to Notes 6 and 12 to the parent company only financial statements.

29. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

a. Amounts available under unused letters of credit were as follows:

	December 31 2024	2023
USD	$ -	$ 21,484
JPY	$ 1,116,637	$ 302,640

b. Unrecognized commitments were as follows:

	December 31, 2024
Acquisition of property, plant and equipment	$ 1,945,070

30. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information was aggregated by the foreign currencies other than functional currencies of the Company and the exchange rates between foreign currencies and respective functional currencies were disclosed.

The significant assets and liabilities denominated in foreign currencies were as follows:

	December 31					
	2024			2023		
	Foreign Currency (In Thousands)	Exchange Rate	New Taiwan Dollar (In Thousands)	Foreign Currency (In Thousands)	Exchange Rate	New Taiwan Dollar (In Thousands)
Financial assets						
Monetary items						
USD	$ 236,239	32.785	$ 7,745,111	$ 321,709	30.705	$ 9,878,079
EUR	2,148	34.14	73,316	6,009	33.98	204,203
JPY	3,910,900	0.2099	820,898	11,487,179	0.2172	2,495,015
RMB	25,702	4.478	115,096	16,149	4.327	69,876
Non-monetary items						
USD	30,093	32.785	986,605	24,615	30.705	755,816
EUR	887	34.14	30,279	854	33.98	29,002
JPY	5,243,429	0.2099	1,100,596	4,272,656	0.2172	928,016
ILS	11,608	8.9682	104,106	12,061	8.4694	102,148
INR	275,672	0.3831	105,610	275,556	0.3692	101,735
Financial liabilities						
Monetary items						
USD	70,581	32.785	2,314,006	201,732	30.705	6,194,175
EUR	2,067	34.14	70,564	78,138	33.98	2,655,114
JPY	4,346,533	0.2099	912,337	10,770,256	0.2172	2,339,300
ILS	4,502	8.9682	40,378	4,156	8.4694	35,201

The significant realized and unrealized foreign exchange gains (losses) were as follows:

	For the Year Ended December 31	
Foreign Currencies	**2024**	**2023**
USD	$ 475,161	$ 43,418

31. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD: NONE.

32. OTHER ITEMS

On February 15, 2023, the president of the ROC announced the amendments to the “Climate Change Response Act”, which added the provision of carbon fee collection. Subsequently, the Ministry of Environment announced the “Regulations Governing the Collection of Carbon Fees”, “Regulations for Administration of Voluntary Reduction Plans” and “Designated Greenhouse Gas Reduction Goal for Entities Subject to Carbon Fees” on August 29, 2024 and the carbon fee rate on October 2024. The fees will be levied starting from January 1, 2025. Based on the emissions of the Company in 2023, the Company expects that it will be the entity subject to carbon fees. The Company will recognize the provision of the carbon fees based on its actual emissions in 2025 and will pay them in May 2026.

33. ADDITIONAL DISCLOSURE

a. Following are the additional disclosures for material transactions for the Company:

1)	Financings provided	None
2)	Endorsements/guarantees provided	Table 1
3)	Marketable securities held (excluding investments in subsidiaries and associates)	Table 2
4)	Marketable securities acquired and disposed of at costs or prices of at least NT$300 million or 20% of the paid-in capital	None
5)	Acquisition of individual real estate properties at costs of at least NT$300 million or 20% of the paid-in capital	Table 3
6)	Disposal of individual real estate properties at prices of at least NT$300 million or 20% of the paid-in capital	None
7)	Total purchases from or sales to related parties of at least NT$100 million or 20% of the paid-in capital	Table 4
8)	Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital	Table 5
9)	Information about the derivative financial instruments transaction	Note 7

b. Information on investments: Refer to Table 6 to the parent company only financial statements attached.

c. Information on investment in mainland China

1)	The name of the investee in mainland China, the main businesses and products, its issued capital, method of investment, information on inflow or outflow of capital, percentage of ownership, income (losses) of the investee, share of profits (losses) of investee, ending balance, amount received as dividends from the investee, and the limitation on investee.	Table 7
2)	Significant direct or indirect transactions with the investee, its prices and terms of payment, unrealized gain or loss, and other related information which is helpful to understand the impact of investment in mainland China on financial reports. a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period. b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period. c) The amount of property transactions and the amount of the resultant gains or losses. d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes. e) The highest balance, the ending balance, the interest rate range, and total current period interest with respect to the financing of funds. f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services.	Table 7

d. Information on major shareholders: Refer to Table 8 to the parent company only financial statements attached.

