

NAMCHOW HOLDINGS CO., LTD.**Parent Company Only Financial Statements****With Independent Auditors' Report
For the Years Ended December 31, 2024 and 2023**

Address: No. 100, Yanping. N. Rd., Sec. 4., Taipei, Taiwan R.O.C.
Telephone: (02)6619-3000

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

Table of contents

Contents	Page
1. Cover Page	1
2. Table of Contents	2
3. Independent Auditors' Report	3
4. Balance Sheets	4
5. Statements of Comprehensive Income	5
6. Statements of Changes in Equity	6
7. Statements of Cash Flows	7
8. Notes to the Parent Company Only Financial Statements	
(1) Company history	8
(2) Approval date and procedures of the financial statements	8
(3) Application of new and revised standards, amendments and interpretations	8~10
(4) Summary of material accounting policies	10~23
(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty	23
(6) Explanation of significant accounts	23~50
(7) Related-party transactions	51~54
(8) Pledged assets	55
(9) Commitments and contingencies	55
(10) Losses Due to Major Disasters	55
(11) Subsequent Events	55
(12) Other	55~56
(13) Other disclosures	
(a) Information on significant transactions	57~59
(b) Information on investees	60
(c) Information on investment in mainland China	60~61
(d) Major shareholders	61
(14) Segment information	61
9. List of major account titles	62~69



安侯建業聯合會計師事務所
KPMG

台北市110615信義路5段7號68樓(台北101大樓)
68F., TAIPEI 101 TOWER, No. 7, Sec. 5,
Xinyi Road, Taipei City 110615, Taiwan (R.O.C.)

電話	Tel	+ 886 2 8101 6666
傳真	Fax	+ 886 2 8101 6667
網址	Web	kpmg.com/tw

Independent Auditors' Report

To the Board of Directors of Namchow Holdings Co., Ltd.:

Opinion

We have audited the parent company only financial statements of Namchow Holdings Co., Ltd. ("the Company"), which comprise the parent company only balance sheets as of December 31, 2024 and 2023, the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of material accounting policies.

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2024. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Evaluation of investments accounted for under equity method

Please refer to note 4(g) and note 6(f) for the disclosure related to the evaluation of investments accounted for under equity method of the parent company only financial statements.

Description of key audit matter:

The Company mainly engages in the investment business. Investments accounted for under equity method amount to \$19,772,539 thousand, which constitutes 90% of the total assets of the Company. Therefore, the evaluation of investments accounted for under equity method is a key area for our audit focused on.

How the matter was addressed in our audit:

Our principal audit procedures included providing audit instructions and communicating with auditors of other components; obtaining financial statements of the components, recalculating shares of profit from the subsidiaries and examining whether it is recognized in the correct period; and evaluating whether the disclosure related to investments accounted for under equity method made by the management is appropriate.

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

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

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

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

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

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

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investment in other entities accounted for under equity method to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Wu, Chung-Shun and Chang, Chun-I.

KPMG

Taipei, Taiwan (Republic of China)
March 11, 2025

Notes to Readers

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

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

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

NAMCHOW HOLDINGS CO., LTD.

Balance Sheets

December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2024		December 31, 2023				December 31, 2024		December 31, 2023	
Assets		Amount	%	Amount	%	Liabilities and Equity		Amount	%	Amount	%
11XX	Current assets:					21XX	Current liabilities:				
1100	Cash and cash equivalents (note 6(a))	\$ 7,366	-	14,495	-	2100	Short-term borrowings (note 6(k))	\$ 1,011,000	5	2,105,000	10
1137	Financial assets at amortized cost—current (note 6(c))	6,557	-	-	-	2110	Short-term commercial paper payable (note 6(k))	224,838	1	219,866	1
1180	Accounts receivable—related parties (notes 6(d) and 7)	1,817	-	1,945	-	2322	Current portion of long-term borrowings (notes 6(k) and 8)	-	-	300,000	2
1200	Other receivables (notes 6(b) and (e))	3,165	-	547	-	2200	Other payables (notes 6(n) and (s))	213,471	1	197,549	1
1210	Other receivables—related parties (notes 6(e), (o) and 7)	39,915	-	32,746	-	2220	Other payable—related parties (notes 6(o) and 7)	4,051	-	389	-
1220	Current income tax assets	20,492	-	8,086	-	2230	Current income tax liabilities	-	-	29,587	-
1410	Prepayments and other current assets	2,888	-	2,685	-	2280	Current lease liabilities (note 6(m))	4,201	-	1,268	-
	Total current assets	82,200	-	60,504	-	2399	Other current liabilities	496	-	504	-
15XX	Non-current assets:						Total current liabilities	1,458,057	7	2,854,163	14
1517	Financial assets measured at fair value through other comprehensive income—non-current (note 6(b))	26,754	-	19,381	-	25XX	Non-Current liabilities:				
1550	Investments accounted for under equity method (notes 6(f), (g) and 7)	19,772,539	90	18,260,365	90	2530	Bonds payable (note 6(l))	4,934,745	22	4,907,672	24
1600	Property, plant and equipment (notes 6(h), (j) and 8)	1,846,127	9	1,832,845	9	2540	Long-term borrowings (notes 6(k) and 8)	2,166,000	10	1,327,000	7
1755	Right-of-use assets (note 6(i))	7,308	-	6,434	-	2570	Deferred tax liabilities (note 6(o))	1,455,839	7	1,312,777	7
1760	Investment property (notes 6(h), (j), 7 and 8)	184,241	1	194,491	1	2580	Lease liabilities—non-current (note 6(m))	3,076	-	5,122	-
1920	Refundable deposit	3,200	-	6,196	-	2640	Accrued pension liabilities—non-current (note 6(n))	74,009	-	86,154	-
	Total non-current assets	21,840,169	100	20,319,712	100	2670	Other non-current liabilities	34,174	-	59,965	-
							Total non-current liabilities	8,667,843	39	7,698,690	38
						2XXX	Total liabilities	10,125,900	46	10,552,853	52
							Equity (notes 6(b), (g), (p) and 7):				
						3110	Common stock	2,941,330	13	2,941,330	14
						3200	Capital surplus	4,798,603	22	3,825,824	19
						3300	Retained earnings:				
						3310	Legal reserve	1,193,905	6	1,097,451	5
						3320	Special reserve	1,612,266	7	1,612,266	9
						3350	Unappropriated earnings	1,996,675	9	1,805,058	9
								4,802,846	22	4,514,775	23
						3400	Other equity:				
						3410	Financial statement translation differences for foreign operations	(230,250)	(1)	(928,392)	(5)
						3420	Unrealized gains on financial assets measured at fair value through other comprehensive income	14,054	-	3,940	-
								(216,196)	(1)	(924,452)	(5)
						3500	Treasury stock	(530,114)	(2)	(530,114)	(3)
						3XXX	Total equity	11,796,469	54	9,827,363	48
1XXX	Total assets	\$ 21,922,369	100	20,380,216	100	2-3XXX	Total liabilities and shareholders' equity	\$ 21,922,369	100	20,380,216	100

See accompanying notes to the parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

NAMCHOW HOLDINGS CO., LTD.**Statements of Comprehensive Income****For the years ended December 31, 2024 and 2023****(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)**

		2024		2023	
		Amount	%	Amount	%
4000	Operating revenue (notes 6(b), (r) and 7)	\$ 65,552	100	58,814	100
5000	Operating costs	-	-	-	-
5900	Gross profit	65,552	100	58,814	100
6200	General and administrative expenses (notes 6(h), (i), (m), (n), (s) and 7)	371,804	567	323,553	550
6900	Operating loss	(306,252)	(467)	(264,739)	(450)
7000	Non-operating income and expenses (notes 6(j), (l), (m) and (t)):				
7100	Interest income	784	1	241	-
7010	Other income	53	-	12	-
7020	Other gains and losses	(12,736)	(19)	(13,286)	(23)
7050	Finance costs	(120,464)	(184)	(109,505)	(186)
7070	Share of profit of subsidiaries accounted for using equity method	1,530,372	2,335	1,539,261	2,617
	Total non-operating income and expenses	1,398,009	2,133	1,416,723	2,408
7900	Profit before income tax	1,091,757	1,666	1,151,984	1,958
7950	Less: income tax expense (note 6(o))	81,728	125	110,169	187
8000	Net profit	1,010,029	1,541	1,041,815	1,771
8300	Other comprehensive income (loss) (notes 6(b), (n) and (p)):				
8310	Items that will not be reclassified subsequently to profit or loss				
8311	Remeasurements of defined benefit obligations	11,134	17	(10,580)	(18)
8316	Unrealized gains from investments in equity instruments measured at fair value through other comprehensive income	9,998	15	6,520	11
8330	Share of other comprehensive income of subsidiaries accounted for using equity method	2,356	4	(20,180)	(34)
8349	Less: income tax related to components of other comprehensive income that will not be reclassified subsequently to profit or loss	-	-	-	-
	Total items that will not be reclassified subsequently to profit or loss	23,488	36	(24,240)	(41)
8360	Items that will be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign financial statements	254,788	389	13,704	23
8380	Share of other comprehensive income (loss) of subsidiaries accounted for using equity method	443,354	676	(231,145)	(393)
8399	Less: income tax related to components of other comprehensive income that will be reclassified subsequently to profit or loss	-	-	-	-
	Total items that will be reclassified subsequently to profit or loss	698,142	1,065	(217,441)	(370)
8300	Other comprehensive income (loss)	721,630	1,101	(241,681)	(411)
8500	Total comprehensive income, net of tax	\$ <u>1,731,659</u>	<u>2,642</u>	<u>800,134</u>	<u>1,360</u>
9750	Basic earnings per share (in New Taiwan dollars) (note 6(q))	\$ <u>4.07</u>		<u>4.20</u>	
9850	Diluted earnings per share (in New Taiwan dollars) (note 6(q))	\$ <u>4.07</u>		<u>4.19</u>	

See accompanying notes to the parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

NAMCHOW HOLDINGS CO., LTD.

Statements of Changes in Equity

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	Retained earnings						Other equity interest		Total	Treasury stock	Total equity
	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total	Financial statements translation differences for foreign operations	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income			
Balance at January 1, 2023	\$ 2,941,330	3,682,995	1,039,356	1,612,266	1,486,884	4,138,506	(710,951)	(49,100)	(760,051)	(530,114)	9,472,666
Appropriation and distribution of retained earnings:											
Legal reserve	-	-	58,095	-	(58,095)	-	-	-	-	-	-
Cash dividends of common stock	-	91,760	-	-	(588,266)	(588,266)	-	-	-	-	(496,506)
Other changes in capital surplus	-	2,762	-	-	-	-	-	-	-	-	2,762
Net income	-	-	-	-	1,041,815	1,041,815	-	-	-	-	1,041,815
Other comprehensive income (loss) for the year	-	-	-	-	(32,280)	(32,280)	(217,441)	8,040	(209,401)	-	(241,681)
Total comprehensive income (loss) for the year	-	-	-	-	1,009,535	1,009,535	(217,441)	8,040	(209,401)	-	800,134
Changes in ownership interests in subsidiaries	-	48,307	-	-	-	-	-	-	-	-	48,307
Disposal of investments in equity instruments measured at fair value through other comprehensive income in subsidiaries	-	-	-	-	(45,000)	(45,000)	-	45,000	45,000	-	-
Balance at December 31, 2023	2,941,330	3,825,824	1,097,451	1,612,266	1,805,058	4,514,775	(928,392)	3,940	(924,452)	(530,114)	9,827,363
Appropriation and distribution of retained earnings:											
Legal reserve	-	-	96,454	-	(96,454)	-	-	-	-	-	-
Cash dividends of common stock	-	114,700	-	-	(735,332)	(735,332)	-	-	-	-	(620,632)
Other changes in capital surplus	-	2,445	-	-	-	-	-	-	-	-	2,445
Net income	-	-	-	-	1,010,029	1,010,029	-	-	-	-	1,010,029
Other comprehensive income for the year	-	-	-	-	12,115	12,115	698,142	11,373	709,515	-	721,630
Total comprehensive income for the year	-	-	-	-	1,022,144	1,022,144	698,142	11,373	709,515	-	1,731,659
Difference between actual disposing subsidiaries equity and carrying amount	-	1,060,520	-	-	-	-	-	-	-	-	1,060,520
Changes in ownership interests in subsidiaries	-	(204,886)	-	-	-	-	-	-	-	-	(204,886)
Disposal of investments in equity instruments measured at fair value through other comprehensive income	-	-	-	-	1,259	1,259	-	(1,259)	(1,259)	-	-
Balance at December 31, 2024	\$ 2,941,330	4,798,603	1,193,905	1,612,266	1,996,675	4,802,846	(230,250)	14,054	(216,196)	(530,114)	11,796,469

See accompanying notes to the parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

NAMCHOW HOLDINGS CO., LTD.

Statements of Cash Flows

For the years ended December 31, 2024 and 2023

(Expressed in Thousands of New Taiwan Dollars)

	2024	2023
Cash flows from operating activities:		
Consolidated net income before tax	\$ 1,091,757	1,151,984
Adjustments:		
Adjustments to reconcile profit and loss:		
Depreciation	20,861	19,406
Interest expense	120,464	109,505
Interest income	(784)	(241)
Dividend income	(1,577)	-
Share of profit of subsidiaries accounted for using equity method	(1,530,372)	(1,539,261)
Total adjustments to reconcile profit	(1,391,408)	(1,410,591)
Changes in assets / liabilities relating to operating activities:		
Net changes in operating assets:		
Accounts receivable—related parties	128	24
Other receivables	(5)	1,759
Other receivables—related parties	(7,169)	(8,477)
Prepayments and other current assets	(203)	251
Total changes in operating assets, net	(7,249)	(6,443)
Changes in operating liabilities:		
Other payables	15,623	51,019
Other payables—related parties	3,662	(12,111)
Other current liabilities	(8)	(618)
Net defined benefit liabilities	(1,011)	(13,293)
Total changes in operating liabilities, net	18,266	24,997
Total changes in operating assets / liabilities, net	11,017	18,554
Total adjustments	(1,380,391)	(1,392,037)
Cash provided by operating activities	(288,634)	(240,053)
Interest income received	784	241
Dividends received	398,696	562,056
Interest paid	(92,994)	(80,468)
Income taxes refund	19,341	7,102
Net cash flows from operating activities	37,193	248,878
Cash flows from investing activities:		
Acquisition of financial assets at amortised cost	(6,557)	-
Acquisition of investments accounted for using equity method	(247,189)	(400,029)
Proceeds from capital reduction of investments accounted for using equity method	255,797	-
Acquisition of property, plant and equipment	(19,352)	(4,883)
Decrease in refundable deposits	2,996	2,200
Acquisition of investment properties	-	(1,279)
Net cash flows used in investing activities	(14,305)	(403,991)
Cash flows from financing activities:		
Increase in short-term borrowings	10,704,000	8,379,000
Decrease in short-term borrowings	(11,798,000)	(6,614,000)
Increase in short-term commercial paper payable	2,053,000	2,830,000
Decrease in short-term commercial paper payable	(2,048,000)	(2,910,000)
Proceeds from long-term borrowings	10,428,000	13,561,000
Repayments of long-term borrowings	(9,889,000)	(14,750,000)
Payment of lease liabilities	(4,528)	(3,244)
Cash dividends paid	(735,332)	(588,266)
Disposal of ownership interests in subsidiaries (without losing control)	1,283,303	-
Interest paid	(25,905)	(26,000)
Overaging unclaimed dividends	2,445	2,762
Net cash flows used in financing activities	(30,017)	(118,748)
Net decrease in cash and cash equivalents	(7,129)	(273,861)
Cash and cash equivalents at beginning of period	14,495	288,356
Cash and cash equivalents at end of period	\$ 7,366	14,495

See accompanying notes to the parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

NAMCHOW HOLDINGS CO., LTD.

