Stock Code:2009

FIRST COPPER TECHNOLOGY CO., LTD.

Financial Statements

With Independent Auditors' Report
For the Years Ended December 31, 2024 and 2023

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The independent auditors' report and the accompanying financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and financial statements, the Chinese version shall prevail.

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Independent Auditors' Report

To the Board of Directors FIRST COPPER TECHNOLOGY CO., LTD.

Opinion

We have audited the financial statements of FIRST COPPER TECHNOLOGY CO., LTD.("the Company"), which comprise the balance sheets as of December 31, 2024 and 2023, the statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended December 31, 2024 and 2023 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audit in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and 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 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 Republic of China, and we have fulfilled our other ethical responsibilities in these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of 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 financial statements of the Company for the year ended December 31, 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.We have determined the matters described below to be the key audit matters to be communicated in our report:

Valuation of inventory

Please refer to Note 4(g) for significant accounting policies on inventories valuation, Note 5 for significant accounting estimation,and assumptions uncertainty on inventory valuation, information regarding the inventory valuation is shown in Note 6(e) of the financial statements.

Description of key audit matter:

The Company's inventories are copper products which are measured at the lower of cost and net realizable value. Since the selling price is affected by copper price which fluctuates wildly, the valuation of inventory is one of the key areas our audit focused on.

How the matter was addressed in our audit:

In relation to the key audit matter above, our principal audit procedures include assessing whether the valuation of inventories is in compliance with the accounting policy of the Company, obtaining information on the lower of cost and net realizable value of inventories and ageing statements prepared by management, performing reviews of estimated selling price on a sample basis to recent sales records and analyzing such data with respect to fluctuations in the international price of copper, and testing on a sample basis the correctness of the ageing statements of inventories, as well as evaluating the basis for management' s estimation of the net realizable value of inventories and the reasonableness of the estimation.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IFRSs, IASs, IFRC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 Standard 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 financial statements.

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

1. Identify and assess the risks of material misstatement of the 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 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 financial statements, including the disclosures, and whether the 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 investment in other entities accounted for using the equity method to express an opinion on this 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 financial statements of the current period 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 audit resulting in this independent auditors' report are Yung-Hsiang, Chen and Yen-Ta, Su.

KPMG

Taipei, Taiwan (Republic of China)
March 3, 2025

Notes to Readers

The accompanying financial statements are intended only to present the statement of financial position, financial performance and cash flows in accordance with the 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 financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' audit report and the accompanying financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' audit report and financial statements, the Chinese version shall prevail.

(English Translation of Financial Statements Originally Issued in Chinese)

FIRST COPPER TECHNOLOGY CO., LTD.

Balance Sheets

December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2024		December 31, 2023	
	Assets	**Amount**	**%**	**Amount**	**%**
	Current assets:				
1100	Cash and cash equivalents (note 6(a))	$ 139,179	2	68,575	1
1172	Accounts receivable (notes 6(c))	233,061	3	238,646	3
1180	Accounts receivable from related parties (notes 6(c) and 7)	1,636	-	-	-
1200	Other receivables (notes 6(c)(d))	43,096	-	90,604	1
1220	Current tax assets	96	-	34	-
130X	Inventories (note 6(e))	1,910,788	21	1,754,821	22
1470	Other current assets (note 6(j))	15,821	-	8,220	-
	Total current assets	2,343,677	26	2,160,900	27
	Non-current assets:				
1517	Non-current financial assets at fair value through other comprehensive income (note 6(b))	5,401,803	60	4,473,694	57
1550	Investments accounted for using equity method (note 6(f))	145	-	134	-
1600	Property, plant and equipment (notes 6(g))	1,040,128	12	1,037,336	13
1760	Investment property, net (note 6(h)(n))	216,139	2	219,271	3
1780	Intangible assets (note 6(i))	183	-	84	-
1840	Deferred tax assets (note 6(p))	31,210	-	24,293	-
1915	Prepayments for equipment	9,023	-	10,636	-
1920	Refundable deposits (note 6(d))	10	-	10	-
1975	Net defined benefit asset, non-current (note 6(o))	9,224	-	9,824	-
	Total non-current assets	6,707,865	74	5,775,282	73
	Total assets	$ 9,051,542	100	7,936,182	100

		December 31, 2024		December 31, 2023	
	Liabilities and Equity	**Amount**	**%**	**Amount**	**%**
	Current liabilities:				
2100	Short-term borrowings (note 6(k))	$ 520,057	6	803,219	10
2110	Short-term notes and bills payable (note 6(k)(l))	906,564	10	749,629	10
2130	Current contract liabilities (note 6(s))	14,773	-	4,869	-
2150	Notes payable (note 6(o))	2,897	-	2,520	-
2170	Accounts payable	64,360	1	67,221	1
2200	Other payables (note 6(o))	76,820	1	56,531	1
2300	Other current liabilities (notes 6(m))	26,893	-	5,500	-
	Total current liabilities	1,612,364	18	1,689,489	22
	Non-Current liabilities:				
2570	Deferred tax liabilities (note 6(p))	267,178	3	266,851	3
	Total non-current liabilities	267,178	3	266,851	3
	Total liabilities	1,879,542	21	1,956,340	25
	Equity (note 6(q)):				
3110	Ordinary share	3,596,222	40	3,596,222	45
3300	Retained earnings:				
3310	Legal reserve	61,996	1	61,996	1
3320	Special reserve	262,845	3	262,845	3
3350	Unappropriated retained earnings	305,198	3	41,149	1
		630,039	7	365,990	5
3400	Other equity	2,945,739	32	2,017,630	25
	Total equity	7,172,000	79	5,979,842	75
	Total liabilities and equity	$ 9,051,542	100	7,936,182	100

See accompanying notes to financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)

FIRST COPPER TECHNOLOGY CO., LTD.

Statements of Comprehensive Income

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars , Except for Earnings per share)

		2024		2023	
		Amount	%	Amount	%
4000	**Operating revenues (notes 6(s) and 7)**	$ 3,128,075	100	2,646,149	100
5000	**Operating costs (notes 6(e)(o)(t), 7 and 12)**	3,009,825	96	2,657,368	100
5900	**Gross profit (loss)**	118,250	4	(11,219)	-
6000	**Operating expenses (notes 6(o)(t), 7 and 12)**	62,139	2	56,130	2
6900	**Operating profit (loss)**	56,111	2	(67,349)	(2)
7000	**Non-operating income and expenses (notes 6(f)(n)(u)):**				
7100	Interest income	890	-	452	-
7010	Other income	230,011	7	100,767	4
7020	Other gains and losses, net	128	-	(1,204)	-
7050	Finance costs	(27,796)	(1)	(26,890)	(1)
7060	Share of profit (loss) of associates accounted for using equity method, net	11	-	2	-
		203,244	6	73,127	3
7900	**Profit before income tax**	259,355	8	5,778	1
7950	Less: Income tax expenses (benefit) (note 6(p))	(6,210)	-	15,272	1
8200	**Profit (loss)**	265,565	8	(9,494)	-
	Other comprehensive income (loss):				
8310	**Item that may not be reclassified subsequently to profit or loss**				
8311	Remeasurements of defined benefit plans	(1,896)	-	(5,713)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	928,109	30	1,616,358	61
8320	Share of other comprehensive income of associates accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss (note 6(f))	-	-	(1)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss (note 6(p))	(380)	-	(1,142)	-
		926,593	30	1,611,786	61
	Other comprehensive income (after tax)	926,593	30	1,611,786	61
8500	**Comprehensive income**	**$ 1,192,158**	**38**	**1,602,292**	**61**
	Earnings per share (note 6(r)):				
9750	**Basic earnings per share (in New Taiwan Dollars)**	**$**	**0.74**		**(0.03)**
9850	**Diluted earnings per share (in New Taiwan Dollars)**	**$**	**0.74**		**(0.03)**

See accompanying notes to financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)

FIRST COPPER TECHNOLOGY CO., LTD.

Statements of Changes in Equity

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

		Retained earnings			Other equity	
	Ordinary shares	Legal reserve	Special reserve	Unappropriated retained earnings	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Total equity
Balance at January 1, 2023	$ 3,596,222	41,018	262,845	219,322	401,992	4,521,399
Loss for the year ended December 31, 2023	-	-	-	(9,494)	-	(9,494)
Other comprehensive income for the year ended December 31, 2023	-	-	-	(4,572)	1,616,358	1,611,786
Total comprehensive income for the year ended December 31, 2023	-	-	-	(14,066)	1,616,358	1,602,292
Appropriation and distribution of retained earnings:						
Legal reserve	-	20,978	-	(20,978)	-	-
Cash dividends of ordinary share	-	-	-	(143,849)	-	(143,849)
Disposal of investments in equity instruments measured at fair value through other comprehensive income	-	-	-	720	(720)	-
Balance at December 31, 2023	**3,596,222**	**61,996**	**262,845**	**41,149**	**2,017,630**	**5,979,842**
Profit for the year ended December 31, 2024	-	-	-	265,565	-	265,565
Other comprehensive income for the year ended December 31, 2024	-	-	-	(1,516)	928,109	926,593
Total comprehensive income for the year ended December 31, 2024	-	-	-	264,049	928,109	1,192,158
Balance at December 31, 2024	**$ 3,596,222**	**61,996**	**262,845**	**305,198**	**2,945,739**	**7,172,000**

See accompanying notes to financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)

FIRST COPPER TECHNOLOGY CO., LTD.

Statements of Cash Flows

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	2024	2023
Cash flows from (used in) operating activities:		
Profit before tax	$ 259,355	5,778
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	88,496	84,631
Amortization expense	77	48
Net (gain) loss on financial assets at fair value through profit or loss	-	(8,517)
Interest expense	27,796	26,890
Interest income	(890)	(452)
Dividend income	(208,564)	(83,458)
Share of profit of associates accounted for using equity method	(11)	(2)
Gain on disposal of property, plant and equipment	(116)	(155)
Provision (reversal) for liabilities	357	(508)
Total adjustments to reconcile profit (loss)	(92,855)	18,477
Changes in operating assets and liabilities:		
Net changes in operating assets:		
Decrease in notes receivable	-	1,481
Decrease (increase) in accounts receivable	5,585	(69,978)
(Increase) decrease in accounts receivable from related parties	(1,636)	713
Decrease (increase) in other receivables	47,508	(58,306)
(Increase) decrease in inventories	(155,967)	229,905
Increase in net defined benefit asset	(1,296)	(1,210)
(Increase) decrease in other current assets	(7,601)	12,449
Total net changes in operating assets	(113,407)	115,054
Net changes in operating liabilities:		
Increase (decrease) in current contract liabilities	9,904	(12,584)
Increase (decrease) in notes payable	377	(370)
(Decrease) increase in accounts payable	(2,861)	9,709
Increase (decrease) in other payable	18,290	(3,718)
Increase (decrease) in other current liabilities	21,036	(1,911)
Total net changes in operating liabilities	46,746	(8,874)
Total net changes in operating assets and liabilities	(66,661)	106,180
Total adjustments	(159,516)	124,657
Cash inflow generated from operations	99,839	130,435
Interest received	890	452
Dividends received	208,564	83,724
Interest paid	(12,981)	(16,267)
Income taxes paid	(62)	(27)
Net cash flows from operating activities	296,250	198,317
Cash flows from (used in) investing activities:		
Proceeds from disposal of financial assets at fair value through profit or loss	-	49,287
Acquisition of property, plant and equipment	(77,518)	(50,545)
Proceeds from disposal of property, plant and equipment	116	562
Increase in refundable deposits	-	(3)
Proceeds from liquidation in financial assets at fair value through other comprehensive income-non-current	-	353
Acquisition of intangible assets	(176)	-
Increase in prepayments for equipment	(9,023)	(169)
Net cash flows used in investing activities	(86,601)	(515)
Cash flows from (used in) financing activities:		
Decrease in short-term borrowings	(283,162)	(312,061)
Increase in short-term notes and bills payable	141,938	239,088
Increase (decrease) in guarantee deposits received	2,627	(98)
Cash dividends paid	(448)	(142,741)
Net cash flows used in financing activities	(139,045)	(215,812)
Net increase (decrease) in cash and cash equivalents	70,604	(18,010)
Cash and cash equivalents at beginning of period	68,575	86,585
Cash and cash equivalents at end of period	$ **139,179**	**68,575**

See accompanying notes to financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)

FIRST COPPER TECHNOLOGY CO., LTD.