34. SEGMENT INFORMATION

The Company has provided the financial information of the operating segments in the consolidated financial statements. These parent company only financial statements do not provide such information.

WINBOND ELECTRONICS CORPORATION

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2024
(Amounts in Thousands of New Taiwan Dollars)

No.	Endorser/Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship										
0	WEC	NTCJ	NTC's indirect subsidiary with 100% ownership	$ 14,900,508 (Note 1)	$ 6,297,000 (Note 2)	$ 6,297,000 (Note 2)	$ 1,490,290	$ -	6.87	$ 45,825,744 (Note 3)	Y	N	N

Note 1: WEC's maximum amount endorsed are limited to 30% of the net equity in latest financial statements of WEC or 150% of the net value of the endorsee company, whichever is lower. WEC's limitation of maximum endorse amount as described are not limited to subsidiaries that directly or indirectly hold 100% of voting shares.

Note 2: The ending balance is approved by the boards of directors of WEC.

Note 3: WEC's total maximum amount endorsed are limited to 50% of the net equity in the latest financial statements of WEC.

TABLE 2

WINBOND ELECTRONICS CORPORATION

MARKETABLE SECURITIES HELD
DECEMBER 31, 2024
(Amounts in of New Taiwan Dollars and Foreign Currencies)

Held Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2024				Note
				Shares/Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
WEC	Shares							
	Walsin Lihwa Corporation	The investee's chairman are relatives within the second degree of relationship of WEC's chairman. As WEC's corporate director, the investee held 22.11% ownership interest in WEC.	Current financial assets at FVTOCI	247,527,493	$ 5,866,401	6	$ 5,866,401	
	Hannstar Display Corporation	The investee's chairman are relatives within the second degree of relationship of WEC's chairman.	〃	150,000,210	1,263,002	5	1,263,002	
	Walsin Technology Corporation	The investee's chairman are relatives within the second degree of relationship of WEC's chairman.	〃	5,300,117	490,261	1	490,261	
	Walton Advanced Engineering Inc.	The investee's chairman are relatives within the second degree of relationship of WEC's chairman. WEC as the investee's director.	〃	50,062,641	698,374	10	698,374	
	Cathay Financial Holdings Co., Ltd.	None	〃	5,305	362	-	362	
	Shares							
	Hsin Chu Golf Country Club	None	Non-current financial assets at FVTOCI	3	16,080	-	16,080	
	Linkou Golf Course	None	〃	1	13,320	-	13,320	
	Intellectual Property Innovation Corporation	WEC as the investee's director	〃	1,000,000	9,286	10	9,286	
	Harbinger III Venture Capital Corp.	WEC as the investee's supervisor	〃	5,440	77	5	77	
	CHIA-HO Green Energy Corporation	WEC's chairman as a director of the investee's parent company	〃	55,500,000	553,243	15	553,243	
	Kai-Hong Energy Co., Ltd.	WEC as the investee's supervisor	〃	5,761,400	55,985	7	55,985	
	Preference shares							
	Fubon Financial Holding Co., Ltd. Preference Shares B (2881A)	None	Current financial assets at FVTPL	182,000	11,502	-	11,502	
	Cathay Financial Holding Co., Ltd. Preference Shares B (2882A)	None	〃	65,000	3,965	-	3,965	

Note: Refer to Tables 6 and 7 for information of investment in subsidiaries, investments in associates and investment in mainland China.

