

**Lien Hwa Industrial Holdings Corporation  
Parent Company Only Financial  
Statements and Independent Auditor's  
Report  
December 31, 2024 and 2023**

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For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

## **Independent Auditors' Report**

To the Board of Directors and Shareholders of Lien Hwa Industrial Holdings Corporation:

### **Opinion**

We have audited the balance sheet of Lien Hwa Industrial Holdings Corporation as at December 31, 2024 and 2023, and the comprehensive income statement, the statement of changes in equity and the cash flow statement, and the notes to parent company only financial statements (including the summary of significant accounting policies) for the year ended December 31, 2024 and 2023.

In our opinion, all material disclosures of the parent company only financial statements mentioned above were prepared in accordance with Regulations Governing the Preparation of Financial Reports by Securities Firms, and presented a fair view of the financial position of Lien Hwa Industrial Holdings Corporation as at December 31, 2024 and 2023, and the business performance and cash flow for the year ended December 31, 2024 and 2023.

### **Basis for opinion**

We have conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the auditing standards. Our responsibility to the standards will be explained in the paragraph of auditor's responsibilities when auditing the parent company only financial statements. All relevant independent personnel subject to the CPA professional ethics within the firm remain independent from the Lien Hwa Industrial Holdings Corporation and implement responsibilities regulated in the ethics. We believe we have obtained sufficient appropriate audit evidence to serve as the basis for the audit opinion.

### **Key audit matters**

Key audit matters are the most important matters that we audit in the 2024 parent company only financial statements of Lien Hwa Industrial Holdings Corporation based on our professional judgment. All relevant matters were audited during the audit of the parent company only financial statements and the formulation of the audit opinions. We will not express our opinions on those matters separately. The key audit matters that we determine shall be listed on the audit report include:

Assessment of investment under equity method

Regarding the accounting policies for the investment assessment under equity method, please see note 4(7) and (8) to the Parent Company Only Financial Statements; for the shareholding in the profit of the affiliated companies and joint ventures under the equity method, please see note 6(4) to the Parent Company Only Financial Statements.

Description of the key audit matters:

Lien Hwa Industrial Holdings Corporation the main business became general investment. The recognized investment amount under equity method totaled NTD47,528,577 thousand, occupying 77% of Lien Hwa Industrial Holdings Corporation's total assets. Therefore, the investment under equity method is listed as a matter we need to highly focus on when auditing. Corresponding audit process:

The audit process we perform for the above key audit matters includes: provide audit instructions to and communicate with the audit staff of other component entities; acquire the financial statements of the component entities, perform a check calculation for the correctness of the recognized investment amount under equity method and attributable period and assess whether the management has properly disclosed the investment under equity method.

**The responsibility of the management and the governing body for the parent company only financial statements**

The management is responsible for preparing the appropriate parent company only financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Firms. Additionally, it is responsible for maintaining the internal control mechanism that is related to and necessary for the preparation of the parent company only financial statements. As a result, it can ensure material misstatement due to fraud or error is not pertained in the parent company only financial statements.

Other than the situation that the management intends to liquidate Lien Hwa Industrial Holdings Corporation or stop the business, or no other approaches can be used except for these two measures, during the preparation of the parent company only financial statements, the responsibility of the management also includes evaluating the going concern capacity of the Lien Hwa Industrial Holdings Corporation, disclosure of relative matters, and adoption of the going concern accounting basis.

The governing body of the Lien Hwa Industrial Holdings Corporation (including the Audit Committee) has the responsibility to supervise the financial reporting procedures.

## **Our responsibility for the audit of the parent company only financial statements**

The purpose for us to audit the parent company only financial statements is to obtain reasonable assurance that there is no material misstatement due to fraud or error in the parent company only financial statements, and we issue the audit report afterwards. Reasonable assurance means high assurance. Only that the audit work implemented in accordance with the auditing standards cannot give the promise that every material misstatement in the parent company only financial statements are found. Misstatement might result from fraud or error. If we can reasonably expect the individual amounts or the total amount in the misstatement would influence the financial decision made by the user of the parent company only financial statements, the misstatement is considered material.

When performing the audit according to the auditing standards, we exercise professional judgment and remain skeptical professionally. We also perform the following work:

1. We identify the material misstatement resulting from fraud or error in the parent company only financial statement and assess its risk. We design and implement appropriate corresponding measures for the assessed risk. We acquire sufficient and appropriate audit evidence to serve as the basis for the audit opinion. Due to the fact that fraud might include collusion, forgery, intended omission, misstatement and violation of internal control, the risk of the misstatement resulting from fraud is higher than that resulting from error.
2. We acquire necessary understanding of the internal control mechanism that is related to the audit to design appropriate audit process for the situation at the time. The purpose of the knowledge is not expressing opinions to the effectiveness of the internal control mechanism of the Lien Hwa Industrial Holdings Corporation.
3. We evaluate whether the accounting policies adopted by the management are suitable and whether the accounting estimation as well as relative disclosures are appropriate.
4. Based on the acquired audit evidence, we decide whether the going concern accounting basis adopted by the management is suitable, whether events that might affect the going concern capacity of Lien Hwa Industrial Holdings Corporation exist, and whether there is major uncertainty. A conclusion will be made afterwards. We believe under the circumstances that there is major uncertainty, a reminder shall be included in the audit report to inform the parent company only financial statements user to pay attention to relative disclosures in the statements. We shall modify the audit opinion when the disclosure is considered improper. Our conclusion is based on the audit evidence acquired as of the date of the audit report. Future events or circumstances might still result in the fact that Lien Hwa Industrial Holdings Corporation no longer has the going concern capacity.
5. We evaluate the overall statements, structures and contents of the parent company only financial statements (including relative notes) and see whether the statements appropriately state relevant transactions and events.

6. We examine the financial information of invested company under the equity method to acquire sufficient and appropriate audit evidence for expressing opinions in the parent company only financial statements. We are responsible to guide, supervise and implement the audit. In addition, we are responsible for the formulation of opinions for Lien Hwa Industrial Holdings Corporation.

We communicate with the governing body on the scope and time of the audit as well as the significant findings (including significant deficiencies of the internal control mechanism identified during the audit process).

We have issued a declaration of independence to the governing body, which assured that all relevant personnel within the CPA firm had complied with ethical rules of the CPA profession. Besides, we mention the relation or situation that may compromise the CPA's independence (including relevant preventive measures) to the governing body.

After communicating the above matters with the governing body, we decide the key audit matters in the 2024 parent company only financial report of Lien Hwa Industrial Holdings Corporation. We clearly state all above matters in the audit report, unless the law prohibits us to publicly disclose certain matters, or under rare circumstances we decide not to include certain matters in the audit report since we can reasonably expect the resulting negative impact is greater than the public interest they bring.

The engagement partners on the audit resulting in this independent auditors' report are Swimming Hsu and Linda Chiang

KPMG

Taipei, Taiwan (Republic of China)

March 10, 2025

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The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China.

Accordingly, the accompanying parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

**Lien Hwa Industrial Holdings Corporation**  
**Parent Company Only Balance Sheet**  
**December 31, 2024 and 2023**  
**(Expressed in Thousands of New Taiwan Dollars)**

Assets		December 31, 2024		December 31, 2023		Liabilities and equity		December 31, 2024		December 31, 2023	
		Amount	%	Amount	%			Amount	%	Amount	%
<b>Current assets:</b>						<b>Current liabilities:</b>					
1100	Cash and cash equivalent (note 6(1))	\$ 420,780	1	419,027	1	2100	Current borrowings (note 6(6) and 7)	\$ 5,524,000	9	4,850,000	9
1206	Other receivables (note 6(3))	104,072	-	38,056	-	2110	Short-term notes and bills payable (note 6(7))	499,880	1	199,992	1
1470	Other current assets	19,936	-	4,450	-	2200	Other payables (note 7)	93,209	-	84,897	-
		<u>544,788</u>	<u>1</u>	<u>461,533</u>	<u>1</u>	2230	Current tax liabilities	43,002	-	35,503	-
								<u>6,160,091</u>	<u>10</u>	<u>5,170,392</u>	<u>10</u>
<b>Non-current assets:</b>						<b>Non-current liabilities:</b>					
1517	Non-current financial assets at fair value through other comprehensive income (note 6(2))	13,525,167	22	10,910,220	20	2530	Bonds payable (note 6(8))	2,497,793	4	2,496,866	5
1550	Investments accounted for using equity method (note 6(4))	47,528,577	77	42,749,653	79	2540	Non-current portion of non-current borrowings (note 6(9))	500,000	1	800,000	1
1760	Investment property, net (note 6(5))	12,006	-	16,335	-	2551	Provision for employee benefit liability – non-current	1,411	-	1,157	-
1975	Net defined benefit asset, non-current (note 6(10))	5,285	-	5,006	-	2600	Other non-current liabilities (note 7)	71,934	-	71,934	-
1990	Other non-current assets, others (note 6(11) and 8)	2,910	-	2,911	-			<u>3,071,138</u>	<u>5</u>	<u>3,369,957</u>	<u>6</u>
		<u>61,073,945</u>	<u>99</u>	<u>53,684,125</u>	<u>99</u>		<b>Total liabilities</b>	<u>9,231,229</u>	<u>15</u>	<u>8,540,349</u>	<u>16</u>
							<b>Equity: (note 6(12))</b>				
						3110	Common shares	17,104,388	28	15,837,396	29
						3200	Capital surplus	1,150,677	2	1,163,321	2
						3300	Retained earnings	16,201,843	26	15,308,863	28
						3400	Other equities	18,067,464	29	13,432,597	25
						3500	Treasury stock	(136,868)	-	(136,868)	-
							<b>Total equity</b>	<u>52,387,504</u>	<u>85</u>	<u>45,605,309</u>	<u>84</u>
<b>Total assets</b>		<u>\$ 61,618,733</u>	<u>100</u>	<u>54,145,658</u>	<u>100</u>		<b>Total liabilities and equity</b>	<u>\$ 61,618,733</u>	<u>100</u>	<u>54,145,658</u>	<u>100</u>

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

**Lien Hwa Industrial Holdings Corporation**  
**Parent Company Only Statements of Comprehensive Income**  
**For the years ended December 31, 2024 and 2023**

(Expressed in thousands of New Taiwan Dollars , except for earnings per common share)

		<u>2024</u>		<u>2023</u>	
		Amount	%	Amount	%
4000	<b>Operating revenue (note 6(14))</b>	\$ 2,304,642	100	2,056,458	100
<b>Operating expenses:</b>					
6200	Management expense	58,793	3	53,947	3
<b>Net operating profit</b>					
		<u>2,245,849</u>	<u>97</u>	<u>2,002,511</u>	<u>97</u>
<b>Non-operating income and expenses:</b>					
7100	Interest income (note 6(16) and 7)	5,745	-	2,799	-
7130	Other revenues (note 6(2)and(16))	397,261	17	403,701	20
7020	Other profit and loss (note 6(16))	63,811	3	(4,453)	-
7050	Financial cost (note 6(16) and 7)	(141,538)	(6)	(119,383)	(6)
7370	Shareholding in the profit of the affiliated companies and joint ventures under the equity method (note 6(4))	1,665,345	72	1,908,574	93
		<u>1,990,624</u>	<u>86</u>	<u>2,191,238</u>	<u>107</u>
7900	<b>Net income before tax</b>	4,236,473	183	4,193,749	204
7951	<b>Less: Income tax (benefits) expenses (note 6(11))</b>	45,875	2	35,543	2
<b>Net income</b>					
		<u>4,190,598</u>	<u>181</u>	<u>4,158,206</u>	<u>202</u>
<b>Other comprehensive income:</b>					
8310	<b>Components of other comprehensive income that will not be reclassified to profit or loss</b>				
8311	Gains (losses) on remeasurements of defined benefit plans	435	-	(114)	-
8316	Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	2,618,456	144	2,957,253	144
8330	Share of other comprehensive income of subsidiaries, affiliates and joint ventures under equity method - items not reclassified into profit or loss	1,245,155	54	3,246,329	158
8349	Less: Income tax related to items not reclassified	-	-	-	-
<b>Total items not reclassified into profit or loss</b>		<u>3,864,046</u>	<u>168</u>	<u>6,203,468</u>	<u>302</u>
8360	<b>Components of other comprehensive income that will be reclassified to profit or loss</b>				
8361	Exchange differences on translation	370,383	16	(133,456)	(6)
8380	Share of other comprehensive income of subsidiaries, affiliates and joint ventures under equity method- items may be reclassified into profit or loss	428,673	19	(80,507)	(4)
8399	Less: Income tax related to items may be reclassified	-	-	-	-
<b>Total items may be subsequently reclassified into profit or loss</b>		<u>799,056</u>	<u>35</u>	<u>(213,963)</u>	<u>(10)</u>
<b>Other comprehensive income in current period (net amount after tax)</b>					
		<u>4,663,102</u>	<u>203</u>	<u>5,989,505</u>	<u>292</u>
8500	<b>Total comprehensive income</b>	<u>\$ 8,853,700</u>	<u>384</u>	<u>10,147,711</u>	<u>494</u>
<b>EPS (unit: NTD) (note 6(13))</b>					
9750	<b>Basic earnings per share</b>	<u>\$ 2.46</u>		<u>2.44</u>	
9850	<b>Diluted earnings per share</b>	<u>\$ 2.46</u>		<u>2.44</u>	

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

**Lien Hwa Industrial Holdings Corporation**  
**Parent Company Only Statements of Changes in Equity**  
**For the years ended December 31, 2024 and 2023**  
**(Expressed in Thousands of New Taiwan Dollars)**

	Share capital		Retained earnings			Other equities		Treasury stocks	Total equities
	Common stock share capital	Additional paid-in capital	Legal reserve	Special reserve	Undistributed earnings	Exchange difference in the financial statements of foreign operations	Unrealized profit (loss) of the financial assets measured at fair values through other comprehensive profit or loss		
<b>Balance on January 1, 2023</b>	\$ 14,801,305	1,101,041	4,219,316	141,843	9,732,138	26,492	7,435,280	(136,868)	37,320,547
Net income	-	-	-	-	4,158,206	-	-	-	4,158,206
Other comprehensive income	-	-	-	-	(4,484)	(213,963)	6,207,952	-	5,989,505
Total comprehensive income	-	-	-	-	4,153,722	(213,963)	6,207,952	-	10,147,711
Allocation and distribution of earnings:									
Legal reserve appropriated	-	-	397,220	-	(397,220)	-	-	-	-
Cash dividends on ordinary shares	-	-	-	-	(1,924,170)	-	-	-	(1,924,170)
Common stock dividends	1,036,091	-	-	-	(1,036,091)	-	-	-	-
Changes of affiliates and joint ventures under equity method	-	(29,528)	-	-	2,077	-	(2,077)	-	(29,528)
Other changes in capital surplus	-	380	-	-	-	-	-	-	380
Disposal of company's share by subsidiaries recognized as treasury share transactions	-	7,756	-	-	-	-	-	-	7,756
Adjustments of capital surplus for company's cash dividends received by subsidiaries	-	83,672	-	-	(1,059)	-	-	-	82,613
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	21,087	-	(21,087)	-	-
<b>Balance on December 31, 2023</b>	15,837,396	1,163,321	4,616,536	141,843	10,550,484	(187,471)	13,620,068	(136,868)	45,605,309
Net income	-	-	-	-	4,190,598	-	-	-	4,158,206
Other comprehensive income	-	-	-	-	20,155	799,056	3,843,891	-	4,663,102
Total comprehensive income	-	-	-	-	4,210,753	799,056	3,843,891	-	8,853,700
Allocation and distribution of earnings:									
Legal reserve appropriated	-	-	417,583	-	(417,583)	-	-	-	-
Cash dividends on ordinary shares	-	-	-	-	(2,058,861)	-	-	-	(2,058,861)
Common stock dividends	1,266,992	-	-	-	(1,266,992)	-	-	-	-
Changes of affiliates and joint ventures under equity method	-	(21,127)	-	-	8,080	-	(8,080)	-	(21,127)
Other changes in capital surplus	-	209	-	-	-	-	-	-	209
Adjustments of capital surplus for company's cash dividends received by subsidiaries	-	8,298	-	-	-	-	-	-	8,298
Changes in ownership interests in subsidiaries	-	(24)	-	-	-	-	-	-	(24)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-
<b>Balance on December 31, 2024</b>	\$ 17,104,388	1,150,677	5,034,119	141,843	11,025,881	611,585	17,455,879	(136,868)	52,387,504

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

**Lien Hwa Industrial Holdings Corporation**  
**Parent Company Only Statement of Cash Flows**  
**For the years ended December 31, 2024 and 2023**  
**(Expressed in Thousands of New Taiwan Dollars)**

	<b>2024</b>	<b>2023</b>
<b>Cash flow from operating activities:</b>		
<b>Net income before tax</b>	\$ 4,236,473	4,193,749
<b>Adjustments:</b>		
Income/expenses		
Depreciation expense	80	38
Interest expense	141,538	119,383
Interest income	(5,745)	(2,799)
Dividend income	(397,261)	(403,701)
Shareholding in the profit of the subsidiaries, affiliated companies and joint ventures under the equity method	(3,969,987)	(3,965,032)
Disposal of investment property profit	(68,540)	-
Income/expenses	(4,299,915)	(4,252,111)
<b>Changes in operating activities related assets and liabilities:</b>		
Net changes in assets relating to operating activities:		
Notes receivable	-	1,526
Other receivable	(3,569)	(57)
Other current assets	(14,559)	982
Net defined benefit assets	156	119
Net changes in assets relating to operating activities	(17,972)	2,570
Net changes in liabilities relating to operating activities:		
Other payable	8,155	7,782
Reserve for liabilities	254	168
Net changes in liabilities relating to operating activities	8,409	7,950
Changes in operating activities related assets and liabilities	(9,563)	10,520
Adjustments	(4,309,478)	(4,241,591)
Cash outflow from operating activities	(73,005)	(47,842)
Interest received	5,798	2,620
Dividend received	1,975,000	1,962,501
Interest paid	(141,381)	(118,259)
Returned income tax (paid)	(38,375)	(29,396)
<b>Net cash inflow from operating activities</b>	1,728,037	1,769,624

(Continued)

**Lien Hwa Industrial Holdings Corporation**  
**Parent Company Only Statement of Cash Flows**  
**For the years ended December 31, 2024 and 2023**  
**(Expressed in Thousands of New Taiwan Dollars)**

	<b>2024</b>	<b>2023</b>
<b>Cash flow from investing activities:</b>		
Acquisition of financial assets measured at fair values through other comprehensive profit or loss	\$ -	-
Refunds from decapitalization of financial assets measured at fair values through other comprehensive profit or loss	3,509	3,509
Acquisition of investments under the equity method	(318,000)	(303,918)
Other receivables due from related parties	(100,000)	-
Acquisition of investment properties	(126)	(12,978)
Disposal of investment property	72,915	-
<b>Net cash outflow from investing activities</b>	<b>(341,702)</b>	<b>(313,387)</b>
<b>Cash flow from financing activities:</b>		
Increase in short-term loans	674,000	-
Increase (decrease) in short-term notes payable	299,888	199,992
Proceeds from issuing bonds	-	-
Borrowing of long-term loan	-	650,000
Retirement of long-term loans	(300,000)	-
Cash dividend distribution	(2,058,861)	(1,924,170)
Other financing activities	391	379
<b>Net cash outflow from financing activities</b>	<b>(1,384,582)</b>	<b>(1,073,799)</b>
<b>Current cash and cash equivalents increase (decrease)</b>	<b>1,753</b>	<b>382,438</b>
<b>Opening balance of cash and cash equivalents</b>	<b>419,027</b>	<b>36,589</b>
<b>Closing balance of cash and cash equivalents</b>	<b>\$ 420,780</b>	<b>419,027</b>

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

**Lien Hwa Industrial Holdings Corporation**  
**Notes to the Parent Company Only Financial Statements**

**Lien Hwa Industrial Holdings Corporation**  
**Notes to the Parent Company Only Financial Statements**  
**For the years ended December 31, 2024 and 2023**

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

**I. Company profile**

Lien Hwa Industrial Holdings Corporation ( Hereinafter referred to as “the Company”.) was established in the Republic of China. The Company's primary business involves overseeing the operations of its subsidiaries and managing investments to enhance the overall efficiency of the group. To align with the Company's business development needs, a resolution was passed at the shareholders' meeting on May 27, 2024, approving the name change. The change was subsequently approved by the Ministry of Economic Affairs on August 28, 2024, officially renaming the Company from Lianhua Industrial Investment Holdings Co., Ltd. to Lian Hwa Industrial Holdings Co., Ltd.