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)

(1) Company history

Namchow Holdings Co., Ltd. (formerly called Namchow Chemical Industrial Co., Ltd.) (the Company) was incorporated on March 29, 1952 as a corporation limited by shares under the laws of the Republic of China (R.O.C.). The Company is engaged in the manufacture, sale, and processing of edible and non-edible oil products and frozen dough, as well as dish and laundry liquid detergent, it also provides management consulting services.

In order to improve its business performance and competitiveness, the Company decided to conduct a group restructuring and division of profession. On May 31, 2017, the shareholders of the Company decided to divide its entire departments and categorize them into two, then transfer them to two of its subsidiaries. The Department of Edible Products, which includes frozen dough items, will be transferred to Namchow Oil and Fat Co., Ltd. and the Department of Non-Edible Products will be transferred to Huaciang Industry Co., Ltd.. Both entities are 100% owned by the Company, with a record date of August 1, 2017.

For the purpose of transforming into a holding company, the Company, which was formerly named as Namchow Chemical Industrial Co., Ltd., is renamed as Namchow Holdings Co., Ltd.. After the spin-off, the Company only engaged in investment holding.

(2) Approval date and procedures of the financial statements

The accompanying parent company only financial statements were approved and authorized for issue by the Board of Directors on March 11, 2025.

(3) Application of new and revised standards, amendments and interpretations

- (a) Impact of adoption of new, revised or amended standards and interpretations endorsed by the Financial Supervisory Commission, ROC ("FSC").

The Company has adopted the following new amendments to the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations (collectively, "IFRS Accounting Standards") with effective date from January 1, 2024. The adoption does not have a material impact on the Company's 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"
- Amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements"
- Amendments to IFRS 16 "Lease Liability in a Sale and Leaseback"

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

- (b) Impact of the IFRSs that have been endorsed by the FSC but not yet in effect

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

- Amendments to IAS21 "Lack of Exchangeability"

- (c) The IFRSs issued by International Accounting Standards Board ("IASB") but not yet endorsed by the FSC

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

Standards or Interpretations	Content of amendment	Effective date per IASB
IFRS 18 "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"> ● A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined 'operating profit' subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company's main business activities. ● Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards. 	January 1, 2027

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

Standards or Interpretations	Content of amendment	Effective date per IASB
	<ul style="list-style-type: none"> 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. 	

The Company continues in assessing the impact on its parent company only financial position and parent company only financial performance upon the initial adoption of the abovementioned standards or interpretations. The related impact will be disclosed when the assessment is complete.

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

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

(4) Summary of material accounting policies

The material accounting policies presented in the parent company only financial statements are set out as below. The following accounting policies have been applied consistently throughout the periods presented in the parent company only financial statements.

(a) Statement of compliance

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

(b) Basis of preparation

(i) Basis of measurement

The parent company only financial statements have been prepared on a historical cost basis, unless, otherwise stated (please refer to the summary of the material accounting policies).

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

(ii) Functional and presentation currency

The functional currency of the Company is determined based on the primary economic environment in which the Company operates. The parent company only financial statements are presented in New Taiwan dollars, which is Company's functional currency. The assets and liabilities of foreign operations are translated into the presentation currency at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into the presentation currency at the average exchange rate. Exchange differences are recognized in other comprehensive income. All financial information presented in New Taiwan dollars has been rounded to the nearest thousand.

(c) Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Company entities at the exchange rates at the dates of the transactions. At the end of each subsequent reporting period, monetary items denominated in foreign currencies are translated into the functional currencies using the exchange rate at that date. Non-monetary items denominated in foreign currencies that are measured at fair value are translated into the functional currencies using the exchange rate at the date that the fair value was determined. Nonmonetary items denominated in foreign currencies that are measured based on historical cost are translated using the exchange rate at the date of the transaction. Exchange differences are generally recognized in profit or loss.

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into the presentation currency at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into the presentation currency at the average exchange rate. Exchange differences are recognized in other comprehensive income.

When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

When the settlement of a monetary receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, Exchange differences arising from such a monetary item that are considered to form part of the net investment in the foreign operation are recognized in other comprehensive income.

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

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

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

- (i) It is expected to realize the asset, or intends to sell or consume it, in its normal operating cycle;
- (ii) It is held the asset primarily for the purpose of trading;
- (iii) It is expected to realize the asset within twelve months after the reporting period; or
- (iv) The asset is cash or a cash equivalent (as defined in IAS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

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

- (i) It is expected to settle the liability in its normal operating cycle;
- (ii) It is held the liability primarily for the purpose of trading;
- (iii) It is due to be settled within twelve months after the reporting period; or
- (iv) The Company does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

(e) Cash and cash equivalents

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

(f) Financial instruments

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

(i) Financial assets

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

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

On initial recognition, a financial asset is classified as measured at amortized cost and fair value through other comprehensive income (FVOCI). Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

1) Financial assets measured at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at fair value through profit or loss:

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

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

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

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

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

Dividend income is recognized in profit or loss on the date on which the Company's right to receive payment is established, which in the case of quoted securities is normally the exdividend date.

3) Impairment of financial assets

The Company recognizes its loss allowances for expected credit losses (ECL) on financial assets measured at amortized cost (including cash and cash equivalents, accounts receivable from related parties, other receivables (including related parties) and guarantee deposit paid.

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

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

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

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

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

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

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

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

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

The Company considers a financial asset to be in default when the financial asset is more than 90 days past due or the borrower is unlikely to pay its credit obligations to the Company in full.

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

(Continued)

NAMCHOW HOLDINGS CO., LTD.

Notes to the Parent Company Only Financial Statements

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

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

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

4) Derecognition of financial assets

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

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

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

(ii) Financial liabilities and equity instruments

1) Classification of debt or equity

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

2) Financial liabilities

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

3) Derecognition of financial liabilities

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

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

4) Offsetting of financial assets and liabilities

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

(g) Investment in subsidiaries

When preparing the parent company only financial statements, investments in subsidiaries which are controlled by the Company using the equity method. Under the equity method, the net income, other comprehensive income, and equity in the parent company only financial statements are equivalent to those attributable to the owners of the parent in the consolidated financial statements.

Changes in ownership of a subsidiary that do not result in loss of control are accounted for as equity transactions.

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

(h) Investment property

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

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

Rental income from investment property is recognized as other revenue on a straight-line basis over the term of the lease.

(i) Property, plant and equipment

(i) Recognition and measurement

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

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

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

(ii) Subsequent cost

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

(iii) Depreciation

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

Land is not depreciated.

The estimated useful lives, for the current and comparative years, of significant items of property, plant and equipment are as follows:

Buildings	3~65 years
Other equipment	1~15 years

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

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

(j) Leases

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

(i) As a lessee

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

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

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

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

- fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- payments for purchase or termination options that are reasonably certain to be exercised.

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

- there is a change in future lease payments arising from the change in an index or rate; or
- there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee; or
- there is a change of its assessment of the underlying assets purchase option; or
- there is a change of its assessment on whether it will exercise a purchase, extension or termination option; or
- there is any lease modifications

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

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

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

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

The Company has elected not to recognize its right-of-use assets and lease liabilities for short-term leases and leases of its low-value assets, including its transportation. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(ii) As a lessor

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

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies IFRS15 to allocate the consideration in the contract.

(k) Impairment of non-financial assets

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

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

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

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

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

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

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

(l) Treasury stock

Where the Company repurchases its common stock that has been issued, the consideration paid, including all directly attributable costs is recorded as treasury share and deducted from equity. When treasury share is reissued, the excess of sales proceeds over cost is accounted for as capital surplus – treasury shares. If the sales proceeds are less than cost, the deficiency is accounted for as a reduction of capital surplus arising from similar types of treasury shares. If such capital surplus is insufficient to cover the deficiency, the remainder is recorded as a reduction of retained earnings. The carrying amount of treasury share is calculated using the weighted-average cost of different types of repurchase.

If treasury share is retired, the weighted-average cost of the retired treasury share is written off against the par value and the capital surplus premium, if any, of the stock retired on a pro rata basis. If the weighted-average cost written off exceeds the sum of the par value and the capital surplus premium, the difference is accounted for as a reduction of capital surplus – treasury shares, or a reduction of retained earnings for any deficiency where capital surplus – treasury shares is insufficient to cover the difference. If the weighted-average cost written off is less than the sum of the par value and the capital surplus premium, if any, of the stock retired, the difference is accounted for as an increase in capital surplus – treasury shares.

The shares that are owned by the Company's subsidiaries are seen as treasury stock.

(m) Revenue recognition

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for rendering service to its customers, wherein revenue is recognized in the reporting period when the Company satisfies a performance obligation by transferring its control of a service, which is mainly management service, to the customer.

(n) Employee benefits

(i) Defined contribution plans

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

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

(ii) Defined benefit plans

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

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

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

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

(iii) Short-term employee benefits

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

(o) Income tax

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

The Company has determined that interest and penalties related to income taxes, including uncertain tax treatment, do not meet the definition of income taxes, and therefore accounted for them under IAS37.

The Company has determined that the global minimum top-up tax – which it is required to pay under Pillar Two legislation – is an income tax in the scope of IAS 12. The Company has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

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

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

- (i) temporary differences on the initial recognition of assets and liabilities in a transaction that is not a business combination and at the time of the transaction (i) affects neither accounting nor taxable profits (losses) and (ii) does not give rise to equal taxable and deductible temporary differences;
- (ii) temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- (iii) taxable temporary differences arising on the initial recognition of goodwill.

Deferred taxes are measured at tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflect uncertainty related to income taxes, if any.

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

- (i) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- (ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:
 - 1) the same taxable entity; or
 - 2) different taxable entities which intend to settle current tax assets and liabilities on a net basis, or to realize the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

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

When the business of the Company and its subsidiary has been operating for a period of at least 12 months, they are entitled to file a combined income tax return, including a 10% surplus, in accordance with the tax regulation, with the Company being appointed as the tax payer. Thereafter, the Company will allocate the income tax expense (benefit), deferred income tax, as well as Current income tax assets (liabilities) to itself and its subsidiary.

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

(p) Earnings per share

The Company discloses the Company's basic and diluted earnings per share attributable to ordinary equity holders of the Company. The calculation of basic earnings per share is based on the profit attributable to the ordinary shareholders of the Company divided by the weighted-average number of ordinary shares outstanding. The calculation of diluted earnings per share is based on the profit attributable to ordinary shareholders of the Company, divided by the weighted-average number of ordinary shares outstanding after the adjustment on the effects of all dilutive potential ordinary shares.

(q) Operating segments

The Company has disclosed information about operating segments in its consolidated financial statements. Hence no further information is disclosed in the parent company only financial statements.

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

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

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

There are no critical judgments in applying accounting policies that have significant effect on the amounts recognized in the parent company only financial statements.

(6) Explanation of significant accounts

(a) Cash and cash equivalents

	December 31, 2024	December 31, 2023
Cash on hand	\$ 50	50
Demand, checking and foreign currency deposits	7,316	14,445
Cash and cash equivalents in the parent company only statements of cash flow	<u><u>\$ 7,366</u></u>	<u><u>14,495</u></u>

Please refer to note 6(c) for the disclosure of the Company's time deposit with a maturity of three months to one year were recorded under financial assets measured at amortized cost.

Please refer to note 6(u) for the disclosure of the interest rate risks and the sensitivity analysis of the Company's financial assets and liabilities.

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

- (b) Financial assets measured at fair value through other comprehensive income — non-current

	December 31, 2024	December 31, 2023
Equity investments measured at fair value through other comprehensive income		
Stocks listed on domestic markets	\$ <u>26,754</u>	<u>19,381</u>

- (i) Equity investments measured at fair value through other comprehensive income

The Company held equity instrument investment, not held for trading purposes, which have been designated as measured at fair value through other comprehensive income.

For the years ended December 31, 2024 and 2023, the Company recognized dividends income of \$1,577 thousand and \$462 thousand, respectively, related to equity investments at fair value through other comprehensive income.

On December 30, 2024, the Company has sold its partial shares held in Capital Securities Co., Ltd. as part of its operational plan. The shares sold had a fair value of \$2,625 thousand and the Company realized a gain of \$1,259 thousand, which is already included in other comprehensive income. The gain has been transferred to retained earnings. As of December 31, 2024, this transaction has not yet been settled, and the receivable from equity instruments was recorded under other receivables.

For the year ended December 31, 2023, the Company did not dispose of the aforementioned equity investment, and there was no transfer of any cumulative gain or loss within equity relating to these investments.

- (ii) For the information of credit risk and market risk, please refer to note 6(u).
- (iii) As of December 31, 2024 and 2023, the aforesaid financial assets held by the Company were not pledged as collateral.

- (c) Financial assets measured at amortized cost — current

	December 31, 2024	December 31, 2023
Bank's time deposits	\$ <u>6,557</u>	<u>-</u>

The Company has assessed that these financial assets are held to maturity to collect contract cash flows, which consist solely of payments of principal and interest on principal amount outstanding. Therefore, these investments were classified as financial assets measured at amortized cost.

As of December 31, 2024, the Company did not pledge the aforementioned financial assets measured at amortized cost as collateral.