TABLE 3

WINBOND ELECTRONICS CORPORATION

ACQUISITION OF INDIVIDUAL REAL ESTATE AT COSTS OF AT LEAST NT$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2024
(Amounts in Thousands of New Taiwan Dollars)

Buyer	Property	Event Date	Transaction Amount	Payment Status	Counterparty	Relationship	Information on Previous Title Transfer If Counterparty Is A Related Party				Pricing Reference	Purpose of Acquisition	Other Terms
							Property Owner	Relationship	Transaction Date	Amount			
WEC	Land and bulidings	2024.09.18	$ 823,853	Fully paid	Nanzong Construction Developments, Co., Ltd.	Unrelated parties	N/A	N/A	N/A	N/A	Market price	Business purpose	None

TABLE 4

WINBOND ELECTRONICS CORPORATION

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES OF AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2024
(Amounts in Thousands of New Taiwan Dollars and Foreign Currencies)

Company Name	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Payable or Receivable		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
WEC	WEHK	Direct subsidiary with 100% ownership	Sales	$ 10,787,479	23	Net 90 days from invoice date	N/A	N/A	$ 563,260	11	
	WECJ	Direct subsidiary with 100% ownership	Sales	4,436,361	9	Net 90 days from invoice date	N/A	N/A	483,178	9	
	WECN	Indirect subsidiary with 100% ownership	Sales	2,383,487	5	Net 90 days from invoice date	N/A	N/A	-	-	
	WECA	Indirect subsidiary with 100% ownership	Sales	1,594,322	3	Net 90 days from invoice date	N/A	N/A	220,970	4	
	NTC	Direct subsidiary with 52.06% ownership	Sales	154,103	-	Net 30 days from invoice date	N/A	N/A	25,118	-	

TABLE 5

WINBOND ELECTRONICS CORPORATION

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
DECEMBER 31, 2024
(Amounts in Thousands of New Taiwan Dollars and Foreign Currencies)

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Action Taken		
WEC	WEHK	Direct subsidiary with 100% ownership	$ 563,260	16.84	$ -	-	$ 563,260	$ -
	WECJ	Direct subsidiary with 100% ownership	483,178	11.85	-	-	424,109	-
	WECA	Indirect subsidiary with 100% ownership	220,970	9.50	-	-	209,951	-

Note: Other receivables are not applicable to calculation of turnover rate.

TABLE 6

WINBOND ELECTRONICS CORPORATION

NAMES, LOCATIONS, AND RELATED INFORMATION OF INVESTEES OVER WHICH THE COMPANY EXERCISES SIGNIFICANT INFLUENCE (EXCLUDING INFORMATION ON INVESTMENT IN MAINLAND CHINA)
FOR THE YEAR ENDED DECEMBER 31, 2024
(Amounts in Thousands of New Taiwan Dollars and Foreign Currencies)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of December 31, 2024			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				December 31, 2024	December 31, 2023	Number of Shares	%	Carrying Amount			
WEC	NTC	Taiwan	Research, design, development, manufacture and marketing of Logic IC, 6-inch wafer product, test, and OEM	$ 4,730,738	$ 4,436,920	218,554,635	52.06	$ 8,125,137	$ 219,849	$ 109,965	
	WIC	British Virgin Islands	Investment holding	2,758,517	2,758,517	87,960,000	100.00	2,151,881	38,274	38,274	
	WEHK	Hong Kong	Sales of semiconductor and investment holding	278,158	278,158	71,150,000	100.00	908,692	190,211	190,211	
	METC	Japan	Software and hardware integration design of semiconductor	167,660	167,660	4,000	100.00	354,221	68,798	68,798	
	AMTC	Japan	Manufacture of semiconductor and smart factory solutions	237,052	237,052	4,000	100.00	337,252	62,715	62,715	
	WECJ	Japan	Research, development, sales and after-sales service of semiconductor	190,070	190,070	2,970	100.00	409,123	75,075	75,075	
	WEIL	India	Sales and service of semiconductor	133,617	133,617	27,998,400	99.99	135,256	47	47	
	Callisto	Hong Kong	Electronic commerce and investment holding	156,292	156,292	40,000,000	100.00	77,913	(2,961)	(2,961)	
	WTL	Israel	Design and service of semiconductor	21,242	21,242	100,000	100.00	104,106	13,050	13,050	
	WEG	Germany	Marketing service of semiconductor	28,679	28,679	850,000	100.00	30,279	1,137	1,137	
	Chin Xin	Taiwan	Investment holding	1,874,825	1,874,825	182,840,999	38.00	5,240,577	284,399	107,192	
	ThCC	Taiwan	Agriculture and forestry botanic conservation	270,000	270,000	27,000,000	15.00	261,944	7,405	1,111	

Note: Refer to Table 7 for information on investment in mainland China.

