

Gudeng Precision Industrial Co., Ltd. and Subsidiaries

Consolidated Financial Statements and Independent Auditors' Report

For the Three Months Ended March 31, 2025 and 2024

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Notice to Reader

For the convenience of readers, this report has been translated into English from the original Chinese version. The English version has not been audited or reviewed by independent auditors. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

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Independent Auditors' Review Report

To Gudeng Precision Industrial Co., Ltd.:

Introduction

The consolidated balance sheets of Gudeng Precision Industrial Co., Ltd. and its subsidiaries as of March 31, 2025 and 2024, and the consolidated statements of comprehensive income, consolidated statements of changes in equity, consolidated statements of cash flows for the periods from January 1 to March 31, 2025 and 2024, and notes to the consolidated financial statements (including a summary of significant accounting policies) have been reviewed by the accountant. The preparation of consolidated financial statements that present fairly in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard No. 34 "Interim Financial Reporting" as endorsed and issued into effect by the Financial Supervisory Commission is the responsibility of management. The accountant's responsibility is to express a conclusion on the consolidated financial statements based on the review.

Scope of Review

Except for the matters described in the basis for qualified conclusion section, the accountant conducted the review in accordance with Review Standard No. 2410 "Review of Financial Statements". The procedures performed in reviewing the consolidated financial statements include inquiries (primarily of persons responsible for financial and accounting matters), analytical procedures, and other review procedures. The scope of a review is significantly less than the scope of an audit, and therefore the accountant may not become aware of all significant matters that might be identified in an audit and accordingly cannot express an audit opinion.

Basis for Qualified Conclusion

As described in Note 12 to the consolidated financial statements, the financial statements for the same periods of certain non-material subsidiaries included in the aforementioned consolidated financial statements have not been reviewed by accountants. Their total assets as of March 31, 2025 and 2024 were NT\$3,382,095 thousand and NT\$3,113,712 thousand, respectively, representing 15.33% and 19.02% of consolidated total assets, respectively; their total liabilities were NT\$956,204 thousand and NT\$1,014,263 thousand, respectively, representing 8.76% and 13.85% of consolidated total liabilities, respectively; their total comprehensive income for the periods from January 1 to March 31, 2025 and 2024 were NT\$(3,507) thousand and NT\$12,907 thousand, respectively, representing (3.08%) and 3.53% of consolidated total comprehensive income, respectively. As described in Note 13 to the consolidated financial statements, investments accounted for using the equity method as of March 31, 2025 and 2024 were NT\$342,796 thousand and NT\$318,133 thousand, respectively, and the share of profit (loss) of associates recognized for the periods from January 1 to March 31, 2025 and 2024 were NT\$(1,944) thousand and NT\$(94)

thousand, respectively, which were based on the financial reports of the investee companies for the same periods that have not been reviewed by accountants.

Qualified Conclusion

Based on the accountant's review, except for the potential adjustments to the consolidated financial statements that might arise if the financial statements of certain non-material subsidiaries and investee companies described in the basis for qualified conclusion section were reviewed by accountants, nothing came to the accountant's attention that causes the accountant to believe that the aforementioned consolidated financial statements are not prepared, in all material respects, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard No. 34 "Interim Financial Reporting" as endorsed and issued into effect by the Financial Supervisory Commission, and do not present fairly the consolidated financial position of Gudeng Precision Industrial Co., Ltd. and its subsidiaries as of March 31, 2025 and 2024, and their consolidated financial performance and consolidated cash flows for the periods from January 1 to March 31, 2025 and 2024.

Deloitte & Touche

CPA - Zeng, Jian-Ming

CPA - Wang, Pan-Fa

Approval Document Number of the
Financial Supervisory Commission

Financial Supervisory Commission
Approval No. 1100356048

Approval Document Number of the Financial
Supervisory Commission

Financial Supervisory Commission Approval
No. 1100356048

May 12,2025

GUDENG PRECISION INDUSTRIAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET

As of March 31, 2025, December 31 and March 31, 2024

Unit: In Thousands of New Taiwan Dollars

Code	Assets	March 31, 2025		December 31, 2024		March 31, 2024	
		Amount	%	Amount	%	Amount	%
Current Assets							
1100	Cash and Cash Equivalents (Note 6)	\$ 4,379,926	20	\$ 4,291,482	20	\$ 2,915,840	18
1110	Financial Assets at Fair Value through Profit or Loss - Current (Note 7)	537,822	2	563,611	3	197,224	1
1136	Financial Assets at Amortized Cost - Current (Note 9)	857,509	4	928,896	4	616,374	4
1150	Notes Receivable - Non-related Parties (Note 10)	31,703	-	23,306	-	1,318	-
1172	Trade Receivable - Non-related Parties (Notes 10 and 28)	1,663,201	8	1,518,929	7	968,089	6
1180	Trade Receivable - Related Parties (Notes 10, 28 and 38)	26,440	-	12,446	-	134	-
1200	Other Receivables (Note 10)	36,012	-	34,527	-	15,149	-
1210	Other Receivables - Related Parties (Notes 10 and 38)	105	-	284	-	1,898	-
1220	Current Income Tax Assets (Note 4)	2,169	-	2,138	-	2,036	-
130X	Inventories (Note 11)	2,161,598	10	2,128,970	10	2,054,995	13
1410	Prepayments (Notes 19 and 38)	117,482	1	104,653	1	229,880	1
1479	Other Current Assets (Note 20)	81,559	-	81,995	-	75,442	-
11XX	Total Current Assets	<u>9,895,526</u>	<u>45</u>	<u>9,691,237</u>	<u>45</u>	<u>7,078,379</u>	<u>43</u>
Non-current Assets							
1510	Financial Assets at Fair Value through Profit or Loss - Non-current (Note 7)	106,581	-	44,212	-	-	-
1517	Financial Assets at Fair Value through Other Comprehensive Income - Non-current (Note 8)	1,829,014	8	1,677,677	8	801,571	5
1535	Financial Assets at Amortized Cost - Non-current (Note 9)	8,500	-	8,500	-	8,500	-
1550	Investments Accounted for Using Equity Method (Note 13)	342,796	2	325,365	2	318,133	2
1600	Property, Plant and Equipment (Notes 14 and 38)	8,047,959	37	7,710,854	36	6,311,373	39
1755	Right-of-use Assets (Note 15)	255,434	1	264,651	1	168,161	1
1760	Investment Property, Net (Note 16)	655,772	3	657,510	3	662,723	4
1805	Goodwill (Note 17)	156,192	1	179,241	1	223,551	1
1821	Other Intangible Assets (Note 18)	205,967	1	174,828	1	160,713	1
1840	Deferred Tax Assets (Note 4)	66,458	-	76,859	-	81,860	-
1915	Prepayments for Equipment (Note 40)	448,562	2	520,113	3	429,001	3
1920	Refundable Deposits (Note 38)	34,894	-	33,658	-	125,252	1
1990	Other Current Assets (Note 20)	1,743	-	1,617	-	872	-
15XX	Total Non-current Assets	<u>12,159,872</u>	<u>55</u>	<u>11,675,085</u>	<u>55</u>	<u>9,291,710</u>	<u>57</u>
1XXX	Total Assets	<u>\$22,055,398</u>	<u>100</u>	<u>\$21,366,322</u>	<u>100</u>	<u>\$16,370,089</u>	<u>100</u>
Liabilities and Equity							
Current Liabilities							
2100	Short-term Borrowings (Note 21)	\$ 1,144,419	5	\$ 780,545	4	\$ 395,000	2
2120	Financial Liabilities at Fair Value through Profit or Loss - Current (Note 7)	110	-	120	-	1,700	-
2131	Contract Liabilities - Current (Notes 28 and 38)	646,871	3	499,097	2	722,879	5
2150	Notes Payable - Non-related Parties (Note 23)	228	-	114	-	5,235	-
2170	Accounts Payable - Non-related Parties (Note 23)	627,448	3	621,229	3	553,754	3
2180	Accounts Payable - Related Parties (Notes 23 and 38)	44,745	-	76,309	-	63,401	-
2219	Other Payables (Note 24)	1,316,458	6	1,241,645	6	1,030,173	6
2220	Other Payables - Related Parties (Notes 24 and 38)	33,699	-	1,725	-	560	-
2230	Current Income Tax Liabilities (Note 4)	187,900	1	132,576	1	131,167	1
2250	Provisions - Current (Note 25)	30,637	-	32,834	-	30,834	-
2280	Lease Liabilities - Current (Note 15)	51,114	-	51,528	-	40,746	-
2320	Current portion of Long-term borrowings (Notes 21 and 22)	994,459	5	706,732	3	269,848	2
2399	Other Current Liabilities (Notes 24 and 38)	85,865	1	85,143	1	78,078	1
21XX	Total Current Liabilities	<u>5,163,953</u>	<u>24</u>	<u>4,229,597</u>	<u>20</u>	<u>3,323,375</u>	<u>20</u>
Non-current Liabilities							
2530	Corporate Bonds Payable (Note 22)	-	-	-	-	947,332	6
2540	Long-term Borrowings (Note 21)	5,509,663	25	5,355,971	25	2,892,506	18
2570	Deferred tax liabilities (Note 4)	6,561	-	8,040	-	7,076	-
2580	Lease Liabilities - Non-current (Note 15)	186,567	1	195,129	1	109,787	1
2640	Net Defined Benefit Liabilities - Non-current (Notes 4 and 24)	39,566	-	39,155	-	31,262	-
2645	Guarantee Deposits Received (Note 38)	10,139	-	10,356	-	9,926	-
25XX	Total Non-current Liabilities	<u>5,752,496</u>	<u>26</u>	<u>5,608,651</u>	<u>26</u>	<u>3,997,889</u>	<u>25</u>
2XXX	Total Liabilities	<u>10,916,449</u>	<u>50</u>	<u>9,838,248</u>	<u>46</u>	<u>7,321,264</u>	<u>45</u>
Equity Attributable to Owners of the Company (Note 27)							
Share Capital							
3110	Ordinary Shares	958,505	4	958,505	5	942,972	6
3140	Stock Subscriptions Received in Advance	1,890	-	984	-	3	-
3100	Total Share Capital	<u>960,395</u>	<u>4</u>	<u>959,489</u>	<u>5</u>	<u>942,975</u>	<u>6</u>
3200	Capital Surplus	<u>6,918,071</u>	<u>31</u>	<u>6,888,506</u>	<u>32</u>	<u>5,965,128</u>	<u>36</u>
Retained Earnings							
3310	Legal Reserve	469,263	2	401,871	2	352,485	2
3350	Unappropriated Retained Earnings	736,993	4	1,083,118	5	629,355	4
3300	Total Retained Earnings	<u>1,206,256</u>	<u>6</u>	<u>1,484,989</u>	<u>7</u>	<u>981,840</u>	<u>6</u>
3490	Other Equity	<u>574,882</u>	<u>3</u>	<u>681,813</u>	<u>3</u>	<u>208,401</u>	<u>1</u>
31XX	Total Equity Attributable to Owners of the Company	<u>9,659,604</u>	<u>44</u>	<u>10,014,797</u>	<u>47</u>	<u>8,098,344</u>	<u>49</u>
36XX	Non-controlling Interests (Note 27)	<u>1,479,345</u>	<u>6</u>	<u>1,513,277</u>	<u>7</u>	<u>950,481</u>	<u>6</u>
3XXX	Total Equity	<u>11,138,949</u>	<u>50</u>	<u>11,528,074</u>	<u>54</u>	<u>9,048,825</u>	<u>55</u>
Total Liabilities and Equity		<u>\$22,055,398</u>	<u>100</u>	<u>\$21,366,322</u>	<u>100</u>	<u>\$16,370,089</u>	<u>100</u>

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

(Please refer to the audit report of Deloitte & Touche dated May 12, 2025)

Chairman: Chiu, Ming-Chien

Manager: Lin, Tien-Jui

Accounting Supervisor: Lai, Po-An

GUDENG PRECISION INDUSTRIAL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

From January 1 to March 31, 2025 and 2024

Unit: In Thousands of New Taiwan Dollars, except earnings per share expressed in NT\$

<u>Code</u>		<u>January 1 to March 31, 2025</u>		<u>January 1 to March 31, 2024</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
4000	Operating Revenue (Notes 28 and 38)	\$ 1,708,796	100	\$ 1,420,424	100
5000	Operating Costs (Notes 11, 29 and 38)	<u>961,150</u>	<u>56</u>	<u>795,124</u>	<u>56</u>
5900	Gross Profit from Operations	<u>747,646</u>	<u>44</u>	<u>625,300</u>	<u>44</u>
	Operating Expenses (Notes 29 and 38)				
6100	Selling And Marketing Expenses	103,102	6	76,612	5
6200	General And Administrative Expenses	225,567	13	191,967	14
6300	Research and Development Expenses	118,489	7	117,939	8
6450	Expected Credit Loss Recognized/(Reversed) On Trade Receivables	(<u>1,591</u>)	-	<u>8,390</u>	<u>1</u>
6000	Total Operating Expenses	<u>445,567</u>	<u>26</u>	<u>394,908</u>	<u>28</u>
6900	Net Operating Income	<u>302,079</u>	<u>18</u>	<u>230,392</u>	<u>16</u>
	Non-operating Income and Expenses				
7100	Interest income (Note29)	13,520	1	8,726	1
7190	Other Income (Notes 29 and 38)	45,005	2	17,095	1
7020	Other Gains and Losses (Note 29)	(34,679)	(2)	72,480	5
7050	Finance Costs (Notes 29 and 38)	(36,219)	(2)	(23,541)	(1)
7060	Share of Profit or Loss of Associates Accounted for Using Equity Method	(<u>1,944</u>)	-	(<u>94</u>)	-
7000	Total Non-operating Income and Expenses	(<u>14,317</u>)	(<u>1</u>)	<u>74,666</u>	<u>6</u>
7900	Profit Before Tax	287,762	17	305,058	22
7950	Income Tax Expense (Notes 4 and 30)	(<u>67,517</u>)	(<u>4</u>)	(<u>69,234</u>)	(<u>5</u>)
8200	Net income for the year	<u>220,245</u>	<u>13</u>	<u>235,824</u>	<u>17</u>

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Code		January 1 to March 31, 2025		January 1 to March 31, 2024	
		Amount	%	Amount	%
8310	Other Comprehensive Income Items That Will Not Be Reclassified Subsequently to Profit or Loss				
8316	Unrealized Gain/(Loss) On Investments In Equity Instruments At Fair Value Through Other Comprehensive Income	(\$ 131,834)	(8)	\$ 113,695	8
8360	Items That May Be Reclassified Subsequently to Profit or Loss				
8361	Exchange Differences on Translating the Financial Statements of Foreign Operations	<u>25,499</u>	<u>2</u>	<u>15,678</u>	<u>1</u>
8300	Total other comprehensive income/(loss) for the year (net of income tax)	(<u>106,335</u>)	(<u>6</u>)	<u>129,373</u>	<u>9</u>
8500	Total Comprehensive Income/(Loss) for the year	<u>\$ 113,910</u>	<u>7</u>	<u>\$ 365,197</u>	<u>26</u>
8610	Net Profit/(Loss) Attributable To Owners of the Company	\$ 211,067	12	\$ 211,225	15
8620	Non-controlling Interests	<u>9,178</u>	<u>1</u>	<u>24,599</u>	<u>2</u>
8600		<u>\$ 220,245</u>	<u>13</u>	<u>\$ 235,824</u>	<u>17</u>
	Total Comprehensive Income Attributable to				
8710	Owners of the Company	\$ 104,136	6	\$ 336,825	24
8720	Non-controlling Interests	<u>9,774</u>	<u>1</u>	<u>28,372</u>	<u>2</u>
8700		<u>\$ 113,910</u>	<u>7</u>	<u>\$ 365,197</u>	<u>26</u>
	Earnings/(Loss) Per Share (Note 31)				
9710	Basic	<u>\$ 2.20</u>		<u>\$ 2.24</u>	
9810	Diluted	<u>\$ 2.19</u>		<u>\$ 2.19</u>	

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

(Please refer to the audit report of Deloitte & Touche dated May 12, 2025)

Chairman:
Chiu, Ming-Chien

Manager:
Lin, Tien-Jui

Accounting Supervisor:
Lai, Po-An

GUDENG PRECISION INDUSTRIAL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
From January 1 to March 31, 2025 and 2024

Unit: In Thousands of New Taiwan Dollars

		Equity Attributable to Owners of the Company					Other Equity Items					
		Share Capital		Retained Earnings			Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Valuation Gain or Loss on Financial Assets at Fair Value through Other Comprehensive Income	Total	Non-controlling Interests	Total Equity	
Code		Number of Shares	Share Capital	Stock Subscriptions Received in Advance	Capital Surplus	Legal Reserve	Unappropriated Retained Earnings					
A1	Balance as of January 1, 2024	94,184	\$ 941,844	\$ 1,128	\$ 5,989,152	\$ 310,168	\$ 794,151	(\$ 30,322)	\$ 113,123	\$ 8,119,244	\$ 791,527	\$ 8,910,771
	Appropriation Of Earnings											
B1	Appropriation of Legal Reserve	-	-	-	-	42,317	(42,317)	-	-	-	-	-
B5	Cash Dividends to the Company's Shareholders	-	-	-	-	-	(330,040)	-	-	(330,040)	-	(330,040)
M7	Changes In Percentage Of Ownership Interests In Subsidiaries (Note 34)	-	-	-	-	-	(3,664)	-	-	(3,664)	-	(3,664)
M5	Actual Acquisition or Disposal of Partial Interest in Subsidiaries (Notes 33 and 34)	-	-	-	(24,115)	-	-	-	-	(24,115)	195,451	171,336
I1	Conversion of Convertible Bonds	113	1,128	(1,125)	91	-	-	-	-	94	-	94
O1	Changes in Non-controlling Interests	-	-	-	-	-	-	-	-	-	(64,869)	(64,869)
D1	January 1 to March 31, 2024, Net income	-	-	-	-	-	211,225	-	-	211,225	24,599	235,824
D3	January 1 to March 31, 2024, Other comprehensive income (loss) after tax	-	-	-	-	-	-	11,905	113,695	125,600	3,773	129,373
D5	January 1 to March 31, 2024, Total comprehensive income (loss)	-	-	-	-	-	211,225	11,905	113,695	336,825	28,372	365,197
Z1	Balance as of March 31, 2024	<u>94,297</u>	<u>\$ 942,972</u>	<u>\$ 3</u>	<u>\$ 5,965,128</u>	<u>\$ 352,485</u>	<u>\$ 629,355</u>	<u>(\$ 18,417)</u>	<u>\$ 226,818</u>	<u>\$ 8,098,344</u>	<u>\$ 950,481</u>	<u>\$ 9,048,825</u>
A1	Balance as of January 1, 2025	95,850	\$ 958,505	\$ 984	\$ 6,888,506	\$ 401,871	\$ 1,083,118	(\$ 9,779)	\$ 691,592	\$ 10,014,797	\$ 1,513,277	\$ 11,528,074
	Appropriation Of Earnings											
B1	Appropriation of Legal Reserve	-	-	-	-	67,392	(67,392)	-	-	-	-	-
B5	Cash Dividends to the Company's Shareholders	-	-	-	-	-	(489,800)	-	-	(489,800)	-	(489,800)
N1	Other Changes in Capital Surplus: Employee Share Options Issued By The Subsidiary	-	-	-	69	-	-	-	-	69	65	134
M7	Changes In Percentage Of Ownership Interests In Subsidiaries (Notes 27 and 34)	-	-	-	(1,062)	-	-	-	-	(1,062)	30,408	29,346
O1	Changes in Non-controlling Interests (Note 27)	-	-	-	-	-	-	-	-	-	(98,252)	(98,252)
O1	Ordinary shares issued under subsidiary employee stock option plans	-	-	-	-	-	-	-	-	-	24,073	24,073
I1	Conversion of Convertible Bonds	-	-	906	30,558	-	-	-	-	31,464	-	31,464
D1	January 1 to March 31, 2025, Net income	-	-	-	-	-	211,067	-	-	211,067	9,178	220,245
D3	January 1 to March 31, 2025, Other comprehensive income (loss) after tax	-	-	-	-	-	-	24,259	(131,190)	(106,931)	596	(106,335)
D5	January 1 to March 31, 2024, Total comprehensive income (loss)	-	-	-	-	-	211,067	24,259	(131,190)	104,136	9,774	113,910
Z1	Balance as of March 31, 2025	<u>95,850</u>	<u>\$ 958,505</u>	<u>\$ 1,890</u>	<u>\$ 6,918,071</u>	<u>\$ 469,263</u>	<u>\$ 736,993</u>	<u>\$ 14,480</u>	<u>\$ 560,402</u>	<u>\$ 9,659,604</u>	<u>\$ 1,479,345</u>	<u>\$ 11,138,949</u>

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

(Please refer to the audit report of Deloitte & Touche dated May 12, 2025)