**II. Financial report approval date and procedures**

The parent company only financial statements were approved and published by the Board of Directors on March 10, 2025.

**III. Application of new standards, amendments and interpretations**

- (1) We have adopted the new standards, amendments and interpretations approved by the Financial Supervisory Commission.

The company has applied the following amended IFRS since January 1, 2024, and its application of such amended IFRS shall have little chance leading to material impacts in the parent company only financial statements.

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

- (2) Effect when the Company has yet to adopt the IFRSs approved by the FSC.

The company evaluated that the application of the following amended IFRS since January 1, 2025 shall have little chance leading to material impacts in the parent company only financial statements.

- Amendments to IAS21 "Lack of Exchangeability"
- Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and measurement

of

Financial Instruments" Regarding the Application Guidance of Section 4.1 of National Financial Reporting Standard No. 9 and the Relevant Disclosure Standards of National Financial Reporting Standard No. 7.

**Lien Hwa Industrial Holdings Corporation**  
**Notes to the Parent Company Only Financial Statements**

(3) The impact of IFRSs issued by IASB but not yet endorsed by the FSC

The following new and amended standards, which may be relevant to the Group, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC :

<u>Standards or Interpretations</u>	<u>Content of amendment</u>	<u>Effective date per IASB</u>
IFRS18 "Presentation and Disclosure in Financial Statements"	<p>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.</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• Management Performance Measures (MPM): 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 reconcile it to an amount determined under IFRS Accounting Standards.</li> <li>• 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.</li> </ul>	January 1, 2027

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

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 consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture"

**Lien Hwa Industrial Holdings Corporation**  
**Notes to the Parent Company Only Financial Statements**

- IFRS 17 "Insurance Contracts" and amendments to IFRS 17 "Insurance Contracts"
- IFRS 19 "Subsidiaries not publicly accountable: Disclosure"
- Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and measurement of Financial Instruments"
- Annual Improvements to IFRS Accounting Standards
- Amendments to IFRS 9 and IFRS 7 " amendments on contracts that reference nature-dependent electricity"

**IV. Summary of Significant Accounting Policies**

The summary of the significant accounting policies adopted by the parent company only financial statements is described as follows. The following accounting policies have been applied during the presentation period of the parent company only financial statements.

(I) Statement of compliance

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

(II) Basis for preparation

1. Basis for measurement

In addition to the following important items in the balance sheet, the parent company only financial statements were prepared based on the historical cost:

- (1) Financial assets measured at fair value through other comprehensive profit or loss;
- (2) Net defined benefit liabilities measured at the fair value of pension fund assets with the deduction of the present value of a defined benefit obligation and the ceiling effect described in note 4(11).

2. Functional currency and presentation currency

Each vehicle of the Company used the currency of the primary economic environment as its functional currency. The parent company only financial statements were prepared in the Company's functional currency, NT Dollar. All of the financial information presented in NTD should be held presented in NTD 1,000 as the currency unit.

(III) Foreign currency

1. Transactions in foreign currencies

Foreign currency transactions are converted into the functional currency using exchange rates on the date of transaction. Monetary foreign currency accounts as of the end of the reporting period (referred to as the reporting date) are converted into the functional currency using exchange rates on the reporting date.

The foreign currency non-monetary item measured at fair value is converted

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into functional currency in accordance with the exchange rate on the valuation date. The foreign currency non-monetary item valued at historical cost is converted in accordance with the exchange rates on the transaction date.

The foreign currency exchange difference generated from conversion shall be recognized in profit and loss. But under the circumstances below, it shall be recognized in other comprehensive income.

- (1) Equity instrument designated to be measured at fair value through other comprehensive income;
- (2) Financial liabilities designated as hedges of foreign institution's net investment are within the effective hedge scope; or
- (3) Qualified cash flow hedge is within the effective hedge scope.

2. Foreign operating agency

Assets and liabilities of foreign operations, including the goodwill and fair value adjustment generated at the time of acquisition, shall be converted into the presentation currency of the parent company only financial statements on the reporting date. Income and expenses are converted into presentation currency of the parent company only financial statements at the average exchange rate in the current period, and the exchange different therefor shall be stated as other comprehensive profit or loss.

When the disposal of a foreign operation causing a loss of control, loss of joint control, or significant influence, the cumulative exchange difference related to the foreign operation is entirely reclassified as profit or loss. If the disposal involves any subsidiary of the foreign operations, the relevant accumulated exchange difference shall be reclassified into the non-controlling interests on a pro rata basis. If the disposal involves any affiliate or joint venture of the foreign operations, the relevant accumulated exchange difference shall be reclassified into income or loss on a pro rata basis.

If no repayment program is defined with respect to monetary item receivable or payable of the foreign operations and it is impossible to settle in the foreseeable future, the foreign currency exchange gain or loss generated therefor shall be held as a part of the net investment of the foreign operations and recognized as other comprehensive profit or loss.

(IV) Classification of assets and liabilities as current and non-current

Assets that meet any of the following criteria are classified as current assets; assets other than the current assets are classified as non-current assets:

1. Assets expected to be realized, intent to be sold or consumed over the normal operating cycles;

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2. Assets held primarily for the trading purpose;
3. Assets expected to be realized within 12 months after the reporting period; or
4. Assets in cash or cash equivalents, except for those that are used for an exchange or to settle a liability, or otherwise remain restricted in more than 12 months after the reporting period.

Liabilities that meet any of the following criteria are classified as current liabilities; liabilities other than current liabilities are classified as non-current liabilities:

1. Liabilities expected to be settled over the normal operating cycles;
2. Liabilities held primarily for the trading purpose;
3. Liabilities expected to be settled within 12 months after the reporting period; or
4. Liabilities whose settlement period may not be unconditionally extended for at least 12 months after the reporting period. Liabilities under the terms that give counterparties the option to repay in the form of equity instruments and without the effect on their classification due to such terms

(V) Cash and cash equivalent

Cash includes cash reserves and current deposit balance. Cash equivalent includes short-term and highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of changes in value. The time deposits that fall into the above definition and are intended to satisfy the short-term cash commitment instead of investment or other purposes shall be stated as cash or cash equivalents.

(VI) Financial instruments

Accounts receivable and debt securities issued are recognized at time of generation. All other financial assets and financial liabilities are recognized when the Company becomes a contracting party of the terms and conditions of the financial instruments concerned. For the financial assets that are not measured at fair value through profit or loss (excluding accounts receivable that comprises material financial parts) or financial liabilities shall be initially evaluated based on the fair value, plus the directly attributable acquired or issued transaction cost. Accounts receivable that comprises material financial parts shall be initially measured based on the transaction price.

1. Financial assets

For the financial assets that are purchased or sold in accordance with the general trade practice, and the financial assets that are classified in the same way, the Company processes the purchase and sale in accordance with the trade date accounting.

The financial assets can be classified into the following categories during the initial recognition: financial assets measured at amortized cost and the equity instrument investment measured at fair value through other comprehensive income.

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When, and only when, the Company changes its business model for managing financial assets, it must reclassify all affected financial assets from the first day of the reporting period.

(1) Financial assets measured at amortized cost

The financial asset that meets the following criteria and is not designated to be measured at fair value through profit and loss shall be measured at amortized cost:

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The above assets are measured at initial recognition value plus or minus, and the accumulated amortization is calculated with the effective interest method. And the amortized cost of the loss allowance is adjusted before the measurement. The interest revenue, foreign currency exchange gain or loss and impairment are recognized in profit or loss. During derecognition, the profit or loss is recognized in profit or loss.

(2) Financial assets measured at fair values through other comprehensive profit or loss

The debt instrument investment that meets the following criteria and is not designated to be measured at fair value through profit and loss shall be measured at fair value through other comprehensive profit or loss:

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows or to sell.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company may, at initial recognition, irrevocably make a choice to recognize the later fair value change of the equity instrument investment held not for transaction in other comprehensive profit or loss. The above choice is made on the basis of the instrument-by-instrument approach.

The debt instrument investment shall be measured at fair value. The interest revenue, foreign currency exchange gain or loss and impairment calculated using the effective interest method are recognized in profit or loss. Other net profit or loss is recognized in other comprehensive profit or loss. When derecognizing, the accumulated amount of other comprehensive profit or

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loss will be reclassified as profit or loss.

The equity instrument investment shall be measured at fair value. Dividend income (excluding obvious recovery of partial investment cost) is recognized in profit or loss. Other net profit or loss is recognized in other comprehensive profit or loss and will not be reclassified as profit or loss.

Dividend income of the equity investment will be recognized on the day when the Company has the right to collect the dividend income (usually the ex-dividend date).

(3) Impairment of financial assets

The Company recognizes the expected credit losses of the financial assets measured at amortized cost (including cash and cash equivalents, financial assets measured at amortized cost, notes and accounts receivable, other receivables, guaranteed deposits paid and other financial assets) in loss allowance.

The loss allowance of the following financial asset is measured at 12-month expected credit losses. The other is measured at expected credit losses of the duration:

- The determined credit risk of the debt security on the reporting date is low;  
and
- The credit risk of other debt securities and bank deposits (i.e. the default risk happened throughout the expected duration of the financial instrument) does not increase significantly after the initial recognition.

The loss allowance of accounts receivable is measured at the expected credit losses throughout the duration.

When determining whether the credit risk has increased significantly after the initial recognition, the Company shall take reasonable and supporting materials into consideration (acquired through not too much cost and effort), including qualitative and quantitative data. Besides, the experience of the Company, credit assessment and forward-looking information shall be used for the analysis.

The expected credit loss is the weighted credit loss rate estimation of the financial instrument throughout the expected duration. The credit loss is measured at present value of the all cash shortfalls. The cash shortfall is the difference between the contractual cash flow that the Company can collect and the cash flow the Company expects to collect. The expected credit loss uses the effective rate of the financial asset for discount.

The Company assesses whether credit impairment has occurred on every

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reporting date based on financial assets measured at amortized cost and debt securities measured at fair value through other comprehensive profit or loss. When one or several matters that will negatively affect the estimated future cash flow of financial assets happen, the credit impairment occurs. The evidence that proves the credit impairment of financial assets includes the following observable information:

- The borrower or issuer has major financial difficulty;
- Contract default. Such as overdue or non-performance of payment for over 180 days.
- Due to economic or contractual reason with respect to the borrower's financial difficulty, the Company compromises on things it would not give in.
- The borrower is likely to file for bankruptcy or proceed with other financial reorganizations; or
- The active market of financial assets might extinguish due to financial difficulty.

The loss allowance of financial assets measured at amortized cost is deducted from the book value of assets.

When the Company cannot reasonably expect all or parts of the recovered financial assets, it will reduce the total book value of its financial assets directly. For company customers, the Company analyzes the write-off time and amount respectively based on whether it can reasonably expect the recovery. The Company expects the written-off amount will not result in significant reversal. However, the enforcement of the written-off financial assets can still be performed to be in conformity with the procedure for the Company to recover the overdue amount.

(4) Derecognition of financial assets

The Company derecognizes financial assets only when the contractual rights on the cash flow of the assets are terminated, or financial assets are transferred and almost full risk and return of the asset ownership are transferred to other business, or almost full risk and return of the ownership is not transferred or retained and the control of financial assets is not retained.

For the transaction of financial assets transfer signed by the Company, when reserving almost full risk and return of the transferred asset ownership, it is still recognized in the balance sheet.

2. Financial liabilities and equity instruments

(1) Classification of liabilities or equity

The obligation and equity instruments issued by the Company are

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classified into financial liabilities or equities according to definitions of the financial liabilities and equity instruments referred to in an agreement.

(2) Equity transaction

Equity instruments are the contracts that evidence a residual interest in the assets of the Company after deducting all of its liabilities. The equity instruments issued by the Company shall be recognized based on the payment of acquisition less the direct issuing cost.

(3) Treasury stocks

When repurchasing the equity instrument that has been recognized by the Company, the consideration paid for the repurchase (including directly attributable costs) is recognized as equity loss. The share that is repurchased is classified as treasury stock. The collected amount of the sale or repurchase of treasury stocks will be recognized as equity increase. The surplus or deficit result from the transaction will be recognized as additional paid-in capital or retained earnings (if the additional paid-in capital is insufficient for write-off).

(4) Financial liabilities

Financial liabilities can be classified as the liabilities measured at amortized cost or the liabilities measured at fair value through profit or loss. If the financial liabilities are held for trading, are derivatives or designated during initial recognition, the financial liabilities will be measured at fair value through profit or loss. The financial liabilities that are measured at fair value through profit or loss measured at fair value will be recognized in profit or loss. This applies to relative net profit and loss, including any interest payment.

Other financial liabilities are measured at amortized cost using the effective interest method. The interest payment and exchange gain or loss are recognized in profit or loss. Any profit or loss is recognized in profit or loss when derecognizing.

(5) Derecognition of financial liabilities

The Company will have the financial liabilities derecognized when the contractual obligation is performed, discharged, or expired. When the financial liabilities clauses are modified and the cash flow of the modified liabilities has significant difference, the original financial liabilities will be derecognized and the new financial liabilities will be recognized at fair value based on the modified clauses.

When removing financial liabilities from the balance sheet, any differences between the book value and the amount paid or payable (including any non-cash assets transferred and any liabilities assumed as part of the

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arrangement) are recognized through profit and loss.

(6) Offset of financial assets and liabilities

Financial assets and liabilities may be offset against each other and reported in the balance sheet in net amount only when the Company is entitled to such offset exercisable under laws and intends to settle in net amount, or assets are realized and liabilities are repaid at the same time.

(VII) Investment in Affiliated enterprise

Affiliated enterprise is the one that the Company has significant influence on and no control of joint control over its financial and operating policies.

The equities of the Company in the affiliated enterprise are disposed under equity method. Under the equity method, the original acquisition is recognized at cost and the investment cost includes the transaction cost. The book value of investments in an affiliated enterprise includes the goodwill identified in original investment net of any accumulated impairment loss.

The parent company only financial statements shall include the profit and loss from the invested affiliates recognized subject to the equity ratio and other comprehensive income upon adjustment made in line with the Company's accounting policy, from the date when the Company has major influence till the date when the Company loses the major influence. When changes to equity irrespective of profit and loss or comprehensive income occur to an affiliated enterprise with no impact on the shareholding ratio of the Company, the Company's share of such changes in equity will be recognized as additional paid-in capital based on the shareholding ratio.

The unrealized gain and loss deriving from the transactions between the Company and the affiliated enterprise are recognized in the financial statement of the enterprise within the scope of equity of the non-related investor in the affiliated enterprise.

Recognition of the loss stops when the loss of the affiliated enterprise recognized proportionally by the Company equals or exceeds its equity in the affiliated enterprise; also, only recognizes additional loss and related liabilities are recognized only upon occurrence of a legal obligation, constructive obligations, or prepayment made on behalf of the invested company.

The investment is no longer recognized under equity method from the date on which the Company stops the investment in the affiliated enterprise. The preserved equity is measured at fair value. The difference between the fair value and the disposal amount of the preserved equity and the book value of investment on the date on which the equity method is not adopted is recognized as current profit and loss. Where the accounting treatment for the values related to the investment as recognized into other comprehensive income previously is identical with the basis for the affiliated enterprise's direct

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disposition of related assets or liabilities, namely, when the related assets or liabilities are disposed, the gain or loss recognized in other comprehensive profit or loss previously is to be reclassified as retained earnings. If the ownership interest of the company in the affiliated enterprise decreases but remains under the equity method, the company will follow the method stated above to reclassify and adjust the gain or loss recognized in other comprehensive profit or loss previously relating to such ownership interest decrease based on the decline ratio.

When an affiliated company issues new shares and the company does not subscribe in proportion to its shareholding, resulting in a change in the shareholding ratio and, consequently, a change in the equity value of the investment, the increase or decrease is adjusted to capital surplus and accounted for using the equity method. If such an adjustment reduces capital surplus but the remaining balance of capital surplus arising from the equity method investment is insufficient, the shortfall is debited to retained earnings. However, if the company's failure to subscribe in proportion to its shareholding results in a decrease in its ownership interest in the affiliated company, any amounts previously recognized in other comprehensive income related to the affiliated company shall be reclassified in proportion to the reduction. The accounting treatment follows the same basis as that required when the affiliated company directly disposes of related assets or liabilities.