WINBOND ELECTRONICS CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENT IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2024
(Amounts in Thousands of New Taiwan Dollars and Foreign Currencies)

1. Information on any investee company in mainland China, main businesses and procedures, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, investment income or loss, carrying amount of the investment at the end of the period and repatriations of investment income:

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2024	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2024	Net Income of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Note 1)	Carrying Amount as of December 31, 2024	Accumulated Repatriation of Investment Income as of December 31, 2024
					Outward	Inward						
WECN	Design, development and marketing of VLSI integrated ICs	$ 276,435 (USD 9,000)	Through investing in WEHK in the third area, which then invested in the investee in mainland China indirectly	$ 276,435 (USD 9,000)	$ -	$ -	$ 276,435 (USD 9,000)	$ 34,968	100.00	$ 34,968	$ 346,635	$ 35,880
NTSH	Provide projects for sale in China and repairing, testing, consulting of software and equipment leasing business	68,036 (USD 2,000)	Through investing in NTHK in the third area, which then invested in the investee in mainland China indirectly (Note 2)	68,036 (USD 2,000)	-	-	68,036 (USD 2,000)	2,661	52.06	1,385	51,600	-
NTSZ	Computer software service (except I.C. design), wholesale business for computer, supplement and software	197,670 (USD 6,000)	Through investing in NTHK in the third area, which then invested in the investee in mainland China indirectly	197,670 (USD 6,000)	-	-	197,670 (USD 6,000)	8,377	52.06	4,361	128,069	-
Song Zhi Suzhou	Provide development of semiconductor and technology, consult service and equipment leasing business	- (Note 3)	Through investing in NTSH in the third area, which then invested in the investee in mainland China indirectly	- (Note 3)	-	-	- (Note 3)	(61)	-	(32)	- (Note 3)	-
NTNJ	Provide development of semiconductor and technology, consult service and sale	28,800 (CNY 900) (Note 4)	Through investing in NTHK in the third area, which then invested in the investee in mainland China indirectly	- (Note 4)	-	-	- (Note 4)	(4,730)	52.06	(2,462)	12,421	-

Note 1: The gain or loss on investment for the year ended December 31, 2024 was recognized on the basis of the financial statements audited by the auditor.

Note 2: GLLC sold 100% ownership interest of NTSH to NTHK in May 2024. NTHK directly injected the capital in NTSH.

Note 3: Song Zhi Suzhou was directly funded by NTSH. In September 2024, the full amount of the funds was returned to NTSH, and completed the liquidation and legal procedures in October 2024.

Note 4: NTHK directly injected the capital in NTNJ.

2. Information on any investee company in mainland China, main businesses and procedures, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, investment income or loss, carrying amount of the investment at the end of the period and repatriations of investment income:

Company	Accumulated Outward Remittance for Investment in Mainland China as of December 31, 2024	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA (Note 6)
WEC	$ 276,435 (USD9,000)	$ 276,435 (USD9,000)	$ 59,495,653
NTC	282,135 (USD8,500) (Note 5)	282,135 (USD8,500) (Note 5)	9,397,822

Note 5: The investment amounts of Winbond Electronics (Nanjing) Ltd. which has completed the cancellation and liquidation process in May 2023 was NT$16,429 thousand (USD500 thousand).

Note 6: Upper limit on the amount of 60% of the investee’s net carrying amount.

3. Refer to Table 4 for significant transactions with the investee in mainland China directly and indirectly through investing in companies in the third area.

4. Handling endorsement, guarantee and collateral to the investee in mainland China directly and indirectly through investing in companies in the third area: None.

5. Financing of funds to investee in mainland China directly and indirectly through investing in companies in the third area: None.

6. Other transactions with significant influence on profit or loss for the period or financial performance: None.

TABLE 8

WINBOND ELECTRONICS CORPORATION

INFORMATION OF MAJOR SHAREHOLDERS
DECEMBER 31, 2024

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Walsin Lihwa Corporation	995,000,540	22.11
Chin Xin Investment Co., Ltd.	284,000,493	6.31

Note 1: Table 8 is based on the information on the last business day of the quarter provided by the Taiwan Depository & Clearing Corporation (TDCC). The TDCC calculate the total number of ordinary shares and preference shares held by shareholders who retain more than 5% of the Company's share (including treasury shares) that have delivered without physical registration. The number of shares in the Company's consolidated financial report and the actual number of shares delivered without physical registration may differ due to the different calculation basis.

