

**Taiwan Mask Corporation and Subsidiaries**  
**Consolidated Financial Statements and Independent Auditor's**  
**Review Report**  
**Q1 2025 and 2024**  
**(Stock Code: 2338)**

Company address: No. 11, Chuangxin 1st Road, Baoshan,  
Hsinchu County, Hsinchu Science Park

Telephone: (03)563-4370

Taiwan Mask Corporation and Subsidiaries  
Q1 2025 and 2024 Consolidated Financial Statements and Independent Auditor's  
Review Report  
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Independent Auditors' Review Report  
(114) Tsai-Sheng-Bao-Zi No. 25000259

To Taiwan Mask Corporation,

## **Introduction**

We have audited the accompanying consolidated balance sheets for the periods ended March 31, 2025 and 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for the three months starting January 1 and ending March 31, 2025 and 2024, as well as the notes to the consolidated financial statements (including the summary of significant accounting policies), for Taiwan Mask Corporation and its subsidiaries (collectively referred to as the Group). The Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and IAS No. 34, "Interim Financial Reporting" as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

## **Scope**

Except as explained in the following paragraph, we conducted our reviews in accordance with Standards on Review Engagements No. 2410, "Review of Financial Statements" in the Republic of China. The procedures performed when reviewing the consolidated financial statements include inquiries (mainly inquiring personnel responsible for financial and accounting tasks), analytical procedures and other review procedures. The scope of review is obviously smaller than that of audit. Therefore, the accountant may not be able to detect all the significant matters that can be identified through audit, so it is impossible to express an audit opinion.

## **Basis for qualified opinion**

As stated in Note 4 (3) of the consolidated financial statements, the financial statements of the same period of some insignificant subsidiaries included in the abovementioned consolidated financial statements have not been reviewed by the CPA, and the total amounts of their assets as of March 31, 2025 and 2024 were NT\$3,371,527 thousand and NT\$3,058,361 thousand, accounting for 16.51% and 13.65% of the total consolidated assets, respectively; the total amounts of their liabilities were NT\$2,222,784 thousand and NT\$2,122,554 thousand, accounting for 13.43% and 12.44% of the total consolidated liabilities, respectively; the total amounts of comprehensive income from January 1 to March 31, 2025 and 2024 were NT\$ (152,154) thousand and NT\$ (207,956) thousand, accounting for 48.89% and (34.44%) the total consolidated comprehensive income, respectively. As stated in Notes 6 (6) to the Consolidated Financial Statements, part of the investment using the equity method is prepared based on the financial

statements from each company for the same period not reviewed by an CPA. The balances of such investment using the equity method were NT\$81,701 thousand and NT\$58,085 thousand, constituting 0.40% and 0.26% of the consolidated total assets as of March 31, 2025 and 2024, respectively. The shares of losses of affiliated companies recognized under the equity method were NT\$(8,337) thousand and NT\$(9,468) thousand, constituting 2.68% and (1.57%) of the consolidated total comprehensive income for the three months starting January 1 and ending March 31, 2025 and 2024, respectively.

### **Qualified opinion**

Except for the adjustments to the consolidated financial statements, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries and investments using the equity method been reviewed by independent accountants, that we might have become aware of, had it not been for the situation described above, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2025 and 2024, and of its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2025 and 2024 in accordance with “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and IAS No. 34, “Interim Financial Reporting” as endorsed by the Financial Supervisory Commission.

### **Other matters**

As stated in Note 12(4) of the consolidated financial statements, the photomask Group's debt ratio and current ratio as of March 31, 2025, were 81% and 72%, respectively. The Group has already submitted a sound business plan.

PricewaterhouseCoopers Taiwan

Chien-Yu Liu

CPA

Cheng-Han Chiang

Financial Supervisory Commission approval document number:

Jin-Guan-Zheng-Shen-Zi No. 1090350620

Jin-Guan-Zheng-Shen-Zi No. 1130350413

May 5, 2025

Taiwan Mask Corporation and Subsidiaries  
Consolidated Balance Sheets  
March 31, 2025 and December 31 and March 31, 2024

Unit: NT\$ Thousand

	Assets	Notes	March 31, 2025		December 31, 2024		March 31, 2024	
			Amount	%	Amount	%	Amount	%
<b>Current assets</b>								
1100	Cash and Cash Equivalents	6(1)	\$ 1,234,099	6	\$ 1,430,542	7	\$ 1,562,811	7
1110	Financial Assets at Fair Value	6(2) and 8						
	Through Profit or Loss -							
	Current		2,759,320	14	3,129,075	15	1,688,837	8
1136	Financial Assets at Amortized	6(3) and 8						
	Cost - Current		236,080	1	227,534	1	332,040	1
1140	Contract Asset - Current	6(23)	99,870	-	90,967	-	83,670	-
1150	Notes Receivables (Net)	6(4)	30,265	-	167	-	5,767	-
1170	Accounts Receivables (Net)	6(4)	1,171,566	6	1,367,379	7	1,283,125	6
1180	Accounts Receivables -	6(4) and 7						
	Related Parties (Net)		1,584	-	2,383	-	458	-
1200	Other Receivables		49,303	-	40,137	-	31,484	-
1210	Other Receivables - Related	7						
	Parties		1,851	-	1,306	-	611	-
1220	Tax Assets for the Period		494	-	476	-	1,845	-
130X	Inventories	6(5)	735,622	4	723,781	4	735,286	3
1410	Prepayments		230,404	1	277,096	1	374,615	2
1470	Other Current Assets		13,380	-	20,371	-	14,242	-
11XX	<b>Total Current Assets</b>		<b>6,563,838</b>	<b>32</b>	<b>7,311,214</b>	<b>35</b>	<b>6,114,791</b>	<b>27</b>
<b>Non-Current Assets</b>								
1510	Financial Asset at Fair Value	6(2) and 8						
	Through Profit or Loss - Non							
	Current		196,892	1	187,241	1	3,554,028	16
1535	Financial Assets at Amortized	6(3) and 8						
	Cost - Non Current		674,734	3	667,051	3	672,045	3
1550	Investment under Equity	6(6)						
	Method		471,883	2	489,392	2	467,353	2
1600	Property, plant and equipment	6(7) and 8	10,908,403	54	10,382,141	50	9,466,544	42
1755	Right-of-use Asset	6(8)	405,699	2	424,264	2	550,578	3
1760	Investment property (Net)	6(10) and 8	166,261	1	167,109	1	169,652	1
1780	Intangible assets	6(11) and 8	635,078	3	654,780	3	677,388	3
1840	Deferred Income Tax Assets	6(30)	17,312	-	25,492	-	22,476	-
1900	Other Non-Current Assets	6(13)	382,177	2	506,461	3	713,814	3
15XX	<b>Total Non-Current Assets</b>		<b>13,858,439</b>	<b>68</b>	<b>13,503,931</b>	<b>65</b>	<b>16,293,878</b>	<b>73</b>
1XXX	<b>Total Assets</b>		<b>\$ 20,422,277</b>	<b>100</b>	<b>\$ 20,815,145</b>	<b>100</b>	<b>\$ 22,408,669</b>	<b>100</b>

(Continued)

Taiwan Mask Corporation and Subsidiaries  
Consolidated Balance Sheets  
March 31, 2025 and December 31 and March 31, 2024

Unit: NT\$ Thousand

Liabilities and Equities	Notes	March 31, 2025		December 31, 2024		March 31, 2024	
		Amount	%	Amount	%	Amount	%
<b>Current liabilities</b>							
2100 Short Term Loans	6(14) and 7	\$ 5,855,422	29	\$ 6,200,355	30	\$ 6,417,737	29
2120 Financial Liabilities at Fair Value	6(2)	27,740	-	19,204	-	11,059	-
2130 Through Profit or Loss - Current		102,967	1	64,453	-	164,830	1
2150 Notes Payable		43,473	-	43,544	-	10,676	-
2170 Accounts Payable		337,673	2	541,758	3	407,316	2
2200 Other Payables	6(15)	1,309,309	6	1,236,829	6	1,647,521	7
2220 Other Payables - Related Parties	7	1,016	-	-	-	229	-
2230 Income Tax Liabilities for the Period		10,039	-	10,730	-	46,963	-
2250 Provision for Liabilities - Current		3,260	-	5,568	-	3,260	-
2280 Lease Liability - Current		33,185	-	34,456	-	40,869	-
2320 Long-term liabilities due within one year or one business cycle	6(17)	1,355,199	7	1,242,279	6	1,171,206	5
2399 Other Current Liabilities - Other		31,813	-	53,072	-	19,055	-
<b>21XX Total Current Liabilities</b>		<b>9,111,096</b>	<b>45</b>	<b>9,452,248</b>	<b>45</b>	<b>9,940,721</b>	<b>44</b>
<b>Non-current liabilities</b>							
2530 Corporate bonds payable	6(16)	3,613,826	17	3,609,156	17	3,429,292	15
2540 Long-term Loans	6(17)	3,272,183	16	3,072,808	15	2,957,306	13
2550 Provision for Liabilities - Non-current		-	-	1,500	-	-	-
2570 Deferred Income Tax.	6(30)	162,565	1	162,297	1	161,791	1
2580 Lease liability - Non Current		386,322	2	402,942	2	522,318	3
2640 Defined Benefit Liabilities - Non Current	6(18)	4,035	-	7,474	-	9,505	-
2645 Guarantee Deposits Received		1,559	-	34,812	-	40,073	-
<b>25XX Total Non-Current Liabilities</b>		<b>7,440,490</b>	<b>36</b>	<b>7,290,989</b>	<b>35</b>	<b>7,120,285</b>	<b>32</b>
<b>2XXX Total Liabilities</b>		<b>16,551,586</b>	<b>81</b>	<b>16,743,237</b>	<b>80</b>	<b>17,061,006</b>	<b>76</b>
<b>Equity attributable to shareholders of the parent company</b>							
3110 Capital	6(19)						
3110 Capital stock		2,564,562	13	2,564,562	12	2,564,465	11
3200 Capital surplus	6(20)						
3200 Capital surplus		1,589,959	8	1,532,041	8	1,440,745	6
3200 Retained earnings	6(21)						
3310 Legal reserve		863,958	4	863,958	4	827,460	4
3350 Unappropriated earnings		( 269,945)	( 1)	581,828	3	1,764,833	8
3400 Other equity interests	6(22)						
3400 Other equity interests		32,547	-	20,148	-	11,621	-
3500 Treasury stock	6(19) and 8	( 1,167,369)	( 6)	( 1,167,369)	( 6)	( 1,167,369)	( 5)
<b>31XX Total Equities Attributable to Parent Company</b>		<b>3,613,712</b>	<b>18</b>	<b>4,395,168</b>	<b>21</b>	<b>5,441,755</b>	<b>24</b>
<b>36XX Non-controlling Interests</b>		<b>256,979</b>	<b>1</b>	<b>( 323,260)</b>	<b>( 1)</b>	<b>( 94,092)</b>	<b>-</b>
<b>3XXX Total Equities</b>		<b>3,870,691</b>	<b>19</b>	<b>4,071,908</b>	<b>20</b>	<b>5,347,663</b>	<b>24</b>
Major Commitments and Contingencies	9						
Major Events after Financial Statement Date	11						
<b>3X2X Total Liabilities and Equities</b>		<b>\$ 20,422,277</b>	<b>100</b>	<b>\$ 20,815,145</b>	<b>100</b>	<b>\$ 22,408,669</b>	<b>100</b>