(VIII) Investment in subsidiaries

In compiling the parent company only financial statements, the Company shall evaluate the investee of which the company has dominant control under the equity method. Under the equity method, income of current period and other comprehensive incomes as presented in the parent company only financial statements shall be identical with the income of current period and other comprehensive incomes attributable to the proportion allocated to the parent shareholder as presented in the financial statement prepared on the basis of consolidation. The shareholders' equity as presented in the parent company only financial statements shall be identical with the parent shareholders' equity as presented in the financial statement prepared on the basis of consolidation.

If the Company's equity ownership change in a subsidiary does not result in the loss of control of the subsidiary, it is treated as equity transaction with the shareholders.

(IX) Investment property

Investment property is held for earning rent income or for capital appreciation, or both, rather than for normal business operation, for sale, used in production, for supply of goods or services, or for administrative purposes. Investment property is initially measured at cost and then subsequently measured at cost subtracting by accumulated depreciation and Impairment. The depreciation methods, life duration and residual values

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of investment property are same as the practice of the property, plant, and equipment.

The gain or loss on disposal of investment property (calculated based on the difference between the net disposal proceeds and the book value of such item) is recognized in profit and loss.

The rent income arising from investment property is recognized as rent income in accordance with the straight-line method over the lease period. Also, the given lease incentives is recognized as part of the overall rent income over the lease period.

(X) Impairment of non-financial assets

The Company shall assess whether the book value of the non-financial assets (except the inventories and deferred tax assets) has any possible sign of impairment. In case of any possible sign of impairment, the company shall estimate the recoverable amount of such asset. Goodwill is tested regularly for impairment every year.

For the purpose of impairment testing, inflow the cash to one of the asset groups that has most cash inflow independent from other individual assets or asset groups as the minimum identifiable asset group. The goodwill acquired in a business consolidation shall be allocated to the consolidated company's cash-generating units or cash-generating group that is expected to benefit from the synergies of the consolidation effort.

The collectible amount shall be the higher of the fair value of individual asset or cash generation unit less the disposal cost and the value in use. When assessing the value in use, the estimated future cash flow is discounted to current value by pre-tax discount rate. The pre-tax discount rate shall reflect the specific risk assessment of the current market toward the time value of money and the asset or cash generation unit.

If the collectible amount of individual asset or cash generation unit is less than the book value, the amount shall be recognized as impairment loss.

The impairment loss is immediately recognized as income and the book value of each amortized cash-generating unit shall be reduced first, then the book values of other assets shall be reduced based on each book value ratio of each asset in the unit.

The impairment loss on goodwill shall not be reversed. The non-financial assets other than goodwill can only be reversed within the book value of the asset (less depreciation or amortization) without impairment loss recognized in the previous year.

(XI) Employee benefits

1. Defined contribution plan

The obligation of defined contribution plan is recognized as expense during the service period of the employee. The prepaid contribution may be recognized as assets, insofar as it may result in the refunding of cash or the reduction of future payment.

2. Defined benefit plan

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The net obligation of the defined benefit plan by the Company is converted to the present value based on the future benefit earned from the services provided by the employees in the current period or in the past subtracting the fair value of the plan assets.

A qualified actuary using the Projected Unit Credit Method estimates defined benefit obligations each year. When the calculation result may be favorable to the Company, the assets recognized shall be no more than the refund under the plan or the present value of economic benefit to be earned by decrease in the contribution under the plan. The calculation of present value of economic benefit shall take into consideration the minimum funding contribution needed.

The re-measurement of net defined benefit liability, including the actuarial income, return on remuneration of planned assets (excluding interest) and any change in the asset cap effect (excluding interest), is immediately recognized in other comprehensive income and accumulated in the retained earnings. The Company determines the net interest expense (income) of the net defined benefit liability (assets) by the net defined benefit liability (assets) and discount rate determined during the start of the reporting period. The net interest expense of the net defined benefit liability and other expenses are recognized as income.

When the plan is modified or reduced, the benefit variance generated in relation to the previous service cost or impaired gain or loss is immediately recognized as income. In the event of settlement of the Company, recognize the profits and loss of settlement of the welfare plan.

3. Other long-term employee benefits

The net obligation of other long-term employee benefits by the Company is converted to the present value based on the future benefit earned from the services provided by the employees in the current period or in the past. The re-measurement is recognized as income upon occurrence.

4. Short-term employee benefits

Short-term employee benefit obligation shall be recognized as expense when the service is provided by the employee. If the Company has a present statutory or presumed benefit obligation due to the past service provided by employee and such obligation may be estimated reliably, the amount shall be recognized as liabilities.

(XII) Income tax

The income tax consists of current income tax and deferred income tax. The current income tax and deferred income tax shall be recognized in profit or loss, other than the income tax related to combined entities, and items stated into other comprehensive income or stated into equity directly.

The current income tax includes the projected income tax payable or tax refund

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receivable based on the current taxable income (loss), and the adjustment on income tax payable or tax refund receivable in the previous years. The amount refers to the best estimates of the expected payables or receivables measured on the basis of the statutory tax rate or tax rate substantially enacted on the reporting date.

The deferred income tax is recognized based on the book value of assets and liabilities for the purpose of financial reporting and temporary difference generated from the taxation basis for assets and liabilities. No deferred income tax will be recognized in the case of the temporary difference generated under the following circumstances:

1. Assets or liabilities recognized initially in the transactions other than combined business, and the accounting profit and taxable income (loss) remain unaffected at the time of transaction.
2. Taxable temporary difference generated from investment in subsidiaries, affiliates and joint ventures, of which the time of reverse is controllable by the Company and which is not likely to be reversed in the foreseeable future;
3. Taxable temporary difference generate from the initial recognition of goodwill.

The unused taxation loss and unused income tax credit carry-forward and deductible temporary difference shall be stated as deferred income tax assets when the temporary difference is very likely to credit against the future taxable income. Meanwhile, revaluation shall be conducted on each reporting date, so that the related income tax gains may be adjusted or decreased when they are not likely to be realized; or when it is very likely that there will be sufficient taxable income afford to reverse the decreased amount.

The deferred income tax is measured at the tax rate prevailing when the temporary difference is reversed, and based on the statutory tax rate or tax rate substantially enacted on the reporting date.

The company will offset deferred income tax assets and deferred income tax liabilities only when the following conditions are satisfied:

1. When the company is entitled to the right to offset the current income tax assets against the current income tax liabilities; and
2. The deferred income tax assets and deferred income tax liabilities are related to the subjects on whom the same tax collection authority imposed the income tax;
  - (1) The same tax collection subject; or
  - (2) Different subjects, but each subject desires to repay the assets and liabilities on a net basis or concurrently realize and repay the assets and liabilities in each of the following periods in which the major deferred income tax assets are expected to recovered and deferred income tax liabilities are expected to be repaid.

**(XIII) EPS**

The company lists the basic and diluted earnings per share of the common stock shareholders of the Company. The Company's basic earnings per share is based on the profit or loss of the Company's common stock shareholder divided by the weighted

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average number of outstanding common stock shares of the period. The diluted EPS is calculated upon adjustment of the effect of all potential diluted common stocks based on the income vested in the common stock holders and the number of shares of the weighted average outstanding common stock.

(XIV) Department information

The Company had department information disclosed in the consolidated financial statements; therefore, the department information was not disclosed in the parent company only financial statements.

**V. Significant accounting judgments, estimations and major sources of assumption uncertainty**

When the management has the parent company only financial statements prepared in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers”, it is necessary to make judgments, estimations, and assumptions that are influential to the accounting policies adopted and the assets, liabilities, and income and expenses amount reported. Actual results may differ from those estimations.

The management continues to review estimations and assumptions. Changes in accounting estimates will be recognized in the period of change and future periods affected.

For the significant judgments involved in accounting policies and the influential information to the amount recognized in the parent company only financial report, please refer to the following notes:

- (1) Determining the company's substantial control over an investee. Please refer to the 2024 consolidated financial report.

**VI. Description of significant accounting items**

- (1) Cash and cash equivalent

	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Demand deposit	\$ 188,899	71,928
Time deposit	231,881	347,099
Cash and cash equivalents listed in the Statement of Cash	<b>\$ 420,780</b>	<b>419,027</b>

Flows:

For the interest rate risk and sensitivity analysis disclosure of the Company's financial assets and liabilities, please refer to note 6(17).

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

	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Equity instruments at fair value through other comprehensive income:		
Stock listed in domestic markets	\$ 13,501,488	10,847,626

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Stock unlisted in domestic markets	23,679	62,594
Total	<b>\$ 13,525,167</b>	<b>10,910,220</b>

The dividend income from the aforementioned equity instrument investment measured at fair value through other comprehensive profit or loss were NT\$ 397,261 thousand and NT\$ 403,701 thousand for the years 2024 and 2023.

The Company has not transferred any accumulated gain and loss of the equity from the undisposed strategic investments in 2024 and 2023.

For the credit risk and market risk information, please refer to note 6(17).

The financial assets stated above has not been used as collaterals.

(3) Other receivables

	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Other receivables-related parties	\$ 100,000	37,500
Others	4,072	556
Total	<b>\$ 104,072</b>	<b>38,056</b>

According to the historical experience, other receivables stated above is estimated to have no expected credit losses generated since there are no defaults throughout the duration, therefore the rate of its expected credit losses is estimated to be zero.

The above Other receivables-related parties, please refer to Note 7.

(4) Investment under equity method

The company's investment under equity method on the reporting date is as follows:

	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Subsidiary	\$ 27,889,047	24,275,473
Affiliates	19,639,530	18,474,180
	<b>\$ 42,528,577</b>	<b>42,749,653</b>

1. Subsidiaries

Please refer to the 2024 consolidated financial report.

2. Affiliates

The information about affiliates important to the Company is stated as follows:

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Name of Affiliate	Nature of relationship with the Company	Principal business place/country where the company is registered	Proportion of ownership and voting right	
			December 31, 2024	December 31, 2023
UPC Technology Corp.	The affiliate of the Company which primarily engaged in producing and selling organic acid, acid anhydride and its derivatives, plastic toughener.	Taiwan	31.97%	32.07%
Linde Lienhwa Industrial Gases Co., Ltd.	The affiliate of the Company which primarily engaged in manufacturing liquid and industrial gases such as helium, hydrogen and ethyne.	Taiwan	50.00%	50.00%

For listed affiliates important to the Company, its fair value is stated as follows:

	December 31, 2024	December 31, 2023
UPC Technology Corporation and its subsidiaries	\$ 3,785,689	6,458,191

The summarized financial information of affiliates important to the Company are shown below. The financial information has adjusted the amounts included in each affiliated enterprise's consolidated financial statements adopting the IFRSs to reflect the fair value adjustment made by the Company upon the acquisition of the affiliate stock and adjustment made according to the accounting policy differences:

(1) Summarized financial information of the UPC Technology Corporation and its subsidiaries

	December 31, 2024	December 31, 2023
Current assets	\$ 20,835,789	20,812,329
Non-current assets	36,260,566	34,844,340
Current liabilities	(9,918,108)	(8,263,676)
Non-current liabilities	(17,687,108)	(17,343,462)
Net assets	<u>\$ 29,491,139</u>	<u>30,049,531</u>
Net assets attributable to investee	<u>\$ 29,491,139</u>	<u>30,049,531</u>

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	2024	2023
Operating revenue	<u>\$ 73,196,046</u>	<u>73,196,046</u>
Net profit (loss) of continuing department	\$ (2,358,405)	(282,826)
Other consolidated income/loss	2,040,680	4,403,273
Total comprehensive income	<u>\$ (317,725)</u>	<u>4,120,447</u>
Total comprehensive income attributable to investee	<u>\$ (317,725)</u>	<u>4,120,447</u>
The Company's shares of the affiliated enterprise's net assets at the beginning	\$ 9,546,628	8,336,234
Total comprehensive income attributable to the Company in current period	(123,310)	1,295,370
Dividend acquired from affiliates in current period	(84,976)	(84,976)
Book value concerning the Company's equity in affiliates at the ending	<u>\$ 9,338,342</u>	<u>9,546,628</u>

(2) Summarized financial information of the Linde Lienhwa Industrial Gases Co., Ltd. and its subsidiaries

	December 31, 2024	December 31, 2023
Current assets	\$ 15,377,124	14,100,755
Non-current assets	43,191,548	40,574,086
Current liabilities	(19,957,474)	(20,865,255)
Non-current liabilities	(5,447,844)	(5,515,673)
Net assets	<u>\$ 33,163,354</u>	<u>28,293,913</u>
Net assets attributable to non-controlling equity	<u>\$ 4,406,669</u>	<u>4,082,843</u>
Net assets attributable to investee	<u>\$ 28,756,685</u>	<u>24,211,070</u>
	2024	2023
Operating revenue	<u>\$ 41,044,580</u>	<u>34,817,055</u>
Net profit from continuing operations	\$ 9,177,119	7,974,208
Other consolidated income/loss	(2,108,861)	(237,673)
Total comprehensive income	<u>\$ 7,068,258</u>	<u>7,736,535</u>
Total comprehensive income attributable to non-controlling equity	<u>\$ 1,030,925</u>	<u>939,166</u>
Total comprehensive income attributable to investee	<u>\$ 6,037,333</u>	<u>6,797,369</u>

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The Company's shares of the affiliated enterprise's net assets at the beginning	\$ 12,174,685	\$ 9,825,496
Total comprehensive income attributable to the Company in current period	3,930,382	3,399,189
Dividend acquired from affiliates in current period	<u>(1,867,319)</u>	<u>(1,050,000)</u>
Book value concerning the Company's equity in affiliates at the ending	<u><b>\$ 14,237,748</b></u>	<u><b>12,174,685</b></u>

The financial information about the individually unimportant affiliates of the Company under equity method is summarized as follows. The financial information refers to the amounts included into the parent parent company only financial statements of the Company:

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Summarized book value of equity in individually unimportant affiliate at the ending	<u><b>\$ 99,430</b></u>	<u><b>89,303</b></u>
	<u>2024</u>	<u>2023</u>
Shares attributed to the Company:		
Net profit from continuing operations	\$ 10,126	7,555
Other consolidated income/loss	-	-
Total comprehensive income	<u><b>\$ 10,126</b></u>	<u><b>7,555</b></u>

### 3. Collateral

As of December 31 2024 and 2023, the affiliated enterprise investment of the Company under the equity method had not been pledged as collateral or were restricted.

### (5) Investment property

The changes in the cost and depreciation of the Company's investment property in 2024 and 2023 are as follows:

	<u>Self-owned assets</u>		<u>Total</u>
	<u>Land and improvements</u>	<u>Building and structure</u>	
<b>Cost or identified cost:</b>			
Balance as at January 1, 2024	\$ 11,783	4,590	16,373
Additions	126		
Disposal	<u>(3,031)</u>	<u>(1,371)</u>	<u>(4,402)</u>
Balance as at December 31, 2024	<u><b>\$ 8,878</b></u>	<u><b>3,219</b></u>	<u><b>12,097</b></u>
Balance as at January 1, 2023	\$ 3,395	-	3,395

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	Self-owned assets		Total
	Land and improvements	Building and structure	
Additions	8,388	4,590	12,978
Balance as at December 31, 2023	<u>\$ 11,783</u>	<u>4,590</u>	<u>16,373</u>

**Depreciation:**

Balance as at January 1, 2024	\$ -	38	38
Depreciation		80	80
Disposal	-	(27)	(27)
Balance as at December 31, 2024	<u>\$ -</u>	<u>91</u>	<u>91</u>
Balance as at January 1, 2023	-	-	-
Depreciation	-	38	38
Balance as at December 31, 2023	<u>\$ -</u>	<u>38</u>	<u>38</u>

**Book value:**

December 31, 2024	<u>\$ 8,878</u>	<u>3,128</u>	<u>12,006</u>
January 1, 2023	<u>\$ 3,395</u>	-	<u>3,395</u>
December 31, 2023	<u>\$ 11,783</u>	<u>4,552</u>	<u>16,335</u>

**Fair value**

December 31, 2024	<u>\$ 202,060</u>
January 1, 2023	<u>\$ 43,240</u>
December 31, 2023	<u>\$ 59,260</u>

The fair value of investment property is based on the evaluation of the company personnel (with relevant experience and has relevant experience recently in the location and type of the investment property) in compliance with the property evaluation method of the Company. The evaluation technology of the fair value uses Class III for input. The evaluation performs the market value assessment based on the comparison approach of the Regulations on Real Estate Appraisal.

As of December 31 2024 and 2023, the investment property of the Company had not been pledged as collateral or were restricted.

(6) Short-term loan

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	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Unguaranteed bank loans	\$ 2,924,000	3,250,000
Guaranteed bank loans	2,600,000	1,600,000
Total	<u><b>\$ 5,524,000</b></u>	<u><b>4,850,000</b></u>
Outstanding quota	<u><b>\$ 2,252,775</b></u>	<u><b>3,660,575</b></u>
Interest rate interval	<u><b>0.50%~1.99%</b></u>	<u><b>1.65%~1.71%</b></u>

As of December 31 2024 and 2023, the subsidiary-Lien Hwa Property Development Corporation provided property, plant, and equipment and investment property as guarantee for bank loans. Please refer to Note 7 for details.

(7) Short-term notes payable

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Commercial paper payable	\$ 500,000	200,000
Unamortized discount	(120)	(8)
	<u><b>\$ 499,880</b></u>	<u><b>199,992</b></u>
Outstanding quota	<u><b>\$ 530,000</b></u>	<u><b>830,000</b></u>
Interest rate interval	<u><b>1.66%~1.81%</b></u>	<u><b>1.45%~1.51%</b></u>

For loan term within a year, please refer to note 6(16) for relevant interest expense.

(8) Bonds payable

The details of the Company's bonds payable are as follows:

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Domestic guaranteed non-convertible corporate bonds	<u><b>\$ 2,497,793</b></u>	<u><b>2,496,866</b></u>

The domestic guaranteed corporate bonds issuance conditions of the consolidated are as follows:

	<u>Domestic guaranteed corporate bonds of 2022</u>
Total issuance	2,500,000
Ending balance	2,500,000
Due within one year	-
Release date	May 17, 2022
Issue period	5 years
Coupon rate	1.30%
Bond Interest Base Date	May 17, 2022

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Repayment situation Bullet repayment.