Note 2: As per information above, if the shareholder delivers the shares to the trust, shares will be disclosed based on the trustee's account. Additionally, according to the Securities and Exchange Act, internal stakeholder who holds more than 10% of the Company's share, which includes shares held by the stakeholder and parts delivered to the trust that have decision making rights, should be declared. For information regarding internal stakeholder declaration, refer to the Market Observation Post System website of the Taiwan Stock Exchange Corporation.

WINBOND ELECTRONICS CORPORATION

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WINBOND ELECTRONICS CORPORATION

STATEMENT OF CASH AND CASH EQUIVALENTS
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars, Unless Foreign Currencies)

Item	Description	Amount
Cash		
Cash on hand		$ 190
Deposits in banks	Check accounts	181
	Demand deposits - NT$	169,410
	Foreign currency deposits - US$27,812 @32.785	911,805
	Foreign currency deposits - JPY3,945,988 @0.2099	828,263
	Foreign currency deposits - EUR2,148 @34.14	73,315
	Foreign currency deposits - RMB25,632 @4.478	114,782
	Time deposits - NT$	3,013,150
	Time deposits - US$23,000 @32.785	754,055
Cash equivalents	Repurchase agreements - expired on January 2, 2025 to January 9, 2025, interest rates at 1.22%-1.33%	875,000
		$ 6,740,151

WINBOND ELECTRONICS CORPORATION

STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME - CURRENT
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

				Fair Value	
Name	**Shares/Units**	**Par Value**	**Cost Amount**	**Unit Price**	**Total Amount**
Walsin Lihwa Corporation	247,527,493	$ 10	$ 2,848,160	$ 23.70	$ 5,866,401
Hannstar Display Corporation	150,000,210	10	1,395,009	8.42	1,263,002
Walsin Technology Corporation	5,300,117	10	168,426	92.50	490,261
Walton Advanced Engineering Inc.	50,062,641	10	526,293	13.95	698,374
Cathay Financial Holdings Co., Ltd.	5,305	10	186	68.30	362
			$ 4,938,074		$ 8,318,400

STATEMENT 3

WINBOND ELECTRONICS CORPORATION

STATEMENT OF ACCOUNTS RECEIVABLE (NON-RELATED PARTIES)
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Client Name	Amount
Y	$ 722,760
A016	637,932
A022	225,187
Others (Note 1)	2,546,069
Less: Loss allowance	(94,730)
	$ 4,037,218

Note 1: The amount of each item in others does not exceed 5% of the account balance.

Note 2: The Company has no accounts receivables for more than one year.

WINBOND ELECTRONICS CORPORATION

STATEMENT OF OTHER RECEIVABLES
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Item	Amount
Business tax refund receivable	$ 228,990
Receivables from payroll payments on behalf of others	80,318
Others (Note)	62,429
	$ 371,737

Note: The amount of each item in others does not exceed 5% of the account balance.

STATEMENT 5

WINBOND ELECTRONICS CORPORATION

STATEMENT OF INVENTORIES
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Item	Amount Cost	Amount Net Realized Value
Finished goods	$ 888,613	$ 675,679
Work-in-process	20,312,960	15,214,187
Raw materials and supplies	1,410,833	1,197,277
Inventories in transit	-	-
Less: Allowance for inventory valuation and obsolescence losses	(5,525,263)	-
	$ 17,087,143	$ 17,087,143

WINBOND ELECTRONICS CORPORATION

STATEMENT OF OTHER CURRENT ASSETS
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Item	Amount
Prepaid expenses for mask	$ 323,025
Prepaid expenses Probe Card	250,304
Prepaid expenses for maintenance	204,978
Prepaid salaries	199,941
Prepaid expenses for materials	82,741
Others (Note)	88,795
	$ 1,149,784

Note: The amount of each item in others does not exceed 5% of the account balance.