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

Chairman: Sean Chen

Managerial Officer: Lidon Chen

Accounting Officer: Yu-Ming Fan

Taiwan Mask Corporation and Subsidiaries  
Consolidated Statement of Comprehensive Income  
January 1 to March 31, 2025 and 2024

Unit: NT\$ Thousand  
(Except for earnings per share)

Items	Notes	From January 1 to March 31, 2025		From January 1 to March 31, 2024	
		Amount	%	Amount	%
4000 Operating income	6(23) and 7	\$ 1,627,957	100	\$ 1,850,048	100
5000 Operating costs	6(5) and 7	( 1,445,763)	( 89)	( 1,519,846)	( 82)
5900      Gross profit		182,194	11	330,202	18
Operating Expenses	6(28)(29) and 7				
6100      Selling Expenses		( 96,176)	( 6)	( 76,696)	( 4)
6200      Administrative Expenses		( 114,092)	( 7)	( 152,610)	( 8)
6300      R&D Expenses		( 87,711)	( 5)	( 103,588)	( 6)
6450      Expected loss on credit impairment	12(2)	( 21,245)	( 1)	( 12,919)	( 1)
6000      Total Operating Expenses		( 319,224)	( 19)	( 345,813)	( 19)
6900 Operating loss		( 137,030)	( 8)	( 15,611)	( 1)
Non-operating income and expenses					
7100      Interest income	6(24)	3,343	-	7,562	-
7010      Other Incomes	6(25) and 7	16,690	1	8,444	1
7020      Other Gains and Losses	6(26)	( 103,067)	( 6)	719,776	39
7050      Financial Costs	6(27) and 7	( 81,443)	( 5)	( 79,205)	( 4)
7060      The share of affiliates and joint venture profits and losses recognized by the equity method	6(6)			( 10,600)	( 1)
7000      Total Non-Operating Incomes and Losses		( 171,768)	( 11)	645,977	35
7900 <b>Net loss/profit before tax</b>		( 308,798)	( 19)	630,366	34
7950 Income Tax Expense	6(30)	( 14,806)	( 1)	( 36,453)	( 2)
8200 <b>Net (loss) profit for the period</b>		( \$ 323,604)	( 20)	\$ 593,913	32
<b>Other Comprehensive Incomes (Net)</b>					
<b>Components of other comprehensive income that will not be reclassified to profit or loss</b>					
<b>Components of other comprehensive income that will be reclassified to profit or loss</b>					
8361      Financial statement translation differences of foreign operations	6(22)	\$ 12,399	1	\$ 9,980	1
8300 <b>Other Comprehensive Incomes (Net)</b>		\$ 12,399	1	\$ 9,980	1
8500 <b>Total comprehensive income for the year</b>		( \$ 311,205)	( 19)	\$ 603,893	33
Net Incomes (Losses) Attributable to:					
8610      Parent Company		( \$ 256,935)	( 16)	\$ 674,209	36
8620      Non-controlling Interests		( 66,669)	( 4)	( 80,296)	( 4)
8620      Total		( \$ 323,604)	( 20)	\$ 593,913	32
Total Comprehensive Incomes (Losses) Attributable to:					
8710      Parent Company		( \$ 244,536)	( 15)	\$ 684,189	37
8720      Non-controlling Interests		( 66,669)	( 4)	( 80,296)	( 4)
8720      Total		( \$ 311,205)	( 19)	\$ 603,893	33
Earnings (loss) per share	6(31)				
9750      Basic		( \$ 1.20)		\$ 3.16	
9850      Diluted		( \$ 1.20)		\$ 2.88	

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

Chairman: Sean Chen

Managerial Officer: Lidon Chen

Accounting Officer: Yu-Ming Fan

**Taiwan Mask Corporation and Subsidiaries**  
**Consolidated Statement of Changes in Equity**  
January 1 to March 31, 2025 and 2024

Unit: NT\$ Thousand

Notes	Equity attributable to shareholders of the parent company										Non-controlling Interests	Total Equity		
	Retained earnings			Other equity interests			Unrealized gain (loss) on investments on financial assets at fair value through other comprehensive income							
	Capital stock	Capital surplus	Legal reserve	Unappropriated earnings	Financial statement translation differences of foreign operations	Other comprehensive income	Treasury stock	Total						
<b>From January 1 to March 31, 2024</b>														
Beginning Balance as of January 1, 2024	\$ 2,564,465	\$ 1,439,959	\$ 827,460	\$ 1,464,101	\$ 4,307	(\$ 2,666 )	(\$ 1,174,484 )	\$ 5,123,142	(\$ 13,238 )	\$ 5,109,904				
Net profit for the period	-	-	-	674,209	-	-	-	674,209	( 80,296 )	593,913				
Other Comprehensive Profit or Loss	6(22)	-	-	-	9,980	-	-	9,980	-	9,980				
Total comprehensive income for the year		-	-	674,209	9,980	-	-	684,189	( 80,296 )	603,893				
Distribution and appropriation of earnings for 2023	6(21)													
Cash dividends	-	-	-	( 373,477 )	-	-	-	( 373,477 )	-	( 373,477 )				
Changes in ownership interests in subsidiaries recognized	6(20)	-	786	-	-	-	-	786	( 558 )	228				
Subsidiaries donated treasury stock	6(19)	-	-	-	-	-	7,115	7,115	-	7,115				
Ending Balance as of March 31, 2024		\$ 2,564,465	\$ 1,440,745	\$ 827,460	\$ 1,764,833	\$ 14,287	(\$ 2,666 )	(\$ 1,167,369 )	\$ 5,441,755	(\$ 94,092 )	\$ 5,347,663			
<b>From January 1 to March 31, 2025</b>														
Beginning Balance as of January 1, 2025	\$ 2,564,562	\$ 1,532,041	\$ 863,958	\$ 581,828	\$ 22,814	(\$ 2,666 )	(\$ 1,167,369 )	\$ 4,395,168	(\$ 323,260 )	\$ 4,071,908				
Net loss	-	-	-	( 256,935 )	-	-	-	( 256,935 )	( 66,669 )	( 323,604 )				
Other Comprehensive Profit or Loss	6(22)	-	-	-	12,399	-	-	12,399	-	12,399				
Total comprehensive income for the year		-	-	( 256,935 )	12,399	-	-	( 244,536 )	( 66,669 )	( 311,205 )				
Changes in ownership interests in subsidiaries recognized	6(20)	-	57,918	-	-	-	-	57,918	52,070	109,988				
Recognized impairment impact on receivables from subsidiaries	4(3)	-	-	( 594,838 )	-	-	-	( 594,838 )	594,838	-				
Ending Balance as of March 31, 2025		\$ 2,564,562	\$ 1,589,959	\$ 863,958	(\$ 269,945 )	\$ 35,213	(\$ 2,666 )	(\$ 1,167,369 )	\$ 3,613,712	\$ 256,979	\$ 3,870,691			

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

Chairman: Sean Chen

Managerial Officer: Lidon Chen

Accounting Officer: Yu-Ming Fan

Taiwan Mask Corporation and Subsidiaries  
Consolidated Statements of Cash Flows  
January 1 to March 31, 2025 and 2024

Unit: NT\$ Thousand

	Notes	From January 1 to March 31, 2025	From January 1 to March 31, 2024
<b>Cash Flow from Operating Activities</b>			
Net (loss) profit before tax for the period	( \$ )	308,798 )	\$ 630,366
Adjustments to Reconcile Net Income to Net Cash Flow from Operating Activities			
Revenues and Expenses			
Depreciation	6(7)(8)(10)(28)	357,300	307,621
Amortization	6(11)(28)	19,482	30,065
Expected loss on credit impairment	12(2)	21,245	12,919
Interest income	6(24)	( 3,343 )	( 7,562 )
Interest Expenses	6(27)	81,443	79,205
Subsidiaries donated treasury stock	7	-	7,115
Net loss/profit of financial assets and liabilities at fair value through profit or loss	6(2)(26)	153,736	( 698,087 )
Gain (loss) on disposal of investments	6(6)(26)	( 45,719 )	-
Share of losses of affiliated companies recognized under the equity method	6(6)	7,291	10,600
Disposal of interests in property, plant and equipment	6(26)	( 15,921 )	( 14,117 )
Gain on lease modifications	6(8)(26)	( 24 )	( 868 )
Goodwill impairment loss	6(11)(12)(26)	-	27,390
The Changes of Assets/ Liabilities related to Operating Activities			
Net Changes of Assets related to Operating Activities			
Mandatory financial assets at fair value through profit or loss		214,904	( 20,388 )
Contract Assets	( 8,903 )	21,593	
Notes Receivables	( 30,098 )	282	
Accounts Receivables	174,568	182,762	
Accounts Receivables – Related Parties	799	( 432 )	
Other Receivables	( 9,166 )	( 2,481 )	
Other Receivables – Related Parties	( 545 )	( 204 )	
Inventories	( 11,841 )	( 33,463 )	
Prepayments	50,623	( 48,228 )	
Other Current Assets	6,991	( 3,468 )	
Other Non-Current Assets	306	47	
Net Changes of Liabilities related to Operating Activities			
Contract Liabilities	38,514	( 9,708 )	
Notes Payable	( 71 )	10,610	
Accounts Payable	( 204,085 )	( 56,576 )	
Other Payables	129,392	19,311	
Other Payables- related Parties	1,016	-	
Provisions	( 3,808 )	( 1,253 )	
Other Current Liabilities	( 21,259 )	( 38,596 )	
Defined Benefit Liabilities	( 3,439 )	( 1,143 )	
Net Cash In-Flow from Operating Interest Received	590,590	403,312	
Interest Paid	3,343	7,562	
Income Tax Paid	( 67,990 )	( 74,513 )	
Net Cash In-Flow (Out-Flow) from Operating Activities	( 7,067 )	( 4,869 )	
	518,876	331,492	