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

(d) Accounts receivable (including related parties)

	December 31, 2024	December 31, 2023
Accounts receivable—related parties	<u><u>\$ 1,817</u></u>	<u><u>1,945</u></u>

The Company applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all accounts receivables (including related parties). To measure the expected credit losses, accounts receivable (including related parties) have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward looking information.

The Company's loss allowance for expected credit losses of accounts receivable (including related parties) were determined as follows:

	December 31, 2024		
	Gross carrying amount of accounts receivable	Weighted- average expected credit loss rate (%)	Loss allowance for lifetime expected credit losses
Not past due	<u><u>\$ 1,817</u></u>	0.00	<u><u>-</u></u>
	December 31, 2023		
	Gross carrying amount of accounts receivable	Weighted- average expected credit loss rate (%)	Loss allowance for lifetime expected credit losses
Not past due	<u><u>\$ 1,945</u></u>	0.00	<u><u>-</u></u>

As of December 31, 2024 and 2023, the Company did not provide its accounts receivable (including related parties) as collateral or factored them for cash.

(e) Other receivables (including related parties)

	December 31, 2024	December 31, 2023
Other receivables	\$ 3,165	547
Other receivables—related parties	<u>39,915</u>	<u>32,746</u>
	<u><u>\$ 43,080</u></u>	<u><u>33,293</u></u>

As of December 31, 2024 and 2023, the Company had no other receivables that were past due. Therefore, no loss allowance for impairment were required after the management's assessment.

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

(f) Investments accounted for under the equity method

The details of the investments accounted for under the equity method at the reporting date were as follows:

	December 31, 2024	December 31, 2023
Subsidiaries	<u>\$ 19,772,539</u>	<u>18,260,365</u>

(i) Subsidiaries

Please refer to the consolidated financial statements for the year ended December 31, 2024.

(ii) Collateral

As of December 31, 2024 and 2023, the Company did not pledge any collateral on its investments accounted for under the equity method.

(g) Changes in a parent's ownership interest in subsidiaries

In order to prepare for the listing of the subsidiary, Lucky Royal Co., Ltd. (hereinafter refer to as Lucky Royal) and comply with the "Taiwan Stock Exchange Corporation Rules Governing Review of Securities Listings", the release of the shares of Lucky Royal held by the Company was resolved in the shareholders' meeting of the Company on May 30, 2024 and board of directors' meeting on July 18, 2024. The shares shall be subscribed preferentially by all shareholders of the Company on the basis of the percentage of shareholdings, and the number of shares of subscription not fully been subscribed by the shareholders of the Company shall be purchased by a specific person's designated by the Chairman. The subscription price, which was referred to the reasonable opinion issued by the professional institution, was set at \$61 per share.

As of December 31, 2024, the Company has disposed of 21,101 thousand shares of Lucky Royal, with a total selling price of \$1,283,303 thousand (after deducting tax of \$3,858 thousand). Therefore, the Company recognized a gain of \$1,060,520 thousand, which was accounted for capital surplus. Since the above transaction, the Company's shareholding percentage in Lucky Royal has decreased from 99.65% to 69.51%.

On January 5, 2024, a resolution was approved during the Board meeting of Lucky Royal for a capital reduction of 25,668 thousand shares amounting to \$256,684 thousand, wherein Lucky Royal would refund cash to its shareholders thereafter. The Company received the amount of \$255,797 thousand in cash according to the shareholding percentage of Lucky Royal on January 10, 2024 (the date of capital reduction).

There was no such transaction by the Company for the year ended December 31, 2023.

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

(h) Property, plant and equipment

The cost and depreciation of the property, plant and equipment of the Company for the years ended December 31, 2024 and 2023 were as follows:

	<u>Land</u>	<u>Buildings</u>	<u>Other equipment</u>	<u>Construction in progress</u>	<u>Total</u>
Cost:					
Balance at January 1, 2024	\$ 1,775,064	77,278	220,579	450	2,073,371
Additions	-	-	1,082	18,270	19,352
Reclassification	-	(1,562)	-	-	(1,562)
Balance at December 31, 2024	<u>\$ 1,775,064</u>	<u>75,716</u>	<u>221,661</u>	<u>18,720</u>	<u>2,091,161</u>
Balance at January 1, 2023	\$ 1,775,064	69,950	218,048	-	2,063,062
Additions	-	1,877	2,556	450	4,883
Disposals	-	-	(25)	-	(25)
Reclassification	-	5,451	-	-	5,451
Balance at December 31, 2023	<u>\$ 1,775,064</u>	<u>77,278</u>	<u>220,579</u>	<u>450</u>	<u>2,073,371</u>
Accumulated depreciation:					
Balance at January 1, 2024	\$ -	36,918	203,608	-	240,526
Depreciation	-	1,973	3,723	-	5,696
Reclassification	-	(1,188)	-	-	(1,188)
Balance at December 31, 2024	<u>\$ -</u>	<u>37,703</u>	<u>207,331</u>	<u>-</u>	<u>245,034</u>
Balance at January 1, 2023	\$ -	33,404	200,103	-	233,507
Depreciation	-	1,950	3,530	-	5,480
Disposal	-	-	(25)	-	(25)
Reclassification	-	1,564	-	-	1,564
Balance at December 31, 2023	<u>\$ -</u>	<u>36,918</u>	<u>203,608</u>	<u>-</u>	<u>240,526</u>
Carrying amount:					
Balance at December 31, 2024	<u>\$ 1,775,064</u>	<u>38,013</u>	<u>14,330</u>	<u>18,720</u>	<u>1,846,127</u>
Balance at December 31, 2023	<u>\$ 1,775,064</u>	<u>40,360</u>	<u>16,971</u>	<u>450</u>	<u>1,832,845</u>
Balance at January 1, 2023	<u>\$ 1,775,064</u>	<u>36,546</u>	<u>17,945</u>	<u>-</u>	<u>1,829,555</u>

As of December 31, 2024 and 2023, the Company's property, plant and equipment were used as pledge for long-term borrowings and lines of credit, please refer to note 8.

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

(i) Right-of-use assets

The Company leases assets including buildings and transportation equipment. Information about leases, for which the Company is the lessee, is presented below:

	Buildings	Transportation equipment	Total
Cost:			
Balance at January 1, 2024	\$ 1,026	10,271	11,297
Additions	1,074	4,341	5,415
Write-off	(1,026)	-	(1,026)
Balance at December 31, 2024	<u>\$ 1,074</u>	<u>14,612</u>	<u>15,686</u>
Balance at January 1, 2023	\$ 1,026	5,229	6,255
Additions	-	5,042	5,042
Balance at December 31, 2023	<u>\$ 1,026</u>	<u>10,271</u>	<u>11,297</u>
Accumulated depreciation:			
Balance at January 1, 2024	\$ 684	4,179	4,863
Depreciation	521	4,020	4,541
Write-off	(1,026)	-	(1,026)
Balance at December 31, 2024	<u>\$ 179</u>	<u>8,199</u>	<u>8,378</u>
Balance at January 1, 2023	\$ 171	1,422	1,593
Depreciation	513	2,757	3,270
Balance at December 31, 2023	<u>\$ 684</u>	<u>4,179</u>	<u>4,863</u>
Carrying amount:			
Balance at December 31, 2024	<u>\$ 895</u>	<u>6,413</u>	<u>7,308</u>
Balance at December 31, 2023	<u>\$ 342</u>	<u>6,092</u>	<u>6,434</u>
Balance at January 1, 2023	<u>\$ 855</u>	<u>3,807</u>	<u>4,662</u>

(j) Investment property

The cost and depreciation of the investment property for the Company's owned property is presented below:

	Buildings
Cost:	
Balance as at January 1, 2024	\$ 361,866
Reclassification from property, plant and equipment	1,562
Balance as at December 31, 2024	<u>\$ 363,428</u>
Balance as at January 1, 2023	\$ 365,332
Additions	1,279
Transferred to property, plant and equipment	(4,745)
Balance as at December 31, 2023	<u>\$ 361,866</u>

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

	<u>Buildings</u>
Depreciation:	
Balance as at January 1, 2024	\$ 167,375
Depreciation	10,624
Reclassification from property, plant and equipment	<u>1,188</u>
Balance as at December 31, 2024	<u>\$ 179,187</u>
Balance as at January 1, 2023	\$ 158,283
Depreciation	10,656
Transferred to property, plant and equipment	<u>(1,564)</u>
Balance as at December 31, 2023	<u>\$ 167,375</u>
Carrying amount:	
Balance as at December 31, 2024	<u>\$ 184,241</u>
Balance as at December 31, 2023	<u>\$ 194,491</u>
Balance as at January 1, 2023	<u>\$ 207,049</u>
Fair value:	
Balance as at December 31, 2024	<u>\$ 184,241</u>
Balance as at December 31, 2023	<u>\$ 194,491</u>
Balance as at January 1, 2023	<u>\$ 207,049</u>

The Company's investment property are leased to its subsidiaries Lucky Royal Co., Ltd., Namchow Oil and Fat Co., Ltd. and Huaciang Industry Co., Ltd. Each of the leases contains an initial non-cancellable period of 1 years. Subsequent renewals are negotiable with the lessee, and no contingent rents are charged. Please refer to notes 6(r), 7 and 12 for further information (including leasing income and direct operating expenses).

The Company considered that the book value of investment property as of December 31, 2024 and 2023 nearly equal to the fair value of investment property, the Company is not required to take any valuation from its independent third party as reference.

As pf December 31, 2024 and 2023, the Company's investment property were used as pledge for long-term borrowings and line of credit, please refer to note 8.

(k) Short-term, long-term borrowings and short-term commercial paper payable

The details, terms and clauses of the Company's short-term, long-term borrowings and short-term commercial paper payable were as follows:

(i) Short-term borrowings

	<u>December 31, 2024</u>		
	<u>Range of interest</u>	<u>Year of</u>	
<u>Currency</u>	<u>rates (%)</u>	<u>maturity</u>	<u>Amount</u>
Unsecured loans	NTD 1.825~1.860	2025	<u>\$ 1,011,000</u>

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

December 31, 2023				
	Currency	Range of interest rates (%)	Year of maturity	Amount
Unsecured loans	NTD	1.69~1.85	2024	<u><u>\$ 2,105,000</u></u>

As of December 31, 2024 and 2023, the unused credit facilities of the Company's short-term borrowings amounted to \$1,639,000 thousand and \$2,123,330 thousand, respectively, which included the credit facilities shared with its subsidiaries of \$800,000 thousand and \$900,000 thousand, respectively.

(ii) Short-term commercial paper payable

December 31, 2024				
	Currency	Range of interest rates (%)	Year of maturity	Amount
Commercial paper payable	NTD	1.64	2025	\$ 225,000
Discount on commercial paper payable				<u>(162)</u>
Total				<u><u>\$ 224,838</u></u>

December 31, 2023				
	Currency	Range of interest rates (%)	Year of maturity	Amount
Commercial paper payable	NTD	1.45~1.66	2024	\$ 220,000
Discount on commercial paper payable				<u>(134)</u>
Total				<u><u>\$ 219,866</u></u>

As of December 31, 2024 and 2023, the unused credit facilities of the Company's short-term commercial paper payable amounted to \$105,000 thousand and \$540,000 thousand, respectively, which included the credit facilities shared with its subsidiaries of \$0 thousand and \$90,000 thousand, respectively.

(iii) Long-term borrowings

December 31, 2024				
	Currency	Range of interest rates (%)	Year of maturity	Amount
Secured loans	NTD	1.88~1.99	2026	\$ 380,000
Unsecured loans	NTD	1.80~1.85	2027	<u>1,786,000</u>
Total				<u><u>\$ 2,166,000</u></u>
Current				\$ -
Non-current				<u>2,166,000</u>
Total				<u><u>\$ 2,166,000</u></u>

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

December 31, 2024				
	Currency	Range of interest rates (%)	Year of maturity	Amount
Secured loans	NTD	1.70~1.99	2025~2026	\$ 1,260,000
Unsecured loans	NTD	1.80	2026	367,000
Total				\$ 1,627,000
Current				\$ 300,000
Non-current				1,327,000
Total				\$ 1,627,000

As of December 31, 2024 and 2023, the unused credit facilities of the Company's long-term borrowings amounted to \$2,984,000 thousand, and \$2,073,000 thousand, respectively, which included the credit facilities shared with its subsidiaries of \$114,000 thousand and \$1,183,000 thousand, respectively.

(iv) Collateral of loans

As of December 31, 2024 and 2023, the Company's property were used as pledge for long-term borrowings, please refer to note 8.

(l) Bonds payable

(i) The information of secured bonds payable issued by the Company were as follows:

	December 31, 2024	December 31, 2023
Total amount of secured ordinary corporate bonds — Tranche A	\$ 3,000,000	3,000,000
Total amount of secured ordinary corporate bonds — Tranche B	2,000,000	2,000,000
Less: unamortized discounts on bonds payable	<u>65,255</u>	<u>92,328</u>
Ending balance of bonds payable	\$ 4,934,745	4,907,672
	2024	2023
Interest expenses	\$ 51,773	51,773

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

- (ii) On August 11, 2021, the Company issued its 1st domestic secured bonds, and its major obligations are as follows:

Item	110-1 Secured Bonds (Tranche A)
1) Issue date	August 11, 2021
2) Issue period	5 years, commencing from August 11, 2021 and matured on August 11, 2026.
3) Offering amount	3,000,000 thousand
4) Denomination	Issued by par value, each value at 10 million, and total of 300 bonds
5) Coupon Rate	Annual interest rate 0.47%
6) Repayment	Bullet repayment at an amount equal to the principal amount of the Bonds
7) Interest Payment	According to coupon rate. Interest is payable annually.
8) Way of guarantee	Commissioned by the First Commercial Bank Co., Ltd. as a guarantee institution

Item	110-1 Secured Bonds (Tranche B)
1) Issue date	August 11, 2021
2) Issue period	7 years, commencing from August 11, 2021 and matured on August 11, 2028.
3) Offering amount	2,000,000 thousand
4) Denomination	Issued by par value, each value at 10 million, and total of 200 bonds
5) Coupon Rate	Annual interest rate 0.53%
6) Repayment	Bullet repayment at an amount equal to the principal amount of the Bonds
7) Interest Payment	According to coupon rate. Interest is payable annually.
8) Way of guarantee	Commissioned by the First Commercial Bank Co., Ltd. as a guarantee institution

- (m) Lease liabilities

The carrying amounts of lease liabilities for the Company were as follows:

	December 31, 2024	December 31, 2023
Current	<u>\$ 4,201</u>	<u>1,268</u>
Non-current	<u>\$ 3,076</u>	<u>5,122</u>

For the maturity analysis, please refer to note 6(u).