Chairman: Chiu, Ming-Chien

Manager: Lin, Tien-Jui

Accounting Supervisor: Lai, Po-An

GUDENG PRECISION INDUSTRIAL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS

From January 1 to March 31, 2025 and 2024

Unit: In Thousands of New Taiwan Dollars

Code		January 1 to March 31, 2025	January 1 to March 31, 2024
	Cash Flows from Operating Activities		
A10000	Net Profit (Loss) before Income Tax for the Year	\$ 287,762	\$ 305,058
A20010	Revenue and Expense Items		
A20100	Depreciation Expense	142,733	108,116
A20200	Amortization Expense	10,443	7,428
A20300	Expected Credit Loss Recognized/(Reversed) On Trade Receivables	(1,591)	8,390
A20400	Net Gain on Financial Assets at Fair Value through loss (Profit)	57,062	(25,749)
A20900	Finance Costs	36,219	23,541
A21200	Interest Income	(13,520)	(8,726)
A21900	Share-based Payment Compensation Cost	134	-
A22300	Share of Loss of Associates Accounted for Using Equity Method	1,944	94
A22500	(Gain)/Loss On Disposal Of Property, Plant And Equipment	(4,515)	313
A23700	Inventory valuation and obsolescence loss	-	7,060
A23800	Reversal of Inventory Valuation and Obsolescence Loss	(1,142)	-
A30000	Net Changes in Operating Assets and Liabilities		
A31130	Notes Receivable	(8,397)	527
A31150	Accounts Receivable	(156,694)	(49,212)
A31180	Other Receivables	(13,036)	25,611
A31200	Inventories	(29,433)	(5,536)
A31230	Prepayments	(12,829)	(35,082)
A31240	Other Current Assets	436	(858)
A32125	Contract Liabilities	147,774	(114,226)
A32130	Notes Payable	114	(1,014)
A32150	Accounts Payable	(25,345)	46,768
A32180	Other Payables	(136,573)	(104,883)
A32200	Provisions	(2,197)	1,516
A32230	Other Current Liabilities	722	(2,140)
A32240	Net Defined Benefit Liabilities	411	(5,027)
A33000	Cash Generated From/(Used In) Operations	280,482	181,969

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Code		January 1 to March 31, 2025	January 1 to March 31, 2024
A33100	Interest Received	\$ 12,708	\$ 5,680
A33200	Dividends Received	12,542	16,002
A33300	Interest Paid	(36,644)	(20,751)
A33500	Income Tax Paid	(3,302)	(5,342)
AAAA	Net Cash Inflow from Operating Activities	265,786	177,558
Cash Flows from Investing Activities			
B00010	Acquisition of Financial Assets at Fair Value through Other Comprehensive Income	(235,684)	(37,500)
B00040	Acquisitions of financial assets at amortized cost	(689,392)	(74,580)
B00050	Disposal of Financial Assets at Amortized Cost	760,779	-
B00100	Purchase of Financial Assets at Fair Value Through Profit or Loss	(93,720)	(10,355)
B00200	Disposal of Financial Assets at Fair Value through Profit or Loss	-	4,629
B01800	Acquisition of Long-term Equity Investments Accounted for Using Equity Method	(20,000)	(150,000)
B02200	Net cash inflow on acquisition of subsidiaries	-	9,102
B02700	Payments for Property, Plant and Equipment	(363,993)	(181,007)
B02800	Proceeds from Disposal of Property, Plant and Equipment	34,128	73
B03700	Increase in Refundable Deposits	(1,236)	-
B03800	Decrease in Refundable Deposits	-	690
B04500	Payment of Intangible Assets	(41,525)	(4,214)
B06700	Increase in Other Non-current Assets	(126)	-
B06800	Decrease in Other Non-current Assets	-	657
B07100	Increase in Prepayments for Equipment	(11,570)	(267,929)
B07600	Dividends Received from Associates/Joint ventures	220	-
BBBB	Net Cash Outflow from Investing Activities	(662,119)	(710,434)
Cash Flows from Financing Activities			
C00100	Increase in Short-term Borrowings	2,179,513	351,000
C00200	Decrease in Short-term Borrowings	(1,820,000)	(160,970)
C01600	Proceeds from Long-term Borrowings	943,014	82,190
C01700	Repayment of Long-term Borrowings	(496,141)	(414,988)
C03000	Increase in Refundable Deposits	-	904
C03100	Decrease in Refundable Deposits	(217)	-
C04020	Repayment of the Principal Portion of Lease Liabilities	(8,190)	(9,761)
C04500	Distribution of Cash Dividends	(364,232)	(377,883)

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Code		January 1 to March 31, 2025	January 1 to March 31, 2024
C05400	Acquisition of Additional Interests in Subsidiary(Ies)	\$ -	(\$ 37,824)
C05800	Changes in Non-controlling Interests	<u>31,273</u>	<u>-</u>
CCCC	Net Cash Inflow (Out) from Financing Activities	<u>465,020</u>	<u>(567,332)</u>
DDDD	Effect of Exchange Rate Changes on Cash and Cash Equivalents	<u>19,757</u>	<u>11,269</u>
EEEE	Net Increase (Decrease) in Cash and Cash Equivalents	88,444	(1,088,939)
E00100	Cash and Cash Equivalents Balance at Beginning of the Period	<u>4,291,482</u>	<u>4,004,779</u>
E00200	Cash and Cash Equivalents at the End of the Period	<u>\$ 4,379,926</u>	<u>\$ 2,915,840</u>

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

(Please refer to the audit report of Deloitte & Touche dated May 12, 2025)

Chairman:
Chiu, Ming-Chien

Manager:
Lin, Tien-Jui

Accounting Supervisor:
Lai, Po-An

GUDENG PRECISION INDUSTRIAL CO., LTD. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

From January 1 to March 31, 2025 and 2024

(unless otherwise stated, Amounts are in Thousands of New Taiwan Dollars)

1. Company History

Gudeng Precision Industrial Co., Ltd. (hereinafter referred to as "the Company") was established as a company limited by shares in New Taipei City in March 1998, and commenced operations in the same month. The main business activities include the trading and manufacturing of molds, mask packages, etc.

The Company's shares have been listed and traded on the Taipei Exchange (TPEX) since August 2011.

These consolidated financial statements are presented in the Company's functional currency, the New Taiwan Dollar.

2. Date and Procedures of Approval of Financial Statements

The consolidated financial statements were issued after being submitted to the Board of Directors on May 12, 2025.

3. Application of Newly Released and Revised Standards and IFRIC Interpretations (IFRIC)

- (1) Initial adoption of International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (hereinafter referred to as "IFRS Accounting Standards") that have been endorsed and issued into effect by the Financial Supervisory Commission (hereinafter referred to as "FSC")

Amendments to IAS 21 "Lack of Exchangeability"

The application of Amendments to IAS 21 "Lack of Exchangeability" will not result in significant changes to the accounting policies of Gudeng Precision Industrial Co., Ltd. and its subsidiaries (hereinafter referred to as the "consolidated company").

- (2) IFRS Accounting Standards endorsed by the FSC that are applicable in 2026

Newly Released/ Revised Standards/ IFRIC Interpretations (IFRIC)

Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" regarding the amendments to application guidance for financial asset classification

Effective date issued by the IASB

January 1, 2026 (Note 1)

Note 1: Applicable to annual reporting periods beginning on or after January 1, 2026, with early application permitted from January 1, 2025.

As of the date these consolidated financial statements were approved for issuance, the consolidated company is still continuing to assess the impact of these amendments on its financial position and financial performance.

(3) IFRS Accounting Standards Issued by the IASB but Not Yet Endorsed and Announced Effective by the FSC

<u>Newly Released/ Revised Standards/ IFRIC Interpretations (IFRIC)</u>	<u>Effective Date Issued by the IASB (Note 1)</u>
Annual Improvements to IFRS Accounting Standards – Cycle 11	January 01, 2026
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" regarding the amendments to application guidance for financial liability derecognition	January 01, 2026
Amendments to IFRS 9 and IFRS 7 "Contracts involving Nature-dependent Power	January 01, 2026
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Undetermined
IFRS 17 "Insurance Contracts"	January 01, 2023
Amendments to IFRS 17	January 01, 2023
Amendments to IFRS 17 "Initial Application of IFRS 17 and IFRS 9 - Comparative Information	January 01, 2023
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 01, 2027
IFRS 19 "Subsidiaries without Public Accountability: Disclosures	January 01, 2027

Note 1: unless otherwise stated, the above newly released/ revised standards/ IFRIC Interpretations (IFRIC) are effective for annual reporting periods beginning on or after their respective dates.

IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 will replace IAS 1 "Presentation of Financial Statements". The main changes of this standard include:

- Income statement should categorize income and expense items into operating, investing, financing, income taxes, and discontinued operations.
- Income statement should present operating profit or loss, profit or loss before financing and income tax, and subtotals and totals of profit or loss.
- Guidance is provided to strengthen aggregation and disaggregation requirements: the consolidated company must identify assets, liabilities, equity, income, expenses,

and cash flows arising from individual transactions or other events, and classify and aggregate them based on common characteristics, so that each line item presented in the primary financial statements has at least one similar characteristic. Items with dissimilar characteristics should be disaggregated in the primary financial statements and notes. The consolidated company shall label such items as "other" only when it cannot identify a more informative label.

- Enhanced disclosure of management-defined performance measures: When the consolidated company engages in public communications outside the financial statements and communicates management's perspective on certain aspects of the consolidated company's overall financial performance to users of financial statements, it shall disclose information related to management-defined performance measures in a single note to the financial statements, including descriptions of such measures, how they are calculated, reconciliation with subtotals or totals specified in IFRS Accounting Standards, and the income tax and non-controlling interests effects of related reconciling items.

In addition to the aforementioned impacts, as of the approval date of the issuance of these consolidated financial statements, the consolidated company is still continuously evaluating other impacts of the amendments to each standard and interpretation on its financial position and financial performance. The related impacts will be disclosed when the assessment is completed.

4. Summary of Significant Accounting Policies

(1) Statement of Compliance

These consolidated financial statements are prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" as endorsed and issued by the FSC. These consolidated financial statements do not include all IFRS Accounting Standards disclosure information required in complete annual financial statements.

(2) Basis of Preparation

Except for financial instruments measured at fair value and the net defined benefit liability recognized as the present value of defined benefit obligation less the fair value of plan assets, these consolidated financial statements have been prepared on a historical cost basis.

Fair value measurements are categorized into Levels 1 to 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs:

1. Level 1 inputs: Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date.

2. Level 2 inputs: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
3. Level 3 inputs: Unobservable inputs for the asset or liability.

(3) Basis of Consolidation

This consolidated financial report includes the financial reports of the Company and entities controlled by the Company (subsidiaries). The consolidated statement of comprehensive income includes the operating results of subsidiaries acquired or disposed of during the period from the date of acquisition or up to the date of disposal. The financial reports of subsidiaries have been adjusted to ensure their accounting policies are consistent with those of the consolidated company. When preparing the consolidated financial reports, all transactions, account balances, revenues and expenses between entities have been fully eliminated. The total comprehensive income/(loss) of subsidiaries is attributable to the owners of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When changes in percentage of ownership interests in subsidiaries do not result in a loss of control, they are accounted for as equity transactions. The carrying amounts of the consolidated company and non-controlling interests have been adjusted to reflect the changes in their relative interests in the subsidiaries. The difference between the adjustment amount of non-controlling interests and the fair value of the consideration paid or received is directly recognized as equity and attributed to the owners of the Company.

For details of subsidiaries, shareholding percentages, and business activities, please refer to Notes 12, Table 5 and 6.

(4) Other of Significant Accounting Policies

Except as described below, please refer to the summary of significant accounting policies in the consolidated financial statements for the year 2024.

1. Defined benefit post-employment benefits

Pension costs for interim periods are calculated on a year-to-date basis using the pension cost rate determined actuarially at the end of the previous year, and adjusted for significant market fluctuations during the current period, as well as significant plan amendments, settlements, or other significant one-time events.

2. Income Tax

Income tax expense is the sum of current income tax and deferred income tax. Income tax for interim periods is assessed on an annual basis, calculated on

interim pre-tax income using the tax rate applicable to the expected total annual earnings.

5. The Primary Sources of Uncertainties in Major Accounting Judgments, Estimates, and Assumptions

When adopting accounting policies, for information not easily obtained from other sources, the management of the consolidated company must make relevant judgments, estimates, and assumptions based on historical experience and other relevant factors. Actual results may differ from estimates.

When developing accounting estimates, the consolidated company considers the potential impacts of inflation, market interest rate fluctuations, and U.S. reciprocal tariff measures in estimates related to cash flow projections, growth rates, discount rates, profitability, and other relevant factors. Management will continue to review estimates and underlying assumptions.

After evaluation by the management of the consolidated company, there are no significant accounting judgments, estimates, or assumption uncertainties.

6. Cash and Cash Equivalents

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Cash on Hand and Petty Cash	\$ 1,168	\$ 1,113	\$ 1,151
Bank Checks and Demand Deposits	2,067,958	3,067,124	2,700,288
Cash Equivalents (Investments with Original Maturities of 3 Months or Less)			
Bank Time Deposits	<u>2,310,800</u>	<u>1,223,245</u>	<u>214,401</u>
	<u>\$ 4,379,926</u>	<u>\$ 4,291,482</u>	<u>\$ 2,915,840</u>

7. Financial Instruments at Fair Value through Profit or Loss

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
<u>Financial Assets - Current</u>			
Mandatory Fair Value through Profit or Loss			
Derivative instruments (not designated as hedges) - conversion options (Note 22)	\$ 367	\$ 958	\$ 2,000
Non-derivative Financial Assets			
- Domestic publicly traded shares	494,753	519,303	185,965
- Domestic Emerging Stocks	42,702	43,350	-
Hybrid financial assets			
Non-Principal-Protected Floating Income Financial Products	<u>-</u>	<u>-</u>	<u>9,259</u>
	<u>\$ 537,822</u>	<u>\$ 563,611</u>	<u>\$ 197,224</u>
<u>Financial Assets - Non-current</u>			
Mandatory Fair Value through			

Profit or Loss			
Non-derivative Financial Assets - Domestic Limited Partnerships	<u>\$ 106,581</u>	<u>\$ 44,212</u>	<u>\$ -</u>
<u>Financial Liabilities - Current</u>			
Held for trading Derivative (Not Designated for Hedging) - Conversion Options (Note 22)	<u>\$ 110</u>	<u>\$ 120</u>	<u>\$ 1,700</u>

8. Financial Assets at Fair Value through Other Comprehensive Income

Equity Instrument Investments

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
<u>Non-current</u>			
Domestic Investments			
Publicly traded placement shares			
Symtek	\$ -	\$ -	\$ 477,696
Domestic publicly traded shares			
Asia Neo Tech Industrial Co., Ltd.	185,912	223,535	179,007
Symtek	984,843	861,470	19,403
Emerging Stocks Private Placement			
MicroProgram Information Co., Ltd.	229,609	224,147	-
Non-publicly traded shares			
NanoClean Materials Co., Ltd.	2,720	2,720	4,020
MontJade Engineering Co., Ltd.	-	-	7,883
Jiurun Precision Technology Co., Ltd.	43,813	43,813	29,032
Origin Precision Technology Co., Ltd.	8,242	8,242	5,021
Certain Micro Application Technology Inc.	97,389	97,389	42,009
Shun Jih Fa	38,850	38,850	37,500
KoJem International Co., Ltd.	10,471	10,471	-
ShuChen AI Co., Ltd.	8,800	8,800	-
Chung King Enterprise Co., Ltd.	60,125	-	-
Nytex Composites Co., Ltd.	<u>158,240</u>	<u>158,240</u>	<u>-</u>
	<u>\$ 1,829,014</u>	<u>\$ 1,677,677</u>	<u>\$ 801,571</u>

The consolidated company invests in common stocks of domestic publicly traded shares, emerging stocks, and non-publicly traded shares companies according to its medium and long-term strategic objectives, and expects to profit through long-term investments. The management of the consolidated company believes that including the short-term fair value fluctuations of these investments in profit or loss would be inconsistent with the aforementioned long-term investment planning, therefore they chose to designate these investments as fair value through other comprehensive income.

The common shares of Mircoprogram Inc. and some of the Symtek shares held by the consolidated company are private placement ordinary shares, which are subject to transfer restrictions according to Article 43-8 of the Securities and Exchange Act.

9. Financial Assets at Amortized Cost

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
<u>Current</u>			
Pledged certificates of deposit	\$ 133,302	\$ 133,302	\$ 113,000
Pledged deposits	90,382	276,592	56,394
Time deposits with original maturities of more than 3 months	<u>633,825</u>	<u>519,002</u>	<u>446,980</u>
	<u>\$ 857,509</u>	<u>\$ 928,896</u>	<u>\$ 616,374</u>
<u>Non-current</u>			
Pledged certificates of deposit	<u>\$ 8,500</u>	<u>\$ 8,500</u>	<u>\$ 8,500</u>

Information on the pledge of financial assets at amortized cost is provided in Note 39.

10. Notes receivable, accounts receivable, other receivables and overdue receivables

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
<u>Notes Receivable</u>			
Measured at amortized cost			
Total carrying amount	\$ 31,703	\$ 23,306	\$ 1,318
Less: Loss allowance	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 31,703</u>	<u>\$ 23,306</u>	<u>\$ 1,318</u>
Arising from business operations	<u>\$ 31,703</u>	<u>\$ 23,306</u>	<u>\$ 1,318</u>
<u>Accounts Receivable</u>			
Measured at amortized cost			
Total carrying amount	\$ 1,667,860	\$ 1,523,998	\$ 979,036
Less: Loss allowance	<u>(4,659)</u>	<u>(5,069)</u>	<u>(10,947)</u>
	<u>\$ 1,663,201</u>	<u>\$ 1,518,929</u>	<u>\$ 968,089</u>
Accounts receivable - Related parties (Note 38)			
Measured at amortized cost			
Total carrying amount	\$ 26,440	\$ 12,446	\$ 134
Less: Loss allowance	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 26,440</u>	<u>\$ 12,446</u>	<u>\$ 134</u>
<u>Other Receivables</u>			
Other receivables - Non-related parties			
Receivable for business tax refund	\$ 2,832	\$ 13,000	\$ -
Dividends receivable	-	12,542	-
Interest receivable	2,307	1,495	5,583
Others	<u>30,873</u>	<u>7,490</u>	<u>9,566</u>
	<u>\$ 36,012</u>	<u>\$ 34,527</u>	<u>\$ 15,149</u>

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	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Other receivables - Related parties (Note 38)	\$ <u>105</u>	\$ <u>284</u>	\$ <u>1,898</u>
<u>Non-performing receivables</u>			
Measured at amortized cost			
Total carrying amount	\$ 1,464	\$ 2,626	\$ 29,601
Less: Loss allowance	(<u>1,464</u>)	(<u>2,626</u>)	(<u>29,601</u>)
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Accounts Receivable

The consolidated company's average credit period for sales of goods is 60 days to 120 days. When determining the recoverability of accounts receivable, the consolidated company considers any changes in credit quality of the accounts receivable from the original credit date to the balance sheet date. To mitigate credit risk, the consolidated company's management has assigned a dedicated team responsible for determining credit limits, credit approvals, and other monitoring procedures to ensure appropriate actions are taken for the collection of overdue receivables. Furthermore, the consolidated company reviews the recoverable amount of each receivable on the balance sheet date to ensure that appropriate impairment losses have been recognized for irrecoverable receivables. Accordingly, the Company's management believes that the consolidated company's credit risk has been significantly reduced.

The consolidated company adopts the simplified approach under IFRS 9 to recognize allowance for doubtful accounts based on lifetime expected credit losses for accounts receivable. Lifetime expected credit losses are calculated using a provision matrix, which considers the customer's past default records, current financial condition, and industry economic conditions. Since the consolidated company's credit loss historical experience shows that there are no significant differences in loss patterns among different customer groups, the provision matrix does not further differentiate customer groups, but only establishes expected credit loss rates based on the number of days past due for notes receivable and the number of days since initial recognition for accounts receivable.

If there is evidence indicating that the counterparty is facing severe financial difficulties and the consolidated company cannot reasonably expect to recover the amount, such as when the counterparty is undergoing liquidation or the debt has been overdue for more than 365 days, the consolidated company directly reclassifies it as collection accounts and continues collection activities. Any amounts recovered from these collection efforts are offset against the related collection accounts.