(Continued)

Taiwan Mask Corporation and Subsidiaries  
Consolidated Statements of Cash Flows  
January 1 to March 31, 2025 and 2024

Unit: NT\$ Thousand

	Notes	From January 1 to March 31, 2025	From January 1 to March 31, 2024
<b>Cash Flow from Investment Activities</b>			
Acquisition of Amortized Cost Financial Assets	6(3)	( \$ 16,082 )	( \$ 85,516 )
Disposal of Amortized Cost Financial Assets	6(3)	5,000	5,860
Acquisition of investment property by the Equity Method	6(6)	-	( 410,400 )
Proceeds from disposal of investments accounted for using the equity method	6(6)	56,302	-
Acquisition of Property, Plants and Equipment	6 (7)(32)	( 815,760 )	( 416,066 )
Disposal of Property, Plants and Equipment	6(7)	16,116	25,101
Acquisition of Intangible Assets	6(11)	( 117 )	( 3,108 )
Increase in refundable deposit		( 11,793 )	( 391 )
Decrease of Guarantee Deposits		<u>14,450</u>	<u>-</u>
Net Cash Outflow from Investing Activities		<u>( 751,884 )</u>	<u>( 884,520 )</u>
<b>Cash Flows from Financing Activities</b>			
Increase of Short Term Loan	6 (33)	2,796,696	2,646,202
Redemption of Short Term Loan	6 (33)	( 3,141,689 )	( 1,656,423 )
Increase of Long Term Loan	6 (33)	804,500	151,736
Redemption of Long Term Loan	6 (33)	( 495,681 )	( 370,806 )
Other Payables- related Parties	7	-	( 75 )
Redemption of Lease Principal	6 (33)	( 10,768 )	( 12,868 )
Decrease of Guarantee Deposits Received	6 (33)	( 33,277 )	( 2,209 )
Increase in Guarantee Deposits Received	6 (33)	24	-
Cash increase of non-controlling equity in Subsidiaries	4(3)	<u>109,796</u>	<u>-</u>
Net Cash In-Flow (Out-Flow) from Funding Activities		<u>29,601</u>	<u>755,557</u>
Adjustments of Exchange Rate		<u>6,964</u>	<u>( 3,824 )</u>
Net increase (decrease) in cash and cash equivalents		<u>( 196,443 )</u>	<u>198,705</u>
Beginning Balance of Cash and Cash Equivalents		<u>1,430,542</u>	<u>1,364,106</u>
Ending Balance of Cash and Cash Equivalents	6(1)	<u>\$ 1,234,099</u>	<u>\$ 1,562,811</u>

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

Chairman: Sean Chen

Managerial Officer: Lidon Chen

Accounting Officer: Yu-Ming Fan

Taiwan Mask Corporation and Subsidiaries  
Notes to the Consolidated Financial Statements  
Q1 2025 and 2024

Unit: NT\$ Thousand  
(Unless otherwise specified)

**I. Company History**

Taiwan Mask Corporation (hereinafter referred to as the "Company") was established on October 21, 1988, and started its operations in March 1989. The Company was approved by the shareholders meeting on June 12, 2000 to acquire Shin-Tai Technology Co., Ltd., on the merger record date of December 1, 2000, with the Company being the surviving entity. The Company and its subsidiary (collectively referred to as the "Group") mainly engage in the research, development, manufacturing and sales of photomask and integrated circuits, providing technical assistance, consultation, inspection and repair of the abovementioned products, and manufacturing and buying and selling of medical equipment.

**II. Date and procedures for passing the financial statement**

The consolidated financial statements were reported to the Board of Directors and issued on May 5, 2025.

**III. Application of New and Revised International Financial Reporting Standards**

**(I) The impact from adopting the newly released and revised IFRS and IAS recognized and issued into effect by the Financial Supervisory Commission (FSC).**

The following table summarizes the applicable newly released, corrected and amended standards and interpretations of the IFRS and IAS recognized and issued into effect by the Financial Supervisory Commission in 2025:

<u>Newly released/corrected/amended standards and interpretations</u>	<u>Effective Date Issued by</u>
Amendments to IAS No. 21 "Lack of Exchangeability"	IASB January 1, 2025

The Group believes that the adoption of aforementioned IFRSs will not have a significant effect on the financial position and performance.

**(II) Impact of the newly released and amended IFRS and IAS recognized by the FSC not yet adopted by the Company.**

The following table summarizes the applicable newly released, corrected and amended standards and interpretations of the IFRS and IAS recognized by the Financial Supervisory Commission in 2025:

<u>Newly released/corrected/amended standards and interpretations</u>	<u>Effective Date Issued by</u>
Amendments to certain provisions of IFRS 9 and IFRS 7 regarding the "Amendments to the Classification and Measurement of Financial Instruments"	IASB January 1, 2026

The Group believes that the adoption of aforementioned IFRSs will not have a significant effect on the financial position and performance.

(III) IFRS and IAS issued by the IASB but not yet recognized by the FSC.

The following table summarizes the applicable newly released, corrected and amended standards and interpretations of the IFRS and IAS issued by the IASB but not yet recognized by the FSC:

<u>Newly released/corrected/amended standards and interpretations</u>	<u>Effective Date Issued by</u>
Amendments to certain provisions of IFRS 9 and IFRS 7 regarding the "Amendments to the Classification and Measurement of Financial Instruments"	IASB January 1, 2026
Amendments to IFRS 9 and IFRS 7, Sale "Power Purchase Agreement"	January 1, 2026
IFRS 10 and IAS 28 amendments, Sale or contribution of assets between an investor and its associate or joint venture	To be determined by the IASB
IFRS 17 - Insurance contracts	January 1, 2023
Amendment to IFRS 17 - Insurance contracts	January 1, 2023
Amendments to IFRS 17 "First-time Adoption of IFRS 17 and IFRS 9 - January 1, 2023 Comparative Information"	January 1, 2023
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026

The Group believes that the adoption of aforementioned IFRSs will not have a significant effect on the financial position and performance, except for the following:

IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 "Presentation and Disclosure in Financial Statements" replaces IAS 1, updates the structure of comprehensive income statement, requires the disclosure of management-defined performance measures, and enhances the principles for grouping and classifying information for main financial statements and notes.

#### IV. Summary of Significant Accounting Policies

Significant accounting policies are the same as those in Note 4 of the 2024 consolidated financial statements, except for the compliance statements, basis of preparation, basis of consolidation, and applicable parts of interim financial statements. These policies have been consistently applied to all the periods presented, unless otherwise stated.

##### (I) Compliance statement

1. The consolidated financial statements of the Group have been prepared in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and the IAS No. 34, “Interim Financial Reporting” as endorsed by the FSC.
2. The consolidated financial statements should be read in conjunction with the 2024 consolidated financial statements.

##### (II) Basis of Preparation

1. Except for the following items, these consolidated financial statements have been prepared under the historical cost convention.
  - (1) Financial assets and financial liabilities at fair value through profit or loss (including derivatives).
  - (2) Financial Assets at Fair Value Through Other Comprehensive Income.
  - (3) Defined benefit liabilities recognized based on the net amount of pension fund assets less present value of defined benefit obligation.
2. The preparation of financial statements in conformity with IFRS, IAS, IFRIC Interpretations, and SIC Interpretations as endorsed by the FSC (collectively referred herein as the “IFRSs”) requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

##### (III) Basis of consolidation

1. The basis for preparation of consolidated financial statements

The principles for preparing the consolidated financial statements are the same as those for the 2024 consolidated financial statements.

2. Subsidiaries included in the consolidated financial statements:

Name of Investor	Name of Subsidiary	Main Business Activity	March 31, 2025	December 31, 2024	March 31, 2024	Explanation
Taiwan Mask Corporation	SunnyLake Park International Holding, Inc.	Name of Investor	100	100	100	Note 5
Taiwan Mask Corporation	Youe Chung Capital Corporation	Name of Investor	100	100	100	
Taiwan Mask Corporation	Miracle Technology CO., LTD.	Electronics components manufacturing, electronics materials and precision equipment distribution and power component design	100	100	100	