(9) Long-term loan

The details, conditions and terms of the Company's long-term loan are as follows:

	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Unguaranteed bank loans	<b>\$ 500,000</b>	<b>800,000</b>
Outstanding quota	<b>\$ 3,300,000</b>	<b>3,000,000</b>
Interest rate interval	<b>1.845%</b>	<b>1.70%</b>
Expiry date	<b>2025.08.22~2026.11.30</b>	<b>2025.08.22~2025.09.12</b>

(10) Employee benefits

1. Defined benefit plan

For the present value of the Company's defined benefit obligations and the fair value of the plan assets, the adjustments are as follows:

	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Present value of defined benefit obligation	\$ 2,358	1,933
The fair value of plan assets	(7,643)	(6,939)
Net defined benefit assets	<b>\$ (5,285)</b>	<b>(5,006)</b>

Contributions for defined benefit plans of the Company are appropriated to a dedicated pension fund account opened with Bank of Taiwan. The pension payment to each employee that is subject to the Labor Standards Act is based on the pension point received for the years of service and the average salary six months prior to the retirement.

(1) Composition of plan assets

The pension fund appropriated by the Company in accordance with the Labor Standards Act is managed by the Bureau of Labor Funds, Ministry of Labor (referred to as the "Bureau of Labor Funds" hereinafter). According to the "Guidelines for Labor Pension Fund Safekeeping and Implementation," the annual minimum yield generated from the use of fund may not be less than the interest income generated from a local bank's two-year time deposit.

The Company's labor pension fund account at the Bank of Taiwan is with a balance of NT\$7,643 thousand as of the reporting date. For information of the Labor Pension Fund Asset Management, including the fund yield rate and pension asset allocation, please refer to the website of the Bureau of Labor Funds, Ministry of Labor.

(2) Changes in the present value of defined benefit obligation:

The details of changes in the present value of the Company's defined

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benefit obligation in 2024 and 2023 are as follows:

	<b>2024</b>	<b>2023</b>
Present value of defined benefit obligation, January 1 \$	1,933	1,555
Current service cost and interest	260	238
Re-measurement of net defined benefit liabilities (assets)		
– Actuarial gains/losses due to change of financial assumption	74	127
– Actuarial gains/losses due to empirical adjustment	91	13
Present value of defined benefit obligation, December 31	<b>\$ 2,358</b>	<b>1,933</b>

(3) Changes in the fair value of plan assets

The details of changes in the fair value of the Company's defined benefit plan assets in 2024 and 2023 are as follows:

	<b>2024</b>	<b>2023</b>
Fair value of plan assets, January 1	\$ 6,939	6,794
Interest income	104	119
Re-measurement of net defined benefit liabilities		
– Return on remuneration of planned assets (excluding current interest)	600	26
Fair value of plan assets, December 31	<b>\$ 7,643</b>	<b>6,939</b>

(4) Expenses recognized in profit or loss

The details of expenses recognized in profit or loss by the Company in 2024 and 2023 are as follows:

	<b>2024</b>	<b>2023</b>
Current service cost	\$ 231	211
Net interest of net defined benefit liabilities (assets)	(75)	(92)
	<b>\$ 156</b>	<b>119</b>
Management expense	<b>\$ 156</b>	<b>119</b>

(5) Actuarial assumptions

The Company's principal actuarial assumptions are as follows:

	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Discount rate	1.625%	1.50%
Future raise rate	2.50%	2.25%

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The Company does not expect to contribute to the defined benefit plan within one year from the 2024 reporting date.

The weighted average duration of the defined benefit plan is 26.7 years.

(6) Analysis of sensitivity

The influence of changes in the adopted principal actuarial assumptions on the present value of defined benefit obligations in December 31, 2024 and 2023 are as follows:

	<b>Effect on defined benefit obligation</b>	
	<b>Increase 0.25%</b>	<b>Decrease 0.25%</b>
December 31, 2024		
Discount rate	\$ (149)	160
Future raise rate	157	(147)
December 31, 2023		
Discount rate	\$ (127)	137
Future raise rate	134	(125)

Said analysis of sensitivity refers to the analysis of the effect produced by any change of single hypothesis under the circumstance that the other hypotheses remain unchanged. In practice, a lot of changes in hypotheses might be linked with each other. The analysis of sensitivity adopted the same method used for calculation of net benefit liabilities on the balance sheet.

The methods and hypotheses used by the analysis of sensitivity prepared in the current period are identical with those used in the previous period.

2. Defined contribution plan

The Company's defined contribution plan is based on the Labor Pension Act. An amount equivalent to 6% of the monthly wages is appropriated to the personal labor pension accounts of the Bureau of Labor Insurance. In this plan, after appropriating a fixed amount to the Bureau of Labor Insurance, the Company has no legal or constructive obligation to make additional contribution.

The Company's pension expense as of 2024 and 2023 under the defined contribution plan amounted to NT\$516 thousand and NT\$410 thousand, respectively, and it has been appropriated to the Bureau of Labor Insurance already.

(11) Income tax

1. Income tax expenses

The details of income tax expenses of the Company in 2024 and 2023 are as follows:

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	<b>2024</b>	<b>2023</b>
Income tax expenses in current period		
Generated in current period	\$ 45,999	35,759
Adjustment of prior period current income tax	(125)	-
	45,874	35,759
Deferred income tax expenses		
Occurrence and reversal of temporary difference	1	(216)
Income tax expenses	<b>\$ 45,875</b>	<b>35,543</b>

The relationship between the Company's income tax expenses and net income before tax in 2024 and 2023 is adjusted as follows:

	<b>2024</b>	<b>2023</b>
Net income before tax	<b>\$ 4,236,473</b>	<b>4,193,749</b>
Income tax calculated based on the income tax rate of the country the Company operates	\$ 847,294	838,749
Nontaxable income	(535,159)	(538,496)
Adjustment not attributable to temporary difference	(287,755)	(295,035)
Unrecognized changes in temporary difference	-	(212)
Overaccrued in the prior period	(125)	
Imposition on undistributed earnings	21,620	30,537
Total	<b>\$ 45,875</b>	<b>35,543</b>

2. Deferred income tax assets and liabilities

(1) Recognized deferred income tax assets and liabilities

The changes in the deferred income tax assets and liabilities in 2024 and 2023 are as follows:

	<b>Loss carryforwards</b>	<b>Unrealized exchange gain</b>	<b>Total</b>
<b>Deferred income tax assets:</b>			
Balance as at January 1, 2024	\$ 232	8	240
(Debit) credit profit and loss	-	(1)	(1)
Balance as at December 31, 2024	<b>\$ 232</b>	<b>7</b>	<b>239</b>
Balance as at January 1, 2023	\$ 20	4	24
(Debit) credit profit and loss	212	4	216
Balance as at December 31, 2023	<b>\$ 232</b>	<b>8</b>	<b>240</b>

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3. Authorization of income tax

The income tax returns of the Company's profit-seeking business have been audited by the tax authorities up to 2022.

(12) Capital and other equity

1. Issuing of common shares

The total authorized capital of the Company were NT\$25,000,000 thousand and NT\$20,000,000 thousand, respectively. With a par value of NT\$10 per share, this corresponds to 2,500,000 thousand shares and 2,000,000 thousand shares, respectively, as of December 31, 2024 and 2023. The total authorized capital stated above were common shares and the shares issued were 1,710,438 thousand and 1,583,739 thousand shares, respectively.

The outstanding stock of the Company in 2024 and 2023 is adjusted as follows:

(Stated in thousand shares)

	<b>Common shares</b>	
	<b>2024</b>	<b>2023</b>
Beginning balance, January 1	1,583,739	1,480,130
Capitalization of retained earnings	126,699	103,609
Ending balance, December 31	<b>1,710,438</b>	<b>1,583,739</b>

On May 27, 2024 and May 31, 2023, the company distributed the stock dividends to shareholders from undistributed earnings, NT\$1,266,992 thousand and NT\$1,036,091 thousand, respectively, per the resolution of the shareholders' meeting. The capital increase project took effective on July 4, 2024 and July 6, 2023 upon approval of the Financial Supervisory Commission (FSC). The record dates for said capital increase are August 3, 2024 and August 1, 2023, respectively. The related statutory procedures were already completed.

2. Capital surplus

The balance of the Company's capital surplus is as follows:

	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Stock premium	\$ 289,318	289,318
Treasury stock trading	100,089	91,791
Difference between consideration and carrying amount of subsidiaries acquired or disposed	899	899
Changes in the net equity of the affiliated company and joint venture are recognized in accordance with the equity method.	421,749	442,876
Changes in ownership interests in subsidiaries	337,335	337,359
Others	1,287	1,078

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**\$ 1,150,677      1,163,321**

Pursuant to the Company Act, the capital surplus shall be first used to offset losses, then new shares or cash may be allocated based on realized capital surplus subject to shareholding ratio. The term realized capital surplus mentioned above includes the shares issued at premium exceeding the par value and the gains in the form of gifts. According to the Regulations Governing the Offering and Issuance of Securities by the Issuer, the capital surplus that can be capitalized annually shall not exceed 10% of the total paid-in capital.

3. Retained earnings

Pursuant to the Company's Articles of Incorporation, if the Company has annual earnings, it shall first pay taxes, make up any losses from past years and then appropriate 10% as legal reserves, unless the legal reserve reaches the amount of the Company's paid-in capital; if necessary, make provision of special reserves according to the laws and the needs of company operation. The residual earnings shall be added to undistributed earnings at the beginning. The Board of Directors shall draft a motion for the distribution of the residual earnings and submit to the shareholders' meeting for distribution.

The Company is now at the stable growth stage and most of the earnings are from the investees recognized under the equity method. For the sustainable operation and long-term development of the company, the Company shall appropriate 10% of the earnings concluded at year-end as legal reserve and appropriate or reverse the special reserve according to the laws and regulations besides offsetting the accumulated losses and paying all taxes. When distributing the remaining earnings with the accumulated earnings undistributed in the previous year in the form of new shares, the Board of Directors shall propose a motion and submit it to the shareholders' meeting for approval before distribution. In accordance with Article 240 Paragraph 5 of the Company Act, if the aforementioned earnings are distributed in the form of cash, approval for such distribution should be passed by at least half of the Directors in attendance in a Board meeting attended by no less than two-thirds of all Board members. The results should then be reported during a shareholders' meeting.

The directors' meeting shall consider the financial structure of the Company, future funding demand and profit-seeking conditions to plan the ratio of the earning distribution and shareholder's cash dividends and the cash dividends shall not be less than 10% of the total dividends.

(1) Legal reserve

When the Company suffers no loss, new shares or cash may be allocated from the legal reserve upon resolution of the shareholders' meeting, provided

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that the new shares or cash allocated shall be no more than 25% of the paid-in capital

(2) Special reserve

When first applying the IFRS approved by the FSC, the Company chose to adopt the exemption in IFRS 1 “First-time Adoption of International Financial Reporting Standards”. The unrealized revaluation increment under the shareholder’s equity was stated following the rule of using the fair value on the conversion date as the recognized cost to increase retained earnings. Pursuant to the FSC’s requirements, a same amount of special reserves should be stated. When relative assets were used, disposed or reclassified, the original rate to state the special reserves could be used to reverse the allocation of earnings. The special reserves balances on December 31 in 2024 and 2023 were both NT\$141,843 thousand.

According to the FSC’s requirements, when the Company distributes the distributable earnings, for the deduction net amount of other shareholders’ equity stated in the current year and the difference of special reserves balance stated above, the special reserves shall be stated from current profit or loss and the undistributed earnings in the previous period. For the deduction amount of other shareholders’ equity in the previous period, special reserves shall be stated from undistributed earnings in the previous period and shall not be distributed. If the deduction amount of other shareholders’ equity reverses, the earnings of the reversing part can be distributed.

(3) Distribution of earnings

The Company distributed the cash dividend from 2023 earnings per the resolution of the Board meeting on March 8, 2024. Meanwhile, the other distributions from earnings in 2023 were resolved by the general annual meeting on May 27, 2024, and the distribution of earnings 2022 was also resolved by the general annual meeting on May 31, 2023 as follows:

	<b>2023</b>		<b>2022</b>	
	<b>Share distribution rate (NT\$)</b>	<b>Amount</b>	<b>Share distribution rate (NT\$)</b>	<b>Amount</b>
Dividend distributed to common stock shareholders:				
Cash	\$ 1.30	\$ 2,058,861	1.80	1,924,170
Stock	0.80	<u>1,266,992</u>	0.70	<u>1,036,091</u>
<b>Total</b>		<b><u>\$ 3,325,853</u></b>		<b><u>2,960,261</u></b>

The proposal for the distribution in 2024 was drafted in the meeting of the board of directors on March 10, 2025. The dividend amount distributed to the

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shareholders is as follows. Other than the cash dividend, other items on the earning distribution form need to be recognized by the shareholders:

	<b>2024</b>	
	<b>Share distribution rate (NT\$)</b>	<b>Amount</b>
Dividend distributed to common stock shareholders:		
Cash	\$ 1.30	2,223,570
Stock	0.50	855,219
Total		<b>\$ 3,078,789</b>

4. Treasury stocks

The list of stocks of the Company held by the subsidiaries on December 31, 2024 and 2023 is as follows:

<b>Ledger account</b>	<b>December 31, 2024</b>			<b>December 31, 2023</b>		
	<b>Number of shares (thousand shares)</b>	<b>Cost</b>	<b>market price</b>	<b>Number of shares (thousand shares)</b>	<b>Cost</b>	<b>market price</b>
Financial assets measured at fair values through other comprehensive profit or loss- non-current	\$ 6,894	136,868	349,532	6,383	136,868	425,776

Pursuant to the Securities and Exchange Act, the treasury stocks held by the subsidiaries cannot be pledged. And before the transfer, the shareholder's right is not permitted.

5. Other equity (net amount after tax)

	<b>Exchange difference in the financial statements of foreign operations</b>	<b>Unrealized profit or loss of the financial assets measured at fair values through other comprehensive profit or loss</b>	<b>Total</b>
Balance, January 1, 2024	\$ (187,471)	13,620,068	13,432,597
Exchange difference gathered for the calculation of net assets of foreign operations	370,383	-	370,383
Share of the exchange difference of subsidiaries and affiliated companies under the equity method	428,673	-	428,673

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Unrealized profit or loss of the financial assets measured at fair values through other comprehensive profit or loss	-	3,688,986	3,688,986
Shareholding in unrealized profit or loss of the financial assets measured at fair values through other comprehensive profit or loss of the subsidiaries, affiliated companies under the equity method	-	154,905	154,905
Affiliated companies disposal of equity instrument measured at fair value through other comprehensive income	-	(8,080)	(8,080)
Balance, December 31, 2024	<u>\$ 611,585</u>	<u>17,455,879</u>	<u>18,067,464</u>

	<b>Exchange difference in the financial statements of foreign operations</b>	<b>Unrealized profit or loss of the financial assets measured at fair values through other comprehensiv e profit or loss</b>	<b>Total</b>
Balance, January 1, 2023	\$ 26,492	7,435,280	7,461,772
Exchange difference gathered for the calculation of net assets of foreign operations	(133,456)	-	(133,456)
Share of the exchange difference of subsidiaries and affiliated companies under the equity method	(80,507)	-	(80,507)
Unrealized profit or loss of the financial assets measured at fair values through other comprehensive profit or loss	-	4,492,550	4,492,550
Disposal of equity instrument measured at fair value through other comprehensive income	-	(21,087)	(21,087)
Shareholding in unrealized profit or loss of the financial assets measured at fair values through other comprehensive profit or loss of the subsidiaries, affiliated companies under the equity method	-	1,715,402	1,715,402
Affiliated companies disposal of equity instrument	-	(2,077)	(2,077)

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measured at fair value through other comprehensive  
income

Balance, December 31, 2023 \$ (187,471) 13,620,068 13,432,597

(13) EPS

1. Basic earnings per share

Basic earnings per share of the Company in 2024 and 2023 was calculated based on the net profit attributed to common stock shareholders of the Company and weighted average outstanding shares of common stocks. The calculation is as follows:

(1) Net profit attributed to common stock shareholders of the Company

	2024	2023
Net income attributable to the Company's common stock shareholders:	\$ 4,190,598	4,158,206

(2) Weighted average outstanding shares of common stocks (thousand shares)

	2024	2023
Common stocks issued on January 1	1,583,739	1,583,739
Effect of the treasury stock	(6,894)	(6,894)
Effect of the stock dividend	126,699	126,699
Weighted average outstanding shares of common stocks on December 31	1,703,544	1,703,544
Basic earnings per share (NTD)	\$ 2.46	2.44

2. Diluted earnings per share

Diluted earnings per share in 2024 and 2023 was calculated based on the net profit attributed to common stock shareholders of the Company and weighted average outstanding shares of common stocks with adjusted diluted effect of all potential common stocks. The calculation is as follows:

(1) Net profit attributed to common stock shareholders of the Company (diluted)

	2024	2023
Net profit attributed to common stock shareholders of the Company (diluted)	\$ 4,190,598	4,158,206

(2) Weighted average outstanding shares of common stocks (diluted) (thousand shares)

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	<b>2024</b>	<b>2023</b>
Weighted average outstanding shares of common stocks (basic)	1,703,544	1,703,544
Effect of employee stock compensation	95	77
Balance of weighted average outstanding common shares on December 31 (diluted)	<b>1,703,639</b>	<b>1,703,621</b>
Diluted earnings per share (NTD)	<b>\$ 2.46</b>	<b>2.44</b>

(14) Revenue from contracts with customers

1. Income details

	<b>2024</b>
	<b>Other departments</b>
Main area and market:	
Taiwan	\$ 687,552
Others	1,617,090
	<b>\$ 2,304,642</b>
Main product:	
Investment revenue	<b>\$ 2,304,642</b>
	<b>2023</b>
	<b>Other departments</b>
Main area and market:	
Taiwan	\$ 530,396
Others	1,526,062
	<b>\$ 2,056,458</b>
Main product:	
Investment revenue	<b>\$ 2,056,458</b>

(15) Remunerations to Directors and employees

According to the Articles of Incorporation, annual profits concluded by the Company shall be subject to employee remuneration of no less than 0.1%. In addition, directors' remuneration may be provided up to 1% of the annual profit. However, profits must first be taken to offset against cumulative losses if any. Employees' remuneration, as

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mentioned above, can be paid in shares or cash to employees of affiliated companies that satisfy certain criteria.