The consolidated company measures the allowance for losses on notes receivable and accounts receivable according to the provision matrix as follows:

Notes Receivable

March 31, 2025

	<u>Not past due</u>
Expected credit loss rate	0%
Total carrying amount	\$ 31,703
Allowance for losses (lifetime expected credit losses)	-
Amortized cost	<u>\$ 31,703</u>

December 31, 2024

	<u>Not past due</u>
Expected credit loss rate	0%
Total carrying amount	\$ 23,306
Allowance for losses (lifetime expected credit losses)	-
Amortized cost	<u>\$ 23,306</u>

March 31, 2024

	<u>Not past due</u>
Expected credit loss rate	0%
Total carrying amount	\$ 1,318
Allowance for losses (lifetime expected credit losses)	-
Amortized cost	<u>\$ 1,318</u>

Accounts Receivable

March 31, 2025

	<u>1-90 days</u>	<u>91~180 days</u>	<u>181~270 days</u>	<u>271~365 days</u>	<u>Total</u>
Expected credit loss rate	0.12%	0.77%	9.31%	1.67%	
Total carrying amount	\$1,506,163	\$ 167,217	\$ 15,160	\$ 5,760	\$1,694,300
Allowance for losses (lifetime expected credit losses)	(1,870)	(1,282)	(1,411)	(96)	(4,659)
Amortized cost	<u>\$1,504,293</u>	<u>\$ 165,935</u>	<u>\$ 13,749</u>	<u>\$ 5,664</u>	<u>\$1,689,641</u>

December 31, 2024

	<u>1-90 days</u>	<u>91~180 days</u>	<u>181~270 days</u>	<u>271~365 days</u>	<u>Total</u>
Expected credit loss rate	0.13%	1.35%	3.48%	1.87%	
Total carrying amount	\$1,331,725	\$ 175,196	\$ 24,230	\$ 5,293	\$1,536,444
Allowance for losses (lifetime expected credit losses)	(1,760)	(2,367)	(843)	(99)	(5,069)
Amortized cost	<u>\$1,329,965</u>	<u>\$ 172,829</u>	<u>\$ 23,387</u>	<u>\$ 5,194</u>	<u>\$1,531,375</u>

March 31, 2024

	<u>1-90 days</u>	<u>91~180 days</u>	<u>181~270 days</u>	<u>271~365 days</u>	<u>Total</u>
Expected credit loss rate	0.30%	4.59%	10.22%	9.53%	
Total carrying amount	\$ 832,294	\$ 114,114	\$ 17,480	\$ 15,282	\$ 979,170
Allowance for losses (lifetime expected credit losses)	(<u>2,467</u>)	(<u>5,237</u>)	(<u>1,786</u>)	(<u>1,457</u>)	(<u>10,947</u>)
Amortized cost	<u>\$ 829,827</u>	<u>\$ 108,877</u>	<u>\$ 15,694</u>	<u>\$ 13,825</u>	<u>\$ 968,223</u>

The above is an aging analysis based on the booking date.

The changes in allowance for loss on accounts receivable are as follows:

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Beginning Balance	\$ 5,069	\$ 11,900
Add: Impairment loss recognized for the year	-	16,389
Less: Reversal on impairment loss for the year	(204)	-
Less: Reclassification out for the year	(225)	(17,374)
Foreign currency translation difference	19	32
Ending Balance	<u>\$ 4,659</u>	<u>\$ 10,947</u>

The movement information of allowance for loss on nonperforming loans is as follows:

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Beginning Balance	\$ 2,626	\$ 20,203
Add: Reclassification in for the year	225	17,374
Less: Reversal on impairment loss for the year	(1,387)	(7,999)
Foreign currency translation difference	-	23
Ending Balance	<u>\$ 1,464</u>	<u>\$ 29,601</u>

11. Inventories

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Raw materials	\$ 523,160	\$ 554,094	\$ 505,267
Semi-finished products	430,007	422,895	345,032
Work in progress	614,433	615,011	643,527
Finished products	344,687	333,628	392,297
Merchandise inventory	<u>7,834</u>	<u>8,268</u>	<u>40,998</u>
	1,920,121	1,933,896	1,927,121
<u>Construction land</u>			
New Taipei City, Sanxia District	141,345	139,905	127,874
<u>Construction in progress</u>			
New Taipei City, Sanxia District	<u>100,132</u>	<u>55,169</u>	<u>-</u>
	<u>\$ 2,161,598</u>	<u>\$ 2,128,970</u>	<u>\$ 2,054,995</u>

The nature of cost of goods sold is as follows:

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Cost of inventory sold	\$ 964,143	\$ 790,014
Inventory Valuation and Obsolescence (Reversal) Loss	(1,142)	7,060
Inventory (Profit) shortage	(275)	79
Income from selling scrap materials	(1,741)	(2,029)
Inventory obsolescence loss	165	-
	<u>\$ 961,150</u>	<u>\$ 795,124</u>

12. Subsidiaries

Subsidiaries included in the consolidated financial statements

The entities included in the preparation of these consolidated financial statements are as follows:

<u>Name of investing company</u>	<u>Name of subsidiary</u>	<u>Nature of business</u>	<u>Percentage of ownership</u>			<u>Description</u>
			<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>	
Gudeng Precision Industrial Co., Ltd. (hereinafter referred to as the Company)	Gudeng Venture Capital Co., Ltd. (hereinafter referred to as Gudeng Venture)	Venture capital investment and management consulting services	100%	100%	100%	-
	We Solutions Technology Co., Ltd. (hereinafter referred to as We Solutions)	Manufacturing and trading of various semiconductor components	51.43%	54.38%	83.33%	Notes 1 and 16
	Gudeng Equipment (formerly: Gudeng Automation Corporation) (hereinafter "Gudeng Equipment")	Manufacturing, trading, maintenance, and servicing of various precision instruments	45.44%	45.44%	47.19%	Notes 1 and 4
	Rich Point Global Corp. (hereinafter "Rich Point")	Investment business operations	100%	100%	100%	-
	PartneroneLtd.	Investment business operations	-	-	-	Note 2
	GudengInc.(USA)	Operation of various electronic component businesses	51%	51%	51%	-
	Gudeng Aerospace Technologies Corporation (hereinafter referred to as Gudeng Aerospace)	Aircraft and parts retail, wholesale, and manufacturing	100%	100%	100%	-
	Gudeng Japan Co., LTD	Operation of various electronic component businesses	100%	100%	100%	Note 6
	Jia Shuo Construction, Inc. (hereinafter referred to as Jia Shuo Construction)	Industrial plant, residential and building development, rental and sales business, real estate buying, selling, and leasing business	100%	100%	-	Note 8
	Gu Chance Venture Capital CO., LTD. (hereinafter referred to as Gu Chance Venture Capital)	Investment and management consulting business	100%	100%	-	Note 9
	Jia Rui Verture Capital Co.,Ltd. (Formerly Fu Rui Sheng) (hereinafter referred to Jia Rui Company)	Investment and management consulting business	100%	100%	-	Notes 11 and 14
	GUDENG KOREA CO.,LTD.	Operation of various electronic component businesses	100%	-	-	Note 15
	Gudeng Aerospace Technologies Corporation	JYR Aviation Components Co., Ltd. (hereinafter referred to as JYR Aviation)	Aircraft and parts retail, wholesale, and manufacturing	51%	51%	51%
Gudeng Aerospace Inc. (hereinafter referred to as Gudeng Aerospace Inc.)		Aircraft and parts retail, wholesale, and manufacturing	100%	100%	-	Note 7
Gudeng Venture Capital Co., Ltd.	Jia Shuo Construction	Industrial plant, residential and building development, rental and sales business, real estate	-	-	100%	Note 8

		buying, selling, and leasing business					
	Hengyang Green Energy Co., Ltd. (hereinafter referred to as Hengyang)	Piping engineering and electrical installation	45%	45%	45%	-	
RichPoint	Sun Park Development Limited (hereinafter "Sun Park")	Investment business operations	100%	100%	100%	-	
	Gudeng Investment Co., Ltd. (hereinafter "Gudeng Investment")	Investment business operations	100%	100%	100%	-	
SunPark	Jiaqian Technology (Shanghai) (formerly: Jiaqian Shanghai Co., Ltd., hereinafter referred to as Jiaqian Shanghai)	Sales of plastic and electronic products	100%	100%	100%	-	Note 13
Jiaqian Shanghai	Kawaguchi Plastic Industry (Kunshan) Co., Ltd. (hereinafter referred to as Kunshan Kawaguchi)	Sales of plastic and electronic products	100%	100%	100%	-	
Kunshan Kawaguchi	Dachuan Plastic Industrial (Kunshan) Co., Ltd. (hereinafter referred to as Kunshan Dachuan)	Sales of plastic and electronic products	100%	100%	100%	-	
PartneroneLtd.	GudengInvestment(HK)	Investment business operations	-	-	-	-	Note 2
GudengInvestment(HK)	Welton Technology Limited (hereinafter referred to as Welton)	Operating in the manufacturing of plastic products, electronic and communication equipment, and electrical machinery and apparatus	-	-	-	-	Note 3
Gudeng Equipment Co., LTD.	Showa Precision Co., Ltd. (hereinafter referred to as Showa)	Manufacturing, trading, maintenance, and servicing of various precision instruments	100%	100%	100%	-	
	GudengInc.(USA)	Operation of various electronic component businesses	4%	4%	4%	-	
WE SOLUTIONS TECHNOLOGY CO., LTD	Jia Rui Company	Investment and management consulting business	-	-	58.18%	-	Notes 1 and 11
	Suting Precision Industry Co., Ltd. (hereinafter referred to as Suting)	Mold manufacturing industry, wholesale and mechanical equipment manufacturing	-	-	74.37%	-	Notes 1 and 10
	Bor Sheng Industrial Co., Ltd. (hereinafter "Bor Sheng")	Mold manufacturing industry, wholesale and mechanical equipment manufacturing	-	-	0.5%	-	Note 12
Jia Rui Company	Bor Sheng	Mold manufacturing industry, wholesale and mechanical equipment manufacturing	90.88%	93.5%	93%	-	Notes 1 and 12
Jia Chen Venture Capital Co.,Ltd.	Suting	Mold manufacturing industry, wholesale and mechanical equipment manufacturing	100%	100%	-	-	Note 10

Note 1: For changes in the percentage of shares held by the consolidated company, please refer to Note 34.

Note 2 Registration was completed in 2017, but capital has not yet been invested.

Note 3 Welton is currently in the name pre-screening stage and has not yet been fully established.

Note 4 The consolidated company holds 45.44% of the shares of Gudeng Equipment, which is a domestic OTC listed company, with the remaining 54.56% of shares held by hundreds of shareholders who are not related parties to the consolidated company. After considering the absolute quantity, relative size, and distribution of voting rights held by the consolidated company compared

to other shareholders, it has been determined that the consolidated company has the substantive ability to direct the relevant activities of Gudeng Equipment, and therefore Gudeng Equipment is listed as a subsidiary.

- Note 5 Gudeng Aerospace invested NT\$260,685 thousand on January 12, 2024, to acquire 51% equity of JYR Aviation.
- Note 6 The consolidated company invested JPY 9,900 thousand on March 1, 2024, to acquire 100% equity of Gudeng Co., Ltd.
- Note 7 Gudeng Aerospace invested USD 500 thousand on June 25, 2024, to acquire 100% equity of Gudeng Aerospace Inc.
- Note 8 The consolidated company paid NT\$210,285 thousand on October 3, 2024, to acquire 100% equity of Jia Shuo Construction, Inc. from Gudeng Venture.
- Note 9 The consolidated company invested NT\$280,000 thousand on November 6, 2024, to acquire 100% equity of Jiachen Venture Capital.
- Note 10 We Solutions acquired 100% equity of Suting on October 3, 2024, and disposed of all the shares to Jiachen Venture Capital on the same day for NT\$80,751 thousand.
- Note 11 We Solutions acquired 100% equity of Jia Rui Company on October 3, 2024, and disposed of all the shares to the consolidated company on November 30, 2024, for NT\$167,476 thousand.
- Note 12 We Solutions disposed of 0.5% of shares of Bor Sheng for NT\$446 thousand to Jia Rui Company on November 15, 2024.
- Note 13 Shanghai Gudeng Trading Co., Ltd. was renamed to Jiaqian Technology (Shanghai) Co., Ltd. in December 2024.
- Note 14 This refers to "Fu Rui Sheng Industrial Co., Ltd." which was renamed to Jia Rui Venture Capital Co., Ltd. in April 2025.
- Note 15 The consolidated company invested KRW 3,721,360 thousand on January 16, 2025, acquiring 100% equity in GUDENG KOREA CO., LTD.
- Note 16: Employees of We Solutions exercised employee stock options in January 2025, reducing the consolidated company's shareholding ratio to 51.43%.

13. Investments accounted for using the equity method

Investment in associates

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Individually Immaterial Associates	<u>\$ 342,796</u>	<u>\$ 325,365</u>	<u>\$ 318,133</u>

The consolidated company invested in Global Magic Electronic Co., Ltd. (hereinafter referred to as Global Magic) on February 4, 2024, acquiring 12,500 thousand ordinary shares of Global Magic at NT\$12 per share in cash, totaling NT\$150,000 thousand, with a shareholding ratio of 33.47%. Additionally, in June 2024, the company waived its right to

participate in Global Magic's cash capital increase, resulting in a decrease of shareholding ratio to 29.98%.

For information regarding the business nature, main operating locations, and countries of registration of the aforementioned associates, please refer to Table 5 "Information of Investee Companies, Locations... and Other Related Information" in the appendix.

The share of profit or loss and other comprehensive income of associates accounted for using the equity method and enjoyed by the consolidated company is calculated based on financial reports that have not been reviewed by other certified public accountants.

14. Property, Plant and Equipment

For Own Use

	<u>Owned Land</u>	<u>Buildings</u>	<u>Machinery Equipment</u>	<u>Leasehold Improvements</u>	<u>Other Equipment</u>	<u>Property Under Construction</u>	<u>Total</u>
<u>Cost</u>							
Balance as of January 1, 2025	\$ 3,146,419	\$ 1,139,563	\$ 1,954,333	\$ 257,222	\$ 1,664,152	\$ 1,765,030	\$ 9,926,719
Additions	11,992	93,634	137,537	8,010	36,059	51,485	338,717
Disposals	(7,559)	(22,054)	-	-	-	-	(29,613)
Reclassification	587	122,023	7,702	6,380	41,425	(51,567)	126,550
Net Exchange Differences	13,144	10,998	4,975	2,649	947	445	33,158
Balance as of March 31, 2025	<u>\$ 3,164,583</u>	<u>\$ 1,344,164</u>	<u>\$ 2,104,547</u>	<u>\$ 274,261</u>	<u>\$ 1,742,583</u>	<u>\$ 1,765,393</u>	<u>\$ 10,395,531</u>
<u>Accumulated Depreciation and Impairment</u>							
Balance as of January 1, 2025	\$ -	\$ 185,692	\$ 941,122	\$ 96,398	\$ 992,653	\$ -	\$ 2,215,865
Depreciation Expense	-	8,493	52,773	10,204	55,238	-	126,708
Net Exchange Differences	-	1,687	2,324	432	556	-	4,999
Balance as of March 31, 2025	<u>\$ -</u>	<u>\$ 195,872</u>	<u>\$ 996,219</u>	<u>\$ 107,034</u>	<u>\$ 1,048,447</u>	<u>\$ -</u>	<u>\$ 2,347,572</u>
Net Amount as of March 31, 2025	<u>\$ 3,164,583</u>	<u>\$ 1,148,292</u>	<u>\$ 1,108,328</u>	<u>\$ 167,227</u>	<u>\$ 694,136</u>	<u>\$ 1,765,393</u>	<u>\$ 8,047,959</u>
<u>Cost</u>							
Balance as of January 1, 2024	\$ 2,853,930	\$ 829,572	\$ 1,528,776	\$ 112,499	\$ 1,378,494	\$ 1,004,767	\$ 7,708,038
Acquired from Business Combination (Note 33)	-	-	201,987	40,176	121,332	-	363,495
Additions	-	685	23,218	6,609	34,048	74,148	138,708
Disposals	-	-	(1,009)	-	(37)	-	(1,046)
Reclassification	-	20,000	55,175	(533)	7,166	-	81,808
Transferred to Investment Properties	(7,677)	(2,958)	-	-	-	-	(10,635)
Net Exchange Differences	-	3,299	4,023	872	1,688	-	9,882
Balance as of March 31, 2024	<u>\$ 2,846,253</u>	<u>\$ 850,598</u>	<u>\$ 1,812,170</u>	<u>\$ 159,623</u>	<u>\$ 1,542,691</u>	<u>\$ 1,078,915</u>	<u>\$ 8,290,250</u>
<u>Accumulated Depreciation and Impairment</u>							
Balance as of January 1, 2024	\$ -	\$ 158,796	\$ 713,352	\$ 44,373	\$ 711,890	\$ -	\$ 1,628,411
Acquired from Business Combination (Note 33)	-	-	114,361	33,324	105,004	-	252,689
Disposals	-	-	(623)	-	(37)	-	(660)
Depreciation Expense	-	5,188	37,858	3,958	47,887	-	94,891
Reclassification	-	28	-	4	388	-	420
Transferred to Investment Properties	-	(551)	-	-	-	-	(551)
Net Exchange Differences	-	1,334	2,281	(268)	330	-	3,677
Balance as of March 31, 2024	<u>\$ -</u>	<u>\$ 164,795</u>	<u>\$ 867,229</u>	<u>\$ 81,391</u>	<u>\$ 865,462</u>	<u>\$ -</u>	<u>\$ 1,978,877</u>
Net Amount as of March 31, 2024	<u>\$ 2,846,253</u>	<u>\$ 685,803</u>	<u>\$ 944,941</u>	<u>\$ 78,232</u>	<u>\$ 677,229</u>	<u>\$ 1,078,915</u>	<u>\$ 6,311,373</u>

Depreciation expense is calculated on a straight-line basis over the following useful lives:

Buildings	6 to 51 years
Machinery Equipment	1 to 15 years
Leasehold Improvements	1 to 11 years
Other Equipment	1 to 21 years

The consolidated company's significant components of buildings mainly include the main factory building, main building improvements, roads, and fencing, etc., and are depreciated according to their useful lives of 51 years, 21 years, and 20 years.

As of March 31, 2025, and December 31 and March 31, 2024, the consolidated company had NT\$305,390 thousand, NT\$304,803 thousand, and NT\$220,359 thousand respectively of its own land temporarily registered under third-party ownership, for which the trustees have issued undertaking letters.

For the amounts of self-used property, plant and equipment set as collateral for loans, please refer to Note 39.

15. Lease Agreements

(1) Right-of-use assets

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Right-of-use assets carrying amount			
Land	\$ 136,445	\$ 137,721	\$ 20,616
Buildings	102,719	112,396	132,767
Transportation equipment	<u>16,270</u>	<u>14,534</u>	<u>14,778</u>
	<u>\$ 255,434</u>	<u>\$ 264,651</u>	<u>\$ 168,161</u>
		<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Additions to right-of-use assets		<u>\$ 3,274</u>	<u>\$ 6,396</u>
Depreciation expense of right-of-use assets			
Land		\$ 1,709	\$ 133
Buildings		11,040	10,101
Transportation equipment		<u>1,538</u>	<u>1,255</u>
		<u>\$ 14,287</u>	<u>\$ 11,489</u>

(2) Lease liabilities

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Carrying amount of lease liabilities			
Current	<u>\$ 51,114</u>	<u>\$ 51,528</u>	<u>\$ 40,746</u>
Non-current	<u>\$ 186,567</u>	<u>\$ 195,129</u>	<u>\$ 109,787</u>

The discount rate range for lease liabilities is as follows:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Land	2.33%	2.33%	-
Buildings	1.03%~5.33%	1.03%~5.33%	1.45%~5.33%
Transportation equipment	1.46%~2.99%	1.46%~2.99%	1.50%~2.99%

(3) Significant leasing activities and terms

The consolidated company leases several transportation equipment for operational use, with lease terms ranging from 3 to 5 years. Upon expiration of the lease term, the consolidated company may choose to purchase the equipment at the nominal amount at that time.

The consolidated company also leases several parcels of land for factory use, with lease terms ranging from 5 to 20 years. At the end of the lease term, the consolidated company has no preferential purchase options for the leased land, buildings, and transportation equipment, and it is stipulated that the consolidated company shall not sublease or transfer all or part of the leased items without the lessor's consent.

(4) Other lease information

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Short-term lease expenses	\$ 5,629	\$ 5,186
Low-value asset lease expenses	\$ 428	\$ 97
Total cash (outflow) for leases	(<u>\$ 15,421</u>)	(<u>\$ 15,629</u>)

The consolidated company elects to apply the recognition exemption to short-term leases of buildings and low-value asset leases of office equipment, and does not recognize the related right-of-use assets and lease liabilities for these leases.