WINBOND ELECTRONICS CORPORATION

STATEMENT OF FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME - NON-CURRENT
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Name of Securities	As of January 1, 2024		Increase		Decrease		As of December 31, 2024		Collateral
	Shares	Fair Value	Shares	Fair Value	Shares	Fair Value	Shares	Fair Value	
Hsin Chu Golf Country Club	3	$ 12,660	-	$ 3,420	-	$ -	3	$ 16,080	None
Linkou Golf Course.	1	10,800	-	2,520	-	-	1	13,320	None
Intellectual Property Innovation Corporation	1,000,000	8,292	-	994	-	-	1,000,000	9,286	None
Harbinger III Venture Capital Corp.	5,440	145	-	-	-	68	5,440	77	None
CHIA-HO Green Energy Corporation	55,500,000	551,988	-	1,255	-	-	55,500,000	553,243	None
Kai-Hong Energy Co., Ltd.	-	-	5,761,400	57,614	-	1,629	5,761,400	55,985	None
		$ 583,885		$ 65,803		$ 1,697		$ 647,991	

WINBOND ELECTRONICS CORPORATION

STATEMENT OF CHANGES IN INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Name	Balance at January 1, 2024		Increase		Decrease		Balance at December 31, 2024			Market Value or Net Assets Value	Collateral
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	%	Amount		
Nuvoton Technology Corporation	214,954,635	$ 8,549,443	3,600,000	$ 293,818 (Note 1)	-	$ (718,124) (Note 2)	218,554,635	52.06	$ 8,125,137	$ 19,451,363	None
Winbond International Corporation	87,960,000	1,961,148	-	190,733	-	-	87,960,000	100.00	2,151,881	2,151,881	None
Winbond Electronics (H.K.) Limited	71,150,000	679,024	-	229,668	-	-	71,150,000	100.00	908,692	908,692	None
Winbond Electronics Corporation Japan	2,970	346,194	-	62,929		-	2,970	100.00	409,123	409,123	None
Miraxia Edge Technology Corporation	4,000	296,766	-	57,455	-	-	4,000	100.00	354,221	354,221	None
Atfields Manufacturing Technology Corporation	4,000	285,056	-	52,196	-	-	4,000	100.00	337,252	337,252	None
Winbond Electronics India Private Limited	27,998,400	131,382	-	3,874	-	-	27,998,400	99.99	135,256	135,256	None
Callisto Holding Limited	40,000,000	76,792	-	1,121	-	-	40,000,000	100.00	77,913	77,913	None
Winbond Technology Ltd.	100,000	102,148	-	19,507	-	(17,549) (Note 3)	100,000	100.00	104,106	104,106	None
Winbond Electronics Germany GmbH	850,000	29,002	-	1,277	-	-	850,000	100.00	30,279	30,279	None
Chin Xin Investment Co., Ltd.	182,840,999	8,842,850	-	-	-	(3,602,273) (Note 2)	182,840,999	38.00	5,240,577	5,240,577	None
Theaceae Conservation Corporation	27,000,000	284,474	-	-	-	(22,530)	27,000,000	15.00	261,944	261,944	None
		$ 21,584,279		$ 912,578		$ (4,360,476)			$ 18,136,381		

Note 1: The Company acquired 3,600 thousand shares of NTC in the open market in August 2024.

Note 2: Include cash dividends and adjustment for equity method.

Note 3: Cash dividends.

WINBOND ELECTRONICS CORPORATION

STATEMENT OF CHANGES IN RIGHT-OF-USE ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Item	Balance at January 1, 2024	Addition	Deduction	Balance at December 31, 2024
Cost				
Land	$ 1,848,735	$ 29,327	$ -	$ 1,878,062
Buildings	42,637	11,516	10,302	43,851
Other equipment	25,867	13,927	5,952	33,842
	$ 1,917,239	$ 54,770	$ 16,254	$ 1,955,755
Accumulated depreciation				
Land	$ 417,069	$ 87,944	$ -	$ 505,013
Buildings	23,236	17,983	10,302	30,917
Other equipment	10,619	9,066	5,040	14,645
	$ 450,924	$ 114,993	$ 15,342	$ 550,575

STATEMENT 10

WINBOND ELECTRONICS CORPORATION

STATEMENT OF OTHER NON-CURRENT ASSETS
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Item	Amount
Long-term prepaid expenses for materials	$ 549,329
Pledged time deposits	192,553
Refundable deposits	121,250
Others (Note)	11,810
	$ 874,942

Note: The amount of each item in others does not exceed 5% of the account balance.