The amounts of employee remuneration in 2024 and 2023 were estimated at NT\$4,250 thousand and NT\$4,207 thousand, respectively. The amounts of director's remuneration were NTD\$9,020 thousand and NT\$9,420 thousand, respectively in 2024 and 2023. These estimates were made by applying the Company's before-tax profits with the deduction of the remunerations to employees and directors. Besides, the appropriate percentages for the remuneration to employees and directors were referenced and past experience was referred for the estimation. The operating cost and expense in 2024 and 2023 were stated. All relevant information is available on the Market Observation Post System.

The above amounts of remuneration to employees and Directors were consistent with the amounts reported in the Company's 2024 and 2023 standalone financial report.

(16) Non-operating revenue and expense

1. Interest income

The Company's interest income as of 2023 and 2022 is as follows:

	<u>2024</u>	<u>2023</u>
Interest income from bank deposits	\$ 5,705	2,646
Other interest income	40	153
	<u>\$ 5,745</u>	<u>2,799</u>

2. Other revenue

The Company's other revenues as of 2024 and 2023 were as follow:

	<u>2024</u>	<u>2023</u>
Dividend income	<u>\$ 397,261</u>	<u>403,701</u>

3. Other profit and loss

The Company's other profit and loss in 2023 and 2022 were as follow:

	<u>2024</u>	<u>2023</u>
Gain (loss) on foreign exchange	\$ 8	(18)
Gain on disposal Investment property	68,540	
Other revenue	7,248	7,581
Other expense	(11,985)	(12,016)
	<u>\$ 63,811</u>	<u>(4,453)</u>

4. Financial cost

The Company's financial cost in 2024 and 2023 were as follow:

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	<b>2024</b>	<b>2023</b>
Interest expense	<b>\$ 141,538</b>	<b>119,383</b>

(17) Financial instruments

1. Credit risk

(1) Credit risk exposure

As of December 31, 2024 and 2023, the maximum credit risk exposure amount due to the financial loss caused by undelivered obligation of the counterparty or financial guarantees provided by the Company was mainly from:

- The book value of financial assets recognized in the balance sheet; and
- The financial guarantee provided by the Company was USD11,500 thousand and NT\$3,770,000 thousand, as of December 31, 2024; USD17,500 thousand and NT\$3,450,000 thousand, as of December 31, 2023.

(2) Concentration of credit risk

The Company's major potential credit risk was from cash and cash equivalents. The Company's cash is deposited in different financial institutions, and thus there is no significant concentration of credit risk of cash and cash equivalents.

2. Liquidity risk

The contract maturities of financial liabilities are illustrated in the table below, including the estimated interest but not the impact of net amount agreed.

	<b>Book value</b>	<b>Contractual cash flows</b>	<b>Within 6 months</b>	<b>6-12 months</b>	<b>1-2 years</b>	<b>2-5 years</b>	<b>Over 5 years</b>
<b>December 31, 2024</b>							
Non-derivative financial liabilities							
Short-term notes and bills payable	\$ 499,880	502,161	502,161	-	-	-	-
Unguaranteed bank loans	3,424,000	3,470,003	918,590	2,042,188	509,225	-	-
Guaranteed bank loans	2,600,000	2,631,799	23,208	2,608,591	-	-	-
Other payable	93,209	93,209	93,209	-	-	-	-
Bonds payable	2,497,793	2,577,110	16,116	16,384	32,500	2,512,110	-
	<b>\$ 9,114,882</b>	<b>9,274,282</b>	<b>1,553,284</b>	<b>4,667,163</b>	<b>541,725</b>	<b>2,512,110</b>	<b>-</b>

**December 31, 2023**

Non-derivative

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financial liabilities								
Short-term notes and bills payable	\$ 199,992	201,522	100,781	100,741	-	-	-	-
Unguaranteed bank loans	4,050,000	4,103,353	782,729	2,511,649	808,975	-	-	-
Guaranteed bank loans	1,600,000	1,618,155	13,164	1,604,991	-	-	-	-
Other payable	84,897	84,897	84,897	-	-	-	-	-
Bonds payable	2,496,866	2,609,699	16,205	16,384	32,500	2,544,610	-	-
	<b>\$ 8,431,755</b>	<b>8,617,626</b>	<b>997,776</b>	<b>4,233,765</b>	<b>841,475</b>	<b>2,544,610</b>	<b>-</b>	<b>-</b>

The company does not expect the maturity analysis of cash flows will be significantly pre-matured or the actual amount will be significantly different.

3. Exchange rate risk

(1) Exchange rate risk exposure

As of December 31, 2024 and 2023, the company has no financial assets and liabilities exposed to significant foreign currency exchange rate risk.

(2) Sensitivity analysis

Please refer to Exchange rate risk.

4. Interest rate analysis

Please refer to the note regarding liquidity risk management for the interest rate risk exposure of the Company's financial assets and financial liabilities.

The following sensitivity analyzes are based on the interest rate risk exposure of the derivative and non-derivative instruments on the reporting date. The analysis of floating rate liabilities is by assuming the outstanding liability amount on the reporting date stays outstanding the entire year. The rate of change used in the Company's internal report to the management was the interest rate with an increase or decrease of 0.5%. In addition, the interest rate is assessed within the reasonable and possible range of change by the management.

If interest rate is increased or decreased by 0.5%, with all other variables stayed unchanged, the Company's net profit would decrease by NT\$11,600 thousand in 2024 and increase by NT\$8,000 thousand in 2023 due to the change in interest rate made by the Company.

5. Other pricing risk

The impact of the changes in equity price on the reporting date (the analysis of two terms is completed by using the same basis, and assuming all other variables held constant) on the comprehensive profit and loss is as follows:

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Stock price on the reporting date	2024		2023	
	Other comprehensive profit or loss after tax	Profit or loss after tax	Other comprehensive profit or loss after tax	Profit or loss after tax
Increased by 3%	\$ 405,045	-	325,429	-
Decreased by 3%	(405,045)	-	(325,429)	-

6. Information about fair value

1. Type and fair value of the financial instrument

Financial assets measured at fair values through other comprehensive profit or loss by the Company is based on repetition and measured at fair value. The book value and fair value of different financial assets and liabilities (including fair value rating information, but financial instruments not measured at fair value but with a book value close to the reasonable amount of fair value and leasing liabilities are not required for the disclosure of fair value according to the regulations) are listed down below:

	December 31, 2024				
	Book value	Fair value			Total
	Class I	Class II	Class III		
<b>Financial assets at fair value through other comprehensive income</b>					
Stock listed in domestic markets	\$ 13,501,488	13,501,488	-	-	13,501,488
Stock unlisted in domestic markets	23,679	-	-	23,679	23,679
Subtotal	13,525,167	13,501,488	-	23,679	13,525,167
<b>Financial assets measured at amortized cost</b>					
Cash and cash equivalent	420,780	-	-	-	-
Other receivable	104,072	-	-	-	-
Guarantee deposits paid	2,671	-	-	-	-
Subtotal	527,523	-	-	-	-
Total	<b>\$ 14,052,690</b>	<b>13,501,488</b>	<b>-</b>	<b>23,679</b>	<b>13,525,167</b>
<b>Financial liabilities measured at amortized cost</b>					
Short-term loans	\$ 5,524,000	-	-	-	-
Short-term notes and bills payable	499,880	-	-	-	-
Other payable	93,209	-	-	-	-

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Long-term loan	500,000	-	-	-	-
Bonds payable	2,497,793	-	-	-	-
Total	<u>\$ 9,114,882</u>	-	-	-	-

	December 31, 2023				
	Book value	Fair value			Total
		Class I	Class II	Class III	
<b>Financial assets at fair value through other comprehensive income</b>					
Stock listed in domestic markets	\$ 10,847,626	10,847,626	-	-	10,847,626
Stock unlisted in domestic markets	62,594	-	-	62,594	62,594
Subtotal	<u>10,910,220</u>	<u>10,847,626</u>	<u>-</u>	<u>62,594</u>	<u>10,910,220</u>
<b>Financial assets measured at amortized cost</b>					
Cash and cash equivalent	419,027	-	-	-	-
Other receivable	38,056	-	-	-	-
Guarantee deposits paid	2,671	-	-	-	-
Subtotal	<u>459,754</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 11,369,974</u>	<u>10,847,626</u>	<u>-</u>	<u>62,594</u>	<u>10,910,220</u>
<b>Financial liabilities measured at amortized cost</b>					
Short-term loans	\$ 4,850,000	-	-	-	-
Short-term notes and bills payable	199,992	-	-	-	-
Other payable	84,897	-	-	-	-
Long-term loan	800,000	-	-	-	-
Bonds payable	2,496,866	-	-	-	-
Total	<u>\$ 8,431,755</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

(2) Evaluation technology of the fair value for the financial instrument measured at fair value

Non-derivative instruments

If a financial instrument has a quoted price in the active market, the quoted price will be the fair value. The market price announced by the Taiwan Stock Exchange Corporation is the basis for the fair value of the listed companies’

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equity instrument.

If the open quotation of the financial instrument can be timely and frequently acquired from the exchanges, brokers, underwriters, industrial unions, pricing service institutions or competent authorities and the price represents the actual and fair market transaction which occurs frequently, then the financial instrument has a open quotation of the active market. If the conditions mentioned above are not fulfilled, the market is not viewed as a active one. Generally, great bid-ask spread, significant increase in bid-ask spread or less trading volume are indexes of inactive market.

If the financial instrument possessed by the Company is in the active market, its fair value is listed by category and attribute below:

The fair value of financial assets and liabilities and listed company stocks with standard terms/conditions and traded in the active market shall be decided subject to the market quotation.

Except for the financial instrument in the active market stated above, the fair value of other financial instruments is determined in accordance with the generally accepted pricing models based on the cash flow discount analysis.

If the financial instrument possessed by the Company is in the inactive market, its fair value is listed by category and attribute below:

Equity instrument with no open quotation: the fair value is measured using the cash flow discount model. The main assumption is to apply the expected cash flow estimated by the investee to reflect the time value of money and the risk and rate of return on investment and measure with the discount. When adopting the market approach to measure the fair value, the main assumption uses the quotation of the listed company to calculate the P/S ratio (sales multiple) and applies it on the measurement. The discount effect resulting from the lack of market liquidity of the equity security is considered and the estimated number has been adjusted.

(3) Transfer between Class I and Class II

There was no transfer of financial assets from Class II to Class I in 2024 and 2023.

(4) Details of change in Class III

	<b>Measuring at fair values through other comprehensive profit or loss</b>
	<b>Equity instrument with no open quotation</b>
<b>January 1, 2024</b>	\$ 62,594

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Total profit or loss	
Recognized in other comprehensive income	(35,406)
Refunds from decapitalization	<u>(3,509)</u>
<b>December 31, 2024</b>	<b><u>\$ 23,679</u></b>

<b>January 1, 2023</b>	\$ 83,060
Total profit or loss	
Recognized in other comprehensive income	(16,957)
Refunds from decapitalization	<u>(3,509)</u>
<b>December 31, 2023</b>	<b><u>\$ 62,594</u></b>

The above total profits or losses are stated in “unrealized valuation gain (loss) of financial assets measured at fair value through other comprehensive profit or loss”. Items related to the assets possessed as of December 31, 2024 and 2023 were as follow:

	<u>2024</u>	<u>2023</u>
Total profit or loss		
Recognized in other comprehensive profit and loss (stated in “unrealized valuation gain (loss) of financial assets measured at fair value through other comprehensive profit or loss”)	<b><u>\$ (35,406)</u></b>	<b><u>(16,957)</u></b>

(5) Quantitative data used on measuring the fair value of the unobservable major input (Class III)

The Company’s item that is measured at fair value and classified as Class III includes financial assets measured at fair value through other comprehensive profit or loss.

Most of the fair value of the Company has only one unobservable major input. Only the equity instrument investment that is not in an active market has multiple unobservable major inputs. The unobservable major inputs of the equity instrument investment that is not in an active market are separated from one another. They are not relevant to each other.

The quantitative data of the unobservable major input are as follow:

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<u>Item</u>	<u>Evaluation technology</u>	<u>Unobservable major input</u>	<u>Relationship between the unobservable major input and the fair value</u>
Financial assets measured at fair values through other comprehensive profit or loss- equity instrument investment that is not in an active market	Net asset value method	Non-controlling discount (24.64% and 22.06% on December 31, 2024 and 2023)	The higher the non-controlling discount is, the lower the fair value is.

(6) Fair value measurement of Class III. Fair value is used for the sensitivity analysis of reasonably possible alternative.

The fair value measurement of the Company's financial instrument is reasonable. If different valuation model or valuation parameter is used, it might result in different valuation results. For the financial instrument classified as Class III, if the valuation parameter has changed, its effect on the current profit and loss or other comprehensive profit or loss is listed as follows:

	<u>Input</u>	<u>Increase or decrease</u>	<u>Change in fair value reflected on other comprehensive profit or loss</u>	
			<u>Advantageous change</u>	<u>Disadvantageous change</u>
<b>December 31, 2024</b>				
Financial assets at fair value through other comprehensive income				
Equity instrument not in an active market	Discount rate	0.5%	<u>\$ 60</u>	<u>(60)</u>
<b>December 31, 2023</b>				
Financial assets at fair value				

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through other

comprehensive income

Equity instrument not in an active market	Discount rate	0.5%	<u>\$ 226</u>	<u>(226)</u>
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The advantageous and disadvantageous change of the Company is the change in fair value. The fair value is based on unobservable input parameters of different levels and calculated using the evaluation technology. The fair value of the financial instrument might be affected by more than 1 input value. The above table only reflects the effect resulting from a single input value change. The relevance between and variability in the input values are not taken into account.

(18) Financial risk management

1. Overview

The Company is exposed to the following risks due to the use of the financial instruments:

- (1) Credit risk
- (2) Liquidity risk
- (3) Market risk

The Company's risk exposure information and the Company's measurement and risk management objectives, policies, and procedures are expressed in this Note. Please refer to the notes to the standalone financial statements for further quantitative disclosure.

2. Risk management structure

The board of directors is fully responsible for the establishment and supervision of the Company's risk management structure. The board of directors has authorized a responsible department as appropriate. The department is responsible for developing and controlling the risk management policies of the Company. Besides, it is required to report its operation to the board of directors regularly.

Internal audit staff will assist the Company's board of directors to play the supervisory role. These personnel conduct regular and extraordinary review for the risk management control mechanism and procedure. The review result will be reported to the board of directors.

3. Credit risk

Credit risk is the risk of financial losses faced by the company when the counterparty of financial instruments trade is unable to meet its contractual

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obligations. It is mainly from the Company's securities investments.

(1) Investment

The credit risk of bank deposits and other financial instruments is measured and monitored by the Finance Department of the Company. The Company's trading counterparty and performing party are reputable banks, investing financial institutions and corporate organizations with no significant performance concerns. Therefore, there is no significant credit risk.

(2) Guarantee

Pursuant to the Company's regulations, the subject to whom the Company provides financial guarantees to shall be meet the criteria in the "Guidelines for Endorsements and Guarantees". The subsidiaries receiving the Company's endorsement and guarantee as of December 31, 2024 are detailed in Note 13.

4. Liquidity risk

Liquidity risk is the risk that the company unable to pay cash or financial asset to settle the financial liability and unable to perform its obligations. The Company managed the liquidity in a manner ensuring that the Company has sufficient working fund to repay matured liabilities under the general and critical circumstances, so as to avoid unacceptable loss or impairment on the Company's goodwill.

The Company ensures that it has sufficient cash to meet the need for expected operating expenditure for 60 days, including performance of financial obligation, but excluding the potential effect which it is impossible to expect reasonably under extreme circumstances such as natural disaster. Besides, the unused loan amounts of the Company as of December 31, 2024 and 2023 were NT\$6,082,775 thousand and NT\$7,490,575 thousand respectively.

5. Market risk

Market risk is the risk that the market price change, such as exchange rate, interest rate and equity instrument price change, will affect the profit or value of the financial instrument possessed by the Company. The objective of market risk management is to control the market risk exposure within the affordable range and to optimize return on investment.

(1) Exchange rate risk

The Company is exposed to exchange rate risk resulting from the sale, procurement and load transactions measured with a currency other than the functional currency of the Company. The Company uses New Taiwan Dollar as the main functional currency. These transactions are denominated in major currencies of New Taiwan Dollar, Hong Kong Dollar and US Dollar.

(2) Interest rate risk

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The rate risk of the Company comes from the floating-rate of the long-term and short-term loans. The change of rate will result in changes in the effective rate of long-term and short-term loans. Therefore, the future cash flow will also change. Relative interest rate analysis is detailed in note 6(17).

(19) Capital management

The policy of the board of directors maintains the basis of unimpaired capital. It helps maintain the confidence of the investor, creditor and market. It also supports future operating development. Capital includes stock, additional paid-in capital, retained earnings, and other equity of the Company. The board of directors controls the return on capital. It also controls the dividend quality of common shares.

The debt to equity ratio on the reporting date is as follows:

	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Total liabilities	\$ 9,231,229	8,540,349
Minus: Cash and cash equivalent	(420,780)	(419,027)
Net liabilities	<b><u>\$ 8,810,449</u></b>	<b><u>8,121,322</u></b>
Total capital	<b><u>\$ 52,387,504</u></b>	<b><u>45,605,309</u></b>
Debt to equity ratio	<b><u>16.82%</u></b>	<b><u>17.81%</u></b>

The company's capital management method has not been changed as of December 31, 2024.