All lease commitments with lease terms commencing after the balance sheet date are as follows:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Lease commitments	\$ -	\$ 1,109	\$ -

16. Investment Property

	<u>Completed investment property</u>
<u>Cost</u>	
Balance as of January 1, 2025	\$ 715,280
Balance as of March 31, 2025	<u>\$ 715,280</u>
<u>Accumulated Depreciation and Impairment</u>	
Balance as of January 1, 2025	\$ 57,770
Depreciation Expense	<u>1,738</u>
Balance as of March 31, 2025	<u>\$ 59,508</u>
Net Amount as of March 31, 2025	<u>\$ 655,772</u>
<u>Cost</u>	
Balance as of January 1, 2024	\$ 704,645
Transfer from property, plant and equipment	<u>10,635</u>
Balance as of March 31, 2024	<u>\$ 715,280</u>

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	<u>Completed investment property</u>
<u>Accumulated Depreciation and Impairment</u>	
Balance as of January 1, 2024	\$ 50,270
Transfer from property, plant and equipment	551
Depreciation Expense	<u>1,736</u>
Balance as of March 31, 2024	<u>\$ 52,557</u>
Net Amount as of March 31, 2024	<u>\$ 662,723</u>

The total amount of future lease payments to be collected for investment property leased under operating leases is as follows:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
1st year	\$ 22,760	\$ 6,511	\$ 30,638
2nd year	2,888	1,200	32
3rd year	<u>2,628</u>	<u>400</u>	<u>-</u>
	<u>\$ 28,276</u>	<u>\$ 8,111</u>	<u>\$ 30,670</u>

Depreciation for investment property is calculated on a straight-line basis over the following useful lives:

Main building	51 years
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The fair values of investment properties are measured using Level 3 inputs by an independent valuation company. The valuation adopts cash flow method and comparison method, with key unobservable inputs including discount rate. The fair value obtained from the valuation is as follows:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Fair value	<u>\$1,158,468</u>	<u>\$1,158,468</u>	<u>\$1,198,400</u>

All investment properties of the consolidated company are proprietary equity. For the amount of investment property set as loan collateral, please refer to Note 39.

The consolidated company has no lease commitments that begin after the balance sheet date.

17. Goodwill

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
<u>Cost</u>		
Beginning Balance	\$ 205,949	\$ 200,951
Acquisition through business combination for the current period (Note 33)	-	46,801
Reclassification	(23,049)	-
Ending Balance	<u>\$ 182,900</u>	<u>\$ 247,752</u>
<u>Accumulated impairment losses</u>		
Beginning Balance	(\$ 26,708)	(\$ 24,201)
Ending Balance	(\$ 26,708)	(\$ 24,201)
Net Beginning balance	<u>\$ 179,241</u>	<u>\$ 176,750</u>
New ending balance	<u>\$ 156,192</u>	<u>\$ 223,551</u>

The consolidated company acquired JYR Aviation Components Co., Ltd. on January 12, 2024, generating goodwill of NT\$46,801 thousand, mainly from control premium, including expected synergies, revenue growth and future development. After assessment, no impairment loss was recognized.

The fair value of inventory, property, plant and equipment, and other intangible assets of subsidiary JYR Aviation Components Co., Ltd. on the acquisition date of January 12, 2024, was NT\$259,553 thousand. The consolidated company obtained a valuation report in January 2025, according to which the fair value of inventory, property, plant and equipment, and other intangible assets was NT\$304,748 thousand. The consolidated company has adjusted the differences between the original accounting treatment and provisional amounts.

18. Other Intangible Assets

	<u>Patent rights</u>	<u>Computer software</u>	<u>Golf membership certificate</u>	<u>Technology</u>	<u>Customer relationships</u>	<u>Total</u>
<u>Cost</u>						
Balance as of January 1, 2025	\$ 99,925	\$ 180,611	\$ 8,763	\$ 5,900	\$ 35,652	\$ 330,851
Acquired separately	-	41,525	-	-	-	41,525
Net Exchange Differences	-	-	-	-	4	4
Balance as of March 31, 2025	<u>\$ 99,925</u>	<u>\$ 222,136</u>	<u>\$ 8,763</u>	<u>\$ 5,900</u>	<u>\$ 35,656</u>	<u>\$ 372,380</u>
<u>Accumulated amortization and impairment</u>						
Balance as of January 1, 2025	\$ 48,214	\$ 95,883	\$ -	\$ 3,371	\$ 8,555	\$ 156,023
Amortization Expense	2,191	7,241	-	211	800	10,443
Net Exchange Differences	-	(53)	-	-	-	(53)
Balance as of March 31, 2025	<u>\$ 50,405</u>	<u>\$ 103,071</u>	<u>\$ -</u>	<u>\$ 3,582</u>	<u>\$ 9,355</u>	<u>\$ 166,413</u>
Net Amount as of March 31, 2025	<u>\$ 49,520</u>	<u>\$ 119,065</u>	<u>\$ 8,763</u>	<u>\$ 2,318</u>	<u>\$ 26,301</u>	<u>\$ 205,967</u>

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	<u>Patent rights</u>	<u>Computer software</u>	<u>Golf membership certificate</u>	<u>Technology</u>	<u>Customer relationships</u>	<u>Total</u>
<u>Cost</u>						
Balance on January 1, 2024	\$ 99,925	\$ 124,438	\$ 8,763	\$ 5,900	\$ 25,204	\$ 264,230
Acquired from Business Combination (Note 33)	-	22,675	-	-	-	22,675
Acquired separately	-	4,214	-	-	-	4,214
Balance as of March 31, 2024	<u>\$ 99,925</u>	<u>\$ 151,327</u>	<u>\$ 8,763</u>	<u>\$ 5,900</u>	<u>\$ 25,204</u>	<u>\$ 291,119</u>
<u>Accumulated amortization and impairment</u>						
Balance on January 1, 2024	\$ 39,450	\$ 54,917	\$ -	\$ 2,528	\$ 5,300	\$ 102,195
Acquired from Business Combination (Note 33)	-	20,839	-	-	-	20,839
Amortization Expense	2,191	4,404	-	211	622	7,428
Net Exchange Differences	-	(56)	-	-	-	(56)
Balance as of March 31, 2024	<u>\$ 41,641</u>	<u>\$ 80,104</u>	<u>\$ -</u>	<u>\$ 2,739</u>	<u>\$ 5,922</u>	<u>\$ 130,406</u>
Net Amount as of March 31, 2024	<u>\$ 58,284</u>	<u>\$ 71,223</u>	<u>\$ 8,763</u>	<u>\$ 3,161</u>	<u>\$ 19,282</u>	<u>\$ 160,713</u>

The consolidated company's golf membership certificate represents a right of use, and the management of the consolidated company believes that the consolidated company has the intention and ability to continuously extend the useful life, so it is an intangible asset with an indefinite useful life. However, regardless of whether there are any indications of impairment, impairment tests are conducted regularly every year. The golf club membership deposit of NT\$12,000 thousand is recorded as refundable deposits.

Amortization expenses are calculated on a straight-line basis according to the following useful lives:

Computer software	1 to 9 years
Patent rights	5 to 10 years
Technology	7 years
Customer relationships	2 to 8 years

Amortization expenses summarized by function:

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Operating costs	\$ 1,847	\$ 1,273
Selling expenses	218	2
General And Administrative Expenses	5,588	3,745
Research and development expenses	2,790	2,408
	<u>\$ 10,443</u>	<u>\$ 7,428</u>

19. Prepayments

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
<u>Current</u>			
Prepaid inventory	\$ 22,512	\$ 15,188	\$ 139,465
Tax offset	35,540	34,735	47,773
Other prepaid expenses	<u>59,430</u>	<u>54,730</u>	<u>42,642</u>
	<u>\$ 117,482</u>	<u>\$ 104,653</u>	<u>\$ 229,880</u>

20. Other assets

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
<u>Current</u>			
Other Current Assets			
Temporary payment	\$ 4,408	\$ 4,844	\$ 2,789
Payment on behalf	77,151	77,151	72,651
Others	<u>-</u>	<u>-</u>	<u>2</u>
	<u>\$ 81,559</u>	<u>\$ 81,995</u>	<u>\$ 75,442</u>
<u>Non-current</u>			
Other non-current assets			
Net defined benefit asset	\$ 1,083	\$ 965	\$ 872
Others	<u>660</u>	<u>652</u>	<u>-</u>
	<u>\$ 1,743</u>	<u>\$ 1,617</u>	<u>\$ 872</u>

21. Borrowings

(1) Short-term borrowings

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Secured borrowings (Note 39)			
-Bank loans	\$ 324,419	\$ -	\$ 50,000
Unsecured borrowings			
- Bank loans	<u>820,000</u>	<u>780,545</u>	<u>345,000</u>
	<u>\$ 1,144,419</u>	<u>\$ 780,545</u>	<u>\$ 395,000</u>

The interest rates on bank revolving credit facilities were 1.75%~3.15%, 1.83%~3.10%, and 1.80%~2.925% as of March 31, 2025, December 31 and March 31, 2024, respectively.

(2) Long-term borrowings

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
<u>Secured borrowings</u> (Note 39)	\$ 3,893,918	\$ 3,781,420	\$ 2,730,282
<u>Unsecured borrowings</u>	2,255,623	1,897,101	432,072
Less: Portion due within 1 year	(<u>639,878</u>)	(<u>322,550</u>)	(<u>269,848</u>)
	<u>\$ 5,509,663</u>	<u>\$ 5,355,971</u>	<u>\$ 2,892,506</u>
<u>Borrowing details</u>			
Annual interest rate	1.03%~3.40%	1.03%~3.50%	1.880%~3.850%
Maturity date	Maturing successively before January 2042	Maturing successively before January 2042	Maturing successively before January 2042

For the collateral situation of the above bank borrowings, please refer to Notes 39 and 40.

22. Corporate bonds payable

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Domestic secured convertible corporate bonds	\$ -	\$ -	\$ 947,332
Less: Portion due within 1 year	<u>354,581</u>	<u>384,182</u>	<u>-</u>
	<u>\$ 354,581</u>	<u>\$ 384,182</u>	<u>\$ 947,332</u>

The 4th domestic unsecured convertible corporate bonds

The consolidated company issued 10 thousand units of Taiwan dollar-denominated unsecured convertible corporate bonds in Taiwan on October 18, 2023, with a three-year term and a coupon rate of 0%, for a total principal amount of NT\$1,000,000 thousand.

Each unit of corporate bond holder has the right to convert into common shares of the consolidated company at NT\$374.9 per share. After the conversion price is determined, if there is an increase in the number of issued common shares, the conversion price should be adjusted according to the conversion price adjustment formula.

From the day after three months from the issuance of these convertible bonds to 40 days before the maturity date, if the closing price of the consolidated company's common shares exceeds 30% of the conversion price for 30 consecutive business days, the consolidated company may, within the following 30 business days, send a "Notice to call back bonds" with a 30-day maturity by registered mail, and upon expiration of that period, redeem all bonds in cash at the face value of the bonds; from the day after three months from the issuance of these convertible bonds to 40 days before the maturity date, if the outstanding balance of these convertible bonds is less than 10% of the original total issuance amount, the consolidated company may, at any time thereafter, send a "Notice to call back bonds" with a 30-day maturity by registered mail, and redeem all bonds in cash at the face value of the bonds.

The day after two years from the issuance of these convertible bonds is the base date for bondholders to early redeem these convertible bonds. The consolidated company should, 40 business days prior to this date, send a "Notice of Exercise of Put-back Option" with a 5-day maturity by registered mail, and redeem all bonds in cash at the face value of the bonds.

These convertible corporate bonds include liability and equity components, with the equity component presented under equity as - stock options. The original effective interest rate for the liability component is 2.14%.

As of March 31, 2025, the Consolidated company has executed full conversion at the request of bondholders, with conversion details as follows:

	January 1 to March 31, 2025
Total amount of bonds requested for conversion	\$ 32,700
Less: Ordinary share capital to be issued at the conversion price stipulated in the issuance regulations for the aforementioned bonds requested for conversion	(906)
Conversion premium	31,794
Add: Capital surplus - stock options	1,846
Financial liabilities at fair value through profit or loss	10
Less: Corporate bonds payable discount	(1,167)
Financial assets at fair value through profit or loss	(79)
Part of issued ordinary shares included in capital surplus - corporate bond conversion premium	<u>\$ 32,404</u>

The changes in the debt master contract from the issuance date to March 31, 2025 are as follows:

	Amount
Issuance proceeds on October 18, 2023 (less transaction costs of NT\$2,715 thousand)	\$ 997,285
Equity component (less transaction costs allocated to equity of NT\$154 thousand)	(56,446)
Derivative component - put option	(3,700)
Derivative component - redemption right	<u>1,200</u>
Liability component at issuance date (derivative component - redemption right)	938,339
Interest calculated at effective interest rate of 2.14%	21,303
Conversion of corporate bonds into common shares	(575,460)
Liability component as of December 31, 2024	<u>\$ 384,182</u>
Liability component as of January 1, 2025	\$ 384,182
Interest calculated at effective interest rate of 2.14%	1,932
Conversion of corporate bonds into common shares	(31,533)
Liability component as of March 31, 2025	<u>\$ 354,581</u>

The changes in the debt master contract from the issuance date to March 31, 2024 are as follows:

	<u>Amount</u>
Issuance proceeds on October 18, 2023 (less transaction costs of NT\$2,715 thousand)	\$ 997,285
Equity component (less transaction costs allocated to equity of NT\$154 thousand)	(56,446)
Derivative component - put option	(3,700)
Derivative component - redemption right	<u>1,200</u>
Liability component at issuance date (derivative component - redemption right)	938,339
Interest calculated at effective interest rate of 2.14%	<u>4,076</u>
Liability component as of December 31, 2023	<u>\$ 942,415</u>
Liability component as of January 1, 2024	\$ 942,415
Interest calculated at effective interest rate of 2.14%	5,011
Conversion of corporate bonds into common shares	(94)
Liability component as of March 31, 2024	<u>\$ 947,332</u>

23. Notes Payable and Accounts Payable

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
<u>Notes Payable</u>			
Arising from operations -			
Non-related parties	\$ <u>228</u>	\$ <u>114</u>	\$ <u>5,235</u>
<u>Accounts Payable</u>			
Arising from operations -			
Non-related parties	\$ <u>627,448</u>	\$ <u>621,229</u>	\$ <u>553,754</u>
Arising from operations -			
Related parties (Note 38)	\$ <u>44,745</u>	\$ <u>76,309</u>	\$ <u>63,401</u>

The consolidated company has an average credit period of 1-3 months for the purchase of certain goods, and no interest is charged on accounts payable. The consolidated company has established financial risk management policies to ensure that all payables are paid within pre-agreed credit terms.

24. Other Liabilities

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
<u>Current</u>			
<u>Other Payables</u>			
Payables for equipment	\$ 125,100	\$ 152,574	\$ 77,892
Payables for salaries and bonuses	154,954	294,244	140,777
Payables for employee compensation	100,663	85,962	82,452
Payables for directors' compensation	67,924	57,239	44,568
Payables for vacation benefits	24,730	16,790	20,098
Payables for interest	3,277	3,436	3,398

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	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Payables for dividends	\$ 588,052	\$ 364,232	\$ 394,909
Payables for investments (Note 35)	74,718	27,545	93,031
Others	<u>177,040</u>	<u>239,623</u>	<u>173,048</u>
	<u>\$ 1,316,458</u>	<u>\$ 1,241,645</u>	<u>\$ 1,030,173</u>
Other payables - related parties (Note 38)	<u>\$ 33,699</u>	<u>\$ 1,725</u>	<u>\$ 560</u>
Other liabilities			
Temporary receipts	\$ 927	\$ 424	\$ 772
Collections for others	84,938	84,719	76,960
Others	-	-	346
	<u>\$ 85,865</u>	<u>\$ 85,143</u>	<u>\$ 78,078</u>
<u>Non-current</u>			
Other Non-current Liabilities			
Net Defined Benefit Liabilities	<u>\$ 39,566</u>	<u>\$ 39,155</u>	<u>\$ 31,262</u>

25. Provisions

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
<u>Current</u>			
Warranties	<u>\$ 30,637</u>	<u>\$ 32,834</u>	<u>\$ 30,834</u>

The provision for warranty liabilities is based on the contractual obligations for product sales, representing the present value of the best estimate by the consolidated company's management regarding the outflow of future economic benefits due to warranty obligations. This estimate is based on historical warranty experience and adjusted for events affecting product quality, such as new materials, manufacturing process changes, or other factors.

26. Post-employment Benefit Plans

The pension expenses related to defined benefit plans recognized from January 1 to March 31, 2025 and 2024 were calculated using pension cost rates determined by actuarial calculations as of December 31, 2024 and 2023, amounting to NT\$344 thousand and NT\$238 thousand, respectively.

27. Equity

(1) Common stock capital and stock subscriptions received in advance

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Authorized shares (thousand shares)	150,000	150,000	150,000
Authorized capital	<u>\$ 1,500,000</u>	<u>\$ 1,500,000</u>	<u>\$ 1,500,000</u>
Number of issued and fully paid shares (thousand shares)	95,850	95,850	94,297
Issued capital	<u>\$ 958,505</u>	<u>\$ 958,505</u>	<u>\$ 942,972</u>
Stock Subscriptions Received in Advance	<u>\$ 1,890</u>	<u>\$ 984</u>	<u>\$ 3</u>

In January 1 to March 31, 2025 and in 2024, the Company's corporate bonds were converted into 91 thousand and 1,652 thousand ordinary shares respectively, with a par value of NT\$10 per share, totaling NT\$906 thousand and NT\$16,517 thousand. As of March 31, 2025, December 31 and March 31, 2024, bondholders of the Company's corporate bonds have respectively requested conversion of unsecured corporate bonds into 189 thousand shares, 98 thousand shares, and 0.3 thousand shares of common stock, which are recorded as advance receipts for share capital of NT\$1,890 thousand, NT\$984 thousand, and NT\$3 thousand, respectively. New shares will be issued after legally establishing the capital increase record date and registration changes will be completed accordingly.

(2) Capital Surplus

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Can be used to offset losses, distribute cash or transfer to capital (1)			
Share premium	\$ 4,412,831	\$ 4,412,831	\$ 4,412,831
Convertible bond premium	1,854,776	1,822,372	1,231,573
Treasury stock transactions	200,461	200,461	200,461
Changes in equity of associates and joint ventures accounted for using equity method	1,362	1,082	1,082
Difference between the actual acquisition or disposal value of subsidiaries' shares and their book value	122,839	122,839	62,741
Can only be used to offset losses (2)			
Recognition of changes in ownership equity of subsidiaries	301,670	302,943	-
Changes in equity of associates and joint ventures accounted for using equity method	3,450	3,450	-
<u>Cannot be used for any</u>			

<u>purpose</u>			
Stock warrants	<u>20,682</u>	<u>22,528</u>	<u>56,440</u>
	<u>\$ 6,918,071</u>	<u>\$ 6,888,506</u>	<u>\$ 5,965,128</u>

1. This type of capital reserve can be used to offset losses, and can also be used to distribute cash or to be capitalized when the company has no losses. However, when being capitalized, it is limited to a certain percentage of the paid-in capital each year.
2. This type of capital reserve represents the impact of equity transactions recognized from changes in subsidiaries' equity when the Company has not actually acquired or disposed of subsidiaries' shares, or the adjustment amount from the Company's recognition of subsidiaries' capital reserve under the equity method.

(3) Retained Earnings and Dividend Policy

According to the dividend distribution policy stipulated in the Company's Articles of Incorporation, the Company may distribute profits or make up losses after the end of each half fiscal year. When the distribution is made by issuing new shares, it shall be submitted to the shareholders' meeting for resolution and then distributed; when it is made in cash, it shall be resolved by the Board of Directors and reported to the shareholders' meeting.

According to the dividend distribution policy stipulated in the Company's Articles of Incorporation, if there is a profit in the annual financial statement, after paying taxes in accordance with the law and offsetting accumulated losses, 10% shall be set aside as legal reserve, followed by the appropriation or reversal of special reserve as required by law; if there is still a balance, it shall be combined with the accumulated undistributed earnings, and the Board of Directors shall propose a profit distribution plan and submit it to the shareholders' meeting for resolution on the distribution of shareholders' dividends. Please refer to Note 29 (7) Employee Compensation and Directors' Remuneration for the employee and director remuneration distribution policy stipulated in the Company's Articles of Incorporation.

The legal reserve must be set aside until its balance reaches the total amount of the Company's paid-in capital. The legal reserve may be used to offset losses. When the company has no losses, the portion of the legal reserve that exceeds 25% of the total paid-in capital may be capitalized or distributed in cash.

The Company appropriates and reverses special reserve in accordance with the Financial Supervisory Commission's Letters No. 1010012865 and No. 1090150022. When there is a subsequent reversal of the net amount of other equity deduction items, the special reserve may be reversed for the distribution of earnings to the extent of the reversal.

The Company has resolved the distribution of 2023 earnings at the Board of Directors meeting as follows:

	July 1 to December 31, 2023	January 1 to June 30, 2023
Board resolution date	March 6, 2024	November 8, 2023
Legal Reserve	<u>\$ 42,317</u>	<u>\$ 48,184</u>
Special Reserve	<u>\$ -</u>	<u>(\$ 146,666)</u>
Cash dividend	<u>\$ 330,040</u>	<u>\$ 377,883</u>
Cash dividend per share (NT\$)	<u>\$ 3.5</u>	<u>\$ 4.27</u>

The aforementioned cash dividend has been allocated by resolution of the Board of Directors, and the remaining distribution items were also resolved at the Annual General Meeting of Shareholders held on May 24, 2024.