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

The amounts recognized in profit or loss were as follows:

	2024	2023
Interest expenses on lease liabilities	\$ <u>114</u>	<u>86</u>
Expenses relating to short-term leases	\$ <u>3,696</u>	<u>5,888</u>
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	\$ <u>924</u>	<u>886</u>

The amount recognized in the statement of cash flows for the Company was as follows:

	2024	2023
Total cash outflow for leases	\$ <u>9,262</u>	<u>10,104</u>

(n) Employee benefits

(i) Defined benefit plans

The present value of the defined benefit obligations and the fair value adjustments of the plan assets for the Company were as follows:

	December 31, 2024	December 31, 2023
Present value of the defined benefit obligations	\$ 239,695	264,427
Fair value of plan assets	<u>(165,686)</u>	<u>(178,273)</u>
Net defined benefit liability	\$ <u>74,009</u>	<u>86,154</u>

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

1) Composition of plan assets

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

The Company's Bank of Taiwan labor pension reserve account balance amounted to \$165,686 thousand as of December 31, 2024. For information on the utilization of the labor pension fund assets including the asset allocation and yield of the fund, please refer to the website of the Bureau of Labor Funds, Ministry of Labor.

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

2) Movements in present value of the defined benefit obligations

The movements in present value of the Company's defined benefit obligations for the years ended December 31, 2024 and 2023 were as follows:

	2024	2023
Defined benefit obligation at January 1	\$ 264,427	261,352
Current service costs and interest	3,642	4,293
Remeasurements of the net defined benefit liability		
— Actuarial losses (gains) arising from changes in financial assumptions	(4,657)	5,328
— Actuarial losses arising from experience adjustments	9,591	6,655
Benefits paid by the plan	(33,308)	(13,201)
Defined benefit obligation at December 31	<u><u>\$ 239,695</u></u>	<u><u>264,427</u></u>

3) Movements in fair value of plan assets

The movements in the fair value of the Company's plan assets for the years ended December 31, 2024 and 2023 were as follows:

	2024	2023
Fair value of plan assets at January 1	\$ 178,273	172,484
Interest income	1,972	2,369
Remeasurements of the net defined benefit liability		
— The return on plan assets (excluding current interest income)	16,068	1,403
Contributions made	2,681	15,218
Benefits paid by the plan	(33,308)	(13,201)
Fair value of plan assets at December 31	<u><u>\$ 165,686</u></u>	<u><u>178,273</u></u>

4) Expenses recognized in profit or loss

The Company's expenses recognized in profit or loss for the years ended December 31, 2024 and 2023 were as follows:

	2024	2023
Current service cost	\$ 502	389
Net interest on the defined benefit liability	1,168	1,535
	<u><u>\$ 1,670</u></u>	<u><u>1,924</u></u>
	2024	2023
General and administration expenses	<u><u>\$ 1,670</u></u>	<u><u>1,924</u></u>

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

5) Actuarial assumptions

The Company's assumptions used on calculating the present value of the defined benefit obligation at reporting dates were as follows:

	<u>2024.12.31</u>	<u>2023.12.31</u>
Discount rate	1.750 %	1.375 %
Future salary increases rate	2.000 %	2.000 %

The expected contribution to be made by the Company to the defined benefit plans in the next year starting from the reporting date of 2024 is \$2,497 thousand.

The weighted average duration of the defined benefit plan is 7.76 years.

6) Sensitivity analysis

As of December 31, 2024 and 2023, the effect of changes in actuarial assumptions on the present value of defined benefit obligation impact was as follow:

	The impact of defined benefit obligation	
	<u>Increase</u>	<u>Decrease</u>
December 31, 2024		
Discount rate (changes 0.25%)	\$ (2,998)	3,083
Future salary increase rate (changes 0.25%)	2,757	(2,687)
December 31, 2023		
Discount rate (changes 0.25%)	\$ (3,577)	3,681
Future salary increase rate (changes 0.25%)	3,441	(3,357)

The above sensitivity analysis is based on the effect of changes in a single assumption under the condition that other assumptions remain constant. In practice, many changes in assumptions may be linked together. The method used for the sensitivity analysis and calculation of the net defined benefit pension liability is the same.

The method used for sensitivity analysis for this year is the same as the method used in the previous year.

(ii) Defined contribution plans

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

The Company's pension costs under the defined contribution method were \$2,715 thousand and \$2,844 thousand for the years ended December 31, 2024 and 2023, respectively. Payments were made to the Bureau of Labor Insurance.

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

(iii) Short-term employee benefit

	December 31, 2024	December 31, 2023
Compensated absence liabilities (recorded under other payables)	\$ 3,149	2,946

(o) Income tax

(i) Income tax expenses

The Company's components of income tax expense for the years ended December 31, 2024 and 2023, were as follows:

	2024	2023
Current income tax benefit		
Current period	\$ (47,005)	(11,482)
Adjustment for prior periods	(14,329)	-
	(61,334)	(11,482)
Deferred income tax expense		
Origination and reversal of temporary differences	143,062	121,651
Income tax expense on continuing operations	\$ 81,728	110,169

The Company had not recognized income tax in equity and other comprehensive income for the years ended December 31, 2024 and 2023.

Reconciliations of the Company's income tax expense and profit before tax for the years ended December 31, 2024 and 2023 were as follows:

	2024	2023
Profit before income tax	\$ 1,091,757	1,151,984
Income tax calculated on pretax financial income at the statutory rate	\$ 218,351	230,397
Adjustment for prior years	(14,329)	-
Dividend income	(121,020)	(124,356)
Adjustment according to tax law	1,797	(11,005)
Exempt income	(315)	(92)
Over (under) estimated of prior year's deferred income tax assets	(7,679)	4,349
Surtax on undistributed earnings	4,923	10,876
Income tax expense	\$ 81,728	110,169

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

The Company and its subsidiaries, Namchow Oil and Fat Co., Ltd. and Huaciang Industry Co., Ltd., will file their combined income tax return. As of December 31, 2024 and 2023, the tax payables to (receivables from) related parties, based on the allocation of the combined income tax return, are as follows:

	December 31, 2024	December 31, 2023
Receivable from subsidiary (recorded under other receivables – related party)	\$ <u>39,519</u>	<u>32,714</u>
Payable to subsidiary (recorded under other payables – related party)	\$ <u>3,784</u>	<u>319</u>

(ii) Deferred tax assets and liabilities

1) Unrecognized deferred tax liabilities

The consolidated entity is able to control the timing of the reversal of the temporary differences associated with its investments in its subsidiaries as of December 31, 2024 and 2023. Also, the management considers it probable that the temporary differences will not reverse in the foreseeable future. Hence, such temporary differences are not recognized under deferred tax liabilities. Details are as follows:

	December 31, 2024	December 31, 2023
Amount unrecognized as deferred tax liabilities	\$ <u>657,424</u>	<u>640,147</u>

2) Recognized deferred tax assets and liabilities

Changes in the amount of deferred tax assets and liabilities for the years ended December 31, 2024 and 2023 were as follows:

	Loss carry forward	Foreign investment income accounted for using equity method	Land value increment tax	Total
Balance at January 1, 2024	\$ -	(1,073,815)	(238,962)	(1,312,777)
Recognized in profit or loss	-	(143,062)	-	(143,062)
Balance at December 31, 2024	\$ <u>-</u>	<u>(1,216,877)</u>	<u>(238,962)</u>	<u>(1,455,839)</u>
Balance at January 1, 2023	\$ 4,349	(956,513)	(238,962)	(1,191,126)
Recognized in profit or loss	(4,349)	(117,302)	-	(121,651)
Balance at December 31, 2023	\$ <u>-</u>	<u>(1,073,815)</u>	<u>(238,962)</u>	<u>(1,312,777)</u>

(iii) Assessments by the tax authorities

The tax authorities have completed the examination for income tax returns of the Company through 2020.

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

(p) Share capital and other equity

(i) Common stock

As of December 31, 2024 and 2023, the total value of authorized ordinary shares amounted to \$4,000,000 thousand, with par value of \$10 per share, of which 400,000 thousand shares. The aforementioned total authorized capital are common stocks and the issued shares are 294,133 thousand common stocks. All issued shares were paid up upon issuance.

(ii) Capital surplus

The balances of the Company's capital surplus were as follows:

	December 31, 2024	December 31, 2023
Paid -in capital in excess of par value	\$ 1,280	1,280
Dividends time out received by shareholder and others	12,299	9,854
Treasury stock	1,491,217	1,376,517
Recognize changes in equity of subsidiaries	2,233,287	2,438,173
Difference between actual disposing subsidiaries equity and carrying amount	1,060,520	-
	<u>\$ 4,798,603</u>	<u>3,825,824</u>

The Company's subsidiary, Lucky Royal was awarded cash dividends for the years ended December 31, 2024 and 2023, amounting to \$114,700 and \$91,760 thousand, respectively. These amounts were recognized as capital surplus treasury stock transactions.

According to the R.O.C. Company Act, capital surplus can only be used to offset a deficit, and only the realized capital surplus can be used to increase the common stock or be distributed as cash dividends. The aforementioned realized capital surplus includes capital surplus resulting from premium on issuance of capital stock and earnings from donated assets received. According to the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, capital increases by transferring capital surplus in excess of par value should not exceed 10% of the total common stock outstanding.

(iii) Retained earnings

In accordance with the Company's articles of incorporation, in the event that the annual audit renders earnings, the Company shall pay taxes according to law and cover cumulative losses before setting aside 10% to be the legal reserve; if the legal reserve has reached the Company's paid-in capital size, however, it is allowed not to set aside further earnings. From the remainder the special reserve shall be set aside or reversed as required by law and any further remainder after that shall be brought forth in the shareholder's meeting based on the Earnings Distribution Proposal prepared by the Board of Directors along with accumulated retained earnings for a decision on assignment of dividend bonus to shareholders.

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

The dividend policy of the Company reflects its current and future development plans and takes into accounts factors such as investment climate, funding demand, and domestic and international competition as well as shareholders' interests. Each year, no less than 30% of earnings available for distribution are assigned to shareholders as dividend bonus. The dividend bonus may be done in case or in the form of stock. When it is done in cash, the value may not exceed 10% of the overall dividends.

1) Legal reserve

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

2) Special reserve

As the Company adopted for the exemptions allowed under IFRS 1 "First-time Adoption of International Financial Reporting Standards" during the Company's first-time adoption of the IFRSs as endorsed by the FSC, unrealized revaluation increments and cumulative translation adjustments of \$512,508 thousand, which were previously recognized in shareholders' equity were reclassified to retained earnings. A special reserve is appropriated from retained earnings for aforementioned reclassification. In addition, during the use, disposal or reclassifications of relevant assets, this special reserve is reverted to distributable earnings proportionately. The carrying amount of above mentioned special reserve amounted to \$512,508 thousand, as of December 31, 2024 and 2023.

For the regulatory permission mentioned above, the Company is also required to set aside an additional special reserve, as part of the distribution of its annual earnings, equal to the difference between the amount of above-mentioned special reserve and net debit balance of the other components of stockholders' equity.

3) Earnings distribution

The amounts of cash dividends on the appropriations of earnings for 2023 and 2022 had been approved during the Company's board meeting held on March 12, 2024 and March 14, 2023, respectively. The relevant dividend distributions to shareholders were as follows:

	2023		2022	
	Amount per share (NTD)	Total amount	Amount per share (NTD)	Total amount
Dividends distributed to common shareholders:				
Cash	\$ 2.5	<u><u>735,332</u></u>	2.0	<u><u>588,266</u></u>

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

The amounts of cash dividends on the appropriations of earnings for 2024 had been approved during the Company's Board meeting held on March 11, 2025. The relevant dividend distributions to shareholders were as follows:

	2024	
	Amount per share (NTD)	Total amount
Dividends distributed to common shareholders:		
Cash	\$ 2.5	<u><u>735,332</u></u>

(iv) Treasury stock

The Company's subsidiary has held the Company's shares for a long period and purchased the Company's shares in previous years. The subsidiary did not dispose of the Company's shares for the years ended December 31, 2024 and 2023. As of December 31, 2024 and 2023, the subsidiary held the Company's shares as follows:

December 31, 2024					
Subsidiary name	Number of shares (in thousand)	Market price per share	Adjusted cost per share	Total market value	Total treasury stock
Lucky Royal	46,041	49.75	11.51	\$ <u><u>2,290,553</u></u>	<u><u>530,114</u></u>

December 31, 2023					
Subsidiary name	Number of shares (in thousand)	Market price per share	Adjusted cost per share	Total market value	Total treasury stock
Lucky Royal	46,041	50.80	11.51	\$ <u><u>2,338,896</u></u>	<u><u>530,114</u></u>

Under the Business Mergers and Acquisitions Act, the treasury stock held by the Company shall not be pledged nor be entitled to any distribution of dividends or voting rights.