Name of Investor		Name of Subsidiary		Main Business Activity	Ownership (%)			Explanation
					March 31, 2025	December 31, 2024	March 31, 2024	
Taiwan Mask Corporation	Innova Vision INC.	Manufacturing, retail, wholesale and international trade of medical equipment	66.71	75.32	75.32			Note 4, Note 5
Taiwan Mask Corporation	One Test Systems	Research, development and design of test equipment and related components	100	100	100			Note 5
Taiwan Mask Corporation	Pilot Energy Co., Ltd.	Electronic parts and components and energy technical services	20.00	20.00	20.00			Note 3, Note 5
Youe Chung Capital Corporation	Innova Vision INC.	Manufacturing, retail, wholesale and international trade of medical equipment	0.13	0.19	0.19			Note 4, Note 5
Youe Chung Capital Corporation	Aptos Technology INC.	Design, packaging and testing of NAND flash memory, solid state drives and the related products	47.19	47.19	47.19			Note 2, Note 5
Youe Chung Capital Corporation	Xsense Technology Corporation	Name of Investor	100	100	100			Note 5
Youe Chung Capital Corporation	Xsense Technology Corporation (B.V.I.) Taiwan Branch	Precious metal coating	53.00	53.00	53.00			Note 5
Youe Chung Capital Corporation	Digital-Can Tech. Co., Ltd.	3D Printing and Plastic Mold Design	57.39	57.39	57.39			Note 5
Youe Chung Capital Corporation	Pilot Energy Co., Ltd.	Electronic parts and components and energy technical services	38.89	38.89	38.89			Note 3, Note 5
Youe Chung Capital Corporation	Moment Semiconductor, Inc.	Retail and wholesale of memory products	52.84	52.84	53.33			Note 1, Note 5
Aptos Technology INC. Limited	New Sunrise	Name of Investor	100	100	100			Note 5
Pilot Energy Co., ADL Energy Corp Ltd.	ADL Energy Corp	Electronic parts and components and energy technical services	100	100	100			Note 5
ADL Energy Corp	Aptos Global Holding Corp.	Name of Investor	100	100	100			Note 5
Miracle Technology CO., LTD.	Jing Hao Investment	Name of Investor	100	100	100			Note 5
Miracle Technology CO., LTD.	Miracle Enterprise (Shanghai) Co., Ltd.	Electronics components manufacturing, electronics materials and precision equipment distribution and power component design	100	100	100			Note 5

Name of Investor	Name of Subsidiary	Main Business Activity	Ownership (%)			Explanation
			March 31, 2025	December 31, 2024	March 31, 2024	
Jing Hao Investment Co., Ltd.	Miko-China Enterprise (Shanghai) Co., Ltd.	Electronics components manufacturing, electronics materials and precision equipment distribution and power component design	100	100	100	Note 5
Jing Hao Investment Co., Ltd.	MIKO Technology Co., Ltd.	Electronics components manufacturing, electronics materials and precision equipment distribution and power component design	100	100	100	Note 5
Miko-China Enterprise (Shanghai) Co., Ltd.	Sichuan Miracle Power Technology Co., Ltd.	IC product design, production and sales	79.17	79.17	79.17	Note 5
Miracle International Enterprise (Shanghai) Co., Ltd.	Sichuan Miracle Power Technology Co., Ltd.	IC product design, production and sales	20.83	20.83	20.83	Note 5
Innova Vision INC.	Innova Technology	Medical equipment retail and wholesale	100	100	100	Note 5
Innova Vision INC.	Innova Vision (B.V.I.) Inc.	Name of Investor	100	100	100	Note 5
Innova Vision INC.	iPro Vision Inc.	Medical equipment retail and wholesale	52.03	52.03	52.03	Note 5
Innova Vision (B.V.I.) Inc.	iPro Vision Inc.	Medical equipment retail and wholesale	47.97	47.97	47.97	Note 5

Note 1: In March 2023, the Company's subsidiary, Youe Chung Capital Corporation, invested in Moment Semiconductor, Inc. with 53.33% shareholding. Moment Semiconductor, Inc. organized capital increase in cash by issuing new shares in September 2024. Youe Chung Capital Corporation did not execute based on shares proportion, so the shareholding declined from 53.33% to 52.84%; a capital reserve of NT\$410 was recognized.

Note 2: The Company's subsidiary, Youe Chung Capital Corporation, which holds a majority of the Board of Directors of the company, has substantial control over the company and therefore included the company in the consolidated financial statements as a consolidated entity.

Note 3: Pilot Battery Co., Ltd. was renamed Pilot Energy Co., Ltd. in April 2024.

Note 4: The Company and its subsidiary, Youe Chung Capital Corporation, originally held 75.32% and 0.19% of the shares, respectively. In January 2025, Innova Vision Inc. conducted a capital increase through a cash capital increase of NT\$200,000. Although the Company and its subsidiary participated in the subscription, they did not subscribe in proportion to their original shareholding percentages. As a result, their ownership decreased from 75.32% and 0.19% to 66.71% and 0.13%, respectively. A capital reserve of NT\$57,918 was recognized.

Note 5: The financial statements of the entity as of and for the three months ended March

31, 2025 and 2024 were not reviewed by independent accountants as the entity did not meet the definition of a significant subsidiary.

3. Subsidiaries not included in the consolidated financial statement: None.
4. Adjustments for subsidiaries with different balance sheet dates: None.
5. Significant restrictions: None.
6. Subsidiaries that have non-controlling interests that are material to the Corporate Group:

The total non-controlling interests of the Group as of March 31, 2025, December 31 and March 31, 2024 were NT\$256,979, (NT\$323,260) and (NT\$94,092), respectively. The following information shows subsidiaries that have non-controlling interests that are material to the Group:

<u>Non-controlling Interests</u>							
<u>Name of Subsidiary</u>	<u>Main location of business</u>	<u>March 31, 2025</u>		<u>December 31, 2024</u>			<u>Explanation</u>
		<u>Amount</u>	<u>Ownership percentage</u>	<u>Amount</u>	<u>Ownership percentage</u>		
Aptos Technology and its subsidiaries	Taiwan	(\$ 1,038)	52.81%	(\$ 372,100)	52.81%		
Xsense Technology Corporation (B.V.I.) Taiwan Branch	Taiwan	17,384	47.00%	( 163,673)	47.00%		
Pilot Energy Co., Ltd. and its subsidiaries	Taiwan	168,574	41.11%	176,835	41.11%		
<u>March 31, 2024</u>							
<u>Name of Subsidiary</u>	<u>Main location of business</u>			<u>Ownership</u>			<u>Explanation</u>
		<u>Amount</u>	<u>percentage</u>	<u>Amount</u>	<u>percentage</u>		
Aptos Technology and its subsidiaries	Taiwan	(\$ 276,825)	52.81%				
Xsense Technology Corporation (B.V.I.) Taiwan Branch	Taiwan	( 89,501)	47.00%				
Pilot Energy Co., Ltd. and its subsidiaries	Taiwan			209,517	41.11%		

Aggregate financial information of subsidiaries:

Balance Sheet

Aptos Technology and its subsidiaries

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Current assets	\$ 114,875	\$ 103,917	\$ 186,969
Non-Current Assets	338,971	357,565	432,535
Current liabilities	( 929,202)	( 908,842)	( 829,024)
Non-current liabilities	( 242,042)	( 257,219)	( 314,657)
Total net assets	<u>(\$ 717,398)</u>	<u>(\$ 704,579)</u>	<u>(\$ 524,177)</u>

Xsense Technology Corporation (B.V.I.) Taiwan Branch

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Current assets	\$ 223,282	\$ 296,422	\$ 445,170
Non-Current Assets	219,115	250,523	271,721
Current liabilities	( 727,259)	( 741,059)	( 807,260)
Non-current liabilities	( 139,833)	( 154,097)	( 100,045)
Total net assets	<u>(\$ 424,695)</u>	<u>(\$ 348,211)</u>	<u>(\$ 190,414)</u>

Pilot Energy Co., Ltd. and its subsidiaries

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Current assets	\$ 211,930	\$ 246,193	\$ 433,734
Non-Current Assets	405,320	388,182	165,417
Current liabilities	( 144,563)	( 166,838)	( 96,151)
Non-current liabilities	( 188,578)	( 165,666)	( 129,750)
Total net assets	<u>\$ 284,109</u>	<u>\$ 301,871</u>	<u>\$ 373,250</u>

Statement of Comprehensive Income

<u>Aptos Technology and its subsidiaries</u>		
	<u>From January 1 to March 31,</u> <u>2025</u>	<u>From January 1 to March 31,</u> <u>2024</u>
Revenue	<u>\$</u> <u>61,324</u>	<u>\$</u> <u>53,890</u>
Net loss before taxes	( <u>12,819</u> )	( <u>54,103</u> )
Income tax benefits	<u>-</u>	<u>-</u>
Net loss of current period from continuing operations	( <u>12,819</u> )	( <u>54,103</u> )
Net loss	( <u>12,819</u> )	( <u>54,103</u> )
Other comprehensive income (net after tax)	<u>-</u>	<u>-</u>
Total comprehensive income for the year	<u>(\$ 12,819)</u>	<u>(\$ 54,103)</u>
<u>Xsense Technology Corporation (B.V.I.) Taiwan Branch</u>		
	<u>From January 1 to March 31,</u> <u>2025</u>	<u>From January 1 to March 31,</u> <u>2024</u>
Revenue	<u>\$</u> <u>74,688</u>	<u>\$</u> <u>156,422</u>
Net loss before taxes	( <u>76,484</u> )	( <u>35,818</u> )
Income tax benefits	<u>-</u>	<u>-</u>
Net loss of current period from continuing operations	( <u>76,484</u> )	( <u>35,818</u> )
Net loss	( <u>76,484</u> )	( <u>35,818</u> )
Other comprehensive income (net after tax)	<u>-</u>	<u>-</u>
Total comprehensive income for the year	<u>(\$ 76,484)</u>	<u>(\$ 35,818)</u>
<u>Pilot Energy Co., Ltd. and its subsidiaries</u>		
	<u>From January 1 to March 31,</u> <u>2025</u>	<u>From January 1 to March 31,</u> <u>2024</u>
Revenue	<u>\$</u> <u>28,581</u>	<u>\$</u> <u>57,968</u>
Net loss before taxes	( <u>20,094</u> )	( <u>28,707</u> )
Income tax benefits	<u>-</u>	<u>-</u>
Net loss of current period from continuing operations	( <u>20,094</u> )	( <u>28,707</u> )
Net loss	( <u>20,094</u> )	( <u>28,707</u> )
Other comprehensive income (net after tax)	<u>-</u>	<u>-</u>
Total comprehensive income for the year	<u>(\$ 20,094)</u>	<u>(\$ 28,707)</u>