STATEMENT 11

WINBOND ELECTRONICS CORPORATION

STATEMENT OF ACCOUNTS PAYABLE (NOT-RELATED PARTIES)
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Vender Name	Amount
Z030	$ 675,934
Z016	253,317
Others (Note)	3,126,100
	$ 4,055,351

Note: The amount of each item in others does not exceed 5% of the account balance.

WINBOND ELECTRONICS CORPORATION

STATEMENT OF PAYABLE ON MACHINERY AND EQUIPMENT
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Item	Amount
DISCO HI-TEC TAIWAN CO., LTD.	$ 206,171
SCREEN Semiconductor Solutions.Co., Ltd.	142,950
TAIWAN PURITIC CORP.	97,341
ADVANTEST TAIWAN INC.	91,432
Others (Note)	1,248,054
	$ 1,785,948

Note: The amount of each item in others does not exceed 5% of the account balance.

STATEMENT 13

WINBOND ELECTRONICS CORPORATION

STATEMENT OF OTHER PAYABLES
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Item	Amount
Payable for royalties	$ 1,021,340
Payable for maintenance	1,015,026
Payable for bonuses	497,598
Payable due to related parties	296,510
Others (Note)	2,025,157
	$ 4,855,631

Note: The amount of each item in others does not exceed 5% of the account balance.

WINBOND ELECTRONICS CORPORATION

STATEMENT OF OTHER CURRENT LIABILITIES
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Item	Amount
Unearned receipts	$ 65,232
Deferred revenue	23,969
Temporary receipts and receipts under custody	30,661
	$ 119,862

Note: The amount of each item in others does not exceed 5% of the account balance.

WINBOND ELECTRONICS CORPORATION

STATEMENT OF BONDS PAYABLE
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Item	Trustee	Guarantor	Issued Date	Payment Date	Rate (Year %)	Issued Amount	Repaid Amount	Balance, End of Year	Unamortized Amount	Book Value	Payment Regulation	Guarantee Situation	Note
The first secured corporate bonds of 2018	SinoPac Bank	TCB, CTBC, TSIB, MEGA, DBS, BOT, CHB, E.SUN Bank, First Bank, TBB	2018.07.17	Simple interest rate; once a year	1	$ 10,000,000	$ -	$ 10,000,000	$ 6,364	$ 9,993,636	The principal shall be repaid once at maturity within seven years from the date of issuance.	12-inch factory machinery and equipment and ancillary equipment.	

WINBOND ELECTRONICS CORPORATION

STATEMENT OF LONG-TERM BORROWINGS
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Item	Description	Amount	Period	Interest Rate (%)	Amount Limit for Margin Trading	Mortgage or Warrant
Secured borrowings						
Bank of Taiwan syndicated loan (V) (Note 1)	Build up and procure equipment for lab	$ 29,400,000	2019.09.19-2026.09.19	2.87	$ 42,000,000	Equipment of Kaohsiung plant, Kaohsiung plant and Zhongke Factory
Bank of Taiwan syndicated loan (VI) (Note 2)	Equipment and related ancillary equipment	6,300,000	2023.12.15-2030.12.15	2.43-2.73	20,000,000	Equipment of Kaohsiung plant and Zhongke Factory
Unsecured borrowings						
Government grants (Note 3)	Machinery and equipment/operating working capital	4,694,273	2020.12.28-2028.11.15	1.38-1.58	5,131,600	None
		40,394,273			$ 67,131,600	
Less: Current portion		(9,680,985)				
Less: Syndication agreement management fee		(45,427)				
Less: Government loan discount		(111,572)				
		$ 30,556,289				

Note 1: Bank of Taiwan syndicated loan (V) will be repaid every six months from September 19, 2023 until maturity.

Note 2: For Bank of Taiwan syndicated loan (VI), part A will be repaid every month from December 15, 2026 until maturity; part B will be repaid every six month from December 15, 2026 until maturity.

Note 3: For government borrowings, the first installment will be made in the 36th - 37th month of the principal, and each month thereafter, the principal will be repaid in 48-49 equal installments.