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

(v) Other equity interests, net of tax

	Foreign exchange differences arising from foreign operations	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total
Balance at January 1, 2024	\$ (928,392)	3,940	(924,452)
Foreign exchange differences arising from foreign operations	254,788	-	254,788
Exchange differences on translation financial statements of foreign subsidiaries accounted for using equity method	443,354	-	443,354
Unrealized gains on financial assets measured at fair value through other comprehensive income	-	9,998	9,998
Disposal of investments in equity instruments measured at fair value through other comprehensive income	-	(1,259)	(1,259)
Unrealized gains on financial assets measured at fair value through other comprehensive income, subsidiaries accounted for using equity method	-	1,375	1,375
Balance at December 31, 2024	<u>\$ (230,250)</u>	<u>14,054</u>	<u>(216,196)</u>
Balance at January 1, 2023	\$ (710,951)	(49,100)	(760,051)
Foreign exchange differences arising from foreign operations	13,704	-	13,704
Exchange differences on translation financial statements of foreign subsidiaries accounted for using equity method	(231,145)	-	(231,145)
Unrealized gains on financial assets measured at fair value through other comprehensive income	-	6,520	6,520
Disposal of investments in equity instrument measured at fair value through other comprehensive income, subsidiaries accounted for using equity method	-	45,000	45,000
Unrealized gains on financial assets measured at fair value through other comprehensive income, subsidiaries accounted for using equity method	-	1,520	1,520
Balance at December 31, 2023	<u>\$ (928,392)</u>	<u>3,940</u>	<u>(924,452)</u>

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

(q) Earnings per share (EPS)

The calculation of the Company's basic earnings per share and diluted earnings per share for the years ended December 31, 2024 and 2023, were as follows:

(i) Basic EPS

	Unit: thousand of shares	
	2024	2023
Profit attributable to ordinary equity holders	\$ <u>1,010,029</u>	<u>1,041,815</u>
Weighted-average number of outstanding ordinary shares	<u>248,092</u>	<u>248,092</u>
Basic EPS (in New Taiwan dollars)	\$ <u>4.07</u>	<u>4.20</u>

(ii) Diluted EPS

	2024	2023
Profit attributable to ordinary equity holders	\$ <u>1,010,029</u>	<u>1,041,815</u>
Weighted-average number of outstanding ordinary shares (basic)	248,092	248,092
Impact of potential common shares		
Effect of employee's remuneration	279	269
Weighted-average number of outstanding ordinary shares (diluted)	<u>248,371</u>	<u>248,361</u>
Diluted EPS (in New Taiwan dollars)	\$ <u>4.07</u>	<u>4.19</u>

(r) Revenue from contracts with customers

		2024		
		Revenue from dividends	Management revenue	Rental revenue
				Total
Area of distribution:				
Taiwan		\$ <u>1,577</u>	<u>1,555</u>	<u>62,420</u>
				<u>65,552</u>
		2023		
		Revenue from dividends	Management revenue	Rental revenue
				Total
Area of distribution:				
Taiwan		\$ 462	1,562	53,926
Thailand		-	2,864	-
		\$ <u>462</u>	<u>4,426</u>	<u>53,926</u>
				<u>58,814</u>

(s) Remuneration to employees and directors

According to the Company's Articles of Incorporation, once the Company incurs profit in a fiscal year, no less than 1% will be distributed as employees' remuneration and no more than 5% will be allotted for directors' remuneration. However, if the Company has accumulated losses, the earnings shall first be offset against any deficit. Employees who are entitled to receive the aforementioned employee remuneration, in share or cash, include the employees of the Company's affiliated companies who meet certain conditions.

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

For the years ended December 31, 2024 and 2023, the Company estimated its employee remuneration at \$11,553 thousand and \$12,190 thousand, and directors' remuneration at \$51,988 thousand and \$54,856 thousand, respectively. The estimated amounts mentioned above are calculated based on the net profit before tax of each respective ending period, multiplied by the percentage of the remuneration to employees and directors as specified in the Company's article. The estimations are recorded under operating expenses and cost. The differences between the actual distributed amounts as determined by the Board of Directors and those recognized in the parent company only financial statements, if any, shall be accounted for as changes in accounting estimates and recognized in profit or loss in the following year. The amounts, as stated in the parent company only financial statements, are identical to those of the actual distributions for the years ended December 31, 2024 and 2023. The aforementioned remuneration to employees and directors are consistent to the estimated amounts disclosed in the Company's parent company only financial statements. The related information mentioned above can be accessed on the Market Observation Post System website.

(t) Non-operating income and expenses

(i) Interest income

The details of the Company's interest income for the years ended December 31, 2024 and 2023 were as follows:

	2024	2023
Interest income from bank deposits	\$ <u>784</u>	<u>241</u>

(ii) Other income

The details of the Company's other income for the years ended December 31, 2024 and 2023 were as follows:

	2024	2023
Other income — other	\$ <u>53</u>	<u>12</u>

(iii) Other gains and losses

The details of the Company's other gains and losses for the years ended December 31, 2024 and 2023 were as follows:

	2024	2023
Foreign exchange gains (losses), net	\$ 768	(26)
Other gains and losses	<u>(13,504)</u>	<u>(13,260)</u>
Net other gains and losses	\$ <u>(12,736)</u>	<u>(13,286)</u>

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

(iv) Finance costs

The details of the Company's finance costs for the years ended December 31, 2024 and 2023 were as follows:

	<u>2024</u>	<u>2023</u>
Interest expenses		
Interest expenses on bank's loans	\$ 68,577	57,646
Interest expenses on bonds payable	51,773	51,773
Interest expenses on lease liabilities	<u>114</u>	<u>86</u>
Finance costs, net	<u><u>\$ 120,464</u></u>	<u><u>109,505</u></u>

(u) Financial instruments

(i) Credit risk

1) Credit risk exposure

The maximum exposure to credit risk is mainly from the carrying amount of financial assets.

2) Concentration of credit risk

As of December 31, 2024 and 2023, the Company's accounts receivable balances were all generated from transaction with its related parties.

3) Credit risk of receivables and other financial assets at amortized cost

For the information of credit risk exposure for accounts receivable (including related parties), please refer to note 6(d).

Other financial assets at amortized cost include other receivables (including related parties), bank's time deposits and refundable deposits. All of these financial assets are considered to have low risk, and thus, the impairment provision recognized during the period was limited to 12 months expected losses. Regarding how the parent company only financial instruments are considered to have low credit risk, please refer to note 4(f).

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

(ii) Liquidity risk

The following are the contractual maturities of financial liabilities, including estimated interest payments but excluding the impact of netting agreements.

	Carrying amount	Contractual cash flows	Within a year	1-2 years	2-5 years	More than 5 years
December 31, 2024						
Non-derivative financial liabilities						
Secured loans	\$ 1,786,000	1,925,450	32,649	32,649	1,860,152	-
Unsecured loans	1,391,000	1,410,622	1,018,266	392,356	-	-
Short-term commercial paper payable	224,838	225,000	225,000	-	-	-
Other payable (including related parties)	217,522	217,522	217,522	-	-	-
Bonds payable	4,934,745	5,000,000	-	3,000,000	2,000,000	-
Lease liabilities	7,277	7,399	4,290	2,444	665	-
Other non-current liabilities	34,174	34,174	-	17,668	16,506	-
	<u>\$ 8,595,556</u>	<u>8,820,167</u>	<u>1,497,727</u>	<u>3,445,117</u>	<u>3,877,323</u>	<u>-</u>
December 31, 2023						
Non-derivative financial liabilities						
Secured loans	\$ 367,000	394,926	6,606	6,606	381,714	-
Unsecured loans	3,365,000	3,424,775	2,431,488	783,506	209,781	-
Short-term commercial paper payable	219,866	300,000	300,000	-	-	-
Other payable (including related parties)	197,938	197,938	197,938	-	-	-
Bonds payable	4,907,672	5,000,000	-	-	5,000,000	-
Lease liabilities	6,390	6,489	1,338	4,468	683	-
Other non-current liabilities	59,965	59,965	-	25,291	34,674	-
	<u>\$ 9,123,831</u>	<u>9,384,093</u>	<u>2,937,370</u>	<u>819,871</u>	<u>5,626,852</u>	<u>-</u>

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

iii) Currency risk

As of December 31, 2024 and 2023, the Company did not have financial assets or liabilities exposed to significant foreign currency risk. Consequently, the Company did not have significant foreign exchange gains and losses on monetary items.

(iv) Interest rate analysis

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

The following sensitivity analysis is based on the risk exposure to interest rates on derivative and non-derivative financial instruments on the reporting date. Regarding liabilities with variable interest rates, the analysis is based on the assumption that the amount of liabilities outstanding at the reporting date was outstanding throughout the year. The rate of change is expressed as the interest rate which increases or decreases by 1% when reporting to the internal management, which also represents the Company management's assessment of the reasonable interest rate change.

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

If the interest rate increases / decreases by 1%, the Company's net income before tax would have increased / decreased by \$25,416 thousand and \$29,856 thousand for the years ended December 31, 2024 and 2023, respectively. This is mainly due the the Company's short-term and long-term borrowings in various rates.

(v) Other market price risk

For the years ended December 31, 2024 and 2023, the Company did not have the material impact for the changes in the securities price at the reporting date.

(vi) Fair value information

1) Categories and fair value of financial instruments

The Company's financial assets at fair value through other comprehensive income is measured on a recurring basis. The carrying amount and fair value of the Company's financial assets and liabilities, including the information on fair value hierarchy, were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, cash and cash equivalents, financial assets at amortized cost, accounts receivable (including related parties), other receivable (including related parties), refundable deposit, short-term borrowings, short-term commercial paper payable, other payables (including related parties), long-term borrowings, lease liabilities and bonds payable, disclosure of fair value information is not required:

		December 31, 2024			
	Carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets measured at fair value through other comprehensive income					
Stocks listed on domestic markets	\$ 26,754	26,754	-	-	26,754
		December 31, 2024			
	Carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets measured at fair value through other comprehensive income					
Stocks listed on domestic markets	\$ 19,381	19,381	-	-	19,381

(Continued)

NAMCHOW HOLDINGS CO., LTD.

Notes to the Parent Company Only Financial Statements

- 2) Valuation techniques and assumptions used in fair value determination — non-derivative financial instruments

If there are quoted prices in the active markets for financial instruments, the fair value of those prices may be based on the quoted market prices. The market prices announced by Securities Exchange are the benchmarks of the fair value of equity instruments and liability instruments trading in active markets.

Stocks of listed Companies are financial assets possessing standard provision and trading in active markets. The fair values are determined based on the market quotes.

- 3) Fair value hierarchy

The Company used the fair value that can be observed in the market to measure the value of assets and liabilities. Fair value levels are based on the degree in which the fair value can be observed and grouped in to Levels 1 to 3 as follows:

- a) Level 1: quoted prices (unadjusted) in active markets for identified assets or liabilities.
- b) Level 2: inputs, other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- c) Level 3: inputs for assets or liabilities that are not based on observable market data (unobservable inputs).

There was no such situation that the Company reclassified the financial instruments from one level to another as of the reporting date.

- 4) Transferring between Level 1 and Level 2

For the years ended December 31, 2024 and 2023, there were no transfers between level 1 and level 2 by the Company.

(v) Financial risk management

(i) Overview

The Company has exposure to the following risks arising from its financial instruments:

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

Detailed information about exposure risk arising from the aforementioned risk, as well as the Company's objectives, policies, and processes for managing risks, are stated below. Further quantitative disclosures are provided in the notes to the parent company only financial statements.

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

(ii) Risk management framework

The Audit Committee and Board of Directors of the Company is full responsible for the establishment and management of the Company's risk management framework and policies. Management is responsible for developing and monitoring the Company's risk management policies and report regularly to the Audit Committee and Board of Directors on its activities.

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

The Company's Audit Committee and Board of Directors oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee and Board of Directors.

(iii) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities.

1) Accounts receivables and other receivables

The company is an investment holding company, and the accounts receivable and other receivables are all from related parties, and the management assesses that there is no risk of default.

2) Investments

The credit risk exposure in the bank deposits and other financial instruments is measured and monitored by the Company's finance department. Since those who transact with the Company are banks and other external parties with good credit standing, there are no non-compliance issues, and therefore, there is no significant credit risk.

3) Guarantees

The Company's policy allows it to provide financial guarantees to companies which it has business relationship with, as well as those companies who hold more than 50% of the voting rights of the company, either directly or indirectly. As of December 31, 2024 and 2023, the Company provided financial guarantees to its subsidiary, please refer to note 7 and note 13.

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

(iv) Liquidity risk

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

The Company aims to maintain the level of its cash and cash equivalents at an amount in excess of the expected cash flows on operating expenses and financial liabilities. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. As of December 31, 2024 and 2023, the unused credit facilities of the Company's bank loans amounted to \$5,642,000 thousand and \$6,909,330 thousand, respectively.

(v) Market risk

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

1) Interest rate risk

The interest rates of the Company's long-term and short-term borrowings are floating. Hence, changes in market conditions will cause fluctuations in the effective interest rate of the aforementioned loans. The Company's finance department monitors and measures potential changes in market conditions to achieve a fixed interest rate on the Company's loans.

2) Other market price risk

The Company does not enter into any commodity contracts other than to meet the Company's expected usage and sales requirements; such contracts are not settled on a net basis.

(w) Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consists of ordinary shares, capital surplus, retained earnings, and other equity interests of the Company. The Board of Directors monitors the return on capital as well as the level of dividends to ordinary shareholders.

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

The Company's debt-to-adjusted-capital ratio at the end of the reporting period were as follows:

	December 31, 2024	December 31, 2023
Total liabilities	\$ 10,125,900	10,552,853
Less: cash and cash equivalents	<u>7,366</u>	<u>14,495</u>
Net debt	<u>\$ 10,118,534</u>	<u>10,538,358</u>
Total equity	<u>\$ 11,796,469</u>	<u>9,827,363</u>
Debt-to-adjusted-capital ratio	<u>86 %</u>	<u>107 %</u>

As of December 31, 2024, there was no changes in the Company's approach of capital management.

(x) Investing and financing activities not affecting the current cash flow

The Company's investing and financing activities which did not affect the current cash flow for the years ended December 31, 2024 and 2023, were as follows:

- (i) For the acquisition of right-of-use assets, please refer to note 6(i).
- (ii) Reconciliation of liabilities arising from financing activities were as follows:

	January 1, 2024	Cash flows	Non-cash changes	December 31, 2024
			Acquisition of right-of- use assets	Others
Short-term borrowings	\$ 2,105,000	(1,094,000)	-	-
Short-term commercial paper payable	219,866	5,000	-	(28)
Bonds payable	4,907,672	-	-	27,073
Long-term borrowings (including current portion)	1,627,000	539,000	-	-
Lease liabilities	6,390	(4,528)	5,415	-
Other non-current liabilities	<u>59,965</u>	<u>(25,791)</u>	<u>-</u>	<u>-</u>
Total liabilities from financing activities	<u>\$ 8,925,893</u>	<u>(580,319)</u>	<u>5,415</u>	<u>27,045</u>
			<u>8,378,034</u>	

	January 1, 2023	Cash flows	Non-cash changes	December 31, 2023
			Acquisition of right-of- use assets	Others
Short-term borrowings	\$ 340,000	1,765,000	-	-
Short-term commercial paper payable	299,909	(80,000)	-	(43)
Bonds payable	4,880,600	-	-	27,072
Long-term borrowings (including current portion)	2,816,000	(1,189,000)	-	-
Lease liabilities	4,592	(3,244)	5,042	-
Other non-current liabilities	<u>85,879</u>	<u>(25,914)</u>	<u>-</u>	<u>-</u>
Total liabilities from financing activities	<u>\$ 8,426,980</u>	<u>466,842</u>	<u>5,042</u>	<u>27,029</u>
			<u>8,925,893</u>	

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

(7) Related-party transactions

(a) Parent company and ultimate controlling party

The Company is the ultimate controlling party of the Company and subsidiaries.

(b) Names and relationship with related parties

The followings are the Company's subsidiaries and entities that have transactions with the Company during the periods covered in the parent company only financial statements.