## Statements of Cash Flows

	<u>Aptos Technology and its subsidiaries</u>	
	<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
Cash In-Flow (Out-Flow) from Operating Activities	\$ 12,437	(\$ 44,554)
Net cash (outflow) inflow in investing activities	1,680	1,357
Net cash (outflow) inflow in funding activities	(1,448)	3,266
Net increase (decrease) in cash and cash equivalents	12,669	(39,931)
Beginning Balance of Cash and Cash Equivalents	11,282	57,865
Ending Balance of Cash and Cash Equivalents	<u>\$ 23,951</u>	<u>\$ 17,934</u>
	<u>Xsense Technology Corporation (B.V.I.) Taiwan Branch</u>	
	<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
Cash In-Flow (Out-Flow) from Operating Activities	(\$ 6,285)	\$ 58,483
Net cash (outflow) inflow in investing activities	8,715	(9,812)
Net cash (outflow) inflow in funding activities	(54,638)	(4,068)
Net increase (decrease) in cash and cash equivalents	(52,208)	44,603
Beginning Balance of Cash and Cash Equivalents	65,060	49,823
Ending Balance of Cash and Cash Equivalents	<u>\$ 12,852</u>	<u>\$ 94,426</u>
	<u>Pilot Energy Co., Ltd. and its subsidiaries</u>	
	<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
Cash In-Flow (Out-Flow) from Operating Activities	(\$ 76,150)	\$ 40,738
Net cash (outflow) inflow in investing activities	(18,083)	(73,054)
Net cash (outflow) inflow in funding activities	58,598	(61,386)
Net increase (decrease) in cash and cash equivalents	(35,635)	93,702
Beginning Balance of Cash and Cash Equivalents	59,897	231,797
Ending Balance of Cash and Cash Equivalents	<u>\$ 24,262</u>	<u>\$ 138,095</u>

After evaluating the operating conditions of its subsidiaries, Aptos Technology INC. and Xsense Technology Corporation, INC. Taiwan Branch, and the recoverability of related receivables, the Group recognized an impairment impact of NT\$594,838. The amount was adjusted against retained earnings and non-controlling interests.

(IV) Employee benefits

Pensions

Defined benefit plans

The calculation of pension cost during the interim period adopts the pension cost rate determined by actuarial calculations at the end of the previous financial year, and is based on the beginning of the year to the end of the current period. If there are major market changes and major reductions, liquidation or other major one-off events after the end date, adjustments shall be made and relevant information shall be disclosed in accordance with the abovementioned policies.

(V) Income tax

Income tax expenses of the interim period are calculated based on the estimated annual average effective tax rate applied to the pre-tax profit and loss of the interim period, and the relevant information shall be disclosed in accordance with the aforementioned policies.

V. Critical Accounting Judgments and Key Sources of Estimation and Uncertainty

There are no major changes, please refer to Note 5 of the 2024 consolidated financial statements.

VI. Summary of Significant Accounting Items

(I) Cash and Cash Equivalents

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Cash on hand	\$ 549	\$ 396	\$ 623
Checking accounts and demand deposits	1,233,550	1,426,654	1,422,326
Time deposits	-	3,492	139,862
Total	<u>\$ 1,234,099</u>	<u>\$ 1,430,542</u>	<u>\$ 1,562,811</u>

1. The Group associates with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.
2. The Group has no cash and cash and cash equivalents pledged to others.

**(II) Financial assets and liabilities at fair value through profit or loss**

<u>Items</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Current items:			
Mandatory financial assets at fair value through profit or loss			
Shares of listed and OTC company	\$ 3,262,839	\$ 3,469,504	\$ 1,351,034
Beneficiary certificates	- <hr style="width: 100px; margin-left: 0; border: 0; border-top: 1px solid black;"/>	- <hr style="width: 100px; margin-left: 0; border: 0; border-top: 1px solid black;"/>	500 <hr style="width: 100px; margin-left: 0; border: 0; border-top: 1px solid black;"/>
	3,262,839 <hr style="width: 100px; margin-left: 0; border: 0; border-top: 1px solid black;"/>	3,469,504 <hr style="width: 100px; margin-left: 0; border: 0; border-top: 1px solid black;"/>	1,351,534 <hr style="width: 100px; margin-left: 0; border: 0; border-top: 1px solid black;"/>
Valuation adjustment	( 503,519) <hr style="width: 100px; margin-left: 0; border: 0; border-top: 1px solid black;"/>	( 340,429) <hr style="width: 100px; margin-left: 0; border: 0; border-top: 1px solid black;"/>	337,303 <hr style="width: 100px; margin-left: 0; border: 0; border-top: 1px solid black;"/>
	<u>\$ 2,759,320</u> <hr style="width: 100px; margin-left: 0; border: 0; border-top: 1px solid black;"/>	<u>\$ 3,129,075</u> <hr style="width: 100px; margin-left: 0; border: 0; border-top: 1px solid black;"/>	<u>\$ 1,688,837</u> <hr style="width: 100px; margin-left: 0; border: 0; border-top: 1px solid black;"/>
Financial liabilities mandatorily measured at fair value through profit or loss			
Convertible bond call/put options	(\$ 27,740) <hr style="width: 100px; margin-left: 0; border: 0; border-top: 1px solid black;"/>	(\$ 19,204) <hr style="width: 100px; margin-left: 0; border: 0; border-top: 1px solid black;"/>	(\$ 11,059) <hr style="width: 100px; margin-left: 0; border: 0; border-top: 1px solid black;"/>
Non-current items:			
Mandatory financial assets at fair value through profit or loss			
Shares of listed and OTC company	\$ 99,900	\$ 87,400	\$ 2,689,504
Shares of non-listed and non-OTC company	36,829	125,674	130,337
Private placement funds	- <hr style="width: 100px; margin-left: 0; border: 0; border-top: 1px solid black;"/>	- <hr style="width: 100px; margin-left: 0; border: 0; border-top: 1px solid black;"/>	95,000 <hr style="width: 100px; margin-left: 0; border: 0; border-top: 1px solid black;"/>
Limited partnership	110,302 <hr style="width: 100px; margin-left: 0; border: 0; border-top: 1px solid black;"/>	95,302 <hr style="width: 100px; margin-left: 0; border: 0; border-top: 1px solid black;"/>	- <hr style="width: 100px; margin-left: 0; border: 0; border-top: 1px solid black;"/>
	247,031 <hr style="width: 100px; margin-left: 0; border: 0; border-top: 1px solid black;"/>	308,376 <hr style="width: 100px; margin-left: 0; border: 0; border-top: 1px solid black;"/>	2,914,841 <hr style="width: 100px; margin-left: 0; border: 0; border-top: 1px solid black;"/>
Valuation adjustment	( 50,139) <hr style="width: 100px; margin-left: 0; border: 0; border-top: 1px solid black;"/>	( 121,135) <hr style="width: 100px; margin-left: 0; border: 0; border-top: 1px solid black;"/>	639,187 <hr style="width: 100px; margin-left: 0; border: 0; border-top: 1px solid black;"/>
	<u>\$ 196,892</u> <hr style="width: 100px; margin-left: 0; border: 0; border-top: 1px solid black;"/>	<u>\$ 187,241</u> <hr style="width: 100px; margin-left: 0; border: 0; border-top: 1px solid black;"/>	<u>\$ 3,554,028</u> <hr style="width: 100px; margin-left: 0; border: 0; border-top: 1px solid black;"/>

1. Details of financial assets/liabilities at fair value through profit or loss recognized in profit or loss are as follows:

	<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
Financial assets mandatorily measured at fair value through profit or loss		
Shares of listed and OTC company	(\$ 145,200)	\$ 681,147
Convertible bond call/put options	( 8,536)	( 1,676)
Shares of non-listed and non-OTC company	<u>-</u>	<u>18,616</u>
	<u><u>(\$ 153,736)</u></u>	<u><u>\$ 698,087</u></u>

2. Please see Note 8 on how the Group provides financial assets at fair value through profit or loss as a pledged collateral.
3. Please see Note 12 (2) and (3) for the price risk and fair value information related to financial assets and liabilities at fair value through profit or loss.

### (III) Financial assets measured at amortized cost

Items	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Current items:			
Demand Deposit	\$ 152,098	\$ 148,097	\$ 149,740
Time deposits	<u>83,982</u>	<u>79,437</u>	<u>182,300</u>
	<u><u>\$ 236,080</u></u>	<u><u>\$ 227,534</u></u>	<u><u>\$ 332,040</u></u>
Non-current items:			
Demand Deposit	\$ 384,710	\$ 384,710	\$ 385,050
Time deposits	<u>290,024</u>	<u>282,341</u>	<u>286,995</u>
Total	<u><u>\$ 674,734</u></u>	<u><u>\$ 667,051</u></u>	<u><u>\$ 672,045</u></u>

1. Financial assets at amortized cost is recognized in the profit or loss shown as follows:

	<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
Interest income	<u><u>\$ 1,953</u></u>	<u><u>\$ 2,564</u></u>

2. While not considering the collaterals or other credit enhancements, the financial assets at amortized cost held by the Group had the maximum exposure of credit risk at NT\$910,814, NT\$894,585 and NT\$1,004,085 as of March 31, 2025, December 31 and March 31, 2024, respectively.
3. Please see Note VIII on how the Group provides financial assets at amortized cost as a pledged collateral.

(IV) Notes and accounts receivable

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Notes Receivables	\$ 30,265	\$ 167	\$ 5,767
Accounts Receivables	\$ 1,297,327	\$ 1,478,141	\$ 1,325,467
Accounts Receivables—Related Parties	1,584	2,383	458
	1,298,911	1,480,524	1,325,925
Less: Loss allowance	(125,761)	(110,762)	(42,342)
	<u>\$ 1,173,150</u>	<u>\$ 1,369,762</u>	<u>\$ 1,283,583</u>

2. Aging of accounts receivable notes receivable is as follows:

	<u>March 31, 2025</u>		<u>December 31, 2024</u>	
	<u>Accounts Receivables</u>	<u>Notes Receivables</u>	<u>Accounts Receivables</u>	<u>Notes Receivables</u>
Not past due	\$ 911,980	\$ 30,265	\$ 1,041,381	\$ 167
Up to 30 days	148,657	-	142,862	-
31-90 days	57,513	-	116,488	-
91-180 days	17,102	-	43,381	-
More than 181 days past due	163,659	-	136,412	-
	<u>\$ 1,298,911</u>	<u>\$ 30,265</u>	<u>\$ 1,480,524</u>	<u>\$ 167</u>
	<u>March 31, 2024</u>			
	<u>Accounts Receivables</u>		<u>Notes Receivables</u>	
Not past due	\$ 1,026,023	\$ 5,767		
Up to 30 days	173,506	-		
31-90 days	70,483	-		
91-180 days	33,400	-		
More than 181 days past due	22,513	-		
	<u>\$ 1,325,925</u>	<u>\$ 5,767</u>		

The above is an aging report based on the number of days past due.