Notes to the Financial Statements

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars, unless otherwise specified)

(1) Company history:

First Copper Technology Co., Ltd. (the Company) was incorporated on July 8, 1969. The Company's registered address is 4F, No. 170, Chung Cheng 4th Road, Kaohsiung, Taiwan. The Company is engaged in the manufacture and sale of copper wire and copper plate, and the processing of scrap iron and copper. The Company's common shares were listed on the Taiwan Stock Exchange (TWSE).

The Company's parent company is Hua Eng Wire & Cable Co., Ltd.

(2) Approval date and procedures of the financial statements:

The financial statements were authorized for issue by the Board of Directors on March 3, 2025.

(3) New standards, amendments and interpretations adopted:

(a) The impact of the International Financial Reporting Standards ("IFRSs") Accounting Standards endorsed by the Financial Supervisory Commission ("FSC"), R.O.C. which have already been adopted.

The Company has initially adopted the following new amendments, which do not have a significant impact on its financial statements, from January 1, 2024:

- Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"
- Amendments to IAS 1 "Non-current Liabilities with Covenants"
- Amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements"
- Amendments to IFRS 16 "Lease Liability in a Sale and Leaseback"

(b) The impact of IFRS issued by the FSC but not yet effective

The Company assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2025, would not have a significant impact on its financial statements:

- Amendments to IAS21 "Lack of Exchangeability"

(c) The impact of IFRS issued by the International Accounting Standards Board (IASB) but not yet endorsed by the FSC

The following new and amended standards, which may be relevant to the Company, have been issued by IASB, but have yet to be endorsed by the FSC:

(Continued)

FIRST COPPER TECHNOLOGY CO., LTD.
Notes to the Financial Statements

Standards or Interpretations	Content of amendment	Effective date per IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities. ● A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined ‘operating profit’ subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities. ● Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconciles it to an amount determined under IFRS Accounting Standards. ● Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.	January 1, 2027

The Company is evaluating the impact on its financial position and financial performance upon the initial adoption of the abovementioned standards or interpretations. The results thereof will be disclosed when the Company completes its evaluation.

FIRST COPPER TECHNOLOGY CO., LTD.
Notes to the Financial Statements

The Company does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its financial statements:

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 17 “ Insurance Contracts” and amendments to IFRS 17 “ Insurance Contracts”
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”
- Annual Improvements to IFRS Accounting Standards—Volume 11
- Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”

(4) Summary of material accounting policies:

The material accounting policies presented in the financial statements are summarized as follows. Except for those specifically indicated, the following accounting policies were applied consistently throughout the periods presented in the financial statements.

(a) Statement of compliance

These financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as “the Regulations”) and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations endorsed and issued into effect by the FSC (hereinafter referred to as the IFRSs endorsed by the FSC).

(b) Basis of preparation

(i) Basis of measurement

Except for the following significant accounts, the financial statements have been prepared on the historical cost basis:

1) Financial assets at fair value through profit or loss are measured at fair value;

2) Financial assets at fair value through other comprehensive income are measured at fair value;

3) The defined benefit liabilities (assets) are recognized as the present value of the defined benefit obligation less the fair value of pension fund assets and the re-measurement of the effect of the asset ceiling as stated in note 4(p).

(ii) Functional and presentation currency

The functional currency of entity is determined based on the primary economic environment in which the entity operates.

The financial statements are presented in New Taiwan dollars, which is the Company’ s functional currency. All financial information presented in New Taiwan Dollars has been rounded to the nearest thousand.

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FIRST COPPER TECHNOLOGY CO., LTD.
Notes to the Financial Statements

(c) Foreign currencies

Transactions in foreign currencies are translated into the respective functional currencies of the Company at exchange rates at the dates of the transactions. At the end of each subsequent reporting period, monetary items denominated in foreign currencies are translated into the functional currencies using the exchange rate at that date. Non-monetary items denominated in foreign currencies that are measured at fair value are translated into the functional currencies using the exchange rate at the date that the fair value was determined. Non-monetary items denominated in foreign currencies that are measured based on historical cost are translated using the exchange rate at the date of translation.

Exchange differences are generally recognized in profit or loss.

(d) Classification of current and non-current assets and liabilities

The Company classifies the asset as current under one of the following criteria, and all other assets are classified as non-current.

(i) It is expected to be realized, or intended to be sold or consumed, in the normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(iii) It is expected to be realized within twelve months after the reporting period; or

(iv) The asset is cash and cash equivalent (as defined in IAS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies the liability as current under one of the following criteria, and all other liabilities are classified as non-current.

(i) It is expected to be settled in the normal operating cycle;

(ii) It is held primarily for the purpose of trading;

(iii) It is due to be settled within twelve months after the reporting period; or

(iv) The Company does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

(e) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits which meet the above definition and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes should be recognized as cash equivalents.

(Continued)

FIRST COPPER TECHNOLOGY CO., LTD.
Notes to the Financial Statements

(f) Financial instruments

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(i) Financial assets

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

On initial recognition, a financial asset is classified as measured at: amortized cost; Fair value through other comprehensive income (FVOCI) – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

1) Financial assets measured at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL：

· it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

· its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

These assets are subsequently measured at amortized cost, which is the amount at which the financial asset is measured at initial recognition, plus/minus, the cumulative amortization using the effective interest method, adjusted for any loss allowance. Interest income, foreign exchange gains and losses, as well as impairment, are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

2) Financial assets at fair value through other comprehensive income (FVOCI)

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL：

· it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

· its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(Continued)

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Some accounts receivables are held within a business model whose objective is achieved by both collecting contractual cash flows and selling by the Company, therefore, those receivables are measured at FVOCI and presented as accounts receivable.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment’s fair value in other comprehensive income. This election is made on an instrument-by-instrument basis.

Debt investments at FVOCI are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

Equity investments at FVOCI are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in other comprehensive income and are never reclassified to profit or loss.

Dividend income is recognized in profit or loss on the date on which the Company’s right to receive payment is established, which is normally the ex-dividend date.

3) Financial assets at fair value through profit or loss (FVTPL)

All financial assets not classified as amortized cost or FVOCI described as above (eg. finanical assets held for trading) are measured at FVTPL, including derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset, which meets the requirements to be measured at amortized cost or at FVOCI, as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

4) Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes：

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether the management’s strategy focuses on earning contractual cashflows, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities, or expected cash outflows, or realizing cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company’s management;

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- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated ─ e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered as sales for this purpose, and are consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed, and whose performance is evaluated on a fair value basis, are measured at FVTPL.

5) Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial assets on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows, such that it would not meet this condition. In making this assessment, the Company considers：

- contingent events that would change the amount or timing of cash flows；
- terms that may adjust the contractual coupon rate, including variable rate features；
- prepayment and extension features；and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

6) Impairment of financial assets

The Company recognizes loss allowances for expected credit losses (ECL) on financial assets measured at amortized cost (including cash and cash equivalents, notes and accounts receivable, other receivables and refundable deposits), debt investments measured at FVOCI and contract assets.

The Company measures its loss allowances at an amount equal to lifetime ECL, except for the following which are measured as 12-month ECL：

- debt securities that are determined to have low credit risk at the reporting date；and

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- other debt securities and bank deposit for which credit risk (i.e. the risk of default occurring over the expected lifetime of the financial instrument) has not increased significantly since initial recognition.

Loss allowance for accounts receivable and contract assets are always measured at an amount equal to lifetime ECL.

The Company considers its financial instrument to have low credit risk when it is in low default risk, and the debtor has strong ability to perform contractual obligations to the current cash flow if adverse change in economic and business conditions may (not necessarily) reduce the debtor's ability to perform its obligations to the cash flow over a longer period of time.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment as well as forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when the financial asset is more than 180 days past due or the debor is unlikely to pay its credit obligations to the Company in full.

Lifetime ECL are the ECL that result from all possible default events over the expected life of a financial instrument.

12-month ECL are the portion of ECL that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECL is the maximum contractual period over which the Company is exposed to credit risk.

ECL are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive). ECL are discounted at the effective interest rate of the financial asset.

At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt instrument at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial assets is credit-impaired includes the following observable data:

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- significant financial difficulty of the borrower or issuer；
- a breach of contract such as a default or being more than 180 days past due；
- the lender of the borrower, for economic or contractual reasons relating to the borrower’s financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider；
- it is probable that the borrower will enter bankruptcy or other financial reorganization；or
- the disappearance of an active market for a security because of financial difficulties.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognized in other comprehensive income instead of reducing the carrying amount of the asset.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For corporate customers, the Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company’s procedures for recovery of amounts due.

7) Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognized in its statement of balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

(ii) Financial liabilities and equity instruments

1) Classification of debt or equity

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

2) Equity instrument

An equity instrument is any contract that evidences residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognized as the amount of consideration received, less the direct cost of issuing.

3) Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

4) Derecognition of financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

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

5) Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount presented in the statement of balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(g) Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on weighted average costing principle and includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their present location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(Continued)

(h) Investment in associates

Associates are those entities in which the Company has significant influence, but not control or joint control, over the financial and operating policies.

Investments in associates are accounted for using the equity method and are recognized initially at cost. The cost of the investment includes transaction costs. The carrying amount of the investment in associates includes goodwill arising from the acquisition less any accumulated impairment losses.

The financial statements include the Company's share of the profit or loss and other comprehensive income of those associates, after adjustments to align the accounting policies with those of the Company from the date on which significant influence commences until the date on which significant influence ceases. The Company recognizes any changes of its proportionate share in the investee within capital surplus, when an associate's equity changes due to reasons other than profit and loss or comprehensive income, which did not result in changes in actual significant influence.

Unrealized gains and losses resulting from the transactions between the Company and an associate are recognized only to the extent of unrelated Company's interests in the associate.

When the Company's share of losses of an associate equals or exceeds its interest in associates, it discontinues recognizing its share of further losses. After the recognized interest is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate.

(i) Investment property

Investment property is the property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, for use in the production or supply of goods or services, or for administrative purposes. Investment property is measured at cost on initial recognition and subsequently at cost, less accumulated depreciation and accumulated impairment losses. Depreciation expense is calculated based on the depreciation method, useful life, and residual value which are the same as those adopted for property, plant and equipment.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount) is recognized in profit or loss.

Rental income from investment property is recognized as other revenue on a straight-line basis over the term of the lease. Lease incentives granted are recognized as an integral part of the total rental income, over the term of the lease.

(j) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(iii) Depreciation

Depreciation is calculated on the cost of an asset less its residual value and is recognized in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment.

Land is not depreciated.

The estimated useful lives for the current and comparative years are as follows:

1)	Buildings	2 to 50 years
2)	Machinery	2 to 25 years
3)	Other equipment	2 to 15 years

Depreciation methods, useful lives and residual values are reviewed at each annual reporting date and adjusted if appropriate.

(k) Lease

(i) Identifying a lease

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(ii) As a lessee

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

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The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be reliably determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

— fixed payments, including in-substance fixed payments;

— variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

— amounts expected to be payable under a residual value guarantee; and

— payments for purchase or termination options that are reasonably certain to be exercised.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when:

— there is a change in future lease payments arising from the change in an index or rate; or

— there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee; or

— there is a change in the lease term resulting from a change of its assessment on whether it will exercise an option to purchase the underlying asset, or

— there is a change of its assessment on whether it will exercise an extension or termination option; or

— there is any lease modification

When the lease liability is remeasured, other than lease modifications, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or in profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

When the lease liability is remeasured to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease, the Company accounts for the remeasurement of the lease liability by decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease, and recognize in profit or loss any gain or loss relating to the partial or full termination of the lease.

The Company presents right-of-use assets that do not meet the definition of investment and lease liabilities as a separate line item respectively in the statement of balance sheets.