The Company has resolved the distribution of 2024 earnings at the Board of Directors meeting as follows:

	July 1 to December 31, 2024	January 1 to June 30, 2024
Board resolution date	March 5, 2025	November 6, 2024
Legal Reserve	<u>\$ 67,392</u>	<u>\$ 49,386</u>
Cash dividend	<u>\$ 489,800</u>	<u>\$ 364,232</u>
Cash dividend per share (NT\$)	<u>\$ 5.1</u>	<u>\$ 3.8</u>

The aforementioned cash dividend has been allocated by resolution of the Board of Directors, and the remaining earnings distribution items are pending resolution at the Annual General Meeting of Shareholders to be held on May 23, 2025.

(4) Non-controlling interests

	January 1 to March 31, 2025	January 1 to March 31, 2024
Beginning Balance	\$ 1,513,277	\$ 791,527
Net income for the year	9,178	24,599
Earnings distribution for the year	(98,252)	(64,869)
Other comprehensive income for the year		
Exchange Differences on Translating the Financial Statements of Foreign Operations	1,240	3,773
Unrealized Gain or Loss on Financial Assets at Fair Value through Other Comprehensive Income	(644)	-
Acquisition of partial interests in subsidiaries (Note 34)	-	(10,045)
Acquisition of non-controlling interests from subsidiaries (Note 33)	22,146	205,496
Non-proportional acquisition of non-controlling interests from subsidiaries	8,262	-
Non-controlling interests related to outstanding vested stock options held by	24,073	-

subsidiary employees (Note 32)		
Share-based payment transactions (note 32)	65	-
Ending Balance	<u>\$ 1,479,345</u>	<u>\$ 950,481</u>

28. Revenue

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Revenue from contracts with customers		
Sales revenue of commodities	\$ 1,382,770	\$ 1,206,351
Other operating revenue	<u>326,026</u>	<u>214,073</u>
	<u>\$ 1,708,796</u>	<u>\$ 1,420,424</u>

(1) Description of contracts with customers

Sales revenue of commodities

Sales revenue of commodities is derived from the manufacture of mask packages, their design services, and sales of semiconductor-related products. Since customers have the right to set prices and use the goods at the time of shipment of mask package products, and bear the primary responsibility for resale and the risk of product obsolescence, and for the sales of semiconductor equipment, the performance obligation is satisfied when the customer accepts the equipment, at which point the customer obtains control of the product, the consolidated company recognizes revenue and accounts receivable at the aforementioned point in time.

(2) Contract balance

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>	<u>January 1, 2024</u>
Accounts receivable (Note 10)	<u>\$1,663,201</u>	<u>\$1,518,929</u>	<u>\$ 968,089</u>	<u>\$ 885,391</u>
Accounts receivable - related parties (Note 10)	<u>\$ 26,440</u>	<u>\$ 12,446</u>	<u>\$ 134</u>	<u>\$ 147</u>
Contract liabilities - advance receipts				
Sales of commodities	\$ 630,770	\$ 489,626	\$ 707,967	\$ 817,764
Others	<u>16,101</u>	<u>9,471</u>	<u>14,912</u>	<u>19,341</u>
	<u>\$ 646,871</u>	<u>\$ 499,097</u>	<u>\$ 722,879</u>	<u>\$ 837,105</u>

(3) Disaggregation of revenue from contracts with customers

For disaggregation of revenue information, please refer to Note 43.

29. Profit before tax

(1) Interest income

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Bank deposits	\$ 13,499	\$ 8,702
Imputed interest on deposits	<u>21</u>	<u>24</u>
	<u>\$ 13,520</u>	<u>\$ 8,726</u>

(2) Other income

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Rental income		
Investment property	\$ 8,768	\$ 8,576
Other rental	<u>4,008</u>	<u>824</u>
	<u>12,776</u>	<u>9,400</u>
Sample revenue	25,801	-
Others	<u>6,428</u>	<u>7,695</u>
	<u>\$ 45,005</u>	<u>\$ 17,095</u>

(3) Other gains and (losses)

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Gains and losses on financial assets and financial liabilities		
Financial assets and liabilities mandatorily measured at fair value through profit or loss	(\$ 57,062)	\$ 25,749
Net foreign currency exchange gains	18,334	48,463
(Gain)/Loss On Disposal Of Property, Plant And Equipment	4,515	(313)
Others	<u>(466)</u>	<u>(1,419)</u>
	<u>(\$ 34,679)</u>	<u>\$ 72,480</u>

(4) Finance costs

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Bank borrowing interest	\$ 35,294	\$ 20,214
Convertible corporate bond interest	1,932	5,011
Interest on lease liabilities	1,174	585
Imputed interest on deposits	17	14
Less: Amount included in cost of qualifying assets	<u>(2,198)</u>	<u>(2,283)</u>
	<u>\$ 36,219</u>	<u>\$ 23,541</u>

Information related to interest capitalization is as follows:

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Capitalized interest amount	\$ 2,198	\$ 2,283
Interest capitalization rate	1.95%	2.72%

(5) Depreciation and amortization

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Depreciation expense by function		
Operating costs	\$ 79,943	\$ 68,289
Operating expenses	<u>62,790</u>	<u>39,827</u>
	<u>\$ 142,733</u>	<u>\$ 108,116</u>
Amortization expense by function		
Operating costs	\$ 1,847	\$ 1,273
Operating expenses	<u>8,596</u>	<u>6,155</u>
	<u>\$ 10,443</u>	<u>\$ 7,428</u>

(6) Employee benefit expenses

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Post-employment benefits		
Defined contribution plans	\$ 10,793	\$ 9,108
Defined benefit plans (Note 26)	<u>344</u>	<u>238</u>
	11,137	9,346
Share-based payment		
Equity-settled	134	-
Other employee benefits	<u>379,007</u>	<u>328,509</u>
Total employee benefit expenses	<u>\$ 390,278</u>	<u>\$ 337,855</u>
Summarized by function		
Operating costs	\$ 194,616	\$ 142,052
Operating expenses	<u>195,662</u>	<u>195,803</u>
	<u>\$ 390,278</u>	<u>\$ 337,855</u>

(7) Employee compensation and directors' compensation

The Company's Articles of Incorporation stipulate that employee compensation and directors' compensation shall be appropriated at no less than 3% and no more than 3%, respectively, from the profit before tax prior to deducting employee and directors' compensation for the year. In accordance with the amendments to the Securities and Exchange Act in August 2024, the Company expects to pass amendments to its articles of incorporation at the 2025 shareholders' meeting, stipulating that at least 1% of the employee compensation allocated for the current year shall be designated as compensation for grassroots employees. The estimated employees' compensation and directors' compensation for the periods from January 1 to March 31, 2025 and 2024 are as follows:

Estimated percentage

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Employees' compensation	3%	3%
Directors' compensation	3%	3%

Amount

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Employees' compensation	<u>\$ 8,733</u>	<u>\$ 7,935</u>
Directors' compensation	<u>\$ 8,732</u>	<u>\$ 7,934</u>

If there are still changes in the amount after the approval and issuance of the annual consolidated financial statements, it will be treated as a change in accounting estimate and adjusted in the following year.

The estimated employees' compensation and directors' compensation for 2024 and 2023 were resolved by the Board of Directors on March 5, 2025, and March 6, 2024, respectively, as follows:

Amount

	<u>2024</u>		<u>2023</u>	
	<u>Cash</u>	<u>Stock</u>	<u>Cash</u>	<u>Stock</u>
Employees' compensation	\$ 41,827	\$ -	\$ 31,429	\$ -
Directors' compensation	40,713	-	31,428	-

There is no difference between the actual distribution amount of employee compensation and directors' compensation for 2024 and 2023, and the recognized amount in the consolidated financial statements for 2024 and 2023.

For information on employee compensation and directors' compensation resolved by the Company's Board of Directors, please refer to the "Market Observation Post System" of the Taiwan Stock Exchange.

30. Income Tax

(1) Income tax recognized in profit or loss

The main components of income tax expense are as follows:

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Current income tax		
Incurred for the period	\$ 66,143	\$ 59,097
Additional levy on undistributed earnings	2,394	4,083
Adjustments from previous years	(9,942)	-
	<u>58,595</u>	<u>63,180</u>
Deferred income tax		
Incurred for the period	<u>8,922</u>	<u>6,054</u>
	<u>8,922</u>	<u>6,054</u>
Income tax expense recognized in profit or loss	<u>\$ 67,517</u>	<u>\$ 69,234</u>

(2) Income Tax Assessment Status

The Company's income tax returns have been assessed by the tax authorities for up to 2022, except for the 2023 tax year.

31. Earnings Per Share

The earnings and weighted average number of common shares used to calculate earnings per share are as follows:

Net income for the year

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Net income used to calculate basic earnings per share	\$ 211,067	\$ 211,225
Effects of dilutive potential common shares:		
Interest on convertible corporate bonds and valuation gains/losses on conversion options	<u>2,058</u>	<u>1,409</u>
Net income used to calculate diluted earnings per share	<u>\$ 213,125</u>	<u>\$ 212,634</u>

Number of shares Unit: Thousand shares

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Weighted average number of common shares used to calculate basic earnings per share	96,033	94,297
Effects of dilutive potential common shares:		
Employees' compensation	85	68

Convertible corporate bonds	<u>1,005</u>	<u>2,725</u>
Weighted average number of common shares used to calculate diluted earnings per share	<u>97,123</u>	<u>97,090</u>

If the consolidated company has the option to distribute employee compensation in stocks or cash, then when calculating diluted earnings per share, it is assumed that employee compensation will be distributed in the form of stocks, and these potential common shares are included in the weighted average number of outstanding shares when they have a dilutive effect, in order to calculate diluted earnings per share. When calculating diluted earnings per share before resolving the number of shares for employee compensation in the following year, the dilutive effect of these potential common shares continues to be considered.

32. Share-based Payment Agreements

Employee Share Options Issued By The Subsidiary Plan

The Company's subsidiary We Solutions Technology Co., Ltd. (hereinafter referred to as "We Solutions") granted 1,900 thousand employee stock options in April 2024, with the recipients being employees of We Solutions.

Information on employee share options is as follows:

<u>Employee share Options</u>	<u>January 1 to March 31, 2025</u>	
	<u>Units (thousands)</u>	<u>Weighted Average Exercise Price (NT\$)</u>
Outstanding at beginning of period	1,900	\$ 12.67
Exercised during the period	(<u>1,900</u>)	12.67
Outstanding at end of period	<u> -</u>	
Exercisable at end of period	<u> -</u>	
Weighted average fair value of stock options granted during the period (in dollars)	<u>\$ 1.2</u>	

For employee share options exercised in January 1 to March 31, 2025, the weighted average share price on the exercise date was NT\$12.75.

The employee share options granted by We Solutions in April 2024 all used the Black-Scholes valuation model, with the following inputs used in the valuation model:

	<u>April 2024</u>
Grant date market price	NT\$12.75
Exercise price	NT\$12.67
Expected volatility	26.20%
Duration	9 months
Expected dividend yield	0%
Risk-free interest rate	1.3846%

In January 1 to March 31, 2025, We Solutions recognized a compensation cost of NT\$134 thousand.

32. Business Combinations

(1) Acquisition of Subsidiaries

	<u>Main Operating Activities</u>	<u>Acquisition Date</u>	<u>Voting Ownership Interest/Acqui- sition Percentage (%)</u>	<u>Transfer Consideration</u>
JYR Aviation Components Co., Ltd.	Aircraft and parts retail, wholesale, and manufacturing	January 12, 2024	51%	<u>\$ 260,685</u>

The consolidated company acquired JYR Aviation Components Co., Ltd. on January 12, 2024 to continue expanding the consolidated company's operations.

(2) Transfer Consideration

January 1 to March 31, 2024

Cash	<u>JYR Aviation Components Co., Ltd.</u>
	<u>\$ 260,685</u>

(3) Assets Acquired and Liabilities Assumed on Acquisition Date

	<u>JYR Aviation Components Co., Ltd.</u>
Current Assets	
Cash and cash equivalents	\$ 269,787
Accounts receivable and other receivables	43,257
Current income tax assets	25
Inventories	146,911
Prepayments	29,768
Other Current Assets	4,040
Non-current Assets	
Property, plant and equipment	110,806
Other intangible assets	1,836
Deferred income tax assets	22,562
Prepayment for equipment	2,178
Other non-current assets	658
Current Liabilities	
Short-term borrowings	(79,970)
Notes Payable	(6,126)
Accounts payable and other payables	(68,383)
Current portion of long-term borrowings	(10,861)

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	JYR Aviation Components Co., Ltd.
Non-current Liabilities	
Long-term borrowings	(\$ 47,006)
Deferred income tax liabilities	(<u>102</u>)
	<u>\$ 419,380</u>

(4) Goodwill arising from acquisition

January 1 to March 31, 2024

	JYR Aviation Components Co., Ltd.
Transfer Consideration	\$ 260,685
Add: Non-controlling interests	205,496
Less: Fair value of identifiable net assets acquired	(<u>419,380</u>)
Goodwill arising from acquisition	<u>\$ 46,801</u>

The goodwill arising from the acquisition of JYR Aviation is primarily attributable to control premium. In addition, the consideration paid for the merger includes the expected synergies from the combination, revenue growth, and future market development. However, these benefits do not meet the recognition criteria for identifiable intangible assets, and therefore are not recognized separately.

Goodwill arising from the merger is not expected to be deductible for tax purposes.

(5) Net cash inflow on acquisition of subsidiaries

January 1 to March 31, 2024

	JYR Aviation Components Co., Ltd.
Consideration paid in cash	\$ 260,685
Less: Cash and cash equivalents balance acquired	(<u>269,787</u>)
	<u>(\$ 9,102)</u>

34. Equity transactions with non-controlling interests

In March 2025, the consolidated company acquired shares of Bor Sheng not in proportion to its shareholding ratio, resulting in an decrease in ownership percentage to 90.88%.

Since the aforementioned transactions did not change the Company's control over these subsidiaries, the Company treats them as equity transactions.

	(March 27, 2025)
	<u>Bor Sheng</u>
Cash consideration received	\$ 7,200
The amount of non-controlling interests to be transferred in based on the relative change in equity calculated from the carrying amount of the subsidiary's net assets	(<u>6,920</u>)
Difference in equity transactions	<u>\$ 280</u>
 <u>Adjustment items for equity transaction differences</u>	
Capital surplus - Difference between the actual price of acquisition or disposal of subsidiary shares and their carrying value	<u>\$ 280</u>

In January 2025, employees of We Solutions, a subsidiary of the consolidated company, exercised employee stock options, causing the consolidated company's ownership percentage to decrease to 51.43%.

Since the aforementioned transactions did not change the Company's control over these subsidiaries, the Company treats them as equity transactions.

	(January 2025) We
	<u>Solutions</u>
Cash consideration received	\$ 24,073
The amount of non-controlling interests to be transferred in based on the relative change in equity calculated from the carrying amount of the subsidiary's net assets	(<u>25,346</u>)
Difference in equity transactions	(<u>\$ 1,273</u>)
 <u>Adjustment items for equity transaction differences</u>	
Capital surplus - Recognition of changes in ownership interests in subsidiaries	(<u>\$ 1,273</u>)

In January 2024, the consolidated company's subsidiary, We Solutions, acquired shares of Jia Rui Company and Suting not in proportion to its shareholding ratio, resulting in an increase in ownership percentages to 58.18% and 74.37%, respectively.

Since the aforementioned transactions did not change the Company's control over these subsidiaries, the Company treats them as equity transactions.

	<u>(January 17 2024)</u> <u>Jia Rui Company</u>	<u>(January 17, 2024)</u> <u>Suting</u>
Cash consideration (paid)	(\$ 6,258)	(\$ 4,704)
The amount of non-controlling interests to be transferred based on the relative change in equity calculated from the carrying amount of the subsidiary's net assets	<u>3,807</u>	<u>2,758</u>
Difference in equity transactions	(\$ <u>2,451</u>)	(\$ <u>1,946</u>)
<u>Adjustment items for equity transaction differences</u>		
Unappropriated Retained Earnings	(\$ <u>2,451</u>)	(\$ <u>1,946</u>)

In January 2024, the consolidated company acquired shares of Gudeng Equipment not in proportion to its shareholding ratio, resulting in an increase in ownership percentage to 47.19%.

Since the aforementioned transactions did not change the Company's control over these subsidiaries, the Company treats them as equity transactions.

	<u>(January 24, 25,</u> <u>2024) Gudeng</u> <u>Equipment Co.,</u> <u>LTD.</u>
Cash consideration (paid)	(\$ 26,862)
The amount of non-controlling interests to be transferred based on the relative change in equity calculated from the carrying amount of the subsidiary's net assets	<u>2,747</u>
Difference in equity transactions	(\$ <u>24,115</u>)
<u>Adjustment items for equity transaction differences</u>	
Capital surplus - Difference between the actual price of acquisition or disposal of subsidiary shares and their carrying value	(\$ <u>24,115</u>)

35. Cash Flow Information

Non-cash transactions

Except as disclosed in other notes, the consolidated company engaged in the following non-cash financing activities from January 1 to March 31, 2025 and 2024:

- (1) The cash dividends for the second half of 2024, first half of 2024, and second half of 2023 approved by the Board of Directors had not yet been distributed as of March 31, 2025, December 31, 2024, and March 31, 2024, respectively (see Notes 24 and 27).

- (2) The Company and its subsidiary Gudeng Venture made additional investments in Symtek at the end of March 2025 and December 2024, respectively. As of March 31, 2025 and December 31, 2024, NT\$74,718 thousand and NT\$27,545 thousand remained unpaid, respectively.
- (3) The consolidated company acquired equity in Kunshan Kawaguchi in 2023. As of March 31, 2024, NT\$93,031 thousand remained unpaid and was recorded under other payables.

36. Capital Risk Management

The consolidated company is currently operating stably, and its capital risk management objective is to ensure that, on the premise of continuing operations and growth, it can maximize shareholder returns by optimizing the balance between debt and equity.

The consolidated company adopts prudent risk management strategies and conducts regular reviews, making comprehensive plans according to business development strategies and operational needs, to determine an appropriate capital structure for the consolidated company.

37. Financial Instruments

(1) Fair Value Information - Financial Instruments Not Measured at Fair Value

The management of the consolidated company believes that the carrying amounts of financial assets and financial liabilities not measured at fair value approximate their fair values.

(2) Fair Value Information - Financial Instruments Measured at Fair Value on a Recurring Basis

1. Fair Value Hierarchy

March 31, 2025

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial Assets at Fair Value</u>				
<u>through Profit or Loss</u>				
Derivatives	\$ -	\$ 367	\$ -	\$ 367
Domestic publicly traded shares	494,753	-	-	494,753
Domestic Emerging Stocks	42,702	-	-	42,702
Domestic Limited Partnerships	-	-	106,581	106,581
Total	<u>\$ 537,455</u>	<u>\$ 367</u>	<u>\$ 106,581</u>	<u>\$ 644,403</u>
<u>Financial Assets at Fair Value</u>				
<u>through Other Comprehensive</u>				
<u>Income</u>				
Equity Instrument Investments				
- Domestic publicly traded shares	\$1,170,755	\$ -	\$ -	\$1,170,755
- Domestic Emerging Stocks	-	229,609	-	229,609

- Non-publicly traded shares	-	-	428,650	428,650
Total	<u>\$1,170,755</u>	<u>\$ 229,609</u>	<u>\$ 428,650</u>	<u>\$1,829,014</u>

Financial liabilities at fair value through profit or loss

Derivatives	\$ -	\$ 110	\$ -	\$ 110
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December 31, 2024

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial Assets at Fair Value through Profit or Loss</u>				
Derivatives	\$ -	\$ 958	\$ -	\$ 958
Domestic publicly traded shares	519,303	-	-	519,303
Domestic Emerging Stocks	43,350	-	-	43,350
Domestic Limited Partnerships	-	-	44,212	44,212
Total	<u>\$ 562,653</u>	<u>\$ 958</u>	<u>\$ 44,212</u>	<u>\$ 607,823</u>

Financial Assets at Fair Value through Other Comprehensive Income

Equity Instrument Investments				
- Domestic publicly traded shares	\$1,085,005	\$ -	\$ -	\$1,085,005
- Domestic Emerging Stocks	-	224,147	-	224,147
- Non-publicly traded shares	-	-	368,525	368,525
Total	<u>\$1,085,005</u>	<u>\$ 224,147</u>	<u>\$ 368,525</u>	<u>\$1,677,677</u>

Financial liabilities at fair value through profit or loss

Derivatives	\$ -	\$ 120	\$ -	\$ 120
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March 31, 2024

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial Assets at Fair Value through Profit or Loss</u>				
Derivatives	\$ -	\$ 2,000	\$ -	\$ 2,000
Domestic publicly traded shares	185,965	-	-	185,965
Non-Principal-Protected Floating Income Financial Products	-	9,259	-	9,259
Total	<u>\$ 185,965</u>	<u>\$ 11,259</u>	<u>\$ -</u>	<u>\$ 197,224</u>

Financial Assets at Fair Value through Other Comprehensive Income

Equity Instrument Investments				
- Domestic publicly traded shares	\$ 198,410	\$ 477,696	\$ -	\$ 676,106
- Non-publicly traded shares	-	-	125,465	125,465
Total	<u>\$ 198,410</u>	<u>\$ 477,696</u>	<u>\$ 125,465</u>	<u>\$ 801,571</u>

Financial liabilities at fair value through profit or loss

Derivatives	\$ -	\$ 1,700	\$ -	\$ 1,700
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There were no transfers between Level 1 and Level 2 fair value measurements from January 1 to March 31, 2025 and 2024.