<u>Name of related parties</u>	<u>Relationship with the Company</u>
Namchow (Thailand) Ltd. (Namchow Thailand)	The Company's subsidiary
Mostro (Thailand) Ltd. (Mostro)	The Company's subsidiary
Nacia International Corp. (Nacia)	The Company's subsidiary
Chow Ho Enterprise Co., Ltd. (Chow Ho)	The Company's subsidiary
Lucky Royal Co., Ltd. (Lucky Royal)	The Company's subsidiary
Nankyo Japan Co., Ltd. (Nankyo Japan)	The Company's subsidiary
Namchow Consulting Company, Ltd. (Namchow Consulting)	The Company's subsidiary
Namchow Oil and Fat Co., Ltd. (Namchow Oil Fat)	The Company's subsidiary
Huaciang Industry Co., Ltd. (Huaciang)	The Company's subsidiary
Navigator Business Publications Co., Ltd. (NBP)	The Company's subsidiary
Namchow (British Virgin Island) Ltd. (Namchow BVI)	The Company's subsidiary
Dian Shui Lou Restaurant Business Co., Ltd. (Dian Shui Lou)	The Company's subsidiary
Namchow Gastronomy Consulting Company, Ltd. (Namchow Gastronomy Consulting)	The Company's subsidiary (The company was liquidated completely on November 15, 2024)
Shanghai Bao Lai Na Company Limited. (Bao Lai Na)	The Company's subsidiary
Namchow (Cayman Islands) Holding Corp. (Namchow Cayman)	The Company's subsidiary
Shanghai Qiaohao Trading Co., Ltd. (Shanghai Qiaohao)	The Company's subsidiary
Shanghai Qiaohao Enterprise Management Co., Ltd. (Shanghai Qiaohao Enterprise Management)	The Company's subsidiary
Shanghai Qiaohao Food Co., Ltd. (Shanghai Qiaohao Food)	The Company's subsidiary
Tianjin Qiaohao Food Co., Ltd. (Tianjin Qiaohao Food)	The Company's subsidiary
Shanghai Qizhi Business Consulting Co., Ltd. (Shanghai Qizhi)	The Company's subsidiary

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

<u>Name of related parties</u>	<u>Relationship with the Company</u>
Namchow Food Group (Shanghai) Co., Ltd. (Namchow Food)	The Company's subsidiary
Shanghai Namchow Food co., Ltd. (Shanghai Namchow)	The Company's subsidiary
Tianjin Namchow Food Co., Ltd. (Tianjin Namchow)	The Company's subsidiary
Guangzhou Namchow Food Co., Ltd. (Guangzhou Namchow)	The Company's subsidiary
Chongqing Qiaoxing Co., Ltd. (Chongqing Qiaoxing)	The Company's subsidiary
Wuhan Qiaoxing Co., Ltd. (Wuhan Qiaoxing)	The Company's subsidiary
Namchow Trading Singapore Pte.,Ltd (Namchow Singapore)	The Company's subsidiary
Chongqing Namchow Food Co., Ltd. (Chongqing Namchow)	The Company's subsidiary
Namchow Trading HongKong Limited (Namchow HongKong)	The Company's subsidiary
Namchow Food (Thailand) Co., Ltd. (Namchow Bangkok)	The Company's subsidiary
Tianjin Yoshi Yoshi Food Co., Ltd. (Tianjin Yoshi Yoshi)	The Company's subsidiary
Guangzhou Yoshi Yoshi Food Co., Ltd. (Guangzhou Yoshi Yoshi)	The Company's subsidiary
Hwa Zhin Co., Ltd.	The entity's chairman is the Company's chairman
Key management personnel	The Company's key management personnel

(c) Significant transactions with related parties

(i) Management consulting service revenue (recorded under operating revenue)

The Company provided management consulting service to its related parties, and the management consulting revenue collected from its related parties were as follows:

	<u>2024</u>	<u>2023</u>
Subsidiaries:		
Namchow Thailand	\$ -	2,864
Namchow Oil	750	750
Other subsidiaries	<u>743</u>	<u>743</u>
	<u>\$ 1,493</u>	<u>4,357</u>

The Company provided management consulting services to its related parties. The pricing and payment terms were negotiated and agreed upon by both parties.

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

(ii) Rental income (recorded under operating revenue)

The Company rents buildings to its related parties, and the amounts of rental income collected from its related parties were as follows:

	<u>2024</u>	<u>2023</u>
Subsidiaries:		
Namchow Oil	\$ 29,664	24,876
Huaciang Co.	19,602	18,216
Other subsidiaries	<u>13,040</u>	<u>10,720</u>
	<u><u>\$ 62,306</u></u>	<u><u>53,812</u></u>

The Company engaged in leasing transaction with the aforementioned related parties. The rent charged to its related parties is determined based on the rental rates in nearby areas and is collected either quarterly or monthly.

(iii) Property transaction

<u>Relationship with the Company</u>	<u>Object</u>	<u>Number of shares (thousand of shares)</u>	<u>Disposal price</u>	<u>Gain / Loss from disposal</u>
Other related parties	Shares	66	\$ 4,040	(Note)
The Company's key management personnel	Shares	6,844	417,505	(Note)

Note: In order to prepare for the listing of the subsidiary, Lucky Royal, the Company disposed the shares of Lucky Royal to other related parties and the key management personnel in September, 2024. Gains from disposal of the above transaction were recognized under capital surplus. There was no such transaction for the year ended December 31, 2023. The release of Lucky Royal's shares, please refer to note 6(g).

(iv) Others

Lucky Royal was awarded the Company's cash dividends amounting to \$114,700 thousand and \$91,760 thousand for the years ended December 31, 2024 and 2023, respectively. As of December 31, 2024 and 2023, the aforementioned dividends payable have been paid.

(v) Guarantees

As of December 31, 2024 and 2023, the Company provided guarantees for the bank loans for Nankyo Japan. The credit limits of guarantees were \$1,104,480 thousand and \$1,002,090 thousand, respectively.

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

(vi) Receivable from related parties

As the result of the aforementioned transactions and combined income tax return, the details of the Company's receivables from its related parties were as follows:

<u>Accounts</u>	<u>Type of related parties</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Accounts receivable — related parties	Subsidiaries:		
	Lucky Royal	\$ 1,457	1,449
	Other subsidiaries	<u>360</u>	<u>496</u>
		<u>1,817</u>	<u>1,945</u>
Other receivables — related parties	Subsidiaries		
	Namchow Oil	39,523	32,714
	Other subsidiaries	<u>392</u>	<u>32</u>
		<u>39,915</u>	<u>32,746</u>
		<u>\$ 41,732</u>	<u>34,691</u>

(vii) Payable to related parties

As the result of the combined income tax return and other transactions, the details of the Company's payables to its related parties were as follows:

<u>Accounts</u>	<u>Type of related parties</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Other payables — related parties	Subsidiaries		
	Huaciang	\$ 3,807	321
	Other subsidiaries	<u>244</u>	<u>68</u>
		<u>\$ 4,051</u>	<u>389</u>

(d) Key management personnel compensation

Key management personnel compensation comprised the following:

	<u>2024</u>	<u>2023</u>
Short-term employee benefits	\$ 188,082	165,646
Post-employments benefits	<u>1,603</u>	<u>1,399</u>
	<u>\$ 189,685</u>	<u>167,045</u>

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

(8) Pledged assets

The Company's carrying amounts of pledged assets were as follows:

Pledged assets	Object	December 31, 2024	December 31, 2023
Property, plant and equipment:			
Land	Long-term borrowings	\$ 1,084,368	1,084,368
Buildings	Long-term borrowings	<u>26,287</u>	<u>28,056</u>
		1,110,655	1,112,424
Investment property:			
Buildings	Long-term borrowings	<u>65,383</u>	<u>67,671</u>
		<u>\$ 1,176,038</u>	<u>1,180,095</u>

(9) Commitments and contingencies

- (a) As of December 31, 2024 and 2023, the Company provided guarantee notes for bank loan facilities amounting to \$11,709,625 thousand and \$12,268,625 thousand, respectively.
- (b) The Company's subsidiaries, Dian Shui Lou, Shanghai Qiaohao and Shanghai Qiaohao Food have negotiated a line of credit with different banks for their operational needs. According to the banks' requirements, the Company must issue a letter of support and commit to exercising its shareholders' rights over the borrowers to ensure they fulfill their financial obligations.

(10) Losses Due to Major Disasters: None.

(11) Subsequent Events: None.

(12) Other

A summary of current-period employee benefits, depreciation, and amortization, by function, is as follows:

By nature	By function	For the Year ended December 31, 2024			For the Year ended December 31, 2023		
		Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits							
Salary		-	202,083	202,083	-	165,679	165,679
Labor and health insurance		-	9,207	9,207	-	8,027	8,027
Pension		-	4,385	4,385	-	4,768	4,768
Remuneration of directors		-	55,026	55,026	-	57,312	57,312
Others		-	3,751	3,751	-	2,961	2,961
Depreciation		-	10,237	10,237	-	8,750	8,750
Amortization		-	-	-	-	-	-

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

For the years ended December 31, 2024 and 2023, the Company's depreciation expenses recognized under non-operating income and expenses—other gains and losses amounting to \$10,624 thousand and \$10,656 thousand, respectively.

The Company's number of employees for the years ended December 31, 2024 and 2023 and additional information employee benefits were as follows:

	<u>2024</u>	<u>2023</u>
Number of employees	<u>56</u>	<u>59</u>
Number of directors who were not employees	<u>7</u>	<u>7</u>
The average employee benefit	<u>\$ 4,478</u>	<u>3,489</u>
The average salaries and wages	<u>\$ 4,124</u>	<u>3,186</u>
The average of employee salary cost adjustment as follows	<u>29.44 %</u>	
Supervisors compensation	<u>\$ -</u>	<u>-</u>

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

- (a) According to the Company's articles of incorporation, the policy for the remuneration to directors' policy is as follows:
 - (i) Article 18: The Company has 5 to 9 board directors, who are to be elected among capable individuals during the shareholders meetings to serve a tenure of 3 years and may be re-elected to serve for multiple terms. The directors are entitled to transportation reimbursements that have to be paid regardless of gains or losses incurred by the Company.
 - (ii) Article 19: The directors shall form the Board of Directors and shall elect among themselves one Chairman and one Vice Chairman with paid salaries regardless of gains or losses incurred by the Company.
- (b) The Remuneration Committee evaluates and decides on the remuneration payment policy according to the Company's management strategy, manpower utilization policy, as well as payment capability. It also establishes and periodically reviews the remuneration levels for directors, supervisors, and managers of the Company to be submitted for approval during the Board meeting based on the "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter" and "Regulations of the Company Remuneration Committee".

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

(13) Other disclosures

(a) Information on significant transactions:
The following is the information on the Company's significant transactions required by the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" for the year ended December 31, 2024:

(i) Loans to other parties:

Unit: thousand dollars

No.	Name of lender	Name of borrower	Financial statement account	Related party	Highest balance of financing to other parties during the year (Note 1)	Ending balance (Note 1)	Amount actually drawn	Range of interest rates	Purposes of fund financing for the borrowers	Transaction amount for business between two parties	Reasons for short-term financing	Allowance for bad debt	Collateral		Financing limit for each borrowing company (Note 1)	Maximum financing limit for the lender (Note 1)
													Item	Value		
1	Namchow Food Co.	Tianjin Namchow Co.	Other receivables — related parties	Yes	1,175,788	206,785	206,785		Short term financing	-	Capital for operation	-	-	-	6,175,359	6,175,359
1	Namchow Food Co.	Guangzhou Namchow Co.	Other receivables — related parties	Yes	1,674,663	569,265	569,265		Short term financing	-	Capital for operation	-	-	-	6,175,359	6,175,359
1	Namchow Food Co.	Shanghai Namchow Co.	Other receivables — related parties	Yes	1,167,632	62,686	62,686		Short term financing	-	Capital for operation	-	-	-	6,175,359	6,175,359

Note 1: Base on the Namchow Food Co.'s guidelines, the allowable aggregate amount of financing provided to others and the maximum financing provided to an individual company cannot exceed 40% of the Namchow Food Co.'s stockholder's equity.

(ii) Guarantees and endorsements for other parties:

Unit: thousand dollars

No.	Name of company	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for one party (Note 2)	Highest balance for guarantees and endorsements during the year	Ending balance of guarantees and endorsements	Amount actually drawn	Property pledged on guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum allowable amount for guarantees and endorsements (Note 2)	Parent company endorsement / guarantees to third parties on behalf of subsidiary	Subsidiary endorsement / guarantees to third parties on behalf of parent company	Endorsements/ guarantees to third parties on behalf of company in Mainland China
		Name	Relationship with the Company (Note 1)										
0	The Company	Nankyo Japan Co.	2	11,796,469	1,139,010	1,104,480	445,618	-	9.36 %	11,796,469	Y	N	N

Note 1: The guarantee's relationship with the guarantor is as follows:
(1) A company that has business transaction with another company.
(2) A public company which, directly or indirectly, holds more than 50 percent of the voting shares.
(3) A company that, directly or indirectly, holds more than 50 percent of the voting shares in the public company.
(4) A public company which, directly or indirectly, holds 90% or more of the voting shares.
(5) A company that fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project.
(6) A company wherein all its capital contributing shareholders can make endorsements/ guarantees for their jointly invested company in proportion to their shareholding percentages.
(7) Companies within the same industry that provide joint and several security among themselves for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act.

Note 2: According to the Company's guarantee and endorsement policies, the total guarantee and endorsement not exceed 100% of the Company's net worth, while the total guarantees and endorsements for an individual party not exceed 100% of the Company's net worth.

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

Unit: thousand dollars / thousand shares

Name of holder	Nature and name of security	Relationship with the security issuer	Account name	Ending balance				Remarks
				Number of shares	Book value	Holding percentage	Market value	
The Company	Stock: Capital Securities Co., Ltd.	—	Financial assets at fair value through comprehensive income — non-current	1,085	26,754	0.05 %	26,754	
Lucky Co.	Stock: The Company	The Company	Financial assets at fair value through comprehensive income — non-current	46,041	2,290,553	15.65 %	2,290,553	
Lucky Co.	Stock: Capital Securities Co., Ltd.	—	Financial assets at fair value through comprehensive income — non-current	277	6,840	0.0128 %	6,840	

NAMCHOW HOLDINGS CO., LTD.