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases of office space and parking space that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(Continued)

(iii) As a lessor

When the Company acts as a lessor, it determines at lease commencement whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers to the lessee substantially all of the risks and rewards of ownership incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then the lease is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Company recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of rental income.

(l) Intangible assets

(i) Recognition and measurement

Other intangible assets that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as incurred.

(iii) Amortization

All intangible assets are the cost of the computer software, and is recognized in profit or loss on a straight-line basis over the estimated three-years useful lives, from the date that they are available for use.

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(m) Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets and net defined benefit asset) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

(Continued)

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(n) Provisions

A provision is recognized if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

A provision for warranties is recognized when the underlying product are sold. The provision is based on historical warranty data and a weighting of all possible outcomes against their associated probabilities.

(o) Revenue

(i) Revenue from contracts with customers

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer. The Company recognizes revenue when it satisfies a performance obligation by transferring control of a good or a service to a customer. The accounting policies for the Company's main types of revenue are explained below.

1) Sale of goods

The Company recognizes revenue when control of the products has been transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provision have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

The Company grants its customers the right to return the product within a period. Therefore, the Company reduces revenue by the amount of expected returns and recognizes a refund liability and a right to the returned goods. Accumulated experience is used to estimate such returns at the time of sale in past. Because the number of products returned has been steady for years, it is highly probable that a significant reversal in the cumulative revenue recognized will not occur. At each reporting date, the Company reassesses the estimated amount of expected returns.

A receivable is recognized when the goods are delivered as this is the point in time that the Company has a right to an amount of consideration that is unconditional.

2) Financing components

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and the payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

(ii) Contract costs

1) Incremental costs of obtaining a contract

The Company recognizes as an asset the incremental costs of obtaining a contract with a customer if the Company expects to recover those costs. The incremental costs of obtaining a contract are those costs that the Company incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained. Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained shall be recognized as an expense when incurred, unless those costs are explicitly chargeable to the customer regardless of whether the contract is obtained.

The Company applies the practical expedient to recognize the incremental costs of obtaining a contract as an expense when incurred if the amortization period of the asset that the entity otherwise would have recognized is one year or less.

2) Costs to fulfil a contract

If the costs incurred in fulfilling a contract with a customer are not within the scope of another Standard (for example, IAS 2 Inventories, IAS 16 Property, Plant and Equipment or IAS 38 Intangible Assets), the Company recognizes an asset from the costs incurred to fulfil a contract only if those costs meet all of the following criteria:

- the costs relate directly to a contract or to an anticipated contract that the Company can specifically identify;
- the costs generate or enhance resources of the Company that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and
- the costs are expected to be recovered.

(Continued)

General and administrative costs, costs of wasted materials, labor or other resources to fulfil the contract that were not reflected in the price of the contract, costs that relate to satisfied performance obligations (or partially satisfied performance obligations), and costs for which the Company cannot distinguish whether the costs relate to unsatisfied performance obligations or to satisfied performance obligations (or partially satisfied performance obligations), the Company recognizes these costs as expenses when incurred.

(p) Employee benefits

(i) Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

(ii) Defined benefit plans

The Company's net obligation in respect of defined benefit plans is calculated separately for each the plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income, and accumulated in retained earnings within equity. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset). Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iii) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(Continued)

(q) Income taxes

Income taxes comprise current taxes and deferred taxes. Except for expenses related to business combinations or recognized directly in equity or other comprehensive income, all current and deferred taxes shall be recognized in profit or loss.

Current taxes comprise the expected tax payables or receivables on the taxable profits (losses) for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payables or receivables are the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred taxes arise due to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases. Deferred taxes are recognized except for the following:

(i) Temporary differences on the initial recognition of assets and liabilities in a transaction that is not a business combination and at the time of the reansaction (i) affect neither accounting nor taxable profit (losses) and (ii) does not give rise to equal taxable and deductible temporary differences;

(ii) Temporary differences related to investments in associates to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

(iii) Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for the carry forward of unused tax losses, unused tax credits, and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefits will be realized; such reductions are reversed when the probability of future taxable profits improves.

Deferred taxes shall be measured at the tax rates that are expected to be applied to temporary differences when they reserve, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if the following criteria are met:

(i) The Company has a legally enforceable right to set off current tax assets against current tax liabilities; and

(ii) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:

1) the same taxable entity; or

2) different taxable entities which intends to settle current tax assets and liabilities on a net basis, or to realize the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

(r) Earnings per share

The Company discloses the Company's basic and diluted earnings per share attributable to common shares holders of the Company. The basic earnings per share are calculated as the profit attributable to the common shareholders of the Company divided by the weighted-average number of common shares outstanding. The diluted earnings per share are calculated as the profit attributable to common shareholders of the Company divided by the weighted-average number of common shares outstanding after adjustment for the effects of all dilutive potential common shares, such as employee remuneration not yet resolved by the shareholders.

(s) Operating segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Company). Operating results of the operating segment are regularly reviewed by the Company's chief operating decision maker to make decisions about resources to be allocated to the segment and to assess its performance. Each operating segment consists of standalone financial information.

(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty:

In preparing these financial statements, management has made judgments and estimates about the future, including climate-related risks and opportunities, that affect the application of the accounting policies and the reported amount of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Company's risk management and climate-related commitments where appropriate. Revisions to estimates are recognised prospectively in the period of the change and future periods.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is as follows.

Valuation of inventories

Because the Company's selling price is affected by international copper price, there is an uncertainty risk on the estimation of inventories' net realizable value resulting from the copper price fluctuations. Please refer to note 6(e) for further description of the valuation of inventories.

The Company's accounting policies and disclosing include measuring financial and non-financial assets at fair value. The Company's financial instrument valuation group conducts independent verification on fair value by using data sources that are independent, reliable, and representative of exercise prices. This financial instrument valuation group also periodically adjusts valuation models, conducts back-testing, renews input data for valuation models, and makes all other necessary fair value adjustments to assure the rationality of fair value.

When measuring the fair value of an asset, the Company uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

(a) Level 1: quoted prices (unadjusted) in active markets for identified assets or liabilities.

(b) Level 2: 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).

(c) Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs).

For any transfer within the fair value hierarchy, the impact of the transfer is recognized on the reporting date.

(6) Explanation of significant accounts:

(a) Cash and cash equivalents

		December 31, 2024	December 31, 2023
Cash and cash on hand	$	177	130
Checking deposits and demand deposits		139,002	68,445
Cash and cash equivalents in the statement of cash flows	**$**	**139,179**	**68,575**

Please refer to note 6(v) for the exchange rate risk, sensitivity analysis and credit risk of the financial assets of the Company.

(b) Financial assets at fair value through other comprehensive income

		December 31, 2024	December 31, 2023
Equity investments at fair value through other comprehensive income:			
Listed stock－Hua Eng Wire & Cable Co., Ltd.	**$**	**5,401,803**	**4,473,694**

The Company designated its equity investments shown above as at fair value through other comprehensive income because these equity investments that the Company intend to hold for long-term strategic investments and not for trading purposes.

During the years ended December 31, 2024 and 2023, the dividend income of $208,564 and $83,426, respectively, related to equity investments at fair value through other comprehensive income held on the years then ended, were recognized.

The Company owns 32.96% common shares outstanding of its parent company, Hua Eng Wire & Cable Co., Ltd. (Hua Eng), for finance management, wherein Hua Eng deemed such shares as treasury stock.

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During the year ended December 31, 2023, the liquidation receivables of Global Corporation had been receiveded cash $353, profit $720, which had been reclassified from other equity interest to retained earnings.

For market risk information, please refer to note 6(v).

The Company did not provide above financial assets at fair value through other comprehensive income as collateral or restricted.

(c) Accounts receivable (Including related and non-related parties)

		December 31, 2024	December 31, 2023
Accounts receivable (including related parties)－measured at amortized cost	$	209,656	212,814
Accounts receivable－measured at fair value through other comprehensive income		25,041	25,832
Less: Loss allowance		-	-
	$	**234,697**	**238,646**
Classified as:			
Accounts receivable	$	233,061	238,646
Accounts receivable from related parties		1,636	-
	$	**234,697**	**238,646**

The Company has assessed a portion of its accounts receivable that was held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; therefore, such accounts receivable was measured at fair value through other comprehensive income.

The Company applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, accounts receivable have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward looking information, including macroeconomic and relevant industry information. The loss allowance provision was determined as follows:

	December 31, 2024			
		Gross carrying amount of accounts receivable	Weighted-average loss rate	Loss allowance provision
Non-overdue	$	234,697	-	-
Overdue		-	-	-
	$	**234,697**		**-**

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	December 31, 2023		
	Gross carrying amount of accounts receivable	Weighted-average loss rate	Loss allowance provision
Non-overdue	$ 238,646	-	-
Overdue	-	-	-
	$ 238,646		-

The movement in the allowance for accounts receivable were as follows:

	2024	2023
Balance at January 1 (Balance at December 31)	$ -	-

The Company did not provide accounts receivable as collateral or restricted.

For further credit risk information, please refer to note 6(v).

The Company entered into separate factoring agreements with different financial institutions to sell its accounts receivable. Under the agreements, the financial institution is required to bear the credit risk of un-collection of accounts receivable due to any non-business dispute or financial difficulty. The Company derecognized the above accounts receivable because it has transferred substantially all of the risks and rewards of their ownership, and it does not have any continuing involvement in them. The amounts receivable from the financial institutions were recognized as other receivables upon the derecognition of those accounts receivable. The Company sold its accounts receivable without recourse as follows:

December 31, 2024						
Purchaser	Amount derecognized	Amount advanced: Unpaid	Amount advanced: Paid	Amount recognized in other receivables	Range of interest rate	Significant transferring terms
TSIB	$ 22,849	20,564	-	22,849	-	None
CTBC	15,207	13,686	-	15,207	-	None
CTBC	728	655	-	728	-	None
	$ 38,784		-	38,784		

December 31, 2023						
Purchaser	Amount derecognized	Amount advanced: Unpaid	Amount advanced: Paid	Amount recognized in other receivables	Range of interest rate	Significant transferring terms
TSIB	$ 65,866	59,280	-	65,866	-	None
CTBC	22,883	20,595	-	22,883	-	None
CTBC	303	272	-	303	-	None
	$ 89,052		-	89,052		

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(d) Other receivables (including refundable deposits)

		December 31, 2024	December 31, 2023
Other receivables - factoring accounts receivable	$	38,784	89,052
Other receivables - remuneration of directors and supervisors		1,134	1,552
Other receivables - purchase price variance		3,178	-
Refundable deposits		10	10
Less: Loss allowance		-	-
	$	**43,106**	**90,614**

		December 31, 2024	December 31, 2023
Classified as:			
Other receivables	$	43,096	90,604
Refundable deposits		10	10
	$	**43,106**	**90,614**

For further credit risk information, please refer to note 6(v).

(e) Inventories

		December 31, 2024	December 31, 2023
Finished goods	$	164,657	181,029
Work in progress		1,192,764	1,158,382
Raw materials and supplies		489,752	415,410
Inventory in transit		63,615	-
	$	**1,910,788**	**1,754,821**

The details of the cost of sales were as follows:

		2024	2023
Inventory that has been sold	$	2,919,685	2,685,141
Write-down of inventories (Reversal of write-downs)		13,638	(103,503)
Unallocated production overheads		85,446	82,732
Others		(8,944)	(7,002)
	$	**3,009,825**	**2,657,368**

The write-down of inventories in 2024 was due to the fluctuation of international copper price which resulted in net realizable value decreased.

The reversal of the write-down of inventories in 2023 was due to the fluctuation of international copper price which resulted in net realizable value increase.

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The Company did not provide any inventories as collateral or restricted.

(f) Investments accounted for using equity method

A summary of the Company's financial information for investments accounted for using the equity method at the reporting date is as follows:

	December 31, 2024	December 31, 2023
Associates	**$ 145**	**134**

The Company's financial information for investments accounted for using the equity method that are individually insignificant was as follows:

	2024	2023
Attributable to the Company:		
Profit from continuing operations	$ 11	2
Other comprehensive income	-	(1)
Total comprehensive income	**$ 11**	**1**

The Company did not provide any investments accounted for using the equity method as collateral for its loans.