- As of March 31, 2025, December 31 and March 31, 2024, accounts receivable and notes receivable were entirely from contracts with customers. The balances of accounts receivable from contracts with customers as of January 1, 2024 was NT\$1,484,881.
- While not considering the collaterals or other credit enhancements, the accounts receivable and notes receivable held by the Group had the maximum exposure of credit risk at NT\$1,230,415, NT\$1,369,929 and NT\$1,289,350, respectively, as of March 31, 2025, December 31 and March 31 of 2024.
- Please refer to Note 12 (2) for the information on credit risk of accounts receivable.

(V) Inventories

March 31, 2025

	<u>Cost</u>	<u>(Gain from reversal of) loss allowance on decline in market</u>	<u>value of inventories</u>	<u>Book value</u>
Raw materials	\$ 333,373	(\$ 69,585)	\$ 263,788	
Work in process	175,882	( 28,097)	147,785	
Finished goods	166,264	( 22,059)	144,205	
Merchandise	<u>201,949</u>	<u>( 22,105)</u>	<u>179,844</u>	
Total	<u>\$ 877,468</u>	<u>(\$ 141,846)</u>	<u>\$ 735,622</u>	

December 31, 2024

	<u>Cost</u>	<u>(Gain from reversal of) loss allowance on decline in market</u>	<u>value of inventories</u>	<u>Book value</u>
Raw materials	\$ 332,936	(\$ 73,731)	\$ 259,205	
Work in process	144,526	( 32,529)	111,997	
Finished goods	177,384	( 27,859)	149,525	
Merchandise	<u>223,884</u>	<u>( 20,830)</u>	<u>203,054</u>	
Total	<u>\$ 878,730</u>	<u>(\$ 154,949)</u>	<u>\$ 723,781</u>	

March 31, 2024

	<u>Cost</u>	<u>(Gain from reversal of) loss allowance on decline in market</u>	<u>value of inventories</u>	<u>Book value</u>
Raw materials	\$ 310,152	(\$ 48,700)	\$ 261,452	
Work in process	206,076	( 23,299)	182,777	
Finished goods	218,077	( 27,889)	190,188	
Merchandise	<u>113,523</u>	<u>( 12,654)</u>	<u>100,869</u>	
Total	<u>\$ 847,828</u>	<u>(\$ 112,542)</u>	<u>\$ 735,286</u>	

The cost of inventories recognized as losses by the Corporate Group.

	<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
Cost of goods sold	\$ 1,457,055	\$ 1,513,360
Inventory valuation losses and (recovery gains) or obsolescence losses	( 10,490)	6,129
Revenue from sales of leftovers	( 802) ( 461)	
Others	<u>-</u>	<u>818</u>
	<u>\$ 1,445,763</u>	<u>\$ 1,519,846</u>

From January 1 to March 31, 2025, part of the inventory for which the provision for impairment losses had been made in the previous period was sold, resulting in a recovery in the net realizable value of the inventory, which was recognized as a reduction in operating costs.

**(VI) Investment under Equity Method**

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Affiliates:			
Advagene Biopharma Co., Ltd.	\$ 43,002	\$ 56,495	\$ 36,732
Weida Hi-Tech Co., Ltd.	24,198	25,851	21,353
TrueLight Corporation	390,182	388,848	409,268
BKS Tec Corp.	<u>14,501</u>	<u>18,198</u>	<u>-</u>
	<u>\$ 471,883</u>	<u>\$ 489,392</u>	<u>\$ 467,353</u>

1. Affiliates

(1) The basic information about the Group's significant related parties is as follows:

Shareholding percentage

<u>Name of Company</u>	<u>Main location of business</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>	<u>Measurement method</u>
TrueLight Corporation	Taiwan	12.11%	12.11%	12.11%	Equity method

(2) The summarized financial information about the Group's significant related parties is as follows:

Balance Sheet

	<u>TrueLight Corporation</u>		
	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Current assets	\$ 742,498	\$ 729,988	\$ 1,063,641
Non-Current Assets	621,018	622,913	653,383
Current liabilities	( 227,803)	( 222,706)	( 438,694)
Non-current liabilities	( 167,919)	( 173,413)	( 157,017)
Total net assets	<u>\$ 967,794</u>	<u>\$ 956,782</u>	<u>\$ 1,121,313</u>
Proportion of net assets attributable to the related party	\$ 117,200	\$ 115,866	\$ 136,286
Goodwill	<u>272,982</u>	<u>272,982</u>	<u>272,982</u>
Book value of affiliates	<u>\$ 390,182</u>	<u>\$ 388,848</u>	<u>\$ 409,268</u>

Statement of Comprehensive Income

TrueLight Corporation

	<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
Revenue	\$ 69,687	\$ 145,292
Net income of current period from continuing operations	\$ 3,690	(\$ 73,040)
Other comprehensive income (net after tax)	-	-
Total comprehensive income for the year	\$ 3,690	(\$ 73,040)
Dividends received from related parties	\$ -	\$ -

(3) The summarized carrying amounts and the Group's shares of operating results of individually immaterial affiliates are as follows: as of March 31, 2025, December 31, 2024, and March 31, 2024, the total carrying amounts of these affiliates were NT\$81,701, NT\$100,544, and NT\$58,085, respectively.

	<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
Total comprehensive income for the year	(\$ 8,337)	(\$ 9,468)

- As of March 31, 2025, December 31, 2024 and March 31, 2024, the Group held 20.71%, 28.20% and 25.62% of shares of Advagene Biopharma Co., Ltd., respectively, and 28.20%, 29.54% and 28.20% of shares of Weida Hi-Tech Co., Ltd., respectively, making it the single largest shareholder in each case. However, the Group did not hold a majority of the board of directors' seats and therefore did not participate in all operational decisions and business policies including strategic decisions (e.g., financing, acquisition, personnel and dividend policies, etc.) of Advagene Biopharma Co., Ltd. Weida Hi-Tech Co., Ltd. The Group's shareholdings alone did not meet the required attendance rate at shareholders' meetings, indicating that the Group has no power to direct relevant activities and therefore the Group does not have control over the company and has only significant influence.
- The Group sold the shares of Advagene Biopharma Co., Ltd. from January to March 2025, resulting in a decrease in shareholding from 25.62% to 20.71%; a gain on disposal of investments of NT\$45,719 was recognized.
- In March 2024, the Group acquired 13,500 thousand common shares of TrueLight Corporation through private placement with an investment amount of NT\$410,400. As of March 31, 2025, the shareholding ratio was 12.11%, making the Group the single largest shareholder of the Company. However, the Group's shareholding does not reach the statutory attendance percentage of shareholders meetings, indicating that the Group has no actual ability to direct relevant activities. Therefore, it is concluded that the Group has no control over the company and only has significant influence.
- In April 2024, the Group acquired 6,000 thousand common shares of BKS Tec Corp. through capital increase in cash, with an investment amount of NT\$30,000. As of March 31, 2025, the shareholding ratio was 38.91%, making the Group the single largest shareholder of the

company. However, the Group did not hold a majority of the Board of Directors' seats and therefore did not actually participate in the business decisions and operating policies, including strategic decisions (such as financing, acquisitions, personnel and dividend policies) of BKS Tec Corp. The Group's shareholding alone does not reach the statutory attendance percentage of shareholders meetings, indicating that the Group has no actual ability to direct relevant activities. Therefore, it is concluded that the Group has no control over the company and only has significant influence.

5. For the three months ended March 31, 2025 and 2024, except for the audited company TrueLight Corporation, the investment income (loss) from long-term equity investments using the equity method is recognized based on the financial statements compiled by the investees for the same period while not reviewed by a CPA.

(VII) Property, plant and equipment

	<u>Buildings and structures (including land)</u>	<u>Machinery and equipment</u>	<u>Office equipment</u>	<u>Transportation equipment</u>	<u>Mold equipment</u>	<u>Other equipment</u>	<u>Unfinished construction and equipment under acceptance</u>	<u>Total</u>
January 1, 2025								
Cost	\$ 3,057,156	\$ 9,602,172	\$ 107,518	\$ 9,327	\$ 65,095	\$ 990,567	\$ 1,588,591	\$ 15,420,426
Accumulated depreciation	( 1,156,092)	( 3,363,404)	( 68,073)	( 5,607)	( 36,357)	( 408,752)	-	( 5,038,285)
	<u>\$ 1,901,064</u>	<u>\$ 6,238,768</u>	<u>\$ 39,445</u>	<u>\$ 3,720</u>	<u>\$ 28,738</u>	<u>\$ 581,815</u>	<u>\$ 1,588,591</u>	<u>\$ 10,382,141</u>
January 1, 2025								
Add - Cost	16,152	32,936	2,550	-	-	16,342	803,582	871,562
Disposals - Cost	- ( 897)	( 210)	( 730)	-	-	-	- ( 1,837)	
Disposal - Accumulated depreciation	-	897	210	535	-	-	-	1,642
Depreciation	( 57,263)	( 233,737)	( 5,039)	( 321)	( 1,984)	( 46,644)	- ( 344,988)	
Reclassification	-	<u>716,730</u>	-	-	-	<u>52,060</u>	<u>( 768,907)</u>	<u>( 117)</u>
March 31	<u>\$ 1,859,953</u>	<u>\$ 6,754,697</u>	<u>\$ 36,956</u>	<u>\$ 3,204</u>	<u>\$ 26,754</u>	<u>\$ 603,573</u>	<u>\$ 1,623,266</u>	<u>\$ 10,908,403</u>
March 31, 2025								
Cost	\$ 3,073,308	\$ 10,350,941	\$ 109,858	\$ 8,597	\$ 65,095	\$ 1,058,969	\$ 1,623,266	\$ 16,290,034
Accumulated depreciation	( 1,213,355)	( 3,596,244)	( 72,902)	( 5,393)	( 38,341)	( 455,396)	-	( 5,381,631)
	<u>\$ 1,859,953</u>	<u>\$ 6,754,697</u>	<u>\$ 36,956</u>	<u>\$ 3,204</u>	<u>\$ 26,754</u>	<u>\$ 603,573</u>	<u>\$ 1,623,266</u>	<u>\$ 10,908,403</u>