Notes to the Parent Company Only Financial Statements

- (iv) Individual securities acquired or disposed of with accumulated amount exceeding the lower of NT\$300 million or 20% of the capital stock:

Unit: thousand dollars / thousand shares

Name of company	Category and name of security	Account name	Name of counter-party	Relationship with the company	Beginning Balance		Purchases		Sales				Others adjustment (Note 2)	Ending Balance	
					Shares	Amount	Shares	Amount	Shares	Price	Cost	Gain (loss) on disposal (Note 1)		Shares	Amount
The Company	Stock: Lucky Royal	Investments accounted for under equity method.	Shareholders or specific person	-	95,338	938,643	-	-	21,101	1,283,303	222,783	1,060,520	317,244	48,657	398,616

Note 1: Gains from disposal was recognized as capital surplus.

Note 2: It included the amount of proceeds from capital reduction \$255,797 thousand (\$25,580 thousand shares), exchange differences on translation of foreign financial statements, dividends received, share of profit of subsidiaries accounted for using equity method, and remeasurements of defined benefit obligations.

- (v) Acquisition of individual real estate with amount exceeding the lower of NT\$300 million or 20% of the capital stock: None.
- (vi) Disposal of individual real estate with amount exceeding the lower of NT\$300 million or 20% of the capital stock: None.
- (vii) Related-party transactions for purchases and sales with amounts exceeding the lower of NT\$300 million or 20% of the capital stock:

Unit: thousand dollars

Name of company	Counter-party	Relationship	Transaction details				Status and reason for deviation from arm's-length transaction		Accounts / notes receivable (payable)		Remarks
			Purchase / Sale	Amount	Percentage of total purchases / sales	Credit period	Unit price	Credit period	Balance	Percentage of total accounts / notes receivable (payable)	
Lucky Co.	Huaciang Co.	Subsidiary	Purchase	108,470	12 %	Note	-		(438)	- %	
Huaciang Co.	Lucky Co.	Subsidiary	(Sales)	(108,470)	(7) %	Note	-		438	- %	
Huaciang Co.	Namchow Oil and Fat Co.	Subsidiary	Purchase	123,186	21 %	Note	-		(23,490)	(7) %	
Namchow Oil and Fat Co.	Huaciang Co.	Subsidiary	(Sales)	(123,186)	(6) %	Note	-		23,490	26 %	
Shanghai Qiaohao Trade Co.,Ltd	Shanghai Qiaohao Food Co.	Subsidiary	Purchase	170,824	130 %	Note	-		(7,563)	(99) %	
Shanghai Qiaohao Food Co.	Shanghai Qiaohao Trade Co.,Ltd	Subsidiary	(Sales)	(170,824)	(90) %	Note	-		7,563	69 %	
Tianjin Yoshi Yoshi Co.	Tianjin Namchow Co.	Subsidiary	Purchase	337,295	66 %	Note	-		(42,255)	(56) %	
Tianjin Namchow Co.	Tianjin Yoshi Yoshi Co.	Subsidiary	(Sales)	(337,295)	(13) %	Note	-		42,255	15 %	
Namchow Food Co.	Tianjin Namchow Co.	Subsidiary	Purchase	1,821,644	20 %	Note	-		(191,210)	(27) %	
Tianjin Namchow Co.	Namchow Food Co.	Subsidiary	(Sales)	(1,821,644)	(70) %	Note	-		191,210	68 %	
Namchow Food Co.	Guangzhou Namchow Co.	Subsidiary	Purchase	1,546,365	17 %	Note	-		(16,324)	(2) %	
Guangzhou Namchow Co.	Namchow Food Co.	Subsidiary	(Sales)	(1,546,365)	(48) %	Note	-		16,324	7 %	
Namchow Food Co.	Tianjin Yoshi Yoshi Co.	Subsidiary	Purchase	464,684	5 %	Note	-		(60,141)	(8) %	
Tianjin Yoshi Yoshi Co.	Namchow Food Co.	Subsidiary	(Sales)	(464,684)	(68) %	Note	-		60,141	65 %	
Namchow Food Co.	Shanghai Namchow Co.	Subsidiary	Purchase	181,220	9 %	Note	-		(73,376)	(28) %	
Shanghai Namchow Co.	Namchow Food Co.	Subsidiary	(Sales)	(181,220)	(2) %	Note	-		73,376	10 %	
Shanghai Namchow Co.	Namchow Food Co.	Subsidiary	Purchase	2,212,982	24 %	Note	-		-	- %	
Namchow Food Co.	Shanghai Namchow Co.	Subsidiary	(Sales)	(2,212,982)	(78) %	Note	-		-	- %	
Chongqing Qiaoxing Co.	Tianjin Namchow Co.	Subsidiary	Purchase	347,526	7 %	Note	-		(31,276)	(4) %	
Tianjin Namchow Co.	Chongqing Qiaoxing Co.	Subsidiary	(Sales)	(347,526)	(13) %	Note	-		31,276	11 %	
Chongqing Qiaoxing Co.	Tianjin Yoshi Yoshi Co.	Subsidiary	Purchase	213,952	4 %	Note	-		(27,359)	(3) %	
Tianjin Yoshi Yoshi Co.	Chongqing Qiaoxing Co.	Subsidiary	(Sales)	(213,952)	(31) %	Note	-		27,359	30 %	
Chongqing Qiaoxing Co.	Shanghai Namchow Co.	Subsidiary	Purchase	523,306	11 %	Note	-		(62,672)	(8) %	

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

Name of company	Counter-party	Relationship	Transaction details				Status and reason for deviation from arm's-length transaction		Accounts / notes receivable (payable)		Remarks
			Purchase / Sale	Amount	Percentage of total purchases / sales	Credit period	Unit price	Credit period	Balance	Percentage of total accounts / notes receivable (payable)	
Shanghai Namchow Co.	Chongqing Qiaoxing Co.	Subsidiary	(Sales)	(523,306)	(18) %	Note	-		62,672	92 %	
Chongqing Qiaoxing Co.	Guangzhou Namchow Co.	Subsidiary	Purchase	937,898	19 %	Note	-		(15,871)	(2) %	
Guangzhou Namchow Co.	Chongqing Qiaoxing Co.	Subsidiary	(Sales)	(937,898)	(29) %	Note	-		15,871	7 %	
Guangzhou Yoshi Yoshi Co.	Guangzhou Namchow Co.	Subsidiary	Purchase	692,482	70 %	Note	-		(189,843)	(71) %	
Guangzhou Namchow Co.	Guangzhou Yoshi Yoshi Co.	Subsidiary	(Sales)	(692,482)	(22) %	Note	-		189,843	84 %	
Namchow Food Co.	Guangzhou Yoshi Yoshi Co.	Subsidiary	Purchase	864,385	9 %	Note	-		(101,762)	(14) %	
Guangzhou Yoshi Yoshi Co.	Namchow Food Co.	Subsidiary	(Sales)	(864,385)	(65) %	Note	-		101,762	51 %	
Chongqing Qiaoxing Co.	Guangzhou Yoshi Yoshi Co.	Subsidiary	Purchase	454,629	9 %	Note	-		(99,435)	(13) %	
Guangzhou Yoshi Yoshi Co.	Chongqing Qiaoxing Co.	Subsidiary	(Sales)	(454,629)	(34) %	Note	-		99,435	49 %	
Namchow Food Co.	Chongqing Qiaoxing Co.	Subsidiary	Purchase	2,419,251	26 %	Note	-		(340,305)	(48) %	
Chongqing Qiaoxing Co.	Namchow Food Co.	Subsidiary	(Sales)	(2,419,251)	(41) %	Note	-		340,305	58 %	

Note: Depending on capital movement motor adjustment.

(viii) Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20% of the capital stock:

Unit: thousand dollars

Name of related party	Counter-party	Relationship	Balance of receivables from related party	Turnover rate	Overdue amount		Amounts received in subsequent period	Allowances for bad debts
					Amount	Action taken		
Tianjin Namchow Co.	Namchow Food Co.	Subsidiary	191,210	9.82	-		191,210 (As of March 11, 2025)	-
Guangzhou Yoshi Yoshi Co.	Namchow Food Co.	Subsidiary	101,762	18.37	-		101,762 (As of March 11, 2025)	-
Guangzhou Namchow Co.	Guangzhou Yoshi Yoshi Co.	Subsidiary	189,843	2.21	-		189,843 (As of March 11, 2025)	-
Chongqing Qiaoxing Co.	Namchow Food Co.	Subsidiary	340,305	8.31	-		340,305 (As of March 11, 2025)	-
Namchow Food Co.	Tianjin Namchow Co.	Subsidiary	206,785	-	-		- (As of March 11, 2025)	-
Namchow Food Co.	Guangzhou Namchow Co.	Subsidiary	569,265	-	-		- (As of March 11, 2025)	-

(ix) Trading in derivative instruments

The Company uses derivative financial instruments to manage the exposures due to fluctuations of foreign exchange risk from its operating activities. As of December 31, 2024, Namchow Thailand reported the following derivatives financial instruments as financial assets at fair value through profit or loss without the application of hedge accounting.

	December 31, 2024		
	Contract amount (in thousands)	Currency	Expiry date
Forward exchange sold	\$ 13,000	USD	2025.05~2025.06
			Fair value assets
			3,675

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

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

Unit: thousand dollars / thousand shares											
Name of investor	Name of investee	Address	Scope of business	Original cost		Ending balance			Net income (losses) of investee	Investment income (losses)	Remarks
				December 31, 2024	December 31, 2023	Shares	Percentage of ownership	Book value			
The Company	Namchow Thailand	Bangkok, Thailand	Manufacturing and selling instant noodles and rice cracker	1,027,405	1,027,405	9,245	100.00 %	4,226,862	619,096	619,096	
The Company	Mostro	Bangkok, Thailand	Manufacturing and selling food	10,201	10,201	100	100.00 %	10,525	15,351	15,351	
The Company	Nacia Co.	Tortola, British Virgin Islands	Holding of investments	343,443	343,443	1	100.00 %	13,498,100	531,565	531,565	
The Company	Chow Ho Co.	Taipei, Taiwan	Catering services, food and beverage retailing, and frozen food manufacturing	156,500	137,000	2,900	100.00 %	23,135	(6,072)	(6,068)	
The Company	Lucky Co.	Taipei, Taiwan	Manufacturing, selling and processing various food and beverage products	486,572	953,335	48,657	69.51 %	398,616	377,680	243,961	
The Company	NBP Co.	Taipei, Taiwan	Publishing, distributing and selling printed publications	6,792	792	690	98.57 %	4,740	(1,476)	(1,453)	
The Company	Nankyo Japan Co.	Tokyo, Japan	Catering services, Bistro and wine-selling	900,269	690,580	- (Note 2)	100.00 %	214,351	(85,669)	(85,669)	
The Company	Namchow Consulting Co.	Taipei, Taiwan	Catering services, food and beverage retailing and other consulting	21,200	9,200	1,700	100.00 %	13,768	(2,858)	(2,859)	
The Company	Namchow Oil and Fat Co.	Taipei, Taiwan	Manufacturing, processing and selling of edible oil and frozen dough	411,731	411,731	41,173	100.00 %	700,454	177,166	179,068	
The Company	Huaciang Co.	Taipei, Taiwan	Manufacturing, processing and selling of dish and laundry liquid detergent as well as frozen food	792,341	792,341	70,000	100.00 %	681,988	37,476	37,380	
Lucky Co.	Namchow BVI Co.	Tortola, British Virgin Islands	Holding of investments	-	293,793	-	- %	-	(12,054)	(11,249)	(Note 3)
Lucky Co.	Namchow Gastronomy Consulting Co.	Taipei, Taiwan	Catering services and food consulting	-	18,300	-	- %	-	-	-	(Note 4)
Huaciang Co.	Dian Shui Lou Co.	Taipei, Taiwan	Liquor importing and retailing	20,135	20,135	13,100	100.00 %	35,649	10,898	10,898	
Huaciang Co.	Namchow BVI Co.	Tortola, British Virgin Islands	Holding of investments	72,270	-	6,705	93.32 %	88,793	21,242	19,824	(Note 3)
Nacia Co.	Namchow Cayman Co.	Gayman Islands British West Indies.	Holding of investments	2,522,207	2,522,207	35,378	100.00 %	13,478,957	530,357	530,357	
Namchow Food Co.	Namchow Singapore Pte.	Singapore	The sales service of baking oil and fat product	30,517	30,517	-	82.23 %	22,943	4,400	3,596	
Namchow Food Co.	Namchow HongKong Co.	HongKong	The sales service of baking oil and fat product	31,408	31,408	-	82.23 %	24,485	(1,262)	(1,030)	
Namchow Food Co.	Namchow Bangkok Co.	Bangkok, Thailand	Manufacturing and selling of baking oil and fat product	95,366	95,366	-	81.41 %	64,707	(24,066)	(19,526)	
Guangzhou Namchow Co.	Namchow Bangkok Co.	Bangkok, Thailand	Manufacturing and selling of baking oil and fat product	964	964	-	0.82 %	654	(24,066)	(197)	

Note 1: Its investment gain and loss are also recognized by Namchow Co.
Note 2: The Company holds the shares in subsidiaries Nankyo Japan Co. totaling 6 shares.
Note 3: In response to the Group's reorganization, Lucky Co. has separately signed equity transfer agreements with Huaciang Co. and the Company to sell all of its shares in Dian Shui Lou Co. and NBP Co..
Note 4: A resolution was passed during the board of directors meeting of Namchow Gastronomy Consulting held on December 21, 2023 and decided January 9, 2024 as the date of its disband. Since Lucky Royal had lost control over Gastronomy Consulting, the Group no longer included Namchow Gastronomy Consulting in its consolidated financial statements. Namchow Gastronomy Consulting has completed its liquidation process on November 15, 2024.