(g) Property, plant and equipment

The Cost and depreciation of the property, plant and equipment of the Company were as follows:

	Land	Buildings	Machinery and equipment	Other equipment	Construction in progress and testing equipment	Total
Cost or deemed cost:						
Balance at January 1, 2024	$ 515,430	384,519	3,644,766	32,724	-	4,577,439
Additions	-	2,582	29,973	3,141	41,824	77,520
Reclassifications (Note)	-	-	41,452	-	(30,816)	10,636
Disposals	-	-	(16,007)	(3,671)	-	(19,678)
Balance at December 31, 2024	**$ 515,430**	**387,101**	**3,700,184**	**32,194**	**11,008**	**4,645,917**
Balance at January 1, 2023	$ 515,430	381,328	3,616,016	37,677	2,357	4,552,808
Additions	-	3,191	31,436	1,350	12,452	48,429
Reclassifications	-	-	14,809	-	(14,809)	-
Disposals	-	-	(17,495)	(6,303)	-	(23,798)
Balance at December 31, 2023	**$ 515,430**	**384,519**	**3,644,766**	**32,724**	**-**	**4,577,439**
Depreciation:						
Balance at January 1, 2024	$ -	311,552	3,204,465	24,086	-	3,540,103
Depreciation	-	9,423	74,271	1,670	-	85,364
Disposal	-	-	(16,007)	(3,671)	-	(19,678)
Balance at December 31, 2024	**$ -**	**320,975**	**3,262,729**	**22,085**	**-**	**3,605,789**
Balance at January 1, 2023	$ -	302,094	3,151,182	28,727	-	3,482,003
Depreciation	-	9,458	70,371	1,662	-	81,491
Disposals	-	-	(17,088)	(6,303)	-	(23,391)
Balance at December 31, 2023	**$ -**	**311,552**	**3,204,465**	**24,086**	**-**	**3,540,103**

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Notes to the Financial Statements

		Land	Buildings	Machinery and equipment	Other equipment	Construction in progress and testing equipment	Total
Carrying amounts:							
Balance at December 31, 2024	$	515,430	66,126	437,455	10,109	11,008	1,040,128
Balance at December 31, 2023	$	515,430	72,967	440,301	8,638	-	1,037,336
Balance at January 1, 2023	$	515,430	79,234	464,834	8,950	2,357	1,070,805

Note: Transferred from prepayments for equipment.

The property, plant and equipment of the Company has not been pledged as collateral or restricted.

For the gains or losses on disposal of the property, plant and equipment, please refer to note 6(u).

(h) Investment property

The cost and depreciation of investment property were as follows:

		Owned property		
		Land	**Building and other**	**Total**
Cost or deemed cost:				
Balance at January 1, 2024	$	**174,801**	**92,045**	**266,846**
Balance at December 31, 2024	$	**174,801**	**92,045**	**266,846**
Balance at January 1, 2023	$	**174,801**	**92,045**	**266,846**
Balance at December 31, 2023	$	**174,801**	**92,045**	**266,846**
Depreciation:				
Balance at January 1, 2024	$	-	47,575	47,575
Depreciation for the year		-	3,132	3,132
Balance at December 31, 2024	$	**-**	**50,707**	**50,707**
Balance at January 1, 2023	$	-	44,435	44,435
Depreciation for the year		-	3,140	3,140
Balance at December 31, 2023	$	**-**	**47,575**	**47,575**
Carrying amount:				
Balance at December 31, 2024	$	**174,801**	**41,338**	**216,139**
Balance at December 31, 2023	$	**174,801**	**44,470**	**219,271**
Balance at January 1, 2023	$	**174,801**	**47,610**	**222,411**
Fair value:				
Balance at December 31, 2024				$ **960,692**
Balance at December 31, 2023				$ **901,471**
Balance at January 1, 2023				$ **873,664**

Investment property are leased to third parties under operating leases, as well as properties that are owned by the Company.

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The Company did not have any non-cancellable lease or contingent rental. For information about investment property leases, please refer to note 6(n).

As of December 31, 2024 and 2023, the investment property is measured at fair value on recurring basis and the fair value of the investment property was determined based on comparative method and cost method used by the Company. The inputs of levels of fair value hierarchy in determining the fair value is classified to Level 3.

Investment property of the Company has not been pledged as collateral or restricted.

(i) Intangible assets

The costs, amortization and impairment of the intangible assets of the Company were as follows:

	Computer software
Cost:	
Balance at January 1, 2024	$ 144
Additions	176
Balance at December 31, 2024	**$ 320**
Balance at January 1, 2023	**$ 144**
Balance at December 31, 2023	**$ 144**
Accumulated amortization and impairment loss as:	
Balance at January 1, 2024	$ 60
Amortization for the year	77
Balance at December 31, 2024	**$ 137**
Balance at January 1, 2023	$ 12
Amortization for the year	48
Balance at December 31, 2023	**$ 60**
Carrying amounts:	
Balance at December 31, 2024	**$ 183**
Balance at December 31, 2024	**$ 84**
Balance at January 1, 2023	**$ 132**

For the amortization of intangible assets, please refer to note (12); Intangible assets of the Company have not been pledged as collateral or restricted.

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(j) Other current assets

Details of other current assets of the Company were as follows:

		December 31, 2024	December 31, 2023
Prepaid expenses	$	874	714
Prepaid raw materials		218	1,058
Excess business tax paid		-	3,187
Right to the returned goods		14,633	3,208
Others		96	53
	$	**15,821**	**8,220**

(k) Short-term borrowings

Details of short-term borrowings of the Company were as follows:

		December 31, 2024	December 31, 2023
Letters of credit	$	153,057	69,219
Unsecured loans		367,000	734,000
Total	**$**	**520,057**	**803,219**
Unused credit lines	**$**	**1,731,324**	**1,871,859**
Range of interest rates		**1.98%~2.05%**	**1.78%~1.85%**

The Company did not provide any assets as collateral for short-term borrowings.

Please refer to note 6(v) for exchange rate risk, interest rate risk, sensitive analysis and liquid risk of the financial liabilities of the Company.

(l) Short-term notes and bills payable

Details of short-term notes and bills payable of the Company were as follows:

		December 31, 2024	December 31, 2023
Commercial paper payable	**$**	**906,564**	**749,629**
Range of interest rates		**1.968%~1.988%**	**1.808%~1.85%**

The Company did not provide any assets as collateral for short-term notes and bills payable. Unused credit lines for short-term notes and bills payable are combined in short-term borrowings, please refer to note 6(k).

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(m) Other current liabilities

Details of other current liabilities of the Company were as follows:

		December 31, 2024	December 31, 2023
Advance receipts	$	1,469	1,227
Warranty provision		466	109
Refund liabilities		18,907	4,111
Temporary credits		37	43
Receipts under custody		-	10
Business tax payable		6,014	-
	$	**26,893**	**5,500**

The amount of refund liabilities was estimated based on the sales contracts, which entitle the customers to rights of return.

The movement of warranty provision was as follows:

		2024	2023
Balance at January 1	$	109	617
Provisions used and reversed during the year		(860)	(880)
Provisions made during the year		1,217	372
Balance at December 31	$	**466**	**109**

The provision for warranties, which relates mainly to copper products and copper sold, is expected to be settled in the following year based on the estimates calculated using the historical warranty data associated with the Company.

(n) Operating lease

The Company leases out its investment property. The Company has classified these leases as operating leases, because it does not transfer substantially all of risks and rewards incidental to the ownership of the assets. Please refer to note 6(h) sets out information about the operating leases of investment property.

A maturity analysis of lease receipts, showing the undiscounted lease payments to be received after the reporting date are as follows:

		December 31, 2024	December 31, 2023
Less than one year	$	17,626	4,910
One to two years		17,626	-
Two to three years		5,875	-
Total undiscounted lease payments	$	**41,127**	**4,910**

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In 2024 and 2023, rental income from investment property amounted to $16,661 and $14,730, respectively, and was included in other income in the statements of comprehensive income.

The direct expenses including repairs and maintenance arising from income-generating investment property amounted to $2,456 and $2,462 in 2024 and 2023, respectively, are included in other gains and losses in the statements of comprehensive income.

(o) Employee benefits

(i) Defined benefit plans

Reconciliation of defined benefit obligation at present value and plan asset at fair value were as follows:

		December 31, 2024	December 31, 2023
Present value of the defined benefit obligations	$	107,630	105,768
Fair value of plan assets		(116,854)	(115,592)
Net defined benefit liabilities (assets)	**$**	**(9,224)**	**(9,824)**

The Company makes defined benefit plan contributions to the labor pension fund account with Bank of Taiwan. Such accounts provide pensions for employees upon retirement. Plans (covered by the Labor Standards Law) entitle retired employees to receive retirement benefits based on years of service and average monthly salary for the six months prior to retirement.

1) Composition of plan assets

The Company allocates its labor pension funds in accordance with the Labor Standards Law, and such funds are managed by the Bureau of Labor Funds, Ministry of Labor. According to the Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund, the minimum earnings of the funds will be no less than the earnings attainable from two-year time deposits, with interest rates offered by local banks.

The Company's Bank of Taiwan labor pension reserve account balance amounted to $116,854 as of December 31, 2024. For information on the utilization of the labor pension fund assets including the asset allocation and yield of the fund, please refer to the website of the Bureau of Labor Funds, Ministry of Labor.

2) Movements in present value of the defined benefit obligations

The movements in present value of defined benefit obligations for the Company were as follows:

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		2024	2023
Defined benefit obligations at January 1	$	105,768	100,892
Current service costs and interest		1,439	1,538
Remeasurement of the net defined benefit liabilities (assets) :			
–Actuarial loss (gain) arising from change in financial assumptions		(1,997)	696
–Actuarial loss (gain) arising from experience adjustments		14,154	5,793
Benefits paid by the plan		(11,734)	(3,151)
Defined benefit obligations at December 31	**$**	**107,630**	**105,768**

3) Movements in the fair value of plan assets

The movements in the fair value of plan assets for the Company were as follows:

		2024	2023
Fair value of plan assets at January 1	$	115,592	115,219
Interest income		1,494	1,654
Remeasurements of the net defined benefit liabilities (assets) :			
–Return on plan assets (excluding interest income)		10,261	776
Contribution made		1,241	1,094
Benefits paid by the plan		(11,734)	(3,151)
Fair value of plan assets at December 31	**$**	**116,854**	**115,592**

4) Expenses recognized in profit or loss

The expenses recognized in loss for the Company were as follows:

		2024	2023
Current service costs	$	98	107
Net interest of net defined benefit liabilities (assets)		(153)	(223)
	$	**(55)**	**(116)**
Operating costs	$	(49)	(102)
Operating expenses		(6)	(14)
	$	**(55)**	**(116)**

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5) Actuarial assumptions

The principal actuarial assumptions at the reporting date were as follows:

	December 31, 2024	December 31, 2023
Discount rate	1.750 %	1.375 %
Future salary increase rate	2.000 %	2.000 %

The expected allocation payment to be made by the Company to the defined benefit plans for the one-year period after the reporting date is $1,123.

The weighted-average lifetime of the defined benefits plans is 7.01 years.

6) Sensitivity analysis

If the actuarial assumptions had changed, the impact on the present value of the defined benefit obligation shall be as follows:

	Influences of defined benefit obligations	
	Increased	Decreased
As of December 31, 2024		
Discount rate (Decreasing or increasing in 0.25%)	$ (1,294)	1,324
Future salary increasing rate (Decreasing or increasing in 0.25%)	1,266	(1,244)
As of December 31, 2023		
Discount rate (Decreasing or increasing in 0.25%)	$ (1,384)	1,417
Future salary increasing rate (Decreasing or increasing in 0.25%)	1,355	(1,329)

There is no change in other assumptions when performing the above-mentioned sensitivity anaysis. In practice, assumptions may be interactive with each other. The method used in the sensitivity analysis is consistent with the calculation of net defined benefit (assets) liabilities in the balance sheets.

There is no change in the method and assumptions used in the preparation of sensitivity analysis for 2024 and 2023.