(20) Non cash transactions investing/financing activities

	<b>January 1, 2024</b>	<b>Cash flow</b>	<b>Non-cash changes other changes</b>	<b>December 31, 2024</b>
Long-term loan	\$ 800,000	(300,000)	-	500,000
Short-term loans	4,850,000	674,000	-	5,524,000
Short-term notes payable	199,992	299,888	-	499,880
Bonds payable	2,496,866	-	927	2,497,793
Total liabilities from financing activities	<b><u>\$ 8,346,858</u></b>	<b><u>849,992</u></b>	<b><u>927</u></b>	<b><u>9,021,673</u></b>

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	January 1, 2023	Cash flow	Non-cash changes other changes	December 31, 2023
Long-term loan	\$ 150,000	650,000	-	800,000
Short-term loans	4,850,000	-	-	4,850,000
Short-term notes payable	-	199,992	-	199,992
Bonds payable	2,495,939	-	927	2,496,866
Total liabilities from financing activities	<b>\$ 7,495,939</b>	<b>849,992</b>	<b>927</b>	<b>8,346,858</b>

**VII. Transactions with related party**

(1) Names of related parties and their relationship with the company

Related parties that have performed transactions with the Company during the period of the parent company only financial statement include:

Name of related party	Relationship with the Company
Hua Cheng Investment Co., Ltd.	Subsidiary of the Company
Lien Rui Investment Corp.	Subsidiary of the Company
Jian Foods Incorporation	Subsidiary of the Company
Oggi Restaurant Group Co., Ltd.	Subsidiary of the Company
Camel Ring International Company	Subsidiary of the Company
Fortune Dragon Holding Inc.	Subsidiary of the Company
Sun Lead International Limited	Subsidiary of the Company
Pacific Gateway Holdings Inc.	Subsidiary of the Company
Hifood Co., Ltd.	Subsidiary of the Company
Yantai Taihwa Food Industrial Co., Ltd.	Subsidiary of the Company
Hifood(Shanghai) Co., Ltd.	Subsidiary of the Company
Lien Hwa Milling Corporation	Subsidiary of the Company
Lien Hwa Property Development Corporation	Subsidiary of the Company
Lien Hwa Industrial Corp.	Subsidiary of the Company
MiTAC Inc.	Subsidiary of the Company
Mix System Holdings Ltd.	Subsidiary of the Company
Ho Li Investment Co., Ltd.	Subsidiary of the Company
MiTAC Hikari Corp.	Subsidiary of the Company
Mitac Investment China Co., Ltd.	Subsidiary of the Company
Mitac (Shanghai) Business Management Consulting Co., Ltd.	Subsidiary of the Company

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MiTAC Information Technology Corp.	Subsidiary of the Company
MiTAC Communication Co., Ltd.	Subsidiary of the Company
Claridy Solutions, Inc.	Subsidiary of the Company
Samoa Mitac Information Holding Ltd.	Subsidiary of the Company
General Resources Co.	Subsidiary of the Company
General Resources Company (HK) Limited	Subsidiary of the Company
General Resources Vietnam Company Limited	Subsidiary of the Company
Mitac Information Technology (Singapore) Pte. Ltd.	Subsidiary of the Company
Asia Hydrogen Energy Corporation	Subsidiary of the Company (Note)
MiTAC Advance Technology Corp.	Subsidiary of the Company
Getac Technology Corporation	Other related party of the Company
Synnex Technology International Corporation	Other related party of the Company
MiTAC Holdings Corporation	Other related party of the Company

Note : It has been a subsidiary of the company since November 30, 2023.

(2) Material transactions with related parties

1. Receivables accounts-related parties

The Company's payable accounts-related parties are stated as follows:

<u>Title</u>	<u>Type</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Other receivables	Subsidiary	\$ -	37,500

The above other receivables are cash dividends.

2. Payable accounts-related parties

The Company's payable accounts-related parties are stated as follows:

<u>Title</u>	<u>Type</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Other payable	Subsidiary	\$ 1,970	1,944

3. Loans to related parties

The actual disbursement of funds loaned by the company to related parties is as follows (recorded under other receivables):

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Subsidiary		
Lien Hwa Property Development	\$ 100,000	-

The annual interest rate for funds loaned by the company to related parties is 1.81%. According to the contract, the rate shall not be lower than the average interest rate of

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short-term borrowings from financial institutions in the year of disbursement and may be adjusted as needed. All loans are unsecured. After evaluation, no impairment loss is required. The interest income generated from loans to related parties in the year 2024 amounted to 40 thousand NTD

4. Other

The Company sold factory land to Lienhwa Industrial Gases Co., Ltd. in 1985 and 1998. The sales revenue was NT\$71,934 thousand. Since the company is not sold, the company stated the deferred credits as company profits.

The company's dividend income from other related parties was NT\$352,309 thousand and NT\$373,345 thousand in 2024 and 2023.

The company increased its investment in Lien Hwa Industrial Corp. and Hua Cheng Investment Co., Ltd. by NT\$23,000 thousand and NT\$295,000 thousand in 2022.

The company purchased and increased cash capital in Asia Hydrogen Energy Corporation in 2023. The total equity investment amount was NT\$303,918 thousand.

4. Endorsement/guarantee

The Company's subsidiary Lien Hwa Property Development Corporation provided property guarantees for the Company's financing loans with an endorsement guarantee amount of NT\$ 4,024,390 thousand .

The company provided endorsement guarantees to its subsidiaries Lien Hwa Milling Corporation ., Fortune Dragon Holding Inc., and Lien Hwa Property Development Corporation, and the balances as of December 31, 2024 were respectively NT\$3,670,000 thousand, NT\$377,028 thousand, and NT\$100,000 thousand.

The company provided endorsement guarantees to its subsidiaries Pacific Gateway Holdings Inc., Fortune Dragon Holding Inc., Lien Hwa Milling Corporation and Lien Hwa Property Development Corporation, and the balances as of December 31, 2023 were respectively NT\$184,230 thousand, NT\$353,108 thousand, NT\$3,350,000 thousand and NT\$100,000 thousand.

(3) Key management personnel transactions

Remuneration to key management personnel includes the following:

	<u>2024</u>	<u>2023</u>
Short-term employee benefits	\$ 24,804\$	22,621
Post-employment benefits	382	314
Other long-term benefits	144	100
	<u>\$ 25,330\$</u>	<u>23,035</u>

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**VIII. Pledged Assets**

The book value of the Company's pledged assets is as follows:

Assets name	Charged and pledged guarantees	December 31, 2024	December 31, 2023
Guarantee deposits paid		\$ 2,671	2,671

**IX. Significant contingent liabilities and unrecognized contractual commitments: None.**

**X. Losses due to major disasters: None.**

**XI. Materiality after the period: None.**

**XII. Others**

(I) Classification of employee benefits, depreciation, depletion and amortization expenses by function is summarized as follows:

By nature	2024			2023		
	Classified as operating cost	Classified as operating expense	Total	Classified as operating cost	Classified as operating expense	Total
Employee benefit expense						
Salary expense	—	31,424	31,424	—	28,565	28,565
Labor and health insurance expense	—	1,617	1,617	—	1,414	1,414
Pension expense	—	672	672	—	529	529
Remuneration of Directors	—	11,226	11,226	—	11,482	11,482
Other employee welfare expense	—	783	783	—	820	820
Depreciation expense	—	80	80	—	38	38
Amortization expense	—	—	—	—	—	—

The information about employees and salary of the Company for the years ended December 31, 2023 and 2022 are as bellow:

	2024	2023
Employees	16	16
Non-employee directors	6	7
Average employee benefits (Note1)	3,450	3,133
Average salary	3,142	2,856

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Average salary adjustment

10.01%

Note1 : Not included Remuneration of Directors.

The company's salary and remuneration policy (including director, manager and staff) are as follows:

(1) Director

In accordance with recommendations rendered by the Remuneration Committee of Lien Hwa Industrial Holdings Corp (thereinafter LHIHC), merit reward and travel allowance for members of the Board of Directors have been approved.

The remuneration amount is in compliance with Article 28 of LHIHC bylaws and shall not exceed one percent of LHIHC's annual net income when applicable.

The recommendation is deliberated with consideration of multiple indexes, including but not limited to industry-wide remuneration data, time invested and complexity of responsibilities.

The recommendation is deliberated by the remuneration committee and reviewed by members of the Board before being presented to the annual general meeting.

(2) Manager

LHIHC evaluates a manager's merit with consideration of job complexity, quantity of responsibilities, personal performance achievements, internal fairness ratings, operating performance relevant to the position and industry-wide remuneration data. The recommendation is deliberated by the remuneration committee before being presented in the Board meeting for approval.

The remuneration amount of our managers is in compliance with Article 28 of LHIHC by laws and shall not exceed more than one thousandth of LHIHC's annual net income when applicable.

(3) Staff

LHIHC evaluates a staff's merit with consideration of job complexity, quantity of responsibilities, personal performance achievements, internal fairness ratings, operating performance relevant to the position and industry-wide remuneration data. The recommendation is deliberated by the Human Resource Department before being presented to the managers of authority for approval.

The remuneration amount of our staff members is in compliance with Article 28 of LHIHC bylaws and shall not exceed more than one thousandth of LHIHC's annual net income when applicable.

LHIHC also takes staff compliance record with the Code of Conduct, performance evaluation and bonus distribution rules into consideration when recommending relevant awards.

**XIII. Supplementary disclosure**

(I) Information on material transactions

According to the Regulations Governing the Preparation of Financial Reports by Securities Issuers, the company should also disclose the information about material

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transactions in 2024:

1. Loaning of funds to others:

Unit: NTD thousand

No.	Lender	Borrowing company	Account titles	Related party	Current maximum amount	Ending balance	Actual amount draw down	Interest rate interval	Nature of loaning of funds (Note 1)	Business transaction amount	Reasons of necessary short-term financing	Amount recognized in loss allowance	Collateral		Limit of loans to individual borrowers	Limit of total loans
													Item	Value		
0	Lien Hwa Industrial Holdings Corporation	Lien Hwa Property Development Corporation	Other receivable	Yes	600,000	600,000	100,000	1.81%	2	-	Operating Capital	-	-	-	5,238,750	10,477,501
1	Fortune Dragon Holding Inc.	Yantai Taihwa Food Industrial Co.,Ltd.	"	"	361,185	163,000	163,925	-	2	-	"	-	-	-	9,672,022	13,540,831
1	"	Hifood Co., Ltd	"	"	45,969	22,000	-	5.13%~5.56%	2	-	"	-	-	-	3,868,809	13,540,831
2	MiTAC Inc.	MiTAC Information Technology Corp.	"	"	500,000	500,000	-	-	2	-	"	-	-	-	3,079,149	6,158,298
2	"	MiTAC Advance Technology Corp.	"	"	1,000,000	500,000	-	1.9%	2	-	"	-	-	-	3,079,149	6,158,298
3	MiTAC Information Technology Corp.	General Resources Co.,Ltd.	"	"	300,000	300,000	140,000	1.95%~2.1%	2	-	"	-	-	-	659,789	659,789
3	"	MiTAC Advance Technology Corp.	"	"	300,000	-	-	-	2	-	"	-	-	-	659,789	659,789
4	MiTAC Communication Co., Ltd.	General Resources (Hong Kong) Co.,Ltd.	"	"	32,835	32,000	-	2.5%	2	-	"	-	-	-	49,789	49,789
5	Lien Rui Investment Corp.	Jian Foods Incorporation	"	"	7,700	-	-	-	2	-	"	-	-	-	38,565	38,565

Note 1: 1. A business associate.

2. Needs for short-term financing.

Note 2: The limit amount of loans to each borrower shall not exceed 10% of the net value of the recent financial statements audited or reviewed by the CPA, and the total limit of loans shall not exceed 20% of that.

Note 3: If both the borrower and lender are the foreign company that the parent company owns directly or indirectly with 100% of voting rights, the limit amount for the Fortune Dragon Holding Inc. to loan to each borrower and the limit amount of total loans shall not exceed 100% of the net value of the recent financial statements audited or reviewed by the CPA. If the borrower and lender do not meet said criteria, the amount shall not exceed 40%. Said amount loaned shall not exceed 140% in total.

Note 4: The limit amount of loans of MiTAC Inc. to each borrower shall not exceed 10% of the net value of the recent financial statements audited or reviewed by the CPA, and the total limit of loans shall not exceed 20% of that.

Note 5: MiTAC Information Technology Corp.'s limit for loans to each borrower and all borrowers in aggregate shall not exceed 40% of the latest financial statements audited or reviewed by the CPA

Note 6: MiTAC Communication Co., Ltd. limit for loans to each borrower and all borrowers in aggregate shall not exceed 40% of the latest financial statements audited or reviewed by the CPA.

Note 7: Lian-Rui Investment Co., Ltd.'s limit for loans to each borrower and all borrowers in aggregate shall not exceed 40% of the latest financial statements audited or reviewed by the CPA.

# Lien Hwa Industrial Holdings Corporation

## Notes to the Parent Company Only Financial Statements

### 2. Making endorsements/guarantees for others:

Unit: NTD thousand

No.	Endorsing/guaranteeing company	Endorsed/guaranteed company		Limit amount of endorsement/guarantee to a single enterprise	Current maximum endorsement/guarantee balance	Current endorsement/guarantee - ending	Actual amount drawn down	Endorsement/guarantee amount secured with property as collateral	Ratio of the cumulative endorsement/guarantee amount to the net worth in the most recent financial statements	Maximum endorsements/guarantees	Endorsement/guarantee made by the parent company for its subsidiaries	Endorsements/guarantees made by the subsidiaries for its parent company	Endorsement/guarantee made for the operations in Mainland China
		Company name	Relationship (Article 11)										
0	Lien Hwa Industrial Holdings Corporation	Pacific Gateway Holdings Inc.	2	52,387,504	197,010	-	-	-	- %	52,387,504	Y	N	N
0	"	Fortune Dragon Holding Inc.	2	52,387,504	377,603	377,028	-	-	0.72%	52,387,504	Y	N	N
0	"	Lien Hwa Milling Corporation	2	52,387,504	3,678,350	3,670,000	722,781	-	7.01%	52,387,504	Y	N	N
0	"	Lien Hwa Property Development Corporation	2	52,387,504	100,000	100,000	35,000	-	0.19%	52,387,504	Y	N	N
1	Lien Hwa Property Development Corporation	Lien Hwa Industrial Holdings Corporation	3	8,330,842	4,024,390	4,024,390	3,024,390	4,024,390	144.92%	8,330,842	N	Y	N
2	MiTAC Inc.	MiTAC Information Technology Corp.	1	30,791,489	3,852,883	3,797,883	1,597,182	2,783,908	12.33%	30,791,489	N	N	N
3	MiTAC Information Technology Corp.	MiTAC Communication Co., Ltd.	2	1,649,472	450,000	367,434	287,434	-	22.28%	1,649,472	N	N	N
3	"	General Resources Co., Ltd.	2	1,649,472	96,244	96,244	96,244	-	5.83%	1,649,472	N	N	N
3	"	MiTAC Advance Technology Corp.	2	1,649,472	52,620	52,620	52,620	-	3.19%	1,649,472	N	N	N
4	MiTAC Communication Co., Ltd.	MiTAC Information Technology Corp.	3	200,000	5,709	5,709	-	-	4.59%	200,000	N	N	N

Note 1: The relationship between the endorsing/guarantying subject and the endorsed/guaranteed subject is classified into 3 categories as follows:

1. A business associate.
2. A company that directly and indirectly holds more than 50% of the voting shares.
3. A company that directly and indirectly holds more than 50% of the voting shares.

Note 2: The total endorsement and guarantee amount made by the Company for others shall not exceed 100% of the net value in the most recent financial statements. The endorsement and guarantee amount made by the Company to a single subsidiary shall not exceed 100% of the net value in the most recent financial statements.

Note 3: The limit of the endorsement and guarantee amount made by Lien Hwa Property Development Corporation to a single company and the total limit of endorsement and guarantee shall not exceed 300% of the net value in the most recent financial statements of Lien Hwa Property Development Corporation audited or reviewed by the CPA.

Note 4: The limit of the endorsement and guarantee amount made by MiTAC Inc. to a single company and the total limit of endorsement and guarantee shall not exceed 100% of the net value in the most recent financial statements of MiTAC Inc. audited or reviewed by the CPA.

Note 5: The limit of the endorsement and guarantee amount made by MiTAC Information Technology Corp. to a single company and the total limit of endorsement and guarantee shall not exceed 100% of the net value in the most recent financial statements of MiTAC Information Technology Corp. audited or reviewed by the CPA.