	<u>Buildings and structures (including land)</u>	<u>Machinery and equipment</u>	<u>Office equipment</u>	<u>Transportation equipment</u>	<u>Mold equipment</u>	<u>Other equipment</u>	<u>Unfinished construction and equipment under acceptance</u>	Total
January 1, 2024								
Cost	\$ 2,966,356	\$ 8,379,360	\$ 89,028	\$ 11,826	\$ 337,978	\$ 764,529	\$ 1,162,876	\$ 13,711,953
Accumulated depreciation	( 938,487)	( 2,680,006)	( 50,616)	( 6,892)	( 303,317)	( 240,244)	-	( 4,219,562)
	<u>\$ 2,027,849</u>	<u>\$ 5,699,354</u>	<u>\$ 38,412</u>	<u>\$ 4,934</u>	<u>\$ 34,661</u>	<u>\$ 524,285</u>	<u>\$ 1,162,876</u>	<u>\$ 9,492,391</u>
January 1, 2024	\$ 2,027,849	\$ 5,699,354	\$ 38,412	\$ 4,934	\$ 34,661	\$ 524,285	\$ 1,162,876	\$ 9,492,391
Add - Cost	43,154	43,265	3,139	-	2,610	37,039	146,208	275,415
Disposals - Cost	- ( 73,868)	( 714)	-	-	- ( 130)	- ( 130)	-	( 74,712)
Disposal - Accumulated depreciation	- 62,884	714	-	-	- 130	130	-	63,728
Depreciation	( 54,709)	( 194,944)	( 4,579)	( 373)	( 2,384)	( 36,003)	- ( 296,130)	( 292,992)
Reclassification	<u>13,132</u>	<u>277,528</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,184</u>	<u>( 296,130)</u>	<u>( 2,714)</u>
March 31	<u>\$ 2,029,446</u>	<u>\$ 5,814,219</u>	<u>\$ 36,972</u>	<u>\$ 4,561</u>	<u>\$ 34,887</u>	<u>\$ 533,505</u>	<u>\$ 1,012,954</u>	<u>\$ 9,466,544</u>
March 31, 2024								
Cost	\$ 3,022,642	\$ 8,626,285	\$ 91,453	\$ 11,826	\$ 340,588	\$ 809,622	\$ 1,012,954	\$ 13,915,370
Accumulated depreciation	( 993,196)	( 2,812,066)	( 54,481)	( 7,265)	( 305,701)	( 276,117)	-	( 4,448,826)
	<u>\$ 2,029,446</u>	<u>\$ 5,814,219</u>	<u>\$ 36,971</u>	<u>\$ 4,561</u>	<u>\$ 34,887</u>	<u>\$ 533,505</u>	<u>\$ 1,012,954</u>	<u>\$ 9,466,544</u>

1. The Group had no interest capitalization for investment property in the period between January 1 and March 31, 2025 and 2024.
2. The major components of the Group's houses and buildings include land, buildings and factory renovation projects. Except for land, they are depreciated for 5 to 56 years.
3. Information on property, plant and equipment pledged to others as collateral is provided in Note 8.
4. The abovementioned property, plant and equipment of the Group are for self-use.

(VIII) Leasing arrangements - lessee

1. The underlying assets leased by the Group include land, buildings and company vehicles. Leasing contracts are typically made for periods of 3 to 20 years. Lease contracts are negotiated separately and include a variety of terms and conditions. There are no restrictions for the leased assets, except that they cannot be used as loan collaterals.
2. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
	<u>Book value</u>	<u>Book value</u>	<u>Book value</u>
Land	\$ 318,745	\$ 331,679	\$ 479,448
Buildings and structures	12,272	15,268	19,226
Transportation equipment (company vehicles)	16,799	17,911	12,922
Other equipment	<u>57,883</u>	<u>59,406</u>	<u>38,982</u>
	<u>\$ 405,699</u>	<u>\$ 424,264</u>	<u>\$ 550,578</u>

	<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
	<u>Depreciation</u>	<u>Depreciation</u>
Land	\$ 4,473	\$ 6,501
Buildings and structures	3,144	3,419
Transportation equipment (company vehicles)	2,644	3,037
Other equipment	<u>1,203</u>	<u>824</u>
	<u>\$ 11,464</u>	<u>\$ 13,781</u>

3. For the period between January 1 and March 31, 2025 and 2024, the increase (decrease) in right-of-use assets were (NT\$7,101) and NT\$9,729, respectively.
4. The information on profit or loss items related to lease contracts is as follows:

<u>Items affecting current profit and loss</u>	<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
Interest expenses on lease liabilities	\$ 1,575	\$ 1,878
Expenses for short-term lease contracts	618	524
Lease of low-value assets	668	1,148
Gain on lease modifications	24	868

5. For the three months between January 1 and March 31, 2025 and 2024, the Group's total cash outflow for leases were NT\$13,629 and NT\$18,618, respectively.
6. Options to extend or terminate leases

In determining lease terms, the Group takes into consideration all facts and circumstances that create economic incentives to exercise an option to extend or terminate leases. The assessment of lease period is reviewed if a significant event occurs which affects the assessment of options to extend or options not to terminate.

(IX) Leasing arrangements - lessor

1. The Group leases out assets such as buildings. The lease contracts are typically made for periods of 1 to 2 years. The terms of lease contracts are negotiated separately and include various terms and conditions. In order to preserve the condition of leased assets, the Group usually requires lessees not to pledge the underlying leased assets.
2. The Group's rent receivable has no overdue payment, and the credit risk loss amount is not significant after assessment.
3. The Group recognized rental income of NT\$5,422 and NT\$4,409 based on operating lease contracts in the period between January 1 and March 31, 2025 and 2024, respectively, and none of the lease contracts were variable lease payments.
4. The maturity analysis of the undiscounted lease payments under the operating leases is as follows:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
2024	\$ -	\$ -	\$ 12,701
2025	<u>\$ 13,387</u>	<u>\$ 18,261</u>	<u>\$ -</u>
	<u>\$ 13,387</u>	<u>\$ 18,261</u>	<u>\$ 12,701</u>

(X) Real estate investment

	<u>Buildings and structures</u>
January 1, 2025	
Cost	\$ 192,176
Accumulated depreciation	( 25,067)
	<u>\$ 167,109</u>
<u>2025</u>	
January 1	\$ 167,109
Depreciation	( 848)
March 31	<u>\$ 166,261</u>
March 31, 2025	
Cost	\$ 192,176
Accumulated depreciation	( 25,915)
	<u>\$ 166,261</u>

Buildings and structures

January 1, 2024	
Cost	\$ 192,176
Accumulated depreciation	( 21,676)
	<u>\$ 170,500</u>
<u>2024</u>	
January 1	\$ 170,500
Depreciation	( 848)
March 31	<u>\$ 169,652</u>
March 31, 2024	
Cost	\$ 192,176
Accumulated depreciation	( 22,524)
	<u>\$ 169,652</u>

1. Rental income and direct operating expenses of investment real estate:

	<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
Rental income from investment property	\$ 5,422	\$ 4,409
Direct operating expenses incurred by investment property that generates rental income for the period	\$ 1,147	\$ 867

2. The fair values of the investment property held by the Group as of March 31, 2025, December 31 and March 31, 2024 were NT\$297,553, NT\$271,457 and NT\$159,782, respectively. They were valued using the income approach and classified as Level 3 fair value, and the key assumptions are as follows:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Discount rate	3.17%~4.73%	3.36%~5.65%	3.30%~5.64%
Annual rent (net income)	\$ 19,658	\$ 17,955	\$ 15,490
Number of years	45~50	45~50	31~56

- No capitalization of interest for investment property in the period between January 1 and March 31, 2025 and 2024.
- As of March 31, 2025, December 31, 2024 and March 31, 2024, the investment property was pledged as collateral, please refer to Note 8.

(XI) Intangible assets  
2025

	<u>Trademark and concession</u>	<u>Computer software</u>	<u>Patents</u>	<u>Others</u>	<u>Goodwill</u>	<u>Total</u>
January 1						
Cost	\$ 276,588	\$ 126,820	\$ 179,698	\$ 33,333	\$ 295,626	\$ 912,065
Accumulated amortization and impairments	( 96,765)	( 95,181)	( 25,727)	( 12,222)	( 27,390)	( 257,285)
	<u>\$ 179,823</u>	<u>\$ 31,639</u>	<u>\$ 153,971</u>	<u>\$ 21,111</u>	<u>\$ 268,236</u>	<u>\$ 654,780</u>
January 1	\$ 179,823	\$ 31,639	\$ 153,971	\$ 21,111	\$ 268,236	\$ 654,780
Add - Cost	-	117	-	-	-	117
Amortization expense	( 6,771)	( 7,107)	( 3,937)	( 1,667)	-	( 19,482)
Reclassification	<u>-</u>	<u>-</u>	<u>( 337)</u>	<u>-</u>	<u>-</u>	<u>( 337)</u>
March 31	<u>\$ 173,052</u>	<u>\$ 24,649</u>	<u>\$ 149,697</u>	<u>\$ 19,444</u>	<u>\$ 268,236</u>	<u>\$ 635,078</u>
March 31						
Cost	\$ 276,588	\$ 126,937	\$ 179,361	\$ 33,333	\$ 295,626	\$ 911,845
Accumulated amortization and impairments	( 103,536)	( 102,288)	( 29,664)	( 13,889)	( 27,390)	( 276,767)
	<u>\$ 173,052</u>	<u>\$ 24,649</u>	<u>\$ 149,697</u>	<u>\$ 19,444</u>	<u>\$ 268,236</u>	<u>\$ 635,078</u>