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(ii) Defined contribution plans

The Company allocates 6% of each employee's monthly wages to the labor pension personal account at the Bureau of Labor Insurance in accordance with the provisions of the Labor Pension Act. Under these defined contribution plans, the Company allocates a fixed amount to the Bureau of Labor Insurance without additional legal or constructive obligation.

The Company pension costs under the defined contribution method were $6,685 and $6,088 for 2024 and 2023, respectively. As of December 31, 2024 and 2023, the payables which had not been contributed to the Bureau of Labor Insurance were $1,153 and $998 respectively, and were recognized as other payables and notes payable in the balance sheets.

The pension costs of the defined contribution plans for the Company were as follows:

	2024	2023
Operating costs	$ 5,979	5,421
Operating expenses	706	667
	$ 6,685	**6,088**

(iii) Short-term benefit liabilities

As of December 31, 2024 and 2023, the Company's short-term benefit liabilities for vacation were $6,229 and $6,168, respectively, and were recognized as other payables in the balance sheets.

(p) Income taxes

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

	2024	2023
Current tax expense	$ -	-
Deferred tax expense (benefit)		
Origination and reversal of temporary differences	(6,210)	15,272
Income tax expense (benefit)	**$ (6,210)**	**15,272**

No income tax was recognized directly in equity for 2024 and 2023.

The amounts of income tax (benefit) recognized in other comprehensive income for 2024 and 2023 were as follows:

	2024	2023
Items that will not be reclassified subsequently to profit or loss:		
Remeasurement from defined benefit plans	**$ (380)**	**(1,142)**

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Reconciliation of income tax expense (benefit) and profit before income tax for 2024 and 2023 were as follows:

	2024	2023
Profit before income tax	$ 259,355	5,778
Income tax using the Company's domestic tax rate	51,871	1,156
Unrealized loss (gain) on valuation of financial assets	-	(1,703)
Dividends income	(41,713)	(16,697)
Recognition of previously unrecognized tax losses	(16,393)	-
Current-year losses for which no deferred tax asset was recognized	-	15,779
Non recognized tax losses	-	16,697
Others	25	40
	$ (6,210)	**15,272**

(ii) Deferred tax assets and liabilities

1) Unrecognized deferred tax assets

Deferred tax assets of the Company have not been recognized in respect of the following items:

	December 31, 2024	December 31, 2023
The carryforward of unused tax loss	**$ 485,847**	**567,812**

Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Company can utilize the benefits therefrom.

The R.O.C Income Tax Act allows net losses, as assessed by the tax authorities, to offset taxable income over a period of ten years for local tax reporting purposes. As of December 31, 2024, the information of the Company's unused tax losses for which no deferred tax assets were recognized are as follows:

Year of loss	Unused tax loss	Year of expiry
2016 (approved)	$ 199,835	2026
2019 (approved)	207,152	2029
2023 (not yet approved)	78,860	2033
	$ 485,847	

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2) Recognized deferred tax assets and liabilities

Changes in the amount of deferred tax assets and liabilities for 2024 and 2023 were as follows:

		Defined benefit plans	Land value increment tax provision	Others	Total
Deferred tax liabilities:					
Balance at January 1, 2024	$	1,985	264,866	-	266,851
Debit (credit) profit or loss		258	-	449	707
Credit other comprehensive income		(380)	-	-	(380)
Balance at December 31, 2024	**$**	**1,863**	**264,866**	**449**	**267,178**
Balance at January 1, 2023	$	2,883	264,866	674	268,423
Debit (credit) profit or loss		244	-	(674)	(430)
Debit other comprehensive income		(1,142)	-	-	(1,142)
Balance at December 31, 2023	**$**	**1,985**	**264,866**	**-**	**266,851**

		Allowance for inventories losses	Unallocated production overheads	Adjustment of difference of useful life of PPE between financial and tax methods	Others	Total
Deferred tax assets:						
Balance at January 1, 2024	$	3,166	12,935	5,744	2,448	24,293
(Debit) credit profit or loss		2,728	2,963	915	311	6,917
Balance at December 31, 2024	**$**	**5,894**	**15,898**	**6,659**	**2,759**	**31,210**
Balance at January 1, 2023	$	23,867	9,553	4,927	1,648	39,995
(Debit) credit profit or loss		(20,701)	3,382	817	800	(15,702)
Balance at December 31, 2023	**$**	**3,166**	**12,935**	**5,744**	**2,448**	**24,293**

(iii) Assessment of tax

The Company's income tax returns for the years through 2022 were assessed by the tax authorities.

(q) Share capital and other equity

(i) Capital stock

As of December 31, 2024 and 2023, the authorized shares capital of the Company were $3,596,222, comprising 359,622 thousand shares, with a par value $10. All issued shares were paid up upon issuance.

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(ii) Retained earnings

According to the Company's articles of incorporation, current-period earnings should first be used to settle all outstanding tax payables and accumulated deficit, and then 10% should be retained as legal reserve until the accumulated legal reserve equals the issued capital stock, and special reserve should be retained or reversed according to the Company' s operating environment and statutory requirements. Thereafter, any remaining profit, together with any undistributed prior-period retained earnings, shall be distributed at the discretion of the board of directors and with the resolution to be approved during the stockholders' meeting.

The industry of operation of the Company still has good prospects. The Company will grasp the economic environment for sustainable operation and long-term development. When preparing the proposal for appropriation of net profit, the board of directors will follow a stable dividend policy, which will be based on the Company' s expected profit in the future, and plan for operating capital, thereafter, a portion of net profit should be retained. Distribution may be withheld if the accumulated distributable earnings are less than 2% of the paid-in capital. Cash dividends should not be less than 10% of total dividends.

1) Legal reserve

When the Company incurs no loss, it may, pursuant to a resolution approved during the shareholder's meeting, distribute its legal reserve by issuing new shares or by distributing cash, and only the portion of legal reserve which exceeds 25% of capital may be distributed.

2) Special reserve

By choosing to apply exemptions granted under IFRS 1 First-time Adoption of International Financial Reporting Standards during the Company's first-time adoption of the IFRS Accounting Standards approved by the FSC, unrealized revaluation gains shall be reclassified as unappropriated retained earnings at the adoption date. In accordance with the FSC, an increase in retained earnings due to the first-time adoption of IFRSs shall be retained as a special reserve, and when the relevant assets are used, disposed of, or reclassified, this special reserve shall be reversed as distributable earnings proportionately. The carrying amount of special reserve amounted to $231,751 on December 31, 2024 and 2023.

In accordance with the FSC, a portion of current-period earnings and undistributed prior period earnings shall be reclassified as a special reserve during earnings distribution. The amount to be reclassified should be equal to the difference between the total net current-period reduction of special reserve resulting from the first-time adoption of IFRS Accounting Standards and the carrying amount of other shareholders' equity as stated above. Similarly, a portion of undistributed prior-period earnings shall be reclassified as a special reserve (which does not qualify for earnings distribution) to account for cumulative changes other shareholders' equity pertaining to prior periods due to the first time adoption of IFRS Accounting Standards. Amounts of subsequent reversals pertaining to the net reduction of other shareholders' equity shall qualify for additional distributions. The balance of special reserve were $31,094 on December 31, 2024 and 2023.

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3) Earnings distribution

The Company recognized its 2023 incurred losses with the approval of the shareholders on June 20, 2024.

Earnings distribution for 2022 was decided by the general meeting of shareholders held on June 15, 2023. The relevant dividend distributions to shareholders was as follows:

		2022
Dividends distributed to ordinary shareholders per share (in dollars)		
Cash	$	**0.40**

Earnings distribution for 2024 was proposed by the resolution adopted at the board meeting held on March 3, 2025. The relevant dividend distributions to shareholders was as follows:

		2024
Dividends distributed to ordinary shareholders per share (in dollars)		
Cash	$	**0.50**

Related information would be available at the Market Observation Post System website.

(iii) Other equity (net of tax)

		Financial assets measured at fair value through other comprehensive income
Balance at January 1, 2024	$	2,017,630
Unrealized gains (losses) from equity instruments measured at fair value through other comprehensive income		928,109
Balance at December 31, 2024	$	**2,945,739**
Balance at January 1, 2023	$	401,992
Unrealized gains (losses) from equity instruments measured at fair value through other comprehensive income		1,616,369
Unrealized gains (losses) from receivables		(11)
Disposal of investments in equity instruments measured at fair value through other comprehensive income		(720)
Balance at December 31, 2023	$	**2,017,630**

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(r) Earnings per share

The calculation of basic earnings per share and diluted earnings per share were as follows:

		2024	2023
Basic earnings per share			
Profit (loss) attributable to ordinary shareholders of the Company	$	**265,565**	**(9,494)**
Weighted-average number of common shares outstanding (shares in thousands)		**359,622**	**359,622**
Basic earnings per share (in dollars)	$	**0.74**	**(0.03)**
Diluted earnings per share			
Profit (loss) attributable to ordinary shareholders of company (diluted)	$	**265,565**	**(9,494)**
Weighted-average number of common shares outstanding (shares in thousands)		359,622	359,622
Effect of dilutive potential ordinary shares			
Effect of employee compensation (Shares in thousands) (Note)		218	-
Weighted-average number of common shares outstanding (shares in thousands) (diluted)	$	**359,840**	**359,622**
Diluted earnings per share (in dollars)	$	**0.74**	**(0.03)**

Note: For the year ended December 31, 2024, the potential ordinary shares have anti-dilutive effect due to net loss, so the calculation of diluted loss per share is the same as the calculation of basic loss per share.

(s) Revenue from contracts with customers

(i) Disaggregation of revenue

		2024	2023
Primary geographical markets:			
Taiwan	$	2,421,324	1,929,917
Mainland China		292,724	334,284
Japan		144,698	158,828
Others		269,329	223,120
Total	$	**3,128,075**	**2,646,149**
Major products/services lines:			
Manufacture and sale of copper product	$	3,022,706	2,569,376
Processing revenue		105,369	75,202
Others		-	1,571
Total	$	**3,128,075**	**2,646,149**

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(ii) Contract balances

	December 31, 2024	December 31, 2023	January 1, 2023
Notes and accounts receivable (including related parties)	$ 234,697	238,646	170,862
Less: allowance for impairment	-	-	-
Total	**$ 234,697**	**238,646**	**170,862**
Contract liabilities－advance sales receipts	**$ 14,773**	**4,869**	**17,453**

For additional information on notes and accounts receivable and allowance for impairment, please refer to note 6(c).

The amount of revenue which was recognized in the years ended December 31, 2024 and 2023, and included in the contract liability balance at January 1, 2024 and 2023 were $4,869 and $17,453, respectively.

The major change in the balance of contract liabilities is the difference between the time frame in the performance obligation to be satisfied and the payment to be received.

(t) Remuneration to employees and directors

In accordance with the Articles of incorporation, the Company should contribute a minimum of 3% of the profit as employee remuneration and a maximum of 2% as directors' remuneration when there is profit for the year. However, if the Company has accumulated deficits, the profit should be reserved to offset the deficit.

For the years ended December 31, 2024 and 2023, the Company estimated its employee remuneration amounting to $8,063 and $180, respectively, and directors' remuneration amounting to $1,344 and $30, respectively. The estimated amounts mentioned above are calculated based on the net profit before tax, excluding the remuneration to employees and directors of each period, multiplied by the percentage of remuneration to employees and directors as specified in the Company' s articles. These remunerations were expensed under operating costs or operating expenses during 2024 and 2023. If there are any subsequent adjustments to the actual remuneration amounts, the adjustment will be accounted for as changes in accounting estimates and will be reflected in profit or loss in the following year. If employee remuneration is distributed by shares, the numbers of shares should be calculated based on the closing price one day before the date of the board meeting. Related information would be available at the Market Observation Post System website.

The difference between the actual distributions and the estimated amount in the 2023 financial report is $30. This discrepancy is mainly due to the resolution not to allocate director's remuneration because of after-tax losses. The above difference was recognized as changes in accounting estimates and reflected in profit or loss in 2024.

The amounts, as stated in the financial statements, are identical to those of the actual distributions for 2024.