Note 6: The limit of the endorsement and guarantee amount made by MiTAC Communication Co., Ltd. for MiTAC Information Technology Corp shall not exceed 30% of the net value in the most recent financial statements of MiTAC Information Technology Corp audited or reviewed by the CPA, or NTS200,000 thousand, whichever is lower. The maximum limit is set at NTS200,000 thousand

# Lien Hwa Industrial Holdings Corporation

## Notes to the Parent Company Only Financial Statements

### 3. Marketable securities held at yearend (excluding the equity held by invested subsidiaries, affiliated enterprises and joint ventures):

Unit: NTD Thousand/ Thousand shares

Company in possession	Type and name of marketable securities	Relationship with the security issuer	Ledger account	Ending				Remarks
				Number of shares (Number of unit)	Book value	Percentage held	Fair value (Notes 1 and 3)	
Lien Hwa Industrial Holdings Corporation	Great Wall Enterprise Co., Ltd.	The Company is the juridical person director of the company	Financial assets measured at fair values through other comprehensive profit or loss- non-current	19,013	979,159	2.12%	979,159	
"	MiTAC Holdings Corp.	The chairman of the company is the one of the Company	"	105,941	7,511,213	8.78%	7,511,213	
"	Synnex Technology International Corp.	"	"	59,526	4,214,450	3.57%	4,214,450	
"	Pao Long International Co., Ltd.	-	"	2,365	32,406	1.57%	32,406	
"	Getac Holdings Corporation	The chairman of the Company is the representative of the juridical person director of the company	"	7,210	764,260	1.18%	764,260	
"	Formosa Golf and Country Club Corp.	-	"	2	354	0.01%	354	
"	Hsin Yu Energy Development Co., Ltd.	-	"	6,076	-	2.44%	-	
"	Harbinger Venture Capital Corp.	The Company is the juridical person chairman of the company	"	7	38	3.35%	38	
"	Global Investment Holdings Co. Ltd.	The Company is the juridical person director of the company	"	1,053	14,231	3.33%	14,231	
"	Shihlien Fine Chemicals Co., Ltd.	The Company is the juridical person director of the company	"	24,384	9,056	9.38%	9,056	
Hua Cheng Investment Co., Ltd.	Lien Hwa Industrial Holdings Corporation	Parent company	"	188	9,540	0.01%	9,540	Note 2
"	Waffer Technology Corp.	-	"	2	111	- %	111	
"	Great Wall Enterprise Co., Ltd.	-	"	3,550	182,825	0.40%	182,825	
"	Shihlien Fine Chemicals Co., Ltd.	-	"	11,001	4,086	4.23%	4,086	
"	Harbinger Venture Management Co., Ltd.	-	"	863	21,915	19.99%	21,915	
"	B Current Impact Investment	-	"	-	7,083	3.13%	7,083	
"	Taian Insurance Co., Ltd.	-	"	921	27,813	0.31%	27,813	
"	China Trade and Development Corp.	-	"	50	1,228	0.08%	1,228	
"	Harbinger VI Venture Capital Corp.	-	"	2,410	22,641	9.96%	22,641	
"	Harbinger VII Venture Capital Corp.	-	"	5,333	68,777	9.39%	68,777	
"	B Current Impact Investment Inc.	-	"	500	3,897	6.25%	3,897	
"	Harbinger VIII Venture Capital Corp.	-	"	13,149	145,221	11.57%	145,221	
"	Harbinger IX Venture Capital Corp.	-	"	5,000	48,091	9.70%	48,091	
"	LUCKY ROYAL CO., LTD	-	"	500	40,000	0.71%	40,000	
Fortune Dragon Holding Inc.	Budworth Investment Limited	-	"	30	-	3.33%	-	
"	Asia Global Venture Capital Co., Ltd	-	"	366	11,272	10.00%	11,272	
"	Harbinger Ruyi Venture Limited	-	"	500	11,786	14.29%	11,786	
"	Asia Global Venture Capital II Co., Ltd	-	"	132	3,911	3.00%	3,911	
"	Ever Victory Global Limited.	-	"	72,810	717,349	11.76%	717,349	
"	eT Capital, L.P.	-	"	-	99,162	10.43%	99,162	
"	Acorn Accelerator Fund I, L.P.	-	"	-	53,657	7.41%	53,657	
Sun Lead International Limited	Kelington Group Berhad	-	"	39,635	999,748	5.76%	999,748	
"	Kelington Group Berhad	-	Financial assets at fair value through profit or loss - noncurrent	8,725	133,773	- %	133,773	
MiTAC Inc.	Lien Hwa Industrial Holdings Corporation	Parent company	Financial assets measured at fair values through other comprehensive profit or loss- non-current	6,706	339,992	0.39%	339,992	Note 2
"	Ares International Corp.	The Company is the juridical person director of the company	"	1,000	53,522	2.12%	53,522	

# Lien Hwa Industrial Holdings Corporation

## Notes to the Parent Company Only Financial Statements

Company in possession	Type and name of marketable securities	Relationship with the security issuer	Ledger account	Ending				Remarks
				Number of shares (Number of unit)	Book value	Percentage held	Fair value (Notes 1 and 3)	
MiTAC Inc.	Synnex Technology International Corp.	The chairman of the company is the one of the Company	Financial assets measured at fair values through other comprehensive profit or loss - non-current	260,521	18,444,891	15.62%	18,444,891	Note 4
"	MiTAC Holdings Corp.	"	"	101,431	7,191,464	8.41%	7,191,464	Note 5
"	EasyCard Investment Holding Co., Ltd.	"	"	4,184	196,063	6.28%	196,063	
"	Far Eastern Electronic Toll Collection Co, Ltd.	"	"	27,723	283,663	9.24%	283,663	
"	Digital economy limited partnership	-	"	-	27,795	6.29%	27,795	
"	Harbinger VII Venture Capital Corp.	-	"	5,333	68,775	9.39%	68,775	
"	Harbinger III Venture Capital Corp.	The Company is the juridical person director of the company	"	6	87	6.00%	87	
"	Harbinger Venture Capital Corp.	The chairman of the company is the one of the Company	"	19	107	9.50%	107	
"	Lian Jie Er Investment Co. Ltd.	-	"	1,625	17,747	16.25%	17,747	
"	Harbinger VIII Venture Capital Corp.	The Company is the juridical person director of the company	"	8,766	96,813	7.71%	96,813	
"	ProMOS Technologies Inc.	-	"	44	-	0.10%	-	
"	General Motors corporate bond	-	Financial assets at fair value through profit or loss - noncurrent	10,000	99,147	17.24%	99,147	
"	Renaissance Capital I Limited Partnership	-	Financial assets measured at fair values through other comprehensive profit or loss - non-current	-	97,036	12.82%	97,036	
"	CTCI Corporation	-	"	7,593	293,090	0.94%	293,090	
"	EasyCard	The Company is the juridical person director of the company	"	1,759	114,823	2.51%	114,823	
"	Harbinger IX Venture Capital Corp.	-	"	5,000	48,115	9.70%	48,115	
Mix System Holdings	Budworth Investment Limited	-	"	91	-	10.00%	-	
"	Dyna comware	-	"	21	1,423	0.97%	1,423	
"	Harbinger Ruyi II Venture Limited	-	"	5	35,350	16.13%	35,350	
"	Temple of Light Limited	-	"	226	448	1.19%	448	
Ho Li Investment Co., Ltd.	MiTAC Inc.	Parent company	"	2,561	196,315	0.64%	196,315	Note 2
"	MiTAC Information Technology Corp.	Fellow subsidiary of the parent company	"	-	2	- %	2	
"	Harbinger VI Venture Capital Corp.	The chairman of the parent company is its chairman	"	1,607	19,605	6.64%	19,605	
"	Far Eastern Electronic Toll Collection Co, Ltd.	The parent company is the juridical person director of the company	"	5,256	53,767	1.75%	53,767	
"	UPC Technology Corp.	The chairman of the parent company is its chairman	Financial assets measured at fair values through other comprehensive profit or loss- current	8,467	75,443	0.62%	75,443	
"	Synnex Technology International Corp.	"	"	460	32,568	0.03%	32,568	
"	Getac Holdings Corporation	Invested company of MiTAC Holdings Corporation under the equity method	"	5,358	567,948	0.87%	567,948	
"	Waffer Technology Corp.	-	"	1	76	- %	76	
"	CTCI Corporation	-	"	1,917	73,996	0.24%	73,996	
"	PGIM Money Market Fund	-	Financial assets at fair value through profit or loss-current	276	4,558	- %	4,558	
Shen Tong International Management Consulting Co., Ltd.	Mitac (Shanghai) Computer Co., Ltd.	-	Financial assets measured at fair values through other comprehensive profit or loss- non-current	-	3,582	10.00%	3,582	
Clarity Solutions (Wuxi), Inc.	Suyin Wealth OpenSource Cash 1	-	"	-	14,106	- %	14,106	

# Lien Hwa Industrial Holdings Corporation

## Notes to the Parent Company Only Financial Statements

Company in possession	Type and name of marketable securities	Relationship with the security issuer	Ledger account	Ending				Remarks
				Number of shares (Number of unit)	Book value	Percentage held	Fair value (Notes 1 and 3)	
MITAC Advance Technology Corp.	Fubon Chi-Hsiang Money Market Fund	-	Financial assets measured at fair values through other comprehensive profit or loss- non-current	3,852	62,909	-	62,909	
MITAC Communication Co., Ltd.	Fubon Chi-Hsiang Money Market Fund	-	"	5,517	90,098	-	90,098	

- Note 1: For the TWSE/TPEX-listed company with a public market price, the closing price on the last transaction date in the accounting period shall apply.
- Note 2: The parent company's stocks possessed by subsidiaries have been deducted from the book value and these stocks were deemed as treasury stocks.
- Note 3: The market price listed by the non-TWSE/TPEX-listed company refers to the equity net value. Some of it is listed in the financial statements of the same period that is prepared by the invested company or audited by the CPA.
- Note 4: Among the other things, 23,000 thousand shares were pledged to the bank as the collateral to secure the application of MITAC Information Technology Corp. for the facility under the bank's project.
- Note 5: Among the other things, 1,500 thousand shares were pledged to the bank as the collateral to secure the application of MITAC Information Technology Corp. for the facility under the bank's project.

4. The amount of the accumulated purchase or sale of the same securities is over NT\$300 million or 20% of the paid-in capital:

Unit: NTD Thousand/ Thousand shares

Buying/selling company	Type and name of marketable securities	Ledger account	Trading counterpart	Relationship	Beginning of the period		Buy				Sell		Ending Balance	
					Number of shares	Amount	Number of shares	Amount (Note1)	Number of shares	Selling price	Book cost	Disposal gain or loss	Number of shares	Amount
MITAC Advance Technology Corp.	Fubon Chi-Hsiang Money Market Fund	Financial assets at fair value through profit or loss-current		Non	29,826	480,100	12,188	197,751	35,398	572,682	570,000	2,682	6,616	108,050
MITAC Information Technology Corp.	"	"			-	-	19,704	320,098	14,187	230,172	230,000	172	5,517	90,090
MITAC Inc.	"	"			-	-	41,176	668,000	41,176	668,526	668,000	526	-	-

Note1: Including the adjustments for change in the recognized amount.

5. Purchase amount of real property that exceeds NTD300 million or 20% of the paid-in capital:

Unit: NT\$ thousands

Company Acquiring of Property	Property Name	Transaction Date	Transaction Amount	Payment Status	Counterparty	Relationship with Counterparty	Previous Transaction Details for Related Parties				Price Determination Basis	Purpose of Acquisition	Other Agreements
							Previous Owner	Relationship with Previous Owner	Previous Transfer Dates	Amount			
MITAC Inc.	Three locations: Zhongxiao East Road, Da'an District, Taipei; Nanjing East Road, Neihu District, Taipei; and Xinhua 1st Road, Neihu District, Taipei.	August 21, 2024	300,100	Fully paid	General Resources Co., Ltd.	Related party	Individual	Unrelated party	February 1989, July 1991, August 1991, and January 2010	182,480	Professional appraisal reports and market prices	To optimize group asset utilization, reduce operational costs, and implement professional division of labor to enhance overall operational efficiency.	

Note1 : The transactions had been eliminated in the consolidated financial statements.

6. Amount for the disposal of real property exceeds NTD300 million or 20% of the paid-in capital:

# Lien Hwa Industrial Holdings Corporation

## Notes to the Parent Company Only Financial Statements

Unit: NT\$ thousands

Company Disposing of Property	Property Name	Transaction Date	Original Acquisition Date	Book Value	Transaction Amount	Payment Status	Gain or Loss on Disposal	Counterparty	Relationship with Counterparty	Purpose of Disposal	Price Determination Basis	Other Agreements
General Resources Co., Ltd.	Three locations: Zhongxiao East Road, Da'an District, Taipei; Nanjing East Road, Neihu District, Taipei; and Xinhua 1st Road, Neihu District, Taipei	August 21, 2024	March 2, 1989、September 10, 1991、February 8, 2010	157,412	300,100	Fully received	142,688	MiTAC Inc.	Related party	To optimize group asset utilization, reduce operational costs, and implement professional division of labor to enhance overall operational efficiency.	Professional appraisal reports and market prices	

Note1 : The transactions had been eliminated in the consolidated financial statements.

### 7. Amount of the purchase from and the sale to related parties exceeds NTD100 million or 20% of the paid-in capital:

Buyer/Seller	Name of the trading counterpart	Relationship	Transaction Details				Abnormal Transaction		Notes/Trade receivable (Payable)		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms E	Ending Balance	% of Total	
Lien Hwa Milling Corporation	Chiao Thai Hsing Enterprise Co., Ltd.	Other related party	purchase	656,691	8%	on demand	-	No significant differences	296	- %	

### 8. Amount receivable from related parties exceeds NTD100 million or 20% of the paid-in capital: None.

Unit: NTD thousand

Stated company of account receivable	Name of the trading counterpart	Relationship	Balance of receivable accounts-related parties	Turnover rate	Overdue receivable accounts-related parties		Subsequent recovered amount of receivable accounts-related parties	Appropriated allowance for bad debt
					Amount	Treatment		
Lien Hwa Industrial Holdings Corporation	Lien Hwa Property Development Corporation	Parent-subsidiary	100,000	-	-		-	-
Fortune Dragon Holding Inc.	Yantai Taihwa Food Industrial Co., Ltd.	Parent-subsidiary	163,925	-	-		-	-
"	Boc Lienhwa (B.V.I) Holding Co., Ltd.	affiliates	301,459	-	-		-	-
MiTAC Information Technology	General Resources Co., Ltd.	Parent-subsidiary	140,000	-	-		-	-

### 9. Engaging in derivative transactions: None.

### (2) Information about invested business:

The information about invested business (excluding the invested business in Mainland China) of the company in 2024 is as follows:

# Lien Hwa Industrial Holdings Corporation

## Notes to the Parent Company Only Financial Statements

Unit: NTD Thousand/ Thousand shares

Name of investment company	Name of invested company	Location	Main business	Original investment amount		Held at yearend			Investee income recognized in the current period	Investment gains and losses recognized in the current period	Remarks
				End of the period	End of last year	Number of shares	Ratio	Book value			
Lien Hwa Industrial Holdings Corporation	UPC Technology Corp.	Taipei City	Organic acid, acid anhydride and its derivatives, plastic toughener, etc.	3,142,213	3,142,213	424,881	31.97%	9,338,342	(2,358,405)	(754,925)	
"	Linde Lienhwa Industrial Gases Co., Ltd.	"	Production of liquid nitrogen, nitrogen, hydrogen, acetylene and other industrial gases.	400,000	400,000	1,886	50.00%	10,201,758	4,820,288	2,410,144	
"	MiTAC Inc.	"	General investment	731,636	731,636	143,480	35.89%	11,182,096	1,025,647	354,940	Subsidiary Note 1 and 2
"	MiTAC Information Technology Corp.	"	Integrated system service, automatic system, applied software design and sale of industrial computer	1,289,599	1,289,599	65,900	38.77%	659,469	65,928	14,553	Subsidiary Note 3
"	Hua Cheng Investment Co., Ltd.	"	General investment	1,122,116	827,116	136,420	100.00%	1,786,869	43,450	43,224	Subsidiary Note 1
"	Lienhwa United LPG Co., Ltd.	"	Installation, purchase/sale and technical maintenance of the equipment for propane, butane and the mixture.	62,253	62,253	7,694	24.04%	99,430	42,113	10,126	
"	Lien Rui Investment Corp.	"	General investment	623,500	623,500	12,000	100.00%	96,412	(23,379)	(23,392)	Subsidiary Note 3
"	Fortune Dragon Holding Inc.	B.V.I.	"	3,737,817	3,737,817	120,155	100.00%	9,672,022	1,617,090	1,617,090	Subsidiary
"	Lien Hwa Milling Corporation	Taipei City	Manufacturing and sale of flour	913,563	913,563	74,999	74.999%	1,405,866	223,269	168,188	Subsidiary Note 3
"	Lien Hwa Property Development Corporation	"	Rental and leasing business	2,201,000	2,201,000	200,100	100.00%	2,776,947	144,399	144,399	Subsidiary
"	Lien Hwa Industrial Co., Ltd.	"	General investment	24,000	1,000	2,400	100.00%	24,050	49	49	"
"	Asia Hydrogen Energy Corporation	Hsinchu	Manufacture of machinery and equipment for power generation, transmission and distribution, and energy technology service.	303,918	303,918	7,465	50.927%	285,316	(24,655)	(14,409)	"
Hua Cheng Investment Co., Ltd.	UPC Technology Corp.	"	Organic acid, acid anhydride and its derivatives, plastic toughener, etc.	54,933	54,933	4,732	0.36%	106,168	(2,358,405)	(8,490)	
"	MiTAC Inc.	"	General investment	84,354	84,354	7,807	1.95%	626,331	1,025,647	19,723	Subsidiary Note 2
"	MiTAC Information Technology Corp.	"	Integrated system service, automatic system, applied software design and sale of industrial computer	140,128	140,128	9,004	5.30%	89,911	65,928	1,779	Subsidiary
"	Jian Foods Incorporation	"	Wholesaling and retailing business	10	10	-	-	-	(1,231)	-	"
"	Camel Ring International Company	"	"	10	10	1	0.16%	9	(1,715)	(3)	"
"	Lien Yung Investment Corp.	"	General investment	87,969	87,969	9,217	19.99%	187,449	40,771	8,150	"
"	Tung Da Investment Co., Ltd.	"	"	72,699	72,699	4,848	19.99%	135,192	25,240	5,045	"
"	Lien Hwa Milling Corporation	"	Manufacturing and sale of flour	14	14	1	-	19	223,269	2	Subsidiary
"	Asia Hydrogen Energy Corporation	Hsinchu	Manufacture of machinery and equipment for power generation, transmission and distribution, and energy technology service.	40	40	1	0.007%	37	(24,655)	(2)	"
Lien Rui Investment Corp.	Jian Foods Incorporation	"	Wholesaling and retailing business	417,000	417,000	11,789	97.09%	22,061	(1,195)	(1,195)	"
"	Oggi Restaurant Group Co., Ltd.	"	Restaurant business	35,000	35,000	3,500	100.00%	2,101	(21,130)	(21,130)	"
"	Farmdirect Corp.	Taoyuan City	Wholesaling and retailing business	-	13,500	-	- %	-	-	-	"