2. Reconciliation of Financial Instruments Measured at Level 3 Fair Value

January 1 to March 31, 2025

Financial Assets	Financial Assets at Fair Value through Other Comprehensive Income		Total
	Fair Value through Profit or Loss	Equity Instruments	
	Equity Instruments	Equity Instruments	
Beginning Balance	\$ 44,212	\$ 368,525	\$ 412,737
Recognized in profit or loss	(1,351)	-	(1,351)
Purchase	63,720	60,125	123,845
Ending Balance	<u>\$ 106,581</u>	<u>\$ 428,650</u>	<u>\$ 535,231</u>

January 1 to March 31, 2024

Financial Assets	Financial Assets at Fair Value through Other Comprehensive Income
	Equity Instruments
Beginning Balance	\$ 87,965
Additions for the period	37,500
Ending Balance	<u>\$ 125,465</u>

3. Valuation Techniques and Inputs for Level 2 Fair Value Measurement

Financial Instrument Categories	Valuation Techniques and Inputs
Derivatives - Convertible Corporate Bond Redemption Options	The fair value is estimated using a binomial tree convertible bond valuation model, with stock price volatility being the significant unobservable input used. When stock price volatility increases, the fair value of these derivatives will increase.
Domestic publicly traded securities	The consolidated company's investment in private common shares is a financial instrument with an active market but is restricted from sale due to a lock-up period. The consolidated company determines the fair value of this financial instrument based on relevant market prices.
Non-Principal-Protected Floating Income Financial Products	Reference is made to the counterparty's quoted price.

4. Valuation Techniques and Inputs for Level 3 Fair Value Measurement

- (1) The fair value of non-publicly quoted stocks is based on the market valuation method - using the price-earnings ratio method and price-to-book ratio method as the basis to evaluate a reasonable fair value.
- (2) The fair value of limited partnerships is evaluated using the asset-based approach, referring to the net asset value and operating conditions from the recently published financial statements of the investment targets.

(3) Types of Financial Instruments

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
<u>Financial Assets</u>			
Fair Value through Profit or			

Loss			
Mandatorily measured at fair value through profit or loss	\$ 644,403	\$ 607,823	\$ 197,224
Financial assets measured at amortized cost (Note 1)	7,038,290	6,852,028	4,652,554
Financial Assets at Fair Value through Other Comprehensive Income			
Equity Instrument Investments	1,829,014	1,677,677	801,571
<u>Financial liabilities</u>			
Fair Value through Profit or Loss			
Held for trading	110	120	1,700
Measured at amortized cost (Note 2)	9,681,258	8,794,626	6,167,735

Note 1: The balance includes cash and cash equivalents, notes receivable, accounts receivable (including related parties), financial assets measured at amortized cost, other receivables (including related parties), and refundable deposits, which are financial assets measured at amortized cost.

Note 2: The balance includes short-term borrowings, notes payable, accounts payable (including related parties), other payables, guarantee deposits received, current portion of long-term liabilities, corporate bonds payable, and long-term borrowings, which are financial liabilities measured at amortized cost.

(4) Financial Risk Management Objectives and Policies

The consolidated company's major financial instruments include equity investments, accounts receivable, accounts payable, corporate bonds payable, and borrowings. The above financial instruments are associated with operational financial risks. (including exchange rate risk, interest rate risk, and other price risks), credit risk, and liquidity risk.

1. Market Risk

The consolidated company's operating activities expose it to major financial risks, including foreign currency exchange rate fluctuation risk (see (1) below) and interest rate fluctuation risk (see (2) below).

The consolidated company's exposure to market risks related to financial instruments and its methods of managing and measuring these exposures have not changed.

(1) Exchange Rate Risk

Several subsidiaries of the Company engage in sales and purchase transactions denominated in foreign currencies, thus exposing the consolidated company to

exchange rate fluctuation risks. The consolidated company manages its exchange rate exposure by using forward foreign exchange contracts and options within policy-approved limits.

The carrying amounts of the consolidated company's monetary assets and monetary liabilities denominated in non-functional currencies at the balance sheet date (including monetary items denominated in non-functional currencies that have been eliminated in the consolidated financial statements) are referred to in Note 41.

Sensitivity Analysis

The consolidated company is mainly affected by fluctuations in the US dollar, Japanese yen.

The table below provides a detailed explanation of the consolidated company's sensitivity analysis when the New Taiwan Dollar (functional currency) increases and decreases by 1% against each relevant foreign currency. 1% is the sensitivity ratio used when reporting exchange rate risks to key management personnel within the group, and also represents management's assessment of the reasonably possible range of foreign currency exchange rate fluctuations.

	Impact of US Dollar Currency		Impact of Japanese Yen Currency		Impact of Chinese Yuan Currency	
	January 1 to March 31, 2025	January 1 to March 31, 2024	January 1 to March 31, 2025	January 1 to March 31, 2024	January 1 to March 31, 2025	January 1 to March 31, 2024
	Profit and Loss	\$ 9,767	\$ 8,543 (i)	\$ 203	\$ 472 (ii)	(\$ 51)

(I) This mainly arises from the consolidated company's outstanding US dollar-denominated bank deposits, receivables and payables that have not been hedged for cash flow at the balance sheet date.

(II) This mainly arises from the consolidated company's outstanding Japanese yen-denominated bank deposits, receivables and payables that have not been hedged for cash flow at the balance sheet date.

(III) This mainly arises from the consolidated company's outstanding Chinese yuan-denominated receivables and payables that have not been hedged for cash flow at the balance sheet date.

(2) Interest Rate Risk

As entities within the consolidated company borrow funds at both fixed and floating interest rates, this creates interest rate exposure.

The carrying amounts of financial assets and financial liabilities exposed to interest rate risk at the consolidated company's balance sheet date are as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Fair value interest rate risk			
- Financial assets	\$ 2,310,800	\$ 1,223,245	\$ 214,401
- Financial liabilities	592,262	630,839	1,097,865
Cash flow interest rate risk			
- Financial assets	2,933,967	4,004,520	3,325,162
- Financial liabilities	7,297,237	6,462,502	3,560,752

Sensitivity Analysis

The following sensitivity analysis is determined based on the interest rate exposure of derivative and non-derivative instruments at the balance sheet date. For floating rate liabilities, the analysis assumes that the amount of liabilities outstanding at the balance sheet date was outstanding throughout the reporting period. The rate of change used by the Group when reporting interest rates to key management internally is an increase or decrease of 25 basis points, which also represents management's assessment of the reasonable possible range of interest rate fluctuations.

If interest rates increased/decreased by 25 basis points, with all other variables held constant, the consolidated company's pre-tax net income from January 1 to March 31, 2025 and 2024 would decrease/increase by NT\$2,727 thousand and decrease/increase by NT\$147 thousand, respectively.

(3) Other price risks

The consolidated company has equity price exposure arising from equity securities and domestic limited partnership investments. The consolidated company's management manages risk by holding diversified risk investment portfolios.

Sensitivity Analysis

The following sensitivity analysis is conducted based on the equity price exposure at the balance sheet date.

If equity prices increased/decreased by 10%, pre-tax profit or loss from January 1 to March 31, 2025 and 2024 would increase/decrease by NT\$64,404 thousand and NT\$18,597 thousand, respectively, due to the increase/decrease in fair value of financial assets at fair value through profit or loss. Pre-tax other comprehensive income from January 1 to March 31, 2025 and 2024 would increase/decrease by NT\$182,901 thousand and NT\$80,157 thousand, respectively, due to the increase/decrease in fair value of financial assets at fair value through other comprehensive income.

2. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in financial loss to the group. As of the balance sheet date, the maximum credit risk exposure that may cause financial loss to the consolidated company due to counterparty failure to fulfill obligations and financial guarantees provided by the consolidated company mainly comes from:

- (1) The carrying amount of financial assets recognized in the consolidated balance sheet.
- (2) The amount of contingent liabilities arising from financial guarantees provided by the consolidated company.

The policy adopted by the consolidated company is to only transact with creditworthy counterparties and obtain sufficient collateral, where appropriate, to mitigate the risk of financial loss from defaults. To mitigate credit risk, the consolidated company's management has assigned a dedicated team responsible for determining credit limits, credit approvals, and other monitoring procedures to ensure appropriate actions are taken for the collection of overdue receivables. Furthermore, the consolidated company reviews the recoverable amount of each receivable on the balance sheet date to ensure that appropriate impairment losses have been recognized for irrecoverable receivables. Accordingly, the Company's management believes that the consolidated company's credit risk has been significantly reduced. Therefore, the credit risk is limited.

The consolidated company's credit risk is primarily concentrated in the consolidated company's largest customer. As of March 31, 2025, and December 31 and March 31, 2024, the percentages of total accounts receivable from the aforementioned customer were 29%, 16%, and 27%, respectively.

3. Liquidity Risk

The consolidated company manages and maintains sufficient positions of cash and cash equivalents to support the group's operations and mitigate the impact of cash flow fluctuations. The management of the consolidated company monitors the use of bank financing facilities and ensures compliance with loan agreement terms.

Bank loans are an important source of liquidity for the consolidated company. As of March 31, 2025, and December 31 and March 31, 2024, the consolidated company's unused short-term bank credit facilities are described in (2) Credit Facilities below.

(1) Liquidity of Non-derivative Financial Liabilities

The remaining contractual maturity analysis of non-derivative financial liabilities is prepared based on the earliest date on which the consolidated company may be required to pay, using undiscounted cash flows of financial liabilities (including principal and estimated interest). Therefore, bank loans that the consolidated company may be required to repay immediately are included in the earliest period

in the table below, regardless of the probability of the banks immediately exercising this right; the maturity analysis of other non-derivative financial liabilities is prepared based on the scheduled repayment dates.

March 31, 2025

	Less than 1 year	1 to 2 years	2 to 3 years	3 to 5 years	More than 5 years	Total
Non-derivative financial liabilities						
Notes Payable	\$ 228	\$ -	\$ -	\$ -	\$ -	\$ 228
Accounts Payable	672,193	-	-	-	-	672,193
Other Payables	1,346,880	-	-	-	-	1,346,880
Lease liabilities	58,732	43,319	40,813	32,020	102,392	277,276
Guarantee deposits received	-	10,139	-	-	-	10,139
Other Current Liabilities	85,865	-	-	-	-	85,865
Borrowings	1,466,528	1,526,758	827,049	3,476,902	-	7,297,237
Convertible bonds	366,400	-	-	-	-	366,400
	<u>\$ 3,996,826</u>	<u>\$ 1,580,216</u>	<u>\$ 867,862</u>	<u>\$ 3,508,922</u>	<u>\$ 102,392</u>	<u>\$10,056,218</u>

Further information on the maturity analysis of lease liabilities is as follows:

	Less than 1 year	1~2 years	2~3 year	3~5 years	More than 5 years
Lease liabilities	<u>\$ 58,732</u>	<u>\$ 43,319</u>	<u>\$ 40,813</u>	<u>\$ 32,020</u>	<u>\$ 102,392</u>

December 31, 2024

	Less than 1 year	1 to 2 years	2 to 3 years	3 to 5 years	More than 5 years	Total
Non-derivative financial liabilities						
Notes Payable	\$ 114	\$ -	\$ -	\$ -	\$ -	\$ 114
Accounts Payable	697,538	-	-	-	-	697,538
Other Payables	1,239,934	-	-	-	-	1,239,934
Lease liabilities	60,662	46,621	40,593	37,198	104,324	289,398
Guarantee deposits received	-	10,356	-	-	-	10,356
Other Current Liabilities	85,143	-	-	-	-	85,143
Borrowings	1,106,530	710,720	303,130	4,342,122	-	6,462,502
Convertible bonds	399,100	-	-	-	-	399,100
	<u>\$ 3,589,021</u>	<u>\$ 767,697</u>	<u>\$ 343,723</u>	<u>\$ 4,379,320</u>	<u>\$ 104,324</u>	<u>\$ 9,184,085</u>

Further information on the maturity analysis of lease liabilities is as follows:

	Less than 1 year	1~2 years	2~3 year	3~5 years	More than 5 years
Lease liabilities	<u>\$ 60,662</u>	<u>\$ 46,621</u>	<u>\$ 40,593</u>	<u>\$ 37,198</u>	<u>\$ 104,324</u>

March 31, 2024

	Less than 1 year	1 to 2 years	2 to 3 years	3 to 5 years	More than 5 years	Total
Non-derivative financial liabilities						
Notes Payable	\$ 5,235	\$ -	\$ -	\$ -	\$ -	\$ 5,235
Accounts Payable	617,155	-	-	-	-	617,155
Other Payables	1,027,335	-	-	-	-	1,027,335
Lease liabilities	46,186	45,362	33,841	43,453	-	168,842
Guarantee deposits received	-	9,926	-	-	-	9,926
Other Current Liabilities	78,078	-	-	-	-	78,078
Borrowings	668,246	347,484	165,447	2,379,575	-	3,560,752
Convertible bonds	-	-	999,900	-	-	999,900
	<u>\$ 2,442,235</u>	<u>\$ 402,772</u>	<u>\$ 1,199,188</u>	<u>\$ 2,423,028</u>	<u>\$ -</u>	<u>\$ 6,467,223</u>

Further information on the maturity analysis of lease liabilities is as follows:

	Less than 1 year	1~2 years	2~3 year	3~5 years	More than 5 years
Lease liabilities	<u>\$ 46,186</u>	<u>\$ 45,362</u>	<u>\$ 33,841</u>	<u>\$ 43,453</u>	<u>\$ -</u>

(2) Financing Facilities

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Unsecured bank loan facilities (renewable upon mutual agreement)			
Amount utilized	\$ 3,075,623	\$ 2,677,646	\$ 777,072
Unused amount	<u>890,000</u>	<u>920,000</u>	<u>2,034,414</u>
	<u>\$ 3,965,623</u>	<u>\$ 3,597,646</u>	<u>\$ 2,811,486</u>
Secured bank loan facilities (renewable upon mutual agreement)			
Amount utilized	\$ 4,218,337	\$ 3,781,420	\$ 2,780,282
Unused amount	<u>1,499,930</u>	<u>1,420,097</u>	<u>1,035,312</u>
	<u>\$ 5,718,267</u>	<u>\$ 5,201,517</u>	<u>\$ 3,815,594</u>

38. Related Party Transactions

Transactions, account balances, revenues, and expenses between the Company and its subsidiaries (which are related parties of the Company) are fully eliminated upon consolidation and are therefore not disclosed in this note. Apart from those disclosed in other notes, transactions between the consolidated company and other related parties are as follows.

(1) Names of Related Parties and Their Relationships

<u>Names of Related Parties</u>	<u>Relationship with the Consolidated Company</u>
Jin Peng Investment Co., Ltd. (hereinafter referred to as Jin Peng)	Substantial related party
Sheng Jie Investment Co., Ltd. (hereinafter referred to as Sheng Jie)	Substantial related party
Yun Sheng Investment Co., Ltd. (hereinafter referred to as Yun Sheng)	Substantial related party
Onore King Taiwan International Marketing Co., Ltd. (hereinafter referred to as Onore King)	Substantial related party
Shuo Great Co., Ltd. (hereinafter referred to as Shuo Great)	Substantial related party
Laien Parts Technology Co., Ltd. (hereinafter referred to as Laien Parts)	Substantial related party
Sun Bright Technology Co., Ltd. (hereinafter referred to as Sun Bright)	Substantial related party
Symtek Automation Asia Co., Ltd. (hereinafter referred to as Symtek)	Substantial related party
Symtek Automation Asia (DongGuan) Co., Ltd. (hereinafter referred to as DongGuan Symtek)	Substantial related party
Jau Yeou Industry Co., Ltd. (hereinafter referred to as Jau Yeou)	Substantial related party
Shou Wei Investment Co., Ltd.	Substantial related party
Chongqing Huanmei Electronic Co., Ltd. (hereinafter referred to as Chongqing Huanmei)	Associates
Jin Hui Technology Co., Ltd. (hereinafter referred to as Jin Hui)	Associates
YAHOO System Technology Co., Ltd. (hereinafter referred to as YAHOO)	Associates

(2) Operating Revenue

<u>Items Listed in Account</u>	<u>Names of Related Parties</u>	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Sales Revenue	Substantial related party Associates	\$ 2,719 <u>13,795</u> <u>\$ 16,514</u>	\$ - <u>-</u> <u>\$ -</u>

(3) Purchases

<u>Items Listed in Account</u>	<u>Names of Related Parties</u>	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Cost of Goods Sold	Substantial related party Associates	\$ - <u>42,059</u> <u>\$ 42,059</u>	\$ 49,284 <u>9,993</u> <u>\$ 59,277</u>

Purchases are made based on market prices with discounts, reflecting the quantity purchased and the relationship with the related party.

(4) Contract Liabilities

<u>Names of Related Parties</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Chongqing Huanmei	<u>\$ 8,112</u>	<u>\$ -</u>	<u>\$ -</u>

(5) Receivables from Related Parties (Excluding Loans to Related Parties)

<u>Items Listed in Account</u>	<u>Names of Related Parties</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Accounts Receivable - Related Parties	Shuo Great	\$ -	\$ -	\$ 134
	Symtek	502	496	-
	Chongqing Huanmei	<u>25,938</u>	<u>11,950</u>	<u>-</u>
		<u>\$ 26,440</u>	<u>\$ 12,446</u>	<u>\$ 134</u>
Other Receivables - Related Parties	Symtek	\$ -	\$ 206	\$ 1,891
	Jin Hui	5	1	7
	YAHOO	76	67	-
	Laien Parts	11	10	-
	Onore King	<u>13</u>	<u>-</u>	<u>-</u>
		<u>\$ 105</u>	<u>\$ 284</u>	<u>\$ 1,898</u>

No collateral is held for outstanding receivables from related parties. No impairment losses were recognized for receivables from related parties from January 1 to March 31, 2025 and 2024.

(6) Payables to Related Parties (Excluding Loans from Related Parties)

<u>Items Listed in Account</u>	<u>Names of Related Parties</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Accounts Payable - Related Parties	Laien Parts	\$ -	\$ 956	\$ 2,462
	Symtek	5,709	5,654	49,401
	Jin Hui	7,024	6,713	11,538
	YAH0	21,249	41,835	-
	Chongqing Huanmei	10,757	21,151	-
	Jau Yeou	6	-	-
		<u>\$ 44,745</u>	<u>\$ 76,309</u>	<u>\$ 63,401</u>
Other Payables - Related Parties	Chongqing Huanmei	\$ -	\$ 1,715	\$ -
	Laien Parts	10	10	10
	YAH0	33,689	-	550
		<u>\$ 33,699</u>	<u>\$ 1,725</u>	<u>\$ 560</u>

Outstanding payables to related parties are not secured by collateral.