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(u) Non-operating income and expenses

(i) Interest income

The details of interest income of the Company were as follow:

		2024	2023
Interest income from bank deposits	$	**890**	**452**

(ii) Other income

The details of other income of the Company were as follows:

		2024	2023
Dividend income		208,564	83,458
Rental income		16,661	14,730
Revenue from sale of scrap		822	369
Directors' and supervisors' remuneration		1,092	1,608
Others		2,872	602
	$	**230,011**	**100,767**

(iii) Other gains and losses

The details of other gains and losses of the Company were as follows:

		2024	2023
Foreign exchange gains (losses), net	$	6,666	(2,735)
Net gains (losses) of financial assets at fair value through profit or loss		-	8,517
Net gains on disposal of property, plant and equipment		116	155
Depreciation of investment property		(3,132)	(3,140)
Others		(3,522)	(4,001)
	$	**128**	**(1,204)**

(iv) Finance costs

The details of finance costs of the Company were as follows:

		2024	2023
Interest expenses			
Bank loans and short-term notes and bills payable	$	**(27,796)**	**(26,890)**

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(v) Financial instruments

(i) Categories of financial instruments

1) Financial assets

		December 31, 2024	December 31, 2023
Financial assets at fair value through other comprehensive income:			
Investment in equity instruments	$	5,401,803	4,473,694
Accounts receivable		25,041	25,832
Subtotal		5,426,844	4,499,526
Financial assets measured at amortized cost:			
Cash and cash equivalents		139,179	68,575
Accounts receivable (including related parties), and other receivables		252,752	303,418
Refundable deposits		10	10
Subtotal		391,941	372,003
Total	**$**	**5,818,785**	**4,871,529**

2) Financial liabilities

		December 31, 2024	December 31, 2023
Financial liabilities measured at amortized cost:			
Short-term borrowings	$	520,057	803,219
Short-term notes and bills payable		906,564	749,629
Payables		142,500	124,832
Total	**$**	**1,569,121**	**1,677,680**

(ii) Credit risk

1) Exposure to credit risk

The carrying amount of financial assets represents the maximum amount exposed to credit risk.

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2) Concentration to credit risk

The cash is deposited in different financial institutions. The Company manages the credit risk exposure with each of these financial institutions and believes that cash do not have a significant credit risk concentration.

The major customers of the Company are centralized in the electronics components industry. As of December 31, 2024 and 2023, one customer accounted for 37.13% and 36.69% of the accounts receivable, respectively, resulting in a concentration of credit risk.

3) Credit risk of receivables

For credit risk exposure of notes and accounts receivable, please refer to note 6(c). Other financial assets at amortized cost include other receivables and refundable deposits.

All of these other financial assets at amortized cost are considered to have low risk, and thus, the impairment provision recognized during the period was limited to 12 months expected losses. Regarding how the financial instruments are considered to have low credit risk, please refer to note 4(f). No impairment losses allowance were recognized or reversed for the years ended December 31, 2024 and 2023.

(iii) Liquidity Risk

Details of financial liabilities categorized by due dates were as follows. The amounts include estimated interest payments but exclude the impacts of netting agreements.

	Carrying amount	Contractual cash flows	Within 6 months	6-12 months	1-2 years	2-5 years	Over 5 years
December 31, 2024							
Non-derivative financial liabilities							
Bank loans (floating interest rate)	$ 520,057	521,311	521,311	-	-	-	-
Short-term notes and bills payable (fixed interest rate)	906,564	907,000	907,000	-	-	-	-
Notes payable (non-interest rate)	2,897	2,897	2,897	-	-	-	-
Accounts payable (non-interest rate)	64,360	64,360	64,360	-	-	-	-
Other payables (non-interest rate)	75,243	75,243	75,243	-	-	-	-
	$ 1,569,121	**1,570,811**	**1,570,811**	**-**	**-**	**-**	**-**
December 31, 2023							
Non-derivative financial liabilities							
Bank loans (floating interest rate)	$ 803,219	804,881	804,881	-	-	-	-
Short-term notes and bills payable (fixed interest rate)	749,629	750,000	750,000	-	-	-	-
Notes payable (non-interest rate)	2,520	2,520	2,520	-	-	-	-
Accounts payable (non-interest rate)	67,221	67,221	67,221	-	-	-	-
Other payables (non-interest rate)	55,091	55,091	55,091	-	-	-	-
	$ 1,677,680	**1,679,713**	**1,679,713**	**-**	**-**	**-**	**-**

The Company does not expect that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

(iv) Foreign currency risk

1) Exposure to foreign currency risk

The Company's significant financial assets and liabilities exposed to foreign currency risk were as follows:

		December 31, 2024			December 31, 2023		
		Foreign currency	Exchange rate	TWD	Foreign currency	Exchange rate	TWD
Financial assets							
Monetary items							
USD	$	3,744	32.785	122,752	4,942	30.705	151,739
Financial liabilities							
Monetary items							
USD	$	2	32.785	69	42	30.705	1,287
EUR		-	-	-	2	33.98	76

2) Sensitivity analysis

The foreign currency risk was mainly incurred from the translation of cash and cash equivalents, accounts receivable, other receivables, accounts payable, and other payables. As of December 31, 2024 and 2023, if the exchange rate of the NTD versus the USD, and EUR had increased or decreased by 1%, given no changes in other factors, the impact were as follows:

2024		2023	
Depreciate 1%	Appreciate 1%	Depreciate 1%	Appreciate 1%
Increase in net profit after tax	Decrease in net profit after tax	Decrease in net loss after tax	Increase in net loss after tax
$ 981	981	1,203	1,203

The analysis is performed in the same basis for 2024 and 2023.

3) Exchange gains and losses from monetary items

The exchange gains (losses) (including realized and unrealized) that resulted from monetary were as follows:

	2024	2023
	Exchange gains (losses)	Exchange gains (losses)
USD	$ 6,629	(2,757)
JPY	34	19
EUR	3	3
Total (functional currency－New Taiwan Dollar)	$ 6,666	(2,735)

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(v) Interest rate analysis

Please refer to the notes on liquidity risk management and the interest rate exposure of the Company's financial liabilities.

The sensitivity analysis of interest was determined based on the interest rate of derivative and non-derivative instruments at the reporting date. The analysis of liabilities bearing floating interest rates was prepared based on the assumption that the outstanding amounts at the reporting date had existed for the whole year. Management adopted 0.25% as a reasonable change in interest rates, and therefore evaluated the impacts of 0.25% changes in interest rates.

If interest rates on borrowings had increased or decreased 0.25%, with all other variables held constant, the information was as follows:

2024		2023	
Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
Decrease in net profit after tax	Increase in net profit after tax	Increase in net loss after tax	Decrease in net loss after tax
$ 1,040	1,040	1,606	1,606

The impact was due to the floating interest rates of bank loans.

(vi) Equity securities prices risks

If the prices of equity securities change at reporting date were performed using the same basis, with all other variables held constant, the influences to other comprehensive income, were as follows:

	2024		2023	
Prices at reporting date	Other comprehensive income after tax	Net income	Other comprehensive income after tax	Net income
Increase by 1%	$ 54,018	-	44,737	-
Decrease by 1%	$ (54,018)	-	(44,737)	-

(vii) Fair value of financial instruments

1) Fair values of financial instruments

The financial assets of the Company at fair value through other comprehensive income is measured at fair value on recurring basis. The carrying amount and fair value of the financial assets and liabilities, including the information on fair value hierarchy were as follow, however, the financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, disclosure of fair value information is not required:

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	December 31, 2024				
	Carrying amount	Fair Value Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income					
Stocks listed on domestic markets	$ 5,401,803	5,401,803	-	-	5,401,803
Accounts receivable	25,041	-	25,041	-	25,041
Total	$ 5,426,844				

	December 31, 2023				
	Carrying amount	Fair Value Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income					
Stocks listed on domestic markets	$ 4,473,694	4,473,694	-	-	4,473,694
Accounts receivable	25,832	-	25,832	-	25,832
Total	$ 4,499,526				

2) Valuation techniques used in financial instruments at fair value

Non-derivative instruments

If a financial instrument has a quoted price in an active market, the quoted price is used as fair value. Quoted prices of major stock exchange and quoted prices of government bonds are the basis for measuring the fair value of stocks listed on an exchange, stocks listed on the OTC, and debt instruments with quoted prices in an active market.

The fair values of the Company’s listed securities, with standard terms and conditions, and traded in active markets, were determined by the quoted market prices.

Measurements of fair value of financial instruments without an active market are based on a valuation technique or quoted price from a competitor. Fair value measured by a valuation technique can be extrapolated from similar financial instruments, the discounted cash flow method, or other valuation technique including a model using observable market data at the reporting date.

3) Transfer between level 1 to level 3

There was no transfer between the fair value hierarchy levels for the years ended December 31, 2024 and 2023.

(w) Financial risk management

(i) Overview

The Company have exposures to the following risks from its financial instruments:

1) Credit risk

2) Liquidity risk

3) Market risk

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The Company's risk management objective, policies, and procedures, and the exposure risk arising from the aforementioned risks, are disclosed below. For more quantitative information, please refer to other notes of the financial statements.

(ii) Risk management framework

The board of directors has the overall responsibility for the establishment and oversight of the risk management framework.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The board of directors oversees how the management complies in monitoring the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. Internal auditors undertake both regular and ad hoc reviews of risk management controls and procedures and exception management, the results of which are reported to the board of directors.

(iii) Credit risk

The Company's credit risk is the risk of financial loss when a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from accounts receivable and bank deposit.

1) Accounts receivable and other receivables

The Company's exposure credit risk is influenced by the individual characteristics of each customer. The Company continuously monitors the information concerning client credit risk factors, such as the default risk of the industries and countries in which the customers operate.

According to the credit policy, the Company has to evaluate the credit of each new customer before setting the payment and delivery terms. The evaluations include external credit ratings, if available, and bank references. The Company reviews credit limits periodically and required customers to pay in advance when the customers' credit ratings did not meet the benchmark, and if necessary, requires prepayment by L/C before shipping.

If necessary, the Company also factors parts of accounts receivable to financial instructions without recourse to reduce the credit risk.

2) Deposits and other financial assets

The exposure to credit risk for the bank deposits and other financial instruments is measured and monitored by the Company's finance department. The Company only deals with banks with good credit rating. The Company does not expect any counterparty above fails to meet its obligations. Hence, there is no significant credit risk arising from these counterparties.

(iv) Liquidity risk

Liquidity risk is the risk that the Company is unable to meet the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as much as possible, that it always has sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

As of December 31, 2024 and 2023, unused credit lines were amounted to $1,731,324 and $1,871,859, respectively.

(v) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

1) Currency risk

The Company is exposed to currency risk on sales, purchases and borrowings that are denominated in another currency. Functional currency is TWD. The currencies used in these transactions are the TWD, USD, JPY and EUR.

Generally, borrowings and purchasing are denominated in currencies that match the cash flows generated by the underlying operations of the Company, primarily the TWD, USD JPY, and EUR. This provides an economic hedge without derivatives being entered into, and therefore, hedge accounting is not applied in these circumstances.

2) Interest risk

To reduce the exposure to interest rate risk, the choice of a floating interest rate or a fixed interest rate was based on the Company's evaluation of the global economic environment and the trend in market interest rates.

3) Market price risk of equity instruments

Part of the Company's equity securities are classified as financial assets measured at fair value through profit or loss and financial assets measured at fair value through other comprehensive income. These assets are measured at fair value. Therefore, the Company will be exposed to the risk of changes in the value of the equity securities market.

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(x) Capital management

The Company sets its objectives for managing capital to ensure its capacity to continue to operate, to continue to provide returns to its shareholders and other related parties, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the dividend payment and reduce the capital for redistribution to its shareholders. The Company also issues new shares or sells assets to settle any liabilities.

The Company and other entities in the similar industry use the debt-to-equity ratio in calculating. The total net debt and divided by the total capital. The net debt from the balance sheet are derived from the total liabilities, less, cash and cash equivalents. The total capital and equity include share capital, capital surplus, retained earnings, other equity interest, plus, net debt.