# Lien Hwa Industrial Holdings Corporation

## Notes to the Parent Company Only Financial Statements

Name of investment company	Name of invested company	Location	Main business	Original investment amount		Held at yearend			Investee income recognized in the current period	Investment gains and losses recognized in the current period	Remarks
				End of the period	End of last year	Number of shares	Ratio	Book value			
	Camel Ring International Company	Taipei City	"	6,465	6,465	642	99.84%	5,333	(1,715)	(1,712)	Subsidiary
Fortune Dragon Holding Inc.	Pacific Gateway Holdings Inc.	B.V.I.	General investment	1,186,793	1,186,793	39,461	100.00%	247,815	(122,095)	(122,095)	"
"	Boc Lienhwa (B.V.I) Holding Co., Ltd.	"	"	1,744	1,744	50	50.00%	4,035,990	3,325,554	1,492,327	"
"	Hifood Co., Ltd.	Cayman Islands	"	470,630	470,630	14,150	65.81%	177,891	9,464	6,228	Subsidiary
"	Sun Lead International Limited	B.V.I.	"	73,525	73,525	3	100.00%	1,198,769	120,680	120,680	"
MiTAC Inc.	Mix System Holdings Ltd.	"	"	268,342	268,342	8,610	100.00%	475,195	17,988	17,988	"
"	Ho Li Investment Co., Ltd.	Taipei City	"	564,035	564,035	82,234	100.00%	1,282,062	52,627	46,609	Subsidiary Note 1
"	MiTAC Hikari Corp.	"	System integration service	30,000	30,000	3,000	50.00%	4,083	4,329	2,164	Subsidiary
"	MiTAC Information Technology Corp.	"	Integrated system service, automatic system, applied software design and sale of industrial computer	605,107	604,426	56,480	33.22%	547,954	65,928	21,900	"
"	MiTAC Advance Technology Corp.	"	Information Software Services, Computer and Peripheral Equipment Manufacturing, Other Electrical Engineering and Electronic Machinery Equipment Manufacturing	159,084	159,084	9,943	11.05%	160,437	11,143	1,231	"
Mix System Holdings Ltd.	Mitac Investment China Co. Ltd.	B.V.I.	General investment	166,065	166,065	5,450	100.00%	263,070	8,629	8,629	"
Ho Li Investment Co., Ltd.	Lien Yung Investment Corp.	Taipei City	"	87,969	87,969	9,217	19.99%	187,489	40,771	8,152	"
"	Tung Da Investment Co., Ltd.	"	"	72,691	72,691	4,848	19.99%	135,193	25,240	5,047	"
MiTAC Information Technology Corp.	MiTAC Communication Co., Ltd.	"	Sale, rental and maintenance of telephone switching systems and data communication products, communication system project contracting	201,312	201,312	10,731	100.00%	124,473	10,151	10,151	"
"	Samoa Mitac Information Holding Ltd.	Samoan Islands	General investment	166,915	166,915	5,395	100.00%	123,773	(9,926)	(9,926)	"
"	Mitac Information Technology (Singapore) Pte. Ltd.	Singapore	Engineering of factory affair monitoring for semiconductor factories and network communication system engineering	15,794	15,794	500	100.00%	97,585	43,278	43,278	"
"	MiTAC Advance Technology Corp.	Taipei City	Information Software Services, Computer and Peripheral Equipment Manufacturing, Other Electrical Engineering and Electronic Machinery Equipment Manufacturing	535,100	535,100	53,510	59.45%	671,604	11,143	6,624	"
"	General Resources Co., Ltd.	Taipei City	Engineering of network signal communication system for railways and rapid transit, engineering of environmental protection (engineering of systematic treatment for waste gas)	337,548	337,548	18,000	100.00%	145,928	134,694	9,656	Subsidiary Note 2
General Resources Co., Ltd.	General Resources (Hong Kong) Co., Ltd.	Hong Kong	Engineering of network signal communication system for railways and rapid transit	263,894	263,894	65,663	100.00%	18,139	58	58	Subsidiary
"	GENERAL RESOURCES VIETNAM COMPANY LIMITED	Vietnam	Engineering of network signal communication system for railways and rapid transit	12,185	12,185	-	100.00%	6,107	(3,319)	(3,319)	"

# Lien Hwa Industrial Holdings Corporation

## Notes to the Parent Company Only Financial Statements

Name of investment company	Name of invested company	Location	Main business	Original investment amount		Held at yearend			Investee income recognized in the current period	Investment gains and losses recognized in the current period	Remarks
				End of the period	End of last year	Number of shares	Ratio	Book value			
Samoa Mitac Information Holding Ltd.	Aidixun Investment Co.,Ltd.	Samoa Islands	General investment	163,512	163,512	8,165	100.00%	123,550	(9,691)	(9,691)	Subsidiary

Note 1: The parent company's stocks possessed by subsidiaries have been deducted from the book value and these stocks were deemed as treasury stocks.

Note 2: The variance refers to the amortization of the difference in equity net value.

Note 3: The variance between the book value and the investment income recognized in the current period and invested company refers to the side stream transaction.

### (3) Information about the investment in China:

#### 1. Relative information about the invested business in Mainland China:

Unit: NTD thousand

Name of the invested company in China (Note 2)	Main business	Paid-in capital amount	Investment method (Note 1)	Accumulated investment amount remitted from Taiwan at the beginning of current period	Investment amount remitted or recovered in the current period		Accumulated investment amount remitted from Taiwan at the end of current period	Investee income recognized in the current period	Direct and indirect shareholding of the Company	Investment income recognized in the current period	Investment book value at year end	Investment revenue received in the current period
					Remittance	Collection						
Yantai Taihwa Food Industrial Co., Ltd. (II).1	Manufacturing and sale of flour and flour processed food	1,232,224	(II)	1,232,224	-	-	1,232,224	(121,878)	100.00%	(121,878)	241,718	-
Hifood(Shanghai) Co., Ltd. (II).2	Rental and leasing business	656,700	(II)	408,880	-	-	408,880	10,916	65.81%	7,184	170,914	-
Fujian Fuhua Gases Co., Ltd. (II).2 and 3	Research and development of industrial gases, development and technical service of electronics industrial gases	824,911	(II)	-	-	-	-	328,983	25.00%	84,812	350,697	-
BOCLH Industrial Gases(Shanghai) Co., Ltd (II). 2 and 3	Mainly in the business of gas production	580,438	(II)	1,744	-	-	1,744	474,042	50.00%	237,021	561,461	-
Lien Xiong Investment (Shanghai) Co., Ltd. (II). 2 and 3	General investment	5,725,631	(II)	-	-	-	-	3,746,147	50.00%	1,873,074	4,219,866	-
Shengpin Precision Gas (Shanghai) Co., Ltd. (II). 2 and 3	Mainly in the business of gas production	729,024	(II)	-	-	-	-	601,196	50.00%	300,598	738,535	-
Lien Hwa Precision Gas (Chengdu) Co., Ltd. (II). 2 and 3	"	501,638	(II)	-	-	-	-	84,584	50.00%	42,292	313,215	-
Lien Hwa Precision Gas (Dalian) Co., Ltd. (II). 2 and 3	"	478,312	(II)	-	-	-	-	303,242	50.00%	151,621	466,513	-
Linde Lienhwa Gases (Wuhan) Co., Ltd. (II).2 and 3	"	629,663	(II)	-	-	-	-	830,801	50.00%	415,400	853,368	-
Linde Lienhwa Gases (Chengdu) Co., Ltd. (II).2 and 3	"	718,696	(II)	-	-	-	-	121,864	50.00%	60,932	447,218	-
BOCLH Industrial Gases (Beijing) Co., Ltd. (II).2 and 3	Mainly in the business of production and manufacturing of chemical raw materials	437,394	(II)	-	-	-	-	6,897	50.00%	3,448	205,660	-
BOCLH Industrial Gases (Lianxiong Gases) Co., Ltd. (II).2 and 3	Mainly in the business of in the fields of electronic technology, industrial gases and sales of chemical products	245,969	(II)	-	-	-	-	109,475	50.00%	54,738	184,784	-

# Lien Hwa Industrial Holdings Corporation

## Notes to the Parent Company Only Financial Statements

Name of the invested company in China (Note 2)	Main business	Paid-in capital amount	Investment method (Note 1)	Accumulated investment amount remitted from Taiwan at the beginning of current period	Investment amount remitted or recovered in the current period		Accumulated investment amount remitted from Taiwan at the end of current period	Investee income recognized in the current period	Direct and indirect shareholding of the Company	Investment income recognized in the current period	Investment book value at year end	Investment revenue received in the current period
					Remittance	Collection						
Mitac (Shanghai) Business Management Consulting Co., Ltd. (II).2	Business management consulting, business information consulting and system integration services	82,898	(II)	31,708	-	-	31,708	1,655	100.00%	1,655	148,419	-
Claridy Solutions (Wuxi), Inc. (II).2	Research and development of Radio Frequency Identification (RFID) technology; production and sale of the products	86,695	(II)	93,239	-	-	93,239	(10,319)	100.00%	(10,319)	130,445	-

### 2. Information related to ceiling on investment in Mainland China

Company name	Accumulated amount of remittance from Taiwan to Mainland China at the end of period	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs	Ceiling on investment in Mainland China imposed by the Investment Commission of the Ministry of Economic Affairs (Note 3)
The Company	3,720,683	3,879,439	31,432,502
MiTAC Inc.	49,114	189,212	18,474,893
MiTAC Information Technology Corp.	161,191	161,191	989,683

Note 1: Investment is divided into the following three categories:

- (I) Engaged in direct investment in Mainland China;
- (II) Investment in Mainland China through a third country company.
- (III) Others.

Note 2: In the column of the investment income recognized in the current period:

- (I) It should be specified if the investment is in preparation without any investment gain or loss resulted.
- (II) The base for the recognition of investment income can be classified into three categories and it shall be specified.
  - (1) The financial statements audited and attested by the CPA Firms of the parent company in Taiwan;
  - (2) Other- Self-prepared financial statement
  - (3) The investment income is recognized based on the shareholding of that company as held by Fortune Dragon Holding Inc. indirectly.

Note 3: According to the regulation in the "Principle of Review on Investment and Technical Cooperation in Mainland China" issued by the Investment Commission on August 29, 2008, 60% of the net value is used for the calculation.

Note 4: The numbers in said table are stated in New Taiwan Dollars.

Note 5: The Company invested in Quan Ye Trading Co., Ltd indirectly. The original investment cost was US\$1,000 thousand. The equity was disposed of and US\$486 thousand of the investment amount was collected and settled in May 2017. It was reported to the Investment Commission of the Ministry of Economic Affairs for future reference and cancellation as of December 31, 2024. After the capital is remitted back to Taiwan, the amount will be deducted from the used amount of the approved limit in Mainland China.

### 3. Material transactions: None.

### (4) Information on major shareholders:

Name of major shareholder	Shares	
	No. of shares held	Shareholding percentage
UPC Technology Corp.	165,553,175	9.68%
Yih Yuan Investment Corp.	156,389,206	9.14%

Note: The major shareholders in this table are shareholders holding more than 5% of the common and preference shares that have completed delivery of non-physical registration (including treasury shares) on the last business day of December 2024 calculated by the Taiwan Depository & Clearing Corporation. However, the share capital recorded in the Company's financial report and the number of shares actually delivered by the company without physical registration may differ due to calculation

**Lien Hwa Industrial Holdings Corporation**  
**Notes to the Parent Company Only Financial Statements**

**(XIV) Department information**

Please refer to the year 2024 consolidated financial statements.

**Lien Hwa Industrial Holdings Corporation**  
**Statement of Cash and Cash Equivalents**  
**December 31, 2024**  
**(In Thousands of New Taiwan Dollars)**

<b>Item</b>	<b>Description</b>	<b>Amount</b>
Cash in bank	Demand deposits	\$ 188,572
	Foriegn deposits	<u>327</u>
	Sub total	<u>188,899</u>
Time deposits		230,000
	(CNY 420 thousand)	<u>1,881</u>
	Sub total	<u>231,881</u>
Total		<u><u>\$ 420,780</u></u>

**Lien Hwa Industrial Holdings Corporation**  
**Statement of Changes in Financial Assets Measured at fair Value through Other**  
**Comprehensive Income – Non-current**  
**For the year ended December 31, 2024**  
**(In Thousands of New Taiwan Dollars)**

Name of financial instrument	Beginning Balance		Addition		Decrease		Ending balance		Collateral	Note
	Shares (in thousand)	Fair value	Shares (in thousand)	Amount	Shares (in thousand)	Amount	Shares (in thousand)	Fair value		
Great Wall Enterprise Co., Ltd.	19,013	\$ 1,112,249	-	-	-	133,090	19,013	979,159	None	Closing price in December 31, 2024
MiTAC Holdings Corp.	105,941	4,719,669	-	2,791,544	-	-	105,941	7,511,213	"	"
SYNNEX Technology International Corp.	59,526	4,178,734	-	35,716	-	-	59,526	4,214,450	"	"
Pao Long International Co., Ltd.	2,365	36,664	-	-	-	4,258	2,365	32,406	"	"
Getac Holdings Corp.	7,210	800,310	-	-	-	36,050	7,210	764,260	"	"
Formosa Golf and Country Club Corp.	2	340	-	14	-	-	2	354	"	
Hsin Yu Energy Development Co., Ltd.	6,076	-	-	-	-	-	6,076	-	"	
Harbinger Venture Capital Corp.	7	46	-	-	-	8	7	38	"	
Global Investment Holdings Co. Ltd.	1,754	26,916	-	-	350	12,685	1,053	14,231	"	
Shihlien Fine Chemicals Co., Ltd.	24,384	35,292	-	-	-	26,236	24,384	9,056	"	
		<u>\$ 10,910,220</u>		<u>2,827,274</u>		<u>212,327</u>		<u>13,525,167</u>		

**Lien Hwa Industrial Holdings Corporation**  
**Statement of Changes in Investments Accounted for Using the**  
**Equity Method**  
**For the year ended December 31, 2024**  
**(In Thousands of New Taiwan Dollars)**

Name of investee	Beginning Balance		Addition		Decrease		Ending balance		Market Value or Net Assets Value		Collateral	Note	
	Shares (in thousand)	Amount	Shares (in thousand)	Amount	Shares (in thousand)	Amount	Shares (in thousand)	Percentage of ownership	Amount	Unit price			Total amount
<u>Equity Method—Listed</u>													
<u>Company</u>													
UPC Technology Corp.	424,881	9,546,628	-	-	-	208,286	424,881	31.97%	9,338,342	8.91	3,785,689	None	
<u>Equity Method—Unlisted</u>													
<u>company</u>													
Linde Lienhwa Industrial Gases Co., Ltd.	1,886	8,838,248	-	1,363,510	-	-	1,886	50.00%	10,201,758	5,410.38	10,201,758	*	
MiTAC Inc.	143,480	10,174,843	-	1,007,253	-	-	143,480	35.89%	11,182,096	77.02	11,051,065	*	Note1,2,3
MiTAC Information Technology Corp.	65,900	661,843	-	(2,374)	-	-	65,900	38.77%	659,469	9.70	639,500	*	Note1,4
Hua Cheng Investment Co., Ltd.	106,920	1,515,629	29,500	330,368	-	59,128	136,420	100.00%	1,786,869	13.17	1,796,409	*	Note3
Lienhwa United LPG Co., Ltd.	6,848	89,304	846	10,126	-	-	7,694	24.04%	99,430	12.92	99,430	*	
Lien Rui Investment Corp.	21,000	119,804	-	-	9,000	23,392	12,000	100.00%	96,412	8.03	96,412	*	Note4
Fortune Dragon Holding Inc.	120,155	7,616,063	-	2,055,959	-	-	120,155	100.00%	9,672,022	80.50	9,672,022	*	
Lien Hwa Milling Corp.	74,999	1,254,355	-	151,511	-	-	74,999	74.999%	1,405,866	18.70	1,402,418	*	Note4
Lien Hwa Property Development Corp.	200,100	2,632,205	-	144,742	-	-	200,100	100.00%	2,776,947	13.88	2,776,947	*	
Lien Hwa Industrial Corp.	100	1,006	2,300	23,044	-	-	100	100.00%	24,050	10.02	24,050	*	
Asia Hydrogen Energy Corp.	7,465	299,725	-	-	-	14,409	7,465	50.927%	285,316	24.72	184,515	*	Note1,2
<b>Total</b>		<b>\$ 42,749,653</b>		<b>5,084,139</b>		<b>305,215</b>			<b>47,528,577</b>		<b>41,730,215</b>		

Note1: The difference between the closing balance and the net equity value is the difference due to goodwill.

Note2: The difference between the closing balance and the net equity value is the difference arising from the amortization of the difference in equity net value..

Note3: The difference between the balance at the end of the period and the net equity value is because the book value has been deducted from the parent company's stock held by the subsidiary and treated as treasury stock.

Note4: The difference between the closing balance and the net equity value is due to side stream transactions.

**Lien Hwa Industrial Holdings Corporation**

**Statement of Short-term loan**

**December 31, 2024**

**(In Thousands of New Taiwan Dollars)**

<b>Type</b>	<b>Description</b>	<b>Ending balance</b>	<b>Contract Period</b>	<b>Range of interest rate</b>	<b>Loan commitment</b>	<b>Collateral</b>	<b>Note</b>
Unsecured loans		\$ 2,924,000	113.12.06~114.12.05	0.50%~1.99%	3,185,000	None	
Secured loan		<u>2,600,000</u>	113.12.18~114.02.18	1.80%	3,000,000	Note	
Total		<u><b>\$ 5,524,000</b></u>					

Note : The subsidiary Lien Hwa Property Development Corporation provided property, plant, and equipment and investment property as guarantee for bank loans. Please refer to Note 7 for details.

# Lien Hwa Industrial Holdings Corporation

## Statement of Short-term notes payable

December 31, 2024

(In Thousands of New Taiwan Dollars)

Item	Bills Finance Companies	Term of contract	Term of Interest rate	Amount			Note
				Issue amount	Unamortized discount on commercial promissory notes payable	Book value	
Short-term notes payable	Mega Bills	113.12.18~114.01.06	1.81%	\$ 300,000	(75)	299,925	
Short-term notes payable	TFC	113.12.18~114.01.06	1.66%	<u>200,000</u>	<u>(45)</u>	<u>199,955</u>	
Total				<u>\$ 500,000</u>	<u>(120)</u>	<u>499,880</u>	

**Statement of Other payables**  
**December 31, 2024**  
**(In Thousands of New Taiwan Dollars)**

<b>Item</b>	<b>Description</b>	<b>Amount</b>
Other payables	Payables for salary and bonus	\$ 25,600
	Dividend payable	33,392
	Interest payable	25,788
	Related party	1,970
	Other	6,459
Total		<u><u>\$ 93,209</u></u>

**Lien Hwa Industrial Holdings Corporation**

**Statement of Long-term loan**

**December 31, 2024**

**(In Thousands of New Taiwan Dollars)**

<u>Creditor</u>	<u>Description</u>	<u>Amount</u>	<u>Term of contract</u>	<u>Interest rate</u>	<u>Collateral</u>	<u>Note</u>
Chang Hwa Bank		\$ <b>500,000</b>	2024.10.21-2026.11.25	1.845%	-	Repayment due to loan contract.
Less : current portion of long-term loans payable		<u>-</u>				
Total		<u>\$ <b>500,000</b></u>				

**Lien Hwa Industrial Holdings Corporation**

**Statement of Administrative Expenses**

**For the year ended December 31, 2024**

**(In Thousands of New Taiwan Dollars)**

<b>Item</b>	<b>Description</b>	<b>Amount</b>	<b>Note</b>
Salary and wages expense		\$ 33,630	
Remuneration of Directors		9,020	
Services expense		6,612	
Other expense		<u>9,531</u>	The balance of each item does not exceed 5%.
Total		<u><b>\$ 58,793</b></u>	