(7) Prepayments

<u>Names of Related Parties</u>	<u>March 31, 2025</u>	<u>December 31, 024</u>	<u>March 31, 2024</u>
YAH0	<u>\$ 6,746</u>	<u>\$ 6,746</u>	<u>\$ 4,173</u>

(8) Property, Plant and Equipment Acquired

<u>Names of Related Parties</u>	<u>Acquisition Cost</u>	
	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
YAH0	<u>\$ 32,085</u>	<u>\$ -</u>

(9) Lease Agreements

Lease Expenses

<u>Lessor</u>	<u>Subject Matter</u>	<u>Leasing Method and Rental Payment Terms</u>	<u>Lease Expenses</u>	
			<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Substantial related party	Employee Dormitory	Monthly rent of NT\$235 thousand, paid monthly.	<u>\$ 704</u>	<u>\$ 506</u>
Substantial related party	Warehouse	Monthly rent of NT\$150 thousand, paid monthly.	<u>\$ 450</u>	<u>\$ 450</u>
Substantial related party	Factory Building	Monthly rent of NT\$36 thousand, paid monthly.	<u>\$ 107</u>	<u>\$ 107</u>

Substantial related party	Factory Building	Monthly rent of NT\$5 thousand, paid monthly.	<u>\$ 15</u>	<u>\$ 15</u>
Substantial related party	Factory Building	Monthly rent of NT\$205 thousand, paid monthly.	<u>\$ 614</u>	<u>\$ 614</u>
Associates	Office	Monthly rent of RMB 250 thousand, paid monthly.	<u>\$ 3,384</u>	<u>\$ -</u>

(10) Lease Agreements

1. Other advance receipts (listed as contract liabilities) are summarized as follows:

<u>Names of Related Parties</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Sheng Jie	\$ 5	\$ 8	\$ 5
Yun Sheng	5	8	5
Jin Peng	5	8	5
Onore King	9	-	9
	<u>\$ 24</u>	<u>\$ 24</u>	<u>\$ 24</u>

2. The total amount of future lease payments to be received is summarized as follows:

<u>Names of Related Parties</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Substantial related party	<u>\$ 217</u>	<u>\$ 12</u>	<u>\$ 24</u>

3. Guarantee deposits are summarized as follows:

<u>Names of Related Parties</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Sheng Jie	\$ 2	\$ 2	\$ 2
Yun Sheng	2	2	2
Jin Peng	2	2	2
Onore King	2	2	2
YAHOO	-	616	-
Symtek	-	-	59
	<u>\$ 8</u>	<u>\$ 624</u>	<u>\$ 67</u>

4. Lease income is summarized as follows:

<u>Lessee</u>	<u>Subject Matter</u>	<u>Leasing Method and Rental Payment Terms</u>	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Substantial related party	Office	Monthly rent of 1 thousand dollars, paid monthly.	<u>\$ 12</u>	<u>\$ 12</u>

(11) Transactions with Other Related Parties

1. Other Income

<u>Items Listed in Account</u>	<u>Names of Related Parties</u>	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Other Income	Substantial related party Associates	\$ 40 14 <u>\$ 54</u>	\$ 1,839 19 <u>\$ 1,858</u>

2. Manufacturing Expenses

<u>Items Listed in Account</u>	<u>Names of Related Parties</u>	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Manufacturing Expenses	Substantial related party	<u>\$ 746</u>	<u>\$ -</u>

3. Other Assets and Liabilities

<u>Items Listed in Account</u>	<u>Names of Related Parties</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Refundable Deposits	Sheng Jie Yun Sheng	\$ 103 300 <u>\$ 403</u>	\$ 103 300 <u>\$ 403</u>	\$ 69 300 <u>\$ 369</u>
Collections for others	Sun Bright	<u>\$ 78,190</u>	<u>\$ 78,190</u>	<u>\$ 73,632</u>

(12) Compensation of Key Management Personnel

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Short-term Employee Benefits	<u>\$ 30,050</u>	<u>\$ 34,590</u>

Compensation for directors and other key management personnel is determined by the Compensation Committee based on individual performance and market trends.

39. Pledged Assets

The following assets have been provided as collateral for financing loans:

	<u>March 31,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>	<u>March 31,</u> <u>2024</u>
Pledged time deposits (recognized under financial assets measured at amortized cost - current and non-current)	\$ 141,802	\$ 141,802	\$ 121,500
Pledged deposits (recognized under financial assets measured at amortized cost - current)	90,382	276,592	56,394
Owned Land	2,362,059	2,369,622	2,739,083
Buildings - net	540,472	543,617	573,643
Investment property	<u>655,772</u>	<u>657,510</u>	<u>662,723</u>
	<u>\$ 3,790,487</u>	<u>\$ 3,989,143</u>	<u>\$ 4,153,343</u>

40. Significant Contingent Liabilities, Unrecognized Contractual Commitments and Subsequent Events

In addition to those mentioned in other notes, the consolidated company has the following significant commitments and contingencies as of the balance sheet date:

(1) Significant Commitments

1. As of March 31, 2025, the consolidated company issued guarantee notes totaling NT\$149,423 thousand (including long-term and short-term borrowings) for applying credit facilities from financial institutions.
2. The consolidated company has contractual commitments with various vendors for equipment purchases with a total contract value of NT\$1,366,746 thousand. As of March 31, 2025, NT\$684,694 thousand has been paid (recorded as prepaid equipment), consisting of prepaid equipment of NT\$448,562 thousand, construction in progress - real estate of NT\$136,000 thousand, and inventory - construction in progress of NT\$100,132 thousand, with a remaining balance of NT\$682,052 thousand yet to be paid.

(2) Contingent Matters

The Company filed a damages lawsuit with the Intellectual Property and Commercial Court against Entegris Inc. and others for unauthorized infringement of the Company's Republic of China Invention Patent No. I238804, which caused damages to the Company. The Company sought joint and several compensation of NT\$100 million from the aforementioned parties. After court proceedings, the case was dismissed as the claim was deemed groundless. The Company has appealed this judgment and has retained Formosa Transnational Attorneys at Law to represent and handle this case, which is currently under review by the Supreme Court.

Entegris Inc. filed a damages lawsuit with the Intellectual Property and Commercial Court alleging that the Company infringed its Republic of China Invention Patent No. I830642, seeking NT\$30 million in compensation from the Company. The Company received a copy of the complaint on May 15, 2024, and the case is currently undergoing first-instance proceedings at the Intellectual Property Court.

After evaluation, the cases still under review are not expected to have a significant impact on the Company's financial and business operations.

41. Information on Foreign Currency Assets and Liabilities with Significant Impact

The following information is presented as a summary of foreign currencies other than the functional currency of each entity within the consolidated company. The exchange rates disclosed refer to the rates used to convert these foreign currencies into the functional currency. Foreign currency assets and liabilities with significant impact are as follows:

March 31, 2025

	<u>Foreign Currency</u>	<u>Exchange Rate</u>	<u>Carrying Amount</u>
<u>Foreign Currency Assets</u>			
<u>Monetary Items</u>			
USD	\$ 34,752	33.205 (USD: NTD)	\$ 1,153,940
JPY	91,355	0.2227 (JPY : NTD)	20,345
EUR	211	35.97 (USD: NTD)	7,590
RMB	776	4.573 (RMB: NTD)	3,549
			<u>\$ 1,185,424</u>
<u>Foreign Currency Liabilities</u>			
<u>Monetary Items</u>			
USD	5,338	33.205 (USD: NTD)	\$ 177,248
RMB	1,901	4.573 (RMB: NTD)	8,693
			<u>\$ 185,941</u>

December 31, 2024

	<u>Foreign Currency</u>	<u>Exchange Rate</u>	<u>Carrying Amount</u>
<u>Foreign Currency Assets</u>			
<u>Monetary Items</u>			
USD	\$ 34,727	32.785 (USD: NTD)	\$ 1,138,525
JPY	106,002	0.210 (JPY: NTD)	22,250
RMB	331	4.478 (RMB: NTD)	1,482
			<u>\$ 1,162,257</u>
<u>Monetary Items</u>			
USD	\$ 5,470	32.785 (USD: NTD)	\$ 179,334
JPY	3,393	0.210 (JPY: NTD)	712
RMB	4,455	4.478 (RMB: NTD)	19,949
			<u>\$ 199,995</u>

March 31, 2024

	<u>Foreign Currency</u>	<u>Exchange Rate</u>	<u>Carrying Amount</u>
<u>Foreign Currency Assets</u>			
<u>Monetary Items</u>			
USD	\$ 35,027	32.000 (USD: NTD)	\$ 1,120,867
JPY	234,912	0.2115 (JPY: NTD)	49,684
RMB	37,009	4.408 (RMB: NTD)	163,137
			<u>\$ 1,333,688</u>
<u>Foreign Currency Liabilities</u>			
<u>Monetary Items</u>			
USD	8,331	32.000 (USD: NTD)	\$ 266,601
JPY	11,850	0.2115 (JPY: NTD)	2,506
RMB	35,282	4.408 (RMB: NTD)	155,522
			<u>\$ 424,629</u>

The consolidated company recognized net foreign exchange gains and losses (realized and unrealized) of NT\$18,334 thousand and NT\$48,463 thousand for the periods from January 1 to March 31, 2025 and 2024, respectively. Due to the variety of foreign currency transactions and functional currencies of group entities, it is not practicable to disclose exchange gains and losses by each significant foreign currency.

42. Supplementary Disclosures

(1) Information on Significant Transactions

Number	Item	Description
1	Loans to Others.	Table 1
2	Endorsements/Guarantees for Others.	Table 2
3	Significant securities held at period end. (Excluding Investments in Subsidiaries, Associates and Joint Ventures)	Table 3
4	Purchases or Sales with Related Parties Reaching NT\$100 Million or 20% of Paid-in Capital or More.	None
5	Receivables from Related Parties Reaching NT\$100 Million or 20% of Paid-in Capital or More.	None
6	Others: Business Relationships and Significant Intercompany Transactions between the Parent Company and its Subsidiaries, and among Subsidiaries, and the Amounts thereof.	Table 4

(2) Information on reinvestment business (Table 5)

(3) Information on Investment in Mainland China:

Number	Item	Description
1	Names of investee companies in Mainland China, their main business activities, paid-in capital, investment method, inward and outward remittance of funds, ownership percentage, profit or loss for the period and recognized investment gain or loss, ending investment carrying amount, investment income remitted back to Taiwan, and limits on investment in Mainland China.	Table 6
2	Significant transactions that have occurred directly or indirectly through a third area with investee companies in Mainland China, including their prices, payment terms, and unrealized gains or losses:	
	(1) Purchase amount and percentage, and the ending balance and percentage of related accounts payable.	Table 7
	(2) Sales amount and percentage, and the ending balance and percentage of related accounts receivable.	Table 7
	(3) Amount of property transactions and the resulting gain or loss.	None
	(4) Ending balance of endorsements/guarantees or collateral provided and their purpose.	Table 2
	(5) Maximum balance of financing, ending balance, interest rate range, and total interest for the current period.	Table 1
	(6) Other transaction matters that have a significant impact on the current profit or loss or financial position, such as the provision or receipt of services, etc.	Table 7

43. Segment Information

Information provided to the chief operating decision maker for allocating resources and assessing segment performance focuses on the types of products or services delivered or provided. The reportable segments of the consolidated company are as follows:

Semiconductor - Manufacturer.

Semiconductor - Equipment manufacturing.

Others

(1) Segment Revenue and Operating Results

The consolidated company's revenue and operating results analyzed by reportable segment are as follows:

	January 1 to March 31, 2025				
	Semiconductor Manufacturing	Semiconductor Equipment Manufacturing	Others	Reconciliatio n and Elimination	Total
Revenue					
Revenue from External Customers	\$ 1,217,426	\$ 225,011	\$ 266,359	\$ -	\$ 1,708,796
Intersegment Revenue	87,216	24,204	95,451	(206,871)	-
Interest Income	4,911	4,901	3,708	-	13,520
Total Revenue	<u>\$ 1,309,553</u>	<u>\$ 254,116</u>	<u>\$ 365,518</u>	<u>(\$ 206,871)</u>	<u>\$ 1,722,316</u>
Interest Expense	<u>\$ 28,613</u>	<u>\$ 796</u>	<u>\$ 6,854</u>	<u>(\$ 44)</u>	<u>\$ 36,219</u>
Depreciation and Amortization	<u>\$ 95,647</u>	<u>\$ 10,033</u>	<u>\$ 47,496</u>	<u>\$ -</u>	<u>\$ 153,176</u>
Segment (Loss) Profit	<u>\$ 216,069</u>	<u>\$ 45,990</u>	<u>(\$ 42,344)</u>	<u>\$ 530</u>	<u>\$ 220,245</u>

	January 1 to March 31, 2024				
	Semiconductor Manufacturing	Semiconductor Equipment Manufacturing	Others	Reconciliation and Elimination	Total
Revenue					
Revenue from External Customers	\$ 896,753	\$ 318,060	\$ 205,611	\$ -	\$ 1,420,424
Intersegment Revenue	132,099	16,309	83,005	(231,413)	-
Interest Income	5,451	1,554	2,738	(1,017)	8,726
Total Revenue	<u>\$ 1,034,303</u>	<u>\$ 335,923</u>	<u>\$ 291,354</u>	<u>(\$ 232,430)</u>	<u>\$ 1,429,150</u>
Interest Expense	<u>\$ 19,687</u>	<u>\$ 167</u>	<u>\$ 4,763</u>	<u>(\$ 1,076)</u>	<u>\$ 23,541</u>
Depreciation and Amortization	<u>\$ 83,327</u>	<u>\$ 8,518</u>	<u>\$ 24,554</u>	<u>(\$ 855)</u>	<u>\$ 115,544</u>
Segment (Loss) Profit	<u>\$ 226,362</u>	<u>\$ 51,095</u>	<u>\$ 24,333</u>	<u>(\$ 65,966)</u>	<u>\$ 235,824</u>

(2) Segment Assets and Liabilities

	March 31, 2025				
	Semiconductor Manufacturing	Semiconductor Equipment Manufacturing	Others	Reconciliation and Elimination	Total
Segment Assets	<u>\$ 18,240,345</u>	<u>\$ 2,767,370</u>	<u>\$ 9,257,324</u>	<u>(\$ 8,209,641)</u>	<u>\$ 22,055,398</u>
Segment Liabilities	<u>\$ 8,086,702</u>	<u>\$ 1,332,273</u>	<u>\$ 2,454,537</u>	<u>(\$ 957,063)</u>	<u>\$ 10,916,449</u>

	December 31, 2024				
	Semiconductor Manufacturing	Semiconductor Equipment Manufacturing	Others	Reconciliation and Elimination	Total
Segment Assets	<u>\$ 17,878,209</u>	<u>\$ 2,651,040</u>	<u>\$ 8,680,633</u>	<u>(\$ 7,843,561)</u>	<u>\$ 21,366,322</u>
Segment Liabilities	<u>\$ 7,398,582</u>	<u>\$ 1,080,770</u>	<u>\$ 2,039,829</u>	<u>(\$ 680,933)</u>	<u>\$ 9,838,248</u>

	March 31, 2024				
	Semiconductor Manufacturing	Semiconductor Equipment Manufacturing	Others	Reconciliation and Elimination	Total
Segment Assets	<u>\$ 13,868,182</u>	<u>\$ 1,854,035</u>	<u>\$ 4,781,837</u>	<u>(\$ 4,133,965)</u>	<u>\$ 16,370,089</u>
Segment Liabilities	<u>\$ 5,394,550</u>	<u>\$ 1,192,151</u>	<u>\$ 1,161,003</u>	<u>(\$ 426,440)</u>	<u>\$ 7,321,264</u>

For the purpose of monitoring segment performance and allocating resources to segments:

1. All assets, except for investments in associates accounted for using the equity method, other financial assets, and current and deferred tax assets, are allocated to the reportable segments. Goodwill has been allocated to the reportable segments. Assets used jointly by reportable segments are allocated on the basis of the revenue earned by individual reportable segments; and
2. All liabilities, except for borrowings, other financial liabilities, and current and deferred tax liabilities, are allocated to the reportable segments. Liabilities attributable jointly to reportable segments are allocated in proportion to segment assets.

GUDENG PRECISION INDUSTRIAL CO., LTD. AND SUBSIDIARIES

LENDING FUNDS TO OTHERS

January 1 to March 31, 2025

Table I

Unit: New Taiwan Dollar and foreign currency in thousands, unless otherwise stated

No. (Note 1)	Company lending funds	Borrowing entity	Nature of transaction	Whether related party	Maximum balance for the period	Ending Balance	Actual amount drawn	Interest rate range	Nature of fund lending (Note 2)	Business transaction amount	Reason for the necessity of short-term financing	Provision for bad debt	Collateral		Individual lending limit (Note 3)	Aggregate lending limit (Note 3)	Notes
													Name	Value			
1	Gudeng Venture Capital Co., Ltd.	Gudeng Japan Co., LTD	Other Receivables - Related Parties	Y	\$ 4,454 (JPY 20,000)	\$ -	\$ -	3%	2	\$ -	Operating turnover	\$ -	Promissory Note	\$ 4,454 (JPY 20,000)	\$ 552,896	\$ 552,896	
2	Kawaguchi Plastic Industry (Kunshan) Co., Ltd.	Dachuan Plastic Industrial (Kunshan) Co., Ltd.	Other Receivables - Related Parties	Y	68,595 (RMB 15,000)	-	-	3%	2	-	Operating turnover	-	Promissory Note	68,595 (RMB 15,000)	174,894	174,894	

Note 1: The completion of the number field is as follows:

- (1) Issuer fills in 0.
- (2) Invested companies are numbered sequentially starting from Arabic numeral 1 according to company category.

Note 2: The nature of fund lending is explained as follows:

- (1) Fill in 1 for business transactions.
- (2) Fill in 2 for those with necessary short-term financing.

Note 3: The calculation method and amount of fund lending limit.

1. Individual fund lending limit:

- (1) The Company's fund lending limit to individual counterparties is regulated according to the Company's fund lending procedures, which stipulates that it shall not exceed 40% of the Company's current net worth (as of 2025.3.31).
- (2) The limit for each individual borrower by the investee company is in accordance with the investee company's fund lending procedures, not exceeding 40% of the investee company's current net worth (as of 2025.3.31).

2. Total fund lending limit:

- (1) The Company's accumulated fund lending limit to external parties is regulated according to the Company's fund lending procedures, which stipulates that it shall not exceed 40% of the Company's current net worth (as of 2025.3.31).
- (2) The aggregate limit for external fund lending by the investee company is in accordance with the investee company's fund lending procedures, not exceeding 40% of the investee company's current net worth (as of 2025.3.31).

3. The Company's fund lending limit is calculated based on the Company's net worth from financial statements reviewed by certified public accountants; the investee company's fund lending limit is calculated based on the investee company's net worth from financial statements.

GUDENG PRECISION INDUSTRIAL CO., LTD. AND SUBSIDIARIES
ENDORSEMENT AND GUARANTEE FOR OTHERS

January 1 to March 31, 2025

Table II

Unit: New Taiwan Dollar and foreign currency in thousands, unless otherwise stated

No. (Note 1)	Name of endorsing/guaranteeing company	Entity being endorsed/guaranteed		Endorsement and guarantee limit for a single enterprise (Note 3)	Maximum balance of endorsement and guarantee for the current period	Ending balance of endorsement and guarantee	Actual amount drawn	Amount of endorsements and guarantees secured by collateral	Ratio of accumulated endorsement and guarantee amount to the net worth of the most recent financial statements (%)	Maximum Amount of Endorsement/ Guarantee (Note 3)	Endorsement and guarantee from parent company to subsidiaries	Endorsement and guarantee from subsidiaries to parent company	Endorsement and guarantee for Mainland China	Notes
		Company Name	Relationship (Note 2)											
0	Gudeng Precision Industrial Co., Ltd.	Jiaqian Technology (Shanghai) Co., Ltd.	(3)	\$ 1,931,921	\$ 859,724 (RMB188,000)	\$ 578,485 (RMB126,500)	\$ 511,174	\$ -	6.0%	\$ 4,829,802	Y	N	Y	
0	Gudeng Precision Industrial Co., Ltd.	Gudeng Japan Co., LTD	(3)	1,931,921	273,720 (JYP1,229,100)	273,720 (JYP1,229,100)	265,424	-	2.8%	4,829,802	Y	N	N	
0	Gudeng Precision Industrial Co., Ltd.	Suting Precision Industry Co., Ltd.	(3)	1,931,921	50,000	50,000	-	-	0.5%	4,829,802	Y	N	N	
0	Gudeng Precision Industrial Co., Ltd.	JYR Aviation Components Co., Ltd.	(3)	1,931,921	90,000	90,000	90,000	-	0.9%	4,829,802	Y	N	N	
0	Gudeng Precision Industrial Co., Ltd.	Dachuan Plastic Industrial (Kunshan) Co., Ltd.	(3)	1,931,921	503,030 (RMB110,000)	503,030 (RMB110,000)	171,988	-	5.2%	4,829,802	Y	N	Y	

Note 1: The numbering column should be completed as follows:

- (1) Issuer fills in 0.
- (2) Invested companies are numbered sequentially starting from Arabic numeral 1 according to company category.

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

- (1) Companies with business relationships.
- (2) Subsidiaries in which the company directly holds more than 50% of ordinary shares.
- (3) Invested companies in which the parent company and subsidiaries jointly hold more than 50% of ordinary shares.
- (4) Parent companies that directly or indirectly hold more than 50% of ordinary shares in the company through subsidiaries.

Note 3: Calculation method and amount of endorsement/guarantee limits:

1. Endorsement and guarantee limit for a single enterprise:
 - (1) According to the Company's endorsement/guarantee operating procedures, the endorsement/guarantee limit for a single enterprise shall not exceed 20% of the Company's current net worth (2025.3.31).
 - (2) According to the Company's endorsement/guarantee operating procedures, the endorsement/guarantee limit for a single overseas affiliated company shall not exceed 20% of the Company's current net worth (2025.3.31).
2. Maximum limit of endorsement and guarantee:
 - (1) According to the Company's endorsement/guarantee operating procedures, the cumulative limit for external endorsements/guarantees shall not exceed 50% of the Company's current net worth (2025.3.31).