(c) Information on investment in mainland China:
(i) The names of investees in Mainland China, the main businesses and products, and other information:

Unit: thousand dollars												
Name of investee in Mainland China	Scope of business	Issued capital	Method of investment (Note 1)	Cumulative investment (amount) from Taiwan as of January 1, 2024	Investment flow during current period		Cumulative investment (amount) from Taiwan as of December 31, 2024	Net income (losses) of investee	Direct / indirect investment holding percentage	Investment income (loss) (note 2)	Book value as of December 31, 2024	Accumulated remittance of earnings in current period
					Remittance amount	Repatriation amount						
Shanghai Qiaohao Co.	Holding of investments and international trade	1,262,581	(3)	-	-	-	-	(132,103)	100.00 %	(132,103) (2)b.	332,711	-
Shanghai Qiaohao Enterprise Management Co.	Business management and investment consulting	961	(3)	-	-	-	-	-	100.00 %	- (2)b.	896	-
Shanghai Qiaohao Food Co.	Food packaging, selling and trading of restaurant equipment and trading	925,111	(3)	-	-	-	-	(83,850)	100.00 %	(83,850) (2)b.	342,508	-
Tianjin Qiaohao Food Co.	Food packaging, selling and trading of restaurant equipment and trading	90,836	(3)	-	-	-	-	(4,116)	100.00 %	(4,116) (2)b.	10,169	-
Namchow Food Co.	Food packaging, dairy product and product purchasing management and selling	1,134,770	(3)	-	-	-	-	898,947	82.23 %	723,648 (2)a.	12,823,022	1,282,626
Tianjin Namchow Co.	Manufacturing and selling of edible fat	936,498	(3)	372,813	-	-	372,813	318,568	82.23 %	259,876 (2)a.	2,734,572	45,974
Tianjin Yoshi Yoshi Co.	Developing , manufacturing, and selling of dairy products and related services	136,840	(3)	-	-	-	-	213,295	82.23 %	174,053 (2)a.	1,125,906	-
Guangzhou Yoshi Yoshi Co.	Developing , manufacturing, and selling of dairy products and related services	452,150	(3)	-	-	-	-	200,545	82.23 %	163,716 (2)a.	740,564	-
Guangzhou Namchow Co.	Manufacturing and selling of edible fat	644,246	(3)	-	-	-	-	281,127	82.23 %	229,394 (2)a.	1,875,814	279,529
Shanghai Namchow Co.	Selling, developing, manufacturing and processing of fats and frozen food	1,107,453	(3)	-	-	-	-	36,930	82.23 %	30,000 (2)a.	1,666,730	-
Chongqing Qiaoxing Co.	Food packaging dairy product and product purchasing management and selling	94,200	(3)	-	-	-	-	211,278	82.23 %	172,526 (2)a.	844,720	-
Wuhan Qianxing CO.	The technical service of baking oil and fat product	215,250	(3)	-	-	-	-	1,515	82.23 %	1,245 (2)a.	182,998	-
Chongqing Namchow Co.	Manufacturing and processing of light cream and frozen dough	1,445,967	(3)	-	-	-	-	18,204	82.23 %	14,877 (2)a.	1,247,855	-

(Continued)

NAMCHOW HOLDINGS CO., LTD.
Notes to the Parent Company Only Financial Statements

Name of investee in Mainland China	Scope of business	Issued capital	Method of investment (Note 1)	Cumulative investment (amount) from Taiwan as of January 1, 2024	Investment flow during current period		Cumulative investment (amount) from Taiwan as of December 31, 2024	Net income (losses) of investee	Direct / indirect investment holding percentage	Investment income (loss) (note 2)	Book value as of December 31, 2024	Accumulated remittance of earnings in current period
					Remittance amount	Repatriation amount						
Shanghai Qizhi Co.	Business management and investment consulting service	4,541	(3)	-	-	-	-	178	100.00 %	178 ((2)b.)	9,015	-
Bao Lai Na Co.	Multinational eateries, and the promotion, and management of self-made beers	112,018	(3)	226,649	-	-	226,649	9,783	93.32 %	9,130 ((2)c.)	84,147	35,967

- Note 1: The method of investment is divided into the following four categories:
- (1) Remittance from third-region companies to invest in Mainland China.
 - (2) Through the establishment of third-region companies then investing in Mainland China.
 - (3) Through transferring the investment to third-region existing companies then investing in Mainland China.
 - (4) Other methods: EX: delegated investments.
- Note 2: Amount of investment income (loss) was recognized base on:
- (1) There is no investment income for the preparatory case.
 - (2) Investment gains and losses were based on three basic:
 - a. The financial statements audited by an international accounting firm that has a cooperative relationship with accounting firms of the Republic of China.
 - b. The financial statements audited by the auditors of the parent company.
 - c. Others: the financial statements audited by the auditors of the local accounting firm, and the working papers were reviewed by the auditors of the parent company.

(ii) Limitation on investment in Mainland China:

Company name	Accumulated investment amount in Mainland China as of December 31, 2024	Investment (amount) approved by Investment Commission, Ministry of Economic Affairs	Maximum investment amount set by Investment Commission, Ministry of Economic Affairs
The Company	372,813	3,783,667	7,077,881
Huaciang Co.	72,270	72,270	407,350
Lucky Co.	154,379	194,406	1,890,242

Note: Huaciang's Board of Directors approved to acquire 93.32% shares in Namchow BVI from Lucky Royal on February 29, 2024. The acquisition price of above transaction amounted to \$72,270 thousand. The original investment amount which was approved by the Department of Investment Review, Ministry of Economic Affairs, R.O.C. will be cancelled upon being submitted to Department of Investment Review, Ministry of Economic Affairs, R.O.C.. for reference.

(iii) Significant transactions: None.

(d) Major shareholders:

Unit: Shares

Shareholder's Name	Shareholding	Shares	Percentage
Lucky Royal Co., Ltd.		46,041,259	15.65 %
Chen Fei Lung		33,814,934	11.49 %
Chen, Yu-Wen		32,541,619	11.06 %

- Note: (i) The information on major shareholders, which is provided by the Taiwan Depository & Clearing Corporation, summarized the shareholders who held over 5% of total non-physical common stocks and preferred stocks (including treasury stocks) on the last business date of each quarter. The registered non-physical stocks may be different from the capital stocks disclosed in the financial statement due to different calculation basis.
- (ii) If shares are entrusted, the above information regarding such shares will be revealed by each trustors using the individual trust accounts opened by the trustees. As for shareholders who are required by the Securities and Exchange Act to declare their equity of more than 10% of the total shares of the Company, their shareholdings include their own shares plus the shares of the trusts they have entrusted and have the right to decide on the use of the trust's assets. For details of the insider's equity announcement, please refer to Market Observation Post System.

(14) Segment information

Please refer to the year ended December 31, 2024 consolidated financial statements.

Namchow Holdings Co., Ltd.

Statement of cash and cash equivalents

December 31, 2024

(All amounts expressed in thousands of New Taiwan Dollars)

Item	Description	Amount
Cash	Cash on hand	\$ <u>50</u>
Bank deposits	Checking deposits	4,791
	Savings deposits	1,201
	Foreign currency deposits (USD 39 thousand @32.785)	1,283
	EUR 1thousand @34.140	32
	JPY 34thousand @0.2099	7
	THB 2thousand @0.9623	<u>2</u>
	Subtotal	<u>7,316</u>
		\$ <u><u>7,366</u></u>

Statement of financial assets measured at amortized cost—current

Item	Description	Amount	Note
Time deposits of bank	2024.8.12~2025.2.12, interest rate at 4.3%	\$ <u><u>6,557</u></u>	Not pledged as collateral

Namchow Holdings Co., Ltd.

Statement of accounts receivable—related parties

December 31, 2024

(All amounts expressed in thousands of New Taiwan Dollars)

Customer Name	Description	Amount	Note
Lucky Royal Co., Ltd.	Arising from operation activities	\$ 1,457	
Chow Ho Enterprise Co., Ltd.	"	220	
Dian Shui Lou Restaurant Business Co., Ltd.	"	140	
Total		<u>\$ 1,817</u>	

Statement of other receivables

Customer Name	Description	Amount	Note
Related parties:			
Namchow Oil and Fat Co., Ltd.		\$ 39,523	
Lucky Royal Co., Ltd.		385	
Dian Shui Lou Restaurant Business Co., Ltd.		4	
Chow Ho Enterprise Co., Ltd.		2	
Huaciang Industry Co., Ltd.		1	
Subtotal		<u>39,915</u>	
Non-related parties:			
Receivables from the proceeds of equity instruments		2,613	
VAT tax recoverable		542	
Others (amount individually less than 5%)		10	
Subtotal		<u>3,165</u>	
Total		<u>\$ 43,080</u>	

Namchow Holdings Co., Ltd.
Statement of prepayments and other current assets
December 31, 2024
(Expressed in thousands of New Taiwan Dollars)

Item	Description	Amount	Note
Prepaid expenses	Arising from operation activities	\$ 2,064	
Prepaid insurance expenses	"	821	
Others (amount individually less than 5%)		3	
		\$ 2,888	

Namchow Holdings Co., Ltd.

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

For the year ended December 31, 2024

(All amounts expressed in thousands of New Taiwan Dollars)

Company	Balance, Beginning of period		Increase (Note 1)		Decrease (Note 2)		Balance, End of period		Pledged as collateral	Note
	Shares (in thousands)	Fair value	Shares (in thousands)	Amount	Shares (in thousands)	Amount	Shares (in thousands)	Fair value		
Capital Securities Co., Ltd.	1,185	\$ <u><u>19,381</u></u>	-	<u><u>9,998</u></u>	100	<u><u>2,625</u></u>	1,085	<u><u>26,754</u></u>	None	

Note 1: The increase amount was unrealized gains on financial assets measured at fair value through other comprehensive income.

Note 2: The decrease amount was the fair value of disposal of the portion in the current period.

Namchow Holdings Co., Ltd.

Statement of changes in investments accounted for under equity method

For the year ended December 31, 2024

(All amounts expressed in thousands of New Taiwan Dollars)

Investees	Balance, Beginning of period		Increase		Decrease		Balance, End of period			Market value or Book value		Pledged as collateral	Note
	Shares (in thousands)	Amount	Shares (in thousands)	Amount	Shares (in thousands)	Amount	Shares (in thousands)	Ownership (%)	Amount	Unit Price	Gross value		
Namchow (Thailand) Ltd.	9,245	\$ 3,352,760	-	874,102	-	-	9,245	100.00	4,226,862	458	4,226,862	None	
Mostro (Thailand) Ltd.	100	34,427	-	17,094	-	40,996	100	100.00	10,525	105	10,525	"	
Nacia International Corporation	1	12,553,383	-	972,192	-	27,475	1	100.00	13,498,100	10,798,480	13,498,100	"	
Chow Ho Enterprise Co., Ltd.	2,900	9,438	-	19,500	-	5,803	2,900	100.00	23,135	8	23,135	"	Note 5
Lucky Royal Co., Ltd.	95,338	938,643	-	999,073	46,681	1,539,100	48,657	69.51	398,616	80	3,892,575	"	Note 1
Navigator Business Publications Co., Ltd.	90	256	600	6,000	-	1,516	690	98.57	4,740	7	4,740	"	Note 2
Nankyo Japan Co., Ltd.	-	92,293	-	209,689	-	87,631	-	100.00	214,351	26,793,828	214,351	"	Note 3
Namchow Consulting Company, Ltd.	500	4,627	1,200	12,000	-	2,859	1,700	100.00	13,768	8	13,768	"	Note 4
Namchow Oil and Fat Co., Ltd.	41,173	626,703	-	179,442	-	105,691	41,173	100.00	700,454	17	700,454	"	
Huaciang Industry Co., Ltd.	70,000	647,835	-	46,308	-	12,155	70,000	100.00	681,988	10	681,988	"	
		<u>\$ 18,260,365</u>		<u>3,335,400</u>		<u>1,823,226</u>			<u>19,772,539</u>		<u>23,266,498</u>		

Note 1: The cash capital reduction and the release of the shares were approved by Lucky Royal's extraordinary shareholders' meeting on January 5, 2024 and the annual shareholders' meeting on May 30, 2024, please refer to note 6(g).

Note 2: A resolution was approved by the board of directors of Navigator Business Publications Co., Ltd. in April 2024 to conduct a cash capital increase.

Note 3: A resolution was approved by the board of directors of Nankyo Japan Co., Ltd. on November 12, 2024 to conduct a cash capital increase. The Company holds a total of 8 shares in its subsidiary, Nankyo Japan Co., Ltd.

Note 4: A resolution was approved by the board of directors of Namchow Consulting Company, Ltd. on November 12, 2024 to conduct a cash capital increase.

Note 5: A resolution was approved by the board of directors of Chow Ho Enterprise Co., Ltd. to conduct a cash capital reduction to offset losses and a cash capital increase.

Namchow Holdings Co., Ltd.
Statement of refundable deposits
December 31, 2024
(Expressed in thousands of New Taiwan Dollars)

<u>Item</u>	<u>Description</u>	<u>Amount</u>	<u>Note</u>
Rental deposits		\$ 1,570	
Golf deposits		1,263	
Others (amount individually less than 5%)		<u>367</u>	
		<u><u>\$ 3,200</u></u>	

Statement of other payables

<u>Suppliers</u>	<u>Description</u>	<u>Amount</u>	<u>Note</u>
Related parties:			
Huaciang Industry Co., Ltd.		\$ 3,807	
Dian Shui Lou Restaurant Business Co., Ltd.		199	
Chow Ho Enterprise Co., Ltd.		44	
Lucky Royal Co., Ltd.		<u>1</u>	
Subtotal		<u>4,051</u>	
Non-related parties:			
Accrued year-end bonuses		94,162	
Accrued directors' remuneration		51,988	
Accrued interest expenses		12,568	
Accrued employees' remuneration		11,553	
Others (amount individually less than 5%)		<u>43,200</u>	
Subtotal		<u>213,471</u>	
Total		<u><u>\$ 217,522</u></u>	

Namchow Holdings Co., Ltd.

Statement of other current liabilities

December 31, 2024

(All amounts expressed in thousands of New Taiwan Dollars)

Item	Description	Amount	Note
Temporary receipts	Arising from operation activities	\$ 351	
Suspense receipts	"	145	
		<u><u>\$ 496</u></u>	

Statement of other non-current liabilities

Item	Description	Amount	Note
Performance bond handling fee for issuing corporate bonds and annual listing fee	Arising from operation activities	<u><u>\$ 34,174</u></u>	

Namchow Holdings Co., Ltd.
Statement of administrative expenses
For the year ended December 31, 2024
(Expressed in thousands of New Taiwan Dollars)

<u>Item</u>	<u>Description</u>	<u>Amount</u>	<u>Note</u>
Salaries, remuneration to employees and directors		\$ 257,109	
Others (amount individually less than 5%)		<u>114,695</u>	
		<u><u>\$ 371,804</u></u>	

Statement of charges in property, plant and equipment and accumulated depreciation please refer to note 6(h).

Statement of charges in right-of-use assets and accumulated depreciation please refer to note 6(i).

Statement of charges in investment property and accumulated depreciation please refer to note 6(j).

Statement of charges in various loans please refer to note 6(k).

Statement of operating revenue please refer to note (r).

Statement of other income, other gains and losses and finance costs please refer to note 6(t).