In 2024, the Company’ s capital management strategy is consistent with the prior year. The Company’s debt-to-equity ratios at the end of the reporting period as at December 31, 2024 and 2023 was as follows:

	December 31, 2024	December 31, 2023
Total liabilities	$ 1,879,542	1,956,340
Less: cash and cash equivalents	139,179	68,575
Net debt	1,740,363	1,887,765
Total equity	7,172,000	5,979,842
Capital after adjustment	**$ 8,912,363**	**7,867,607**
Debt-to-equity ratio	19.53%	23.99%

The decrease in debt-to-equity ratio as of December 31, 2024, is mainly due to increase in unrealized gains from equity instruments measured at fair value through other comprehensive income, which resulted in increase in total equity.

(y) Investing and financing activities not affecting current cash flow

Reconciliation of liabilities arising from financing activities of the Company were as follows:

			Non-cash changes	
	January 1, 2024	**Cash flows**	**Amortized interest**	**December 31, 2024**
Short-term borrowings	$ 803,219	(283,162)	-	520,057
Short-term notes and bills payable	749,629	141,938	14,997	906,564
Guarantee deposit received (recognized as other payables)	98	2,627	-	2,725
Total liabilities from financing activities	**$ 1,552,946**	**(138,597)**	**14,997**	**1,429,346**

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	January 1, 2023	Cash flows	Non-cash changes Amortized interest	December 31, 2023
Short-term borrowings	$ 1,115,280	(312,061)	-	803,219
Short-term notes and bills payable	499,386	239,088	11,155	749,629
Guarantee deposit received (recognized as other payables)	196	(98)	-	98
Total liabilities from financing activities	$ 1,614,862	(73,071)	11,155	1,552,946

(7) Related-party transactions

(a) Parent company and ultimate controlling company

Hua Eng Wire & Cable Co., Ltd. is both the parent company and the ultimate controlling party of the Company. It owns 39.44% of common shares outstanding of the Company. The parent company has issued its consolidated financial statements available for public use.

(b) Names and relationship with related parties

The followings are related parties that have had transactions with the Company during the periods covered in the financial statements:

Name of related party	Relationship with the Company
Hua Eng Wire & Cable Co., Ltd.	Parent Company
Taiwan Times Co., Ltd.	Controlled by key management personnel of the Company (Note)

Note: Summarized as other related parties.

(c) Significant transactions with related parties

(i) Sales

The amounts of significant sales by the Company to related parties were as follows:

	2024	2023
Parent company	$ 6,958	10,019

The transition condition for sale to the parent company could not be compared to those of the third-parties' sales. The selling price is based on the international price of relevant copper raw materials plus a certain percentage. The credit terms with the parent company is one month, and those of the third-parties are from one to three months. Receivables from related parties were not secured with collateral and no expected credit loss after assessment by the management.

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(ii) Purchases

The amounts of significant purchases by the Company from related parties were as follows:

	2024	2023
Parent company	$ 429	330

The price for purchase to the parent company could not be compared to those of the third-parties' purchases. However, the payment terms for related parties were one month, and those with other vendors were one to three months.

(iii) Receivables from Related Parties

The receivables from related parties were as follows:

Account	Relationship	December 31, 2024	December 31, 2023
Accounts receivable	Parent company	$ 1,636	-

(iv) Services from parent company

The Company engaged its parent company to provide management services and paid the fees every month. For the years ended December 31, 2024 and 2023, the management service fees amounted to $19,200, and were included in operating expenses in the statements of comprehensive income. As of December 31, 2024 and 2023, payables from the above transaction had been settled in full.

(v) Other

The Company leased part of office space from the parent company. The rental expenses were paid monthly.The price is decided based on nearby office rental rates and mutual negotiation. For the years ended December 31, 2024 and 2023, the rental expenses amounted to $240 per year and were included in operating expenses in the statements of comprehensive income. As of December 31, 2024 and 2023, payables from the above transaction had been settled in full.

The amounts of advertisting expense paid to other related parties amounted to $100 in 2024 and 2023, which was included in operating expenses in statements of comprehensive income.

The Company holds shares of the parent Company, which distributed earning of $208,564 and $83,426 to the Company in 2024 and 2023, respectively.

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(d) Key management personnel compensation

Key management personnel compensation comprised:

		2024	2023
Short-term employee benefits	$	10,181	6,820
Post-employment benefits		272	214
Termination benefits		-	-
Other long-term benefits		-	-
Share-based payments		-	-
	$	10,453	7,034

(8) Assets Pledged as Security: None.

(9) Commitments and contingencies:

Major commitments and contingencies were as follows:

(i) Unrecognized contingencies of contracts:

		December 31, 2024	December 31, 2023
Acquisition of property, plant and equipment	$	122,187	25,294

(ii) Unused standby letters of credit:

		December 31, 2024	December 31, 2023
Purchase of material	$	274,979	233,012

(10) Losses due to major disasters: None.

(11) Subsequent events:

On March 3, 2025, the Company’s board of directors resolved to replace the outdated equipment due to operational needs, with an estimated cost of approximately $530,000.

(12) Other:

A summary of employee benefits, depreciation, and amortization expenses, by function, were as follows:

By function	2024			2023		
By item	Cost of sales	Operating expenses	Total	Cost of sales	Operating expenses	Total
Employee benefits						
Salary and wages	143,014	16,906	159,920	113,115	13,751	126,866
Labor and health insurance	15,226	1,298	16,524	13,990	1,278	15,268
Pension	5,930	700	6,630	5,319	653	5,972
Remuneration of directors	-	2,874	2,874	-	1,590	1,590
Others personnel costs	6,582	3,538	10,120	6,427	2,704	9,131
Depreciation	85,328	36	85,364	81,491	-	81,491
Amortization	77	-	77	48	-	48

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The additional information of number of employees and employee benefits in 2024 and 2023 were as follows:

	2024	2023
Numbers of employees	248	243
Numbers of non-employee directors	6	6
Average employee benefits	$ 798	663
Average employee salary	$ 661	535
Adjustment of average employee salary	23.45%	
Remuneration to supervisor	-	-

The Company's salary and remuneration policy (including directors, managers and employees) are as follows:

1. The remuneration to employees mainly includes salary (basic salary, meal allowance, special workplace allowance, etc.) year-end bonus, performance bonus, etc.

   (i) The Company draws up the salary standards for employees based on market salary level, its operating conditions and organization structure. Furthermore, the salary will be properly adjusted depending on the market salary dynamics, changes in the overall economic and business conditions and government regulations.

   (ii) The remuneration to employees is based on their education, professional knowledge and technique skills, experience and personal performance, without distinction of age, sex, race, religion, political inclination, marital status and union.

   (iii) The bonus of employees is based on the operating conditions of the Company and individual personal performance.

   (iv) The starting salary of the inexperience and foreign workers complied with the government regulations.

   (v) In accordance with the Articles of incorporation, the Company should contribute no less than 3% of the profit as employee remuneration when there is profit for the year. However, if the Company has accumulated deficits, the profit should be reserved to offset the deficit.

2. The managers' remuneration, including salary, addition pay, severance pay, various bonus, allowances, etc., is based on the business strategies and profitability of the Company, personal performance and contribution, as well as market salary level. Moreover, in accordance with the Articles of incorporation, the Company should contribute a minimum of 3% of the profit as employee remuneration when there is profit for the year. However, if the Company has accumulated deficits, the profit should be reserved to offset the deficit.

3. The directors' remuneration received a monthly transportation allowance, as well as salary, various bonus, etc. Moreover, in accordance with the Articles of incorporation, the Company should contribute a maximum of 2% as directors' remuneration when there is profit for the year. However, if the Company has accumulated deficits, the profit should be reserved to offset the deficit.

(Continued)

FIRST COPPER TECHNOLOGY CO., LTD.
Notes to the Financial Statements

(13) Other disclosures

(a) Information on significant transactions:

The following is the information on significant transactions required by the Regulations for the Company for the years ended December 31, 2024.

(i) Loans to other parties: None.

(ii) Guarantees and endorsements for other parties: None.

(iii) Securities held as of December 31, 2024 (excluding investment in subsidiaries, associates and joint ventures):

Name of holder	Category and name of security	Relationship with the Company	Account title	Ending balance				Note
				Units (shares)	Carrying value	Percentage of ownership (%)	Fair value	
The Company	Hua Eng Wire & Cable Co., Ltd. stock	The Company's parent company	Non-current financial assets at fair value through other comprehensive income	208,563,824	5,401,803	32.96 %	5,401,803	

(iv) Individual securities acquired or disposed of with accumulated amount exceeding the lower of NT$300 million or 20% of the capital stock: None.

(v) Acquisition of individual real estate with amount exceeding the lower of NT$300 million or 20% of the capital stock: None.

(vi) Disposal of individual real estate with amount exceeding the lower of NT$300 million or 20% of the capital stock: None.

FIRST COPPER TECHNOLOGY CO., LTD.
Notes to the Financial Statements

(vii) Related-party transactions for purchases and sales with amounts exceeding the lower of NT$100 million or 20% of the capital stock: None.

(viii) Receivables from related parties with amounts exceeding the lower of NT$100 million or 20% of the capital stock: None.

(ix) Trading in derivative instruments: None.

(b) Information on investees:

The following is the information on investees for the year 2024 (excluding information on investees in Mainland China):

Name of investor	Name of investee	Location	Main Businesses and products	Original investment amount		Balance as of December 31, 2024			Net income (losses) of investee	share of profits / losses of investee	Note
				December 31, 2024	December 31, 2023	Shares	Percentage of ownership	Carrying value			
The Company	Hua Ho Engineering Co., Ltd.	Kaohsiung	Cable engineering	165	165	10,000	0.29	145	3,910	11	Associates

(c) Information on investment in Mainland China: None.

FIRST COPPER TECHNOLOGY CO., LTD.
Notes to the Financial Statements

(d) Major shareholders:

Shareholding Shareholder's Name	Shares	Percentage
Hua Eng Wire & Cable Co., Ltd.	141,831,792	39.43 %
Wang Yang Pai Wor	37,731,990	10.49 %

Note: (1) The information on major shareholders, which is provided by the Taiwan Depository & Clearing Corporation, summarized the shareholders who held over 5% of the total nonphysical common stocks and preferred stocks (including treasury stocks) on the last business date of each quarter. The registered nonphysical stocks may be different from the capital stocks disclosed in the financial statement due to different calculations basis.

Note: (2) If the aforementioned data contained shares which were kept in trust by the shareholders, the data disclosed will be deemed as the settlor's separate account for the fund set by the trustee. As for the shareholder who reports its share equity as an insider and whose shareholding ratio is greater than 10% in accordance with Securities and Exchange Act and include its self owned shares and trusted shares, as well as the shares of the individuals who have power to decide how to allocate the trust assets. For the information on reported share equity of the insider, please refer to the Market Observation Post System.

(14) Segment information

(a) General Information

The Company has one reportable segment and is mainly engaged in single-product manufacturing and selling of copper. The accounting policies of the operating segments are the same as those described in note 4. The operating segment's profit of the Company uses the operating profit before income tax as the measurement and basis of performance evaluation.

(b) Product and service information

Revenue from the external customers of the Company were as follows:

Production	2024	2023
Copper product	$ 3,022,706	2,569,376
Processing revenue	105,369	75,202
Others	-	1,571
Total	**$ 3,128,075**	**2,646,149**

(c) Geographic information

In presenting information on the basis of geography, revenue is based on the geographical location of customers and non-current assets are based on the geographical location of the assets.

FIRST COPPER TECHNOLOGY CO., LTD.
Notes to the Financial Statements

Geographic information		2024	2023
Revenue from external customers:			
Taiwan	$	2,421,324	1,929,917
Mainland China		292,724	334,284
Japan		144,698	158,828
Others		269,329	223,120
Total	**$**	**3,128,075**	**2,646,149**

Non-current assets:		**December 31, 2024**	**December 31, 2023**
Taiwan	**$**	**1,265,473**	**1,267,327**

Non-current assets included property, plant and equipment, investment property, intangible assets and other assets, not including financial instruments, net defined benefit assets and deferred tax assets.