GUDENG PRECISION INDUSTRIAL CO., LTD. AND SUBSIDIARIES
SIGNIFICANT SECURITIES HELD AT END OF PERIOD

March 31, 2025

Table III

Unit: In Thousands of New Taiwan Dollars, except for number of shares

Holding Company	Types and Names of Securities (Note 1)	Relationship with the Securities Issuer	Account Classification	End of Period				Notes
				Number of Shares	Carrying Amount	Shareholding Ratio	Fair value	
Gudeng Precision Industrial Co., Ltd.	Listed Companies							
	Symtek Automation Asia Co., Ltd.	Substantial related party	Financial assets at fair value through other comprehensive income - non-current	4,942,851	\$ 909,485	6.02	\$ 909,485	—
	Emerging Stock Company Proware Information Co., Ltd.	—	"	4,000,000	229,609	7.99	229,609	註 2
	Domestic Limited Partnerships BBtruck Inc.	—	Financial assets at fair value through profit or loss - non-current	-	\$ 106,581	-	\$ 106,581	—
Gudeng Equipment Co., Ltd.	Listed Companies							
	Symtek Automation Asia Co., Ltd.	Substantial related party	Financial assets at fair value through other comprehensive income - non-current	188,000	\$ 34,593	0.23	\$ 34,593	—
Gudeng Venture Capital Co., Ltd.	Listed Companies							
	Symtek Automation Asia Co., Ltd.	Substantial related party	Financial assets at fair value through profit or loss - current	2,508,713	\$ 461,603	3.06	\$ 461,603	—
	SynPower Co., Ltd.	—	"	500,000	33,150	1.37	33,150	—
	Symtek Automation Asia Co., Ltd.	Substantial related party	Financial assets at fair value through other comprehensive income - non-current	221,545	40,765	0.27	40,765	—
	Asia Neo Tech Industrial Co., Ltd. Emerging Stock Company	—	"	2,443,000	185,912	7.57	185,912	—
	Chyi Ding Technologies Co., Ltd.	—	Financial assets at fair value through profit or loss - current	600,000	42,702	1.72	42,702	—
	Non-publicly traded company NanoClean Materials Co., LTD.	—	Financial assets at fair value through other comprehensive income - non-current	1,000,000	\$ 2,720	10.00	\$ 2,720	—
	Jiurun Precision Technology Co., Ltd.	—	"	932,000	43,813	16.00	43,813	—
	Origin Precision Technology Co., Ltd.	—	"	590,000	8,242	19.67	8,242	—
Certain Micro Application Technology Inc.	—	"	1,595,495	97,389	7.42	97,389	—	
KoJem International Co., Ltd.	—	"	761,533	10,471	3.33	10,471	—	

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Holding Company	Types and Names of Securities (Note 1)	Relationship with the Securities Issuer	Account Classification	End of Period				Notes
				Number of Shares	Carrying Amount	Shareholding Ratio	Fair value	
Gu Chance Venture Capital CO., LTD.	Non-publicly traded company Shun Jih Fa Co., Ltd.	Substantial related party	Financial assets at fair value through other comprehensive income - non-current	3,750,000	\$ 38,850	15.00	\$ 38,850	—
	Chung King Enterprise Co., Ltd.	—	"	799,000	60,125	4.00	60,125	—
	ShuChen AI Co., Ltd.	—	"	2,571,400	8,800	10.00	8,800	—
					<u>\$ 270,410</u>		<u>\$ 270,410</u>	
	Non-publicly traded company Nytex Composites Co., Ltd.	—	Financial assets at fair value through other comprehensive income - non-current	3,440,000	<u>\$ 158,240</u>	5.00	<u>\$ 158,240</u>	—

Note 1: The term "securities" as used in this table refers to stocks, bonds, beneficiary certificates, and derivative securities that fall within the scope of IFRS 9 "Financial Instruments".

Note 2: These are private placement common shares, which are financial products that have an active market but cannot be sold due to lock-up period restrictions. The fair value of these financial products is determined based on relevant market prices.

Note 3: The securities held by the Consolidated company, except as disclosed in the remarks, are not provided as guarantees, pledged for loans, or restricted by other contractual arrangements.

Note 4: This table presents securities that the Company has determined should be disclosed based on the materiality principle.

Note 5: For information related to investments in subsidiaries, associates and joint venture interests, please refer to Schedule 5 and Schedule 6.

GUDENG PRECISION INDUSTRIAL CO., LTD. AND SUBSIDIARIES

BUSINESS RELATIONSHIPS AND SIGNIFICANT TRANSACTIONS BETWEEN PARENT AND SUBSIDIARIES

January 1 to March 31, 2025

Table IV

Unit: In Thousands of New Taiwan Dollars, unless otherwise stated

No. (Note 1)	Transaction party name	Counterparty to transaction	Relationship with transaction party (Note 2)	Transaction situation			Percentage of consolidated total revenue or total assets (Note 3)	
				Classification	Amount	Transaction terms (Note 4)		
0	Gudeng Precision Industrial Co., Ltd.	Jiaqian Technology (Shanghai) Co., Ltd.	1	Sales	\$ 36,566	—	2	
			1	Service fees	7,065	—	-	
			1	Accounts Receivable - Related Parties	60,538	—	-	
		We Solutions Technology Co., Ltd.	1	Purchases	16,892	—	1	
			1	Other expenses	13,540	—	1	
			1	Accounts Payable - Related Parties	11,267	—	-	
		GudengInc.(USA)	1	Other Payables - Related Parties	14,217	—	-	
			1	Service fees	9,901	—	-	
			1	Other Payables - Related Parties	5,373	—	-	
		Suting Precision Industry Co., Ltd.	1	Sales	6,188	—	-	
			1	Accounts Receivable - Related Parties	7,568	—	-	
			1	Sales	11,858	—	1	
		Dachuan Plastic Industrial (Kunshan) Co., Ltd.	1	Purchases	5,643	—	-	
			1	Accounts Receivable - Related Parties	15,996	—	-	
1	Accounts Receivable - Related Parties		21,535	—	-			
1	Gudeng Equipment Co., Ltd.	Gudeng Precision Industrial Co., Ltd.	2	Sales	20,510	—	1	
			2	Purchases	22,298	—	1	
			2	Accounts Receivable - Related Parties	21,535	—	-	
2	Jiaqian Technology (Shanghai) Co., Ltd.	Jiaqian Technology (Shanghai) Co., Ltd.	3	Contract Liabilities	14,420	—	-	
			Dachuan Plastic Industrial (Kunshan) Co., Ltd.	3	Purchases	63,976	—	4
				3	Accounts Payable - Related Parties	42,088	—	-

Note 1: Information about business transactions between the parent company and subsidiaries should be noted separately in the number column. The method for filling in the numbers is as follows:

1. Parent company fills in 0.
2. Subsidiaries are numbered sequentially starting from Arabic numeral 1 according to the company.

Note 2 The relationship with the transaction party has the following three types, just indicate the type:

1. Parent company to subsidiaries.
2. Subsidiaries to parent company.
3. Subsidiaries to subsidiaries.

Note 3 The calculation of the transaction amount as a percentage of consolidated total revenue or total assets is as follows: for balance sheet items, calculate using the ending balance as a percentage of consolidated total assets; for income statement items, calculate using the accumulated amount during the period as a percentage of consolidated total revenue.

Note 4 The purchase and sales transaction prices between parent and subsidiaries are according to contract provisions, with payment terms of 90 days monthly settlement, adjusted based on the affiliated companies' capital utilization. For the remaining transactions, due to lack of relevant similar transactions for reference, they are determined through mutual negotiation between both parties.

Note 5 This table's significant transaction activities may be determined by the Company based on the materiality principle as to whether disclosure is required.

INVESTEE COMPANY INFORMATION, LOCATION...AND OTHER RELEVANT INFORMATION

January 1 to March 31, 2025

Table V

Unit: Except for number of shares, in thousands of New Taiwan Dollars and foreign currency

Name of investing company	Name of Investee Company	Location	Main Business Activities	Original Investment Amount		End of Period Holdings			Current Period Profit (Loss) of Investee Company	Investment Profit (Loss) Recognized in Current Period	Notes
				End of Current Period	End of Last Year	Number of Shares	Ratio (%)	Carrying Amount			
Gudeng Precision Industrial Co., Ltd.	RichPointGlobalCorp.	EquityTrustChambers,P.O.Box3269,Apia,Samoa	Investments in Various Business Operations	\$ 388,571	\$ 388,571	-	100	\$ 653,046	\$ 3,101	\$ 3,101	Notes 1 and 2
	Gudeng Venture Capital Co., Ltd.	8F.-5, No. 2, Sec. 4, Zhongyang Rd., Tucheng Dist., New Taipei City	Venture capital investment and management consulting services	1,077,000	1,077,000	58,700,000	100	1,382,240	(58,919)	(58,919)	Notes 1 and 2
	We Solutions Technology Co., Ltd.	No. 9, Dongyuan 2nd Rd., Zhongli Dist., Taoyuan City	Trading, Maintenance, and Servicing of Various Precision Instruments	179,798	179,798	18,000,000	51.43	254,077	5,002	2,573	Note 2
	Gudeng Equipment Co., Ltd.	No. 106, Sec. 2, Fuxing 3rd Rd., Zhubei City, Hsinchu County	Manufacturing, trading, maintenance, and servicing of various precision instruments	316,673	316,673	13,639,268	45.44	647,062	45,990	21,068	Notes 1 and 2
	GudengInc.(USA)	1798TechnologyDR,#298SanJose,CA,95110	Operation of various electronic component businesses	USD 2,652	USD 2,652	2,652,000	51	105,805	(1,601)	(817)	Note 2
	Gudeng Aerospace Technologies Corporation	10F, No. 2, Sec. 4, Zhongyang Rd., Tucheng Dist., New Taipei City	Aircraft and parts retail, wholesale, and manufacturing	320,000	320,000	16,000,000	100	269,589	(17,566)	(17,566)	Note 2
	TSS Holdings Limited	4F, No. 172, Sec. 2, Minsheng E. Rd., Zhongshan Dist., Taipei City	Investment and management consulting business	40,000	20,000	2,132,483	12.5	45,413	(741)	(92)	-
	Gudeng Japan Co., LTD	2-5-19HakataekiHigashi,Hakata-ku,Fukuoka-shi,Fukuoka,812-0013,Japan	Operation of various electronic component businesses	JPY 930,900	JPY 930,900	47,040	100	196,656	(2,801)	(2,801)	Note 2
	Jia Shuo Construction, Inc.	8F.-5, No. 2, Sec. 4, Zhongyang Rd., Tucheng Dist., New Taipei City	Industrial plant, residential and building development, rental and sales business, real estate buying, selling, and leasing business	210,285	210,285	22,110,000	100	209,310	(208)	(208)	Note 2
	Gu Chance Venture Capital CO., LTD.	10F, No. 2, Sec. 4, Zhongyang Rd., Tucheng Dist., New Taipei City	Investment and management consulting business	280,000	280,000	28,000,000	100	295,198	16,632	16,632	Note 2
Jia Rui Verture Capital Co.,Ltd.	16F-3, No. 598, Sec. 1, Dunhua Rd., Houzhuang Vil., Beitun Dist., Taichung City	Investment and management consulting business	237,472	167,476	7,700,000	100	240,412	3,265	2,643	Note 2	
GUDENKOREACO.,LTD.	경기도화성시동탄대로 23 길 121,1708 호(영천동,우미뉴브)	Operation of various electronic component businesses	KWR 3,721,360	-	-	100	83,921	(818)	(818)	Note 2	
RichPointGlobalCorp.	SunParkDevelopmentLimited	Suite2302-623/FGreatEagleCTR23HarbourRDWanchaiH.K.	Investments in Various Business Operations	RMB 63,920	RMB 63,920	-	100	RMB 115,644	RMB 569	RMB 569	Notes 1 and 2
	GudengInvestmentCo.,Ltd.	TMFChambers,P.O.Box3269,Apia,Samoa	Investments in Various Business Operations	RMB 22,549	RMB 22,549	-	100	RMB 28,139	RMB 118	RMB 118	Notes 1 and 2
Gudeng Venture Capital Co., Ltd.	Jin Hui Technology Co., Ltd.	No. 43, Jingjian 4th Rd., Guanyin Dist., Taoyuan City	Surface treatment and heat treatment, wholesale of chemical materials, manufacturing of other chemical materials and other metals, wholesale of pollution prevention equipment, wholesale of recycling materials	36,050	36,050	3,570,000	34.76	52,864	1,057	368	-

(Continued on the next page)

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Name of investing company	Name of Investee Company	Location	Main Business Activities	Original Investment Amount		End of Period Holdings			Current Period Profit (Loss) of Investee Company	Investment Profit (Loss) Recognized in Current Period	Notes
				End of Current Period	End of Last Year	Number of Shares	Ratio (%)	Carrying Amount			
Gudeng Venture Capital Co., Ltd.	i Analyzer Incorporation	7F-8, No. 200, Sec. 1, Dunhua S. Rd., Da'an Dist., Taipei City	Manufacturing, trading, maintenance, and servicing of various precision instruments	\$ 78,806	\$ 78,806	24,298,415	30.64	\$ 56,340	(\$ 8,428)	(\$ 1,380)	-
	Hengyang Green Energy Co., Ltd.	2F, No. 50, Yongkehuan Rd., Wangxing Vil., Yongkang Dist., Tainan City	Piping engineering and electrical installation	157,500	157,500	15,750,000	45	144,251	(2,800)	(1,260)	Note 2
	YAHOO System Technology Co., Ltd.	No. 7-27, Liujia Ln., Yonghe Rd., Daya Dist., Taichung City	Equipment engineering industry, machinery equipment manufacturing industry	45,389	45,389	1,586,073	20.05	65,885	21,191	2,821	-
	Global Magic Electronic Co., Ltd.	17F.-2, No. 700, Zhongzheng Rd., Zhonghe Dist., New Taipei City	Operation of various electronic component businesses	135,969	135,969	1,250,000	29.98	122,294	(12,212)	(3,661)	-
Gudeng Equipment Co., Ltd.	Showa Precision Co., Ltd.	8F-6, No. 100, Sec. 1, Jiafeng 11th Rd., Zhubei City, Hsinchu County	Design and modification of PVD vacuum technology-related equipment for semiconductors and panels	70,000	70,000	3,773,236	100	60,934	(1,821)	(2,031)	Note 2
	GudengInc.(USA)	1798TechnologyDR,#298SanJose,CA,95110	Operation of various electronic component businesses	USD 208	USD 208	208,000	4	8,299	(1,601)	(64)	Note 2
Jia Rui Verture Capital Co.,Ltd.	Bor Sheng Industrial Co., Ltd.	No. 2, Ln. 146, Fuyi Rd., Yixin Vil., Taiping Dist., Taichung City	Mold manufacturing industry, wholesale and mechanical equipment manufacturing	57,986	17,186	2,363,000	90.88	132,066	3,531	3,301	Note 2
Gu Chance Venture Capital CO., LTD.	Suting Precision Industry Co., Ltd.	1F, No. 8, Ln. 64, Sec. 2, Gansu Rd., Dahe Vil., Xitun Dist., Taichung City	Mold manufacturing industry, wholesale and mechanical equipment manufacturing	80,751	80,751	10,843,000	100	99,754	16,570	16,570	Note 2
Gudeng Aerospace Technologies Corporation	JYR Aviation Components Co., Ltd.	No. 3, Shengde Rd., Gangshan Dist., Kaohsiung City	Aircraft and parts retail, wholesale, and manufacturing	260,685	260,685	21,567,979	51	211,093	(18,475)	(17,406)	Note 2
	GudengAerospaceInc.	131ContinentalDrive,Suite301Newark,DE19713-4323	Aircraft and parts retail, wholesale, and manufacturing	USD 500	USD 500	5	100	14,512	(249)	(249)	Note 2

Note 1: The (loss) profit of the invested company for the current period and the recognized investment (loss) profit for the current period are amounts audited by the CPA.

Note 2: Eliminated upon consolidation in the preparation of consolidated financial statements.

Note 3: For information regarding invested companies in Mainland China, please refer to Table 6.

GUDENG PRECISION INDUSTRIAL CO., LTD. AND SUBSIDIARIES
MAINLAND CHINA INVESTMENT INFORMATION

January 1 to March 31, 2025

Table VI

Unit: New Taiwan Dollar and foreign currency in thousands, unless otherwise stated

Name of Invested Company in Mainland China	Main Business Activities	Paid-in Capital	Investment Method (Note 1)	Accumulated Investment Amount Remitted from Taiwan at the Beginning of the Period	Outward or Inward Remittance of Investment Amount for the Period		Accumulated Outward Remittance from Taiwan at the End of the Period	Current Period Profit (Loss) of Investee Company	Shareholding Ratio Directly or Indirectly Invested by the Company (%)	Investment Gain or Loss Recognized for the Period (Note 2)	Carrying Amount of Investment at the End of the Period	Investment Income Remitted as of the End of the Period	Notes
					Outward Remittance	Recovery							
Jiaqian Technology (Shanghai) Co., Ltd.	Wholesale, import and export, commission agency, and related supporting services for plastic products, electrical products, hardware and electrical appliances, etc.	USD 7,950	(2) Investee company: Sun Park Development Limited	\$ 263,980 (USD 7,950)	\$ -	\$ -	\$ 263,980 (USD 7,950)	\$ 2,247 (RMB 498)	100	\$ 2,247 (RMB 498) (2)B	\$ 498,173 (RMB 108,938)	\$ -	
Kawaguchi Plastic Industry (Kunshan) Co., Ltd.	Plastic and electronic product manufacturing	RMB 13,656	(1) Investing Company: Jiaqian Technology (Shanghai) Co., Ltd.	-	-	-	-	830 (RMB 184)	100	99 (RMB 22) (2)B	561,274 (RMB 124,486)	-	
Dachuan Plastic Industrial (Kunshan) Co., Ltd.	Plastic and electronic product manufacturing	RMB 15,500	(1) Investing Company: Kawaguchi Plastic Industry (Kunshan) Co., Ltd.	-	-	-	-	149 (RMB -33)	100	149 (RMB -33) (2)B	313,214 (RMB 68,492)	-	

Accumulated Investment Amount Remitted from Taiwan to Mainland China at the End of the Current Period	Investment Amount Approved by the Investment Commission, Ministry of Economic Affairs	Investment Limit in Mainland China as Approved by the Investment Commission, Ministry of Economic Affairs
NTD 263,980 (USD 7,950)	NTD 677,882 (USD 12,400) (RMB 58,198)	NTD 5,795,762 (USD 174,545)

Note 1: Investment methods are classified into the following five categories:

- (1) Directly investing in Mainland China.
- (2) Reinvesting in Mainland China through a third-area company (please specify the investment company in the third area).
- (3) Other methods.

Note 2: In the column of recognized investment income (loss) for the current period:

- (1) If the company is in preparation and has no investment income or loss yet, it should be specified.
- (2) The basis for recognizing investment income or loss is divided into the following three types, which should be specified.
 - A. Financial statements audited by international accounting firms that have cooperative relationships with accounting firms in the Republic of China.
 - B. Financial statements audited by the certifying accountant of the Taiwan parent company.
 - C. Others - based on financial statements not audited by accountants.

Note 3: The relevant amounts in this table are listed in New Taiwan Dollars. For amounts involving foreign currencies, they are converted to New Taiwan Dollars using the spot exchange rate on the financial report date (the USD spot exchange rate on 2025.3.31 was 33.205; the RMB spot exchange rate was 4.573; the RMB income and expense exchange rate was 4.512).

GUDENG PRECISION INDUSTRIAL CO., LTD. AND SUBSIDIARIES

MAJOR TRANSACTIONS WITH MAINLAND CHINA INVESTED COMPANIES DIRECTLY OR INDIRECTLY THROUGH THIRD REGIONS, INCLUDING PRICE, PAYMENT TERMS,
UNREALIZED GAINS/LOSSES, AND OTHER RELEVANT INFORMATION

January 1 to March 31, 2025

Table VII

Unit: In Thousands of New Taiwan Dollars,
unless otherwise stated

Name of Invested Company in Mainland China	Transaction type	Purchase, sales, and service expenses		Price	Transaction terms		Notes and accounts receivable (payable)		Unrealized gains/losses	Notes
		Amount	Percentage		Payment terms	Comparison with regular transactions	Amount	Percentage		
Jiaqian Technology (Shanghai) Co., Ltd.	Sales	\$ 37,828	2	Same as regular customers	Same as regular customers	Same as regular customers	\$ 63,215	4	\$ -	
"	Service fees	7,065	2	Same as regular customers	Same as regular customers	Same as regular customers	(4,969)	-	-	
Dachuan Plastic Industrial (Kunshan) Co., Ltd.	Sales	11,858	1	Same as regular customers	Same as regular customers	Same as regular customers	15,996	1	-	
"	Purchases	5,643	1	Same as regular customers	Same as regular customers	Same as regular customers	(4,498)	-	-	