STATEMENT 17

WINBOND ELECTRONICS CORPORATION

STATEMENT OF LEASE LIABILITIES
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Item	Lease Term	Discount Rate (%)	Balance, End of Year
Land	2004.02-2043.12	1.83-2.60	$ 1,464,270
Buildings	2022.01-2026.12	1.50-1.85	13,225
Other equipment	2021.11-2029.11	1.26-2.25	19,251
			1,496,746
Less: Current portion			(90,465)
Lease liabilities - non-current			$ 1,406,281

STATEMENT 18

WINBOND ELECTRONICS CORPORATION

STATEMENT OF OTHER NON-CURRENT LIABILITIES
DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Item	Amount
Warranties	$ 100,782
Long-term deferred revenue	114,006
Long-term investment deferred benefits	13,946
Others (Note)	1,831
	$ 230,565

Note: The amount of each item in others does not exceed 5% of the account balance.

WINBOND ELECTRONICS CORPORATION

STATEMENT OF OPERATING REVENUE
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Item	Quantity	Amount
CMS product	1,425 pieces of chip; 1,363,612 thousand pieces of die	$ 19,114,338
Flash memory product	1,850 pieces of chip; 3,194,511 thousand pieces of die	28,342,614
Others	-	22,440
		$ 47,479,392

STATEMENT 20

WINBOND ELECTRONICS CORPORATION

STATEMENT OF OPERATING COSTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Item	Amount
Raw materials, beginning of year	$ 1,902,661
Add: Raw material purchased	9,913,040
Less: Manufacturing expenses and operating expenses	(3,467,344)
Scrapped	(15,822)
Raw materials, end of year	(1,410,833)
Raw materials used	6,921,702
Direct labor	294,046
Manufacturing expenses	30,270,159
Manufacturing costs	37,485,907
Add: Work-in process, beginning of year	16,764,989
Less: Manufacturing expenses and operating expenses	(652,212)
Scrapped	(115,163)
Work-in-process, end of year	(20,312,960)
Cost of finished goods	33,170,561
Add: Finished goods, beginning of year	1,386,195
Less: Manufacturing expenses and operating expenses	(24,417)
Scrapped	(4,927)
Finished goods, end of year	(888,613)
Add: Other operating costs	457,300
Unallocated production overhead	2,099,982
Inventory write-downs and scrap of inventories	1,722,658
Less: Unrealized gross profit	10,464
	$ 37,929,203

WINBOND ELECTRONICS CORPORATION

STATEMENT OF SELLING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Item	Amount
Technical service fee	$ 403,288
Payroll expense	256,893
Commission	217,219
Export fee	98,105
Others (Note)	151,845
	$ 1,127,350

Note: The amount of each item in others does not exceed 5% of the account balance.

WINBOND ELECTRONICS CORPORATION

STATEMENT OF GENERAL AND ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Item	Amount
Payroll expense	$ 499,636
Depreciation	154,278
Software fee	133,904
Professional service fee	91,795
Industrial park general expense	88,398
Employee benefits grant	73,131
Others (Note)	312,941
	$ 1,354,083

Note: The amount of each item in others does not exceed 5% of the account balance.

WINBOND ELECTRONICS CORPORATION

STATEMENT OF RESEARCH AND DEVELOPMENT EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Item	Amount
Material expense	$ 2,759,075
Payroll expense	1,790,326
Technical service fee	1,013,516
Professional service fee	557,709
Depreciation	379,497
Others (Note)	668,368
	$ 7,168,491

Note: The amount of each item in others does not exceed 5% of the account balance.

WINBOND ELECTRONICS CORPORATION

STATEMENT OF OTHER INCOME AND EXPENSES - OTHER INCOME
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Item	Amount
Government grants	$ 121,266
Rental income	36,071
Service revenue	11,826
Revenue from the sale of surplus or leftover stock	9,599
Others (Note)	8,952
	$ 187,714

Note: The amount of each item in others does not exceed 5% of the account balance.

WINBOND ELECTRONICS CORPORATION

STATEMENT OF OTHER INCOME AND EXPENSES - OTHER EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024
(In Thousands of New Taiwan Dollars)

Item	Amount
Syndication agreement management fee for issuance of corporate bonds	$ 93,880
Syndication agreement management fee	40,850
Rent expense	17,401
Depreciation expenses of investment properties and other non-current assets	12,222
Others (Note)	7,359
	$ 171,712

Note: The amount of each item in others does not exceed 5% of the account balance.