(d) Major customer's information

The sales to individual customers that consituted 10% or more of the Company's net sales in the statements of comprehensive income were as follows:

		2024		2023	
Customer		**Amount**	**% of net sales**	**Amount**	**% of net sales**
E	$	439,681	14.06 %	277,200	10.48 %
D	$	347,076	11.10 %	220,624	8.34 %
	$	**786,757**	**25.16 %**	**497,824**	**18.82 %**

FIRST COPPER TECHNOLOGY CO., LTD.

Statement of cash and cash equivalents

December 31, 2024

(Expressed in thousands of New Taiwan Dollars)

Item	Description	Amount
Cash	Petty cash	$ 177
Cash in banks	Demand deposit	
	New Taiwan Dollars	82,576
	Foreign currency-USD 1,716,964.33 (Exchange rate 32.785)	56,290
	Checking deposits	136
	Subtotal	139,002
	Total	**$ 139,179**

FIRST COPPER TECHNOLOGY CO., LTD.

Statement of accounts receivable

December 31, 2024

(Expressed in thousands of New Taiwan Dollars)

Customer	Description	Amount	Note
Non-related parties			
Customer A	Operating	$ 87,131	-
Customer D	"	76,773	-
Customer E	"	30,155	-
Others (The amount of individual client in others does not exceed 5% of the account balance)	"	39,002	-
Total		**$ 233,061**	
Related parties:			
Hua Eng Wire & Cable Co., LTD	Operating	**$ 1,636**	

FIRST COPPER TECHNOLOGY CO., LTD.

Statement of other receivables

December 31, 2024

(Expressed in thousands of New Taiwan Dollars)

Item	Description	Amount	Note
Other receivables	Factoring accounts receivable	$ 38,784	-
	Remuneration of directors and supervisors	1,134	-
	Purchasing-price variance	3,178	
Total		**$ 43,096**	

Statement of inventories

Item	Description	Amount: Cost	Amount: Net realizable value	Note
Finished goods		$ 166,956		
Less: loss allowance		(2,299)		
Subtotal	-	164,657	173,197	Note 1
Work in process		1,217,942		
Less: loss allowance		(25,178)		
Subtotal	-	1,192,764	1,260,327	Note 1
Raw materials and supplies		491,498		
Less: loss allowance		(1,746)		
Subtotal	-	489,752	490,367	Note 1
Inventories in transit		63,862		
Loss: loss allowance		(247)		
Subtotal	-	63,615	63,615	Note 1
Total		**$ 1,910,788**		

Note 1: For the determination of net realizable value, please refer to note 4(g).

FIRST COPPER TECHNOLOGY CO., LTD.

Statement of current tax assets

December 31, 2024

(Expressed in thousands of New Taiwan Dollars)

Item	Description	Amount	Note
Current tax assets	Receivable of business income tax refund for 2023 and estimated business income tax refund for 2024	$ 96	-

Statement of other current assets

The details of other current assets, please refer to note 6(j).

FIRST COPPER TECHNOLOGY CO., LTD.

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

For the year ended December 31, 2024

(Expressed in thousands of New Taiwan Dollars)

	Beginning Balance		Addition		Decrease		Ending Balance				
Name of Financial instrument	Shares or units	Fair value	Shares or units	Amount	Shares or units	Amount	Shares or units	Fair value	Accumulated Impairment losses	Collateral	Note
Hua Eng Wire & Cable Co., Ltd.	208,563,824	$ 4,473,694	-	$ 928,109 (Note 1)	-	$ -	208,563,824	5,401,803	-	-	-

Note 1: The valuation adjustment on financial assets at fair value.

FIRST COPPER TECHNOLOGY CO., LTD.

Statement of changes in investments accounted for using the equity method

For the year ended December 31, 2024

(Expressed in thousands of New Taiwan Dollars)

	Beginning balance		Addition		Decrease		Ending Balance			Market value or net assets value			
Name of investee	Shares	Amount	Shares	Addition	Shares	Decrease	Shares	Percentage of ownership	Amount	Unit price	Total amount	Collateral	Note
Hua Ho Engineering Co., Ltd.	10,000	$ 134	-	11	-	-	10,000	0.29 %	145	14.24	145	-	Note

Note : The increase this period was due to investment recognized under the equity method.

FIRST COPPER TECHNOLOGY CO., LTD.

Statement of changes in property, plant and equipment

For the year ended December 31, 2024

(Expressed in thousands of New Taiwan Dollars)

For movements on property, plant and equipment, please refer to note 6(g).

Statement of changes in accumulated depreciation of property, plant and equipment

For movements on accumulated depreciation of property, plant and equipment, please refer to note 6(g).
For depreciation methods and useful lives, please refer to note 4(j).

Statement of changes in investment property

For movements on investment property, please refer to note 6(h).
The Company measures its investment property using the cost model. For related accounting policy, please refer to note 4(i).

FIRST COPPER TECHNOLOGY CO., LTD.

Statement of changes in accumulated depreciation of investment property

For the year ended December 31, 2024

(Expressed in thousands of New Taiwan Dollars)

For movements on accumulated depreciation of investment property, please refer to note 6(h).
For depreciation methods and useful lives, please refer to note 4(i)(j).

Statement of changes in intangible assets

For movements on intangible assets, please refer to note 6(i). For amortization methods and useful lives, please refer to note 4(l).

FIRST COPPER TECHNOLOGY CO., LTD.

Statement of deferred tax assets

December 31, 2024

(Expressed in thousands of New Taiwan Dollars)

Item	Description	Amount	Note
Deferred tax assets	Recognition of income tax due to temporary differences	$ 31,210	-

Statement of other non-current assets

Item	Description	Amount	Note
Prepayments for equipment	Prepayments for the deposit of machinery and equipment	$ 9,023	-
Refundable deposits	Lease deposit	$ 10	-
Net defined benefit assets	Estimated net defined benefit assets	$ 9,224	-

FIRST COPPER TECHNOLOGY CO., LTD.

Statement of short-term borrowings

December 31, 2024

(Expressed in thousands of New Taiwan Dollars)

Type	Description	Ending balance	Contract period	Range of interest rates	Loan commitments	Collateral	Note
Letters of credit	Financial institution borrowing	$ 153,057	Within 1 year	1.990%~2.05%	Note	None	-
Unsecured loans	Financial institution borrowing	367,000	Within 1 year	1.98%~2.05%	Note	None	-
Total		**$ 520,057**					

Note: Loan commitment of short-term borrowing amounted to $3,445,195.

FIRST COPPER TECHNOLOGY CO., LTD.

Statement of short-term notes and bills payable

December 31, 2024

(Expressed in thousands of New Taiwan Dollars)

Item	Guarantee or acceptance institution	Contract period	Range of interest rate	Amount: Total Amount	Amount: Unamortized discount	Amount: Carrying amount	Note
Commercial paper payable	Mega Bills Finance Co., Ltd.-Kaohsiung branch	within 1 year	1.978%	$ 357,000	119	356,881	-
Commercial paper payable	China Bills Finance Corporation-Kaohsiung branch	within 1 year	1.978%~1.988%	250,000	74	249,926	-
Commercial paper payable	International Bills Finance Corporation-Kaohsiung branch	within 1 year	1.968%	100,000	94	99,906	-
Commercial paper payable	Grand Bills Finance Corporation-Kaohsiung branch	within 1 year	1.988%	200,000	149	199,851	-
Total				**$ 907,000**	**436**	**906,564**	

FIRST COPPER TECHNOLOGY CO., LTD.

Statement of notes payable

December 31, 2024

(Expressed in thousands of New Taiwan Dollars)

Vendor name	Description	Amount	Note
Non-related parties			
Bureau of Labor Insurance, Ministry of Labor	Pension and labor insurance fee	$ 1,827	-
National Health Insurance Administration			
Ministry of Health and Welfare	Health insurance fee	841	-
Others (The amount of individual vendor in others			
does not exceed 5% of the account balance)	Operating	229	-
Total		**$ 2,897**	

Statement of accounts payable

Vendor name	Description	Amount	Note
Non-related parties			
Company I	Operating	$ 6,180	-
Others (The amount of individual vendor in others			
does not exceed 5% of the account balance)	"	58,180	-
Total		**$ 64,360**	

FIRST COPPER TECHNOLOGY CO., LTD.

Statement of other payables

December 31, 2024

(Expressed in thousands of New Taiwan Dollars)

Item	Description	Amount
Salary Payable	Employee salary in December 2024	$ 9,056
Bonus payable	Employee bonus payable	13,337
Compensated absences liabilities	Employee paid leave bonus payable	6,229
Utility payable	Factory utilities and fuel payable	11,204
Employee and Directors' remuneration payable	Employee and Directors' remuneration payable	9,407
Dividend payable	Dividend and overdue dividend payable	18,365
Others	Service expenses, interest of borrowings and amount advance of factoring accounts receivable, pension, employee benefits, labor and health insurance premium, freight, commission, house tax, customs duty and guarantee deposits received within 1 year	9,222
Total		**$ 76,820**

FIRST COPPER TECHNOLOGY CO., LTD.

Statement of other current liabilities

December 31, 2024

(Expressed in thousands of New Taiwan Dollars)

The details of other current liabilities , please refer to note 6(m).

Statement of deferred tax liabilities

Item	Description	Amount	Note
Deferred tax liabilities	Recognition of income tax due to temporary differences	$ 267,178	-

FIRST COPPER TECHNOLOGY CO., LTD.

Statement of operating revenues

For the year ended December 31, 2024

(Expressed in thousands of New Taiwan Dollars)

Item	Quantity (kg)	Amount	Note
High Performance Alloy	1,990,144.95	$ 692,757	-
Copper Strip	2,312,795.07	792,022	-
Brass Strip	426,494.42	111,709	-
Tin Plated Strip	1,471,087.93	487,472	-
Other copper plates	3,263,864.76	938,746	-
Total net sales		3,022,706	
Processing revenue		105,369	-
Total		$ 3,128,075	

FIRST COPPER TECHNOLOGY CO., LTD.

Statement of operating costs

For the year ended December 31, 2024

(Expressed in thousands of New Taiwan Dollars)

Item	Amount	
	Subtotal	Total
Raw materials		721,362
Raw materials, beginning of year	$ 412,177	
Add: Purchase of raw materials	1,377,826	
Less: Raw materials sold	(527,576)	
Raw materials, end of year	(541,065)	
Materials		110,186
Materials, beginning of year	3,900	
Add: Purchase of materials	120,581	
Less: Materials, end of year	(14,295)	
Direct labor		143,014
Manufacturing expense		212,402
Manufacturing cost		1,186,964
Add: Work in process, beginning of year		1,168,041
Work in process purchase		1,246,892
Less: Work in process, end of year		(1,217,942)
Cost of finished goods		2,383,955
Add: Finished goods, beginning of year		186,535
Less: Finished goods, end of year		(166,956)
		2,403,534
Add: Cost of raw materials sold		527,576
Unallocated production overheads		85,446
Write-down of inventories		13,638
Warranty provision		357
Less: Revenue from scrap sold		(9,301)
Right to the returned goods		(11,425)
Total operating costs		**$ 3,009,825**

FIRST COPPER TECHNOLOGY CO., LTD.

Statement of operating expenses

For the year ended December 31, 2024

(Expressed in thousands of New Taiwan Dollars)

Item	Description	Amount	Note
Salary	Salary, bonus, remuneration to directors and transportation allowance	$ 17,777	-
Service expenses	Management service fee from related party, accountant, lawyer service fee, etc.	20,997	-
Export expenses	Customs clearance fee, sea freight, port due, etc.	3,552	-
Freight	Freight for product sales	5,184	-
Others	Employee benefits, entertainment, travelling expense, pension, insurance, commission expense, training expense, rental expense, supplies expense, newspaper expense, vehicle expense, postage expense, research and development expense,etc.(Note)	14,629	-
Total		**$ 62,139**	

Note: The amount of individual item in others does not exceed 5% of the account balance. The amount of research and development expenses include ralated salary expenses is $2,003.

FIRST COPPER TECHNOLOGY CO., LTD.

Statement of non-operating income and expenses

For the year ended December 31, 2024

(Expressed in thousands of New Taiwan Dollars)

For statement of non-operating income and expenses, please refer to note 6(u).