	<u>2024</u>					
	<u>Trademark and concession</u>	<u>Computer software</u>	<u>Patents</u>	<u>Others</u>	<u>Goodwill</u>	<u>Total</u>
January 1						
Cost	\$ 280,614	\$ 139,950	\$ 149,599	\$ 33,333	\$ 295,626	\$ 899,122
Accumulated amortization and impairments	( 79,082)	( 84,083)	( 4,222)	-	-	( 167,387)
	<u>\$ 201,532</u>	<u>\$ 55,867</u>	<u>\$ 145,377</u>	<u>\$ 33,333</u>	<u>\$ 295,626</u>	<u>\$ 731,735</u>
January 1	\$ 201,532	\$ 55,867	\$ 145,377	\$ 33,333	\$ 295,626	\$ 731,735
Add - Cost	-	308	2,800	-	-	3,108
Amortization expense	( 7,108)	( 7,529)	( 9,177)	( 6,251)	-	( 30,065)
Impairment loss	-	-	-	-	( 27,390)	( 27,390)
March 31	<u>\$ 194,424</u>	<u>\$ 48,646</u>	<u>\$ 139,000</u>	<u>\$ 27,082</u>	<u>\$ 268,236</u>	<u>\$ 677,388</u>
March 31						
Cost	\$ 280,614	\$ 140,258	\$ 152,399	\$ 33,333	\$ 295,626	\$ 902,230
Accumulated amortization and impairments	( 86,190)	( 91,612)	( 13,399)	( 6,251)	( 27,390)	( 224,842)
	<u>\$ 194,424</u>	<u>\$ 48,646</u>	<u>\$ 139,000</u>	<u>\$ 27,082</u>	<u>\$ 268,236</u>	<u>\$ 677,388</u>

1. Goodwill allocated to the cash-generating unit of the Group identified by the operating department:

<u>March 31, 2025</u>	<u>Medical segment</u>	<u>December 31, 2024</u>	<u>Medical segment</u>
<u>Photomask and semiconductor segment</u>		<u>Photomask and semiconductor segment</u>	
\$ 224,988	\$ 43,248	\$ 224,988	\$ 43,248

<u>March 31, 2024</u>	<u>Photomask and semiconductor segment</u>	<u>Medical segment</u>
	\$ 224,988	\$ 43,248

2. For the impairment of intangible assets, please refer to Note 6 (12).

**(XII) Impairment of non-financial assets**

1. The details of the impairment loss of goodwill recognized by the Group in January 1 to March 31, 2025 and 2024 by department are disclosed as follows:

	<u>Recognized in profit or loss</u>	<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
Photomask and semiconductor segment		\$ -	\$ 27,390

2. As business conditions were not as favorable as expected, and the recoverable amount was estimated to be less than the book value, an impairment loss of NT\$27,390 was recognized in 2024.

The recoverable amount of the Group is assessed based on the value in use. The value in use is calculated based on the pre-tax cash flow forecast of the financial budget approved by the management. The main assumptions used to calculate the value in use are as follows:

- (1) Revenue growth rate: Reference to market-related information and estimated based on the planned operating sales plan.
- (2) Margin rate: Reference to historical values and estimated based on the planned operating sales plan.
- (3) Discount rate: The pre-tax ratio and reflects the specific risks of the relevant operating segments.

**(XIII) Other Non-Current Assets**

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Prepayments for equipment	\$ 306,316	\$ 427,812	\$ 621,275
Refundable Deposit	\$ 74,076	\$ 76,558	\$ 90,917
Others	\$ 1,785	\$ 2,091	\$ 1,622
<b>Total</b>	<b>\$ 382,177</b>	<b>\$ 506,461</b>	<b>\$ 713,814</b>

(XIV) Short Term Loans

<u>Type of borrowings</u>	<u>March 31, 2025</u>	<u>Range of interest rate</u>	<u>Collateral</u>
Bank borrowings			
Credit loan	\$ 2,525,482	0.86%~4.20%	None
Secured borrowings	3,209,711	0.5%~3.61%	Certificates of deposit, reserve accounts (Note), stocks of listed and OTC companies and treasury stock
Other borrowings (Related Parties)			
Credit loan	<u>120,229</u>	2.7%	None
	<u><u>\$ 5,855,422</u></u>		
<u>Type of borrowings</u>	<u>December 31, 2024</u>	<u>Range of interest rate</u>	<u>Collateral</u>
Bank borrowings			
Credit loan	\$ 2,365,712	1.88%~4.09%	None
Secured borrowings	3,723,674	0.5%~3.61%	Certificates of deposit, reserve accounts (Note), stocks of listed and OTC companies and treasury stock
Other borrowings (Related Parties)			
Credit loan	<u>110,969</u>	2.7%	None
	<u><u>\$ 6,200,355</u></u>		
<u>Type of borrowings</u>	<u>March 31, 2024</u>	<u>Range of interest rate</u>	<u>Collateral</u>
Bank borrowings			
Credit loan	\$ 2,086,422	0.84%~4.09%	None
Secured borrowings	4,271,315	1.20%~4.01%	Certificates of deposit, reserve accounts (Note), stocks of listed and OTC companies and treasury stock
Other borrowings			
Credit loan	<u>60,000</u>	2.70%	None
	<u><u>\$ 6,417,737</u></u>		

The interest expenses recognized in profit and loss in the period between January 1 and March 31, 2025 and 2024 were NT\$34,545 and NT\$32,487, respectively.

Note: The responsible person of the subsidiary is the joint guarantor.

(XV) Other Payables

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Payable on machinery and equipment	\$ 584,040	\$ 649,734	\$ 557,041
Machine maintenance payable	133,960	55,693	44,005
Payroll and bonus payable	168,716	156,053	117,577
Remunerations payable to employees and directors	-	168	178,705
Dividends payable	-	-	373,477
Others	<u>422,593</u>	<u>375,181</u>	<u>376,716</u>
	<u>\$ 1,309,309</u>	<u>\$ 1,236,829</u>	<u>\$ 1,647,521</u>

(XVI) Corporate bonds payable

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Corporate bonds payable	\$ 4,300,000	\$ 4,300,000	\$ 3,800,000
Less: Amount of exercised conversion options	( 325,200)	( 325,200)	( 324,400)
Less: Discount on corporate bonds payable	( 28,158)	( 32,828)	( 46,308)
	3,946,642	3,941,972	3,429,292
Less: Corporate bonds with the put option exercised	( 33,400)	( 33,400)	-
Less: Corporate bonds redeemed early	( 299,416)	( 299,416)	-
	<u>\$ 3,613,826</u>	<u>\$ 3,609,156</u>	<u>\$ 3,429,292</u>

1. The terms of issuance for the Group's 3rd domestic unsecured convertible bonds are as follows:

- (1) The Group has been approved by the competent authority to raise and issue NT\$2,000,000 of the 3rd domestic unsecured convertible bonds, with a coupon rate of 0% and an issuance period of 5 years from August 3, 2021 to August 3, 2026. The convertible bonds are repayable in cash at par value on maturity. The convertible bonds were listed for trading on August 3, 2021.
- (2) The bondholders may request the conversion of the convertible bonds into the Group's common shares at any time from the day after the expiration of three months from the date of issuance of the corporate bonds to the maturity date, except during the period when the transfer of the corporate bonds is suspended in accordance with the regulations or laws, and the rights and obligations of the converted common shares are the same as those of the original issued common shares.
- (3) The conversion price of the convertible bonds is determined in accordance with the pricing model stipulated in the Measures, and the conversion price will be adjusted in accordance with the pricing model stipulated in the Conversion Measures in the

event that the Group is subject to anti-dilution provisions. The conversion price will be reset on the base date set by the Regulations in accordance with the pricing model stipulated in the Conversion Measures. As of March 31, 2025, the conversion price was NT\$80.4 per share.

- (4) If the closing price of the Company's common stock exceeds 30% of the then conversion price for 30 consecutive business days from the day following the third month of the issuance of the convertible bonds to the 40th business day prior to the expiration of the issuance period, the Company may redeem the outstanding corporate bonds within the next 30 business days at the par value of the corporate bonds in cash.
- (5) If the outstanding balance of the convertible bonds is less than 10% of the total par value of the corporate bonds issued, the Company may redeem the convertible bonds at any time thereafter for cash at the par value of the corporate bonds, from the day following the third month of the issuance of the corporate bonds to the 40th business day prior to the expiration of the issuance period.
- (6) As of March 31, 2025, a total amount of NT\$325,200 had been converted into 3,743 thousand shares of common stock.
- (7) As of March 31, 2025, 334 convertible bonds were repurchased at the price of NT\$10,000; the repurchase amount was NT\$33,400.

2. Upon issuance of convertible bonds, the Group separated the conversion options from the components of liabilities in accordance with IAS 32, "Financial Instruments: Presentation", and recorded "capital surplus - stock options" at NT\$406,616. The embedded repurchase and repurchase rights are separated from the principal contractual debt instruments in accordance with IFRS 9, "Financial Instruments", because they are not closely related to the economic characteristics and risks of the principal contractual debt instruments, and are recorded as "financial assets or liabilities at fair value through profit or loss" on a net basis. The effective interest rate of the master contract debt after the separation was 0.0902%.

3. First series domestic secured corporate bonds

In order to raise the Group's working capital, the board of directors resolved to approve on August 5, 2022 the issue of the first series domestic secured corporate bond. The issue has been reported to and approved by the Taipei Exchange, and the terms are as follows:

- (1) Total amount of issue: According to the different issue conditions, there are two types of bonds, A and B, of which A is issued with an amount of NT\$300,000, and B is issued with an amount of NT\$200,000, totaling NT\$500,000.
- (2) Issue period: Five years, issued on September 28, 2022, and matured on September 28, 2027.
- (3) Coupon rate and repayment method of principal and interest: Both Bond A and Bond B have a fixed annual coupon rate of 1.80%. Simple interest is calculated and paid once a year, and the principal is repaid in cash at the face value of the bond at maturity.
- (4) Guarantee method: The Company's bonds are guaranteed by the joint delegation guarantee contract signed and the obligation and the contract of guarantee for the performance of corporate bonds signed by major banks.

4. Second series domestic secured convertible corporate bonds

In order to raise the Group's working capital, the board of directors resolved to approve on August 5, 2022 the issue of the second series domestic secured convertible corporate

bond. The issue has been reported to and approved by the Taipei Exchange, and the terms are as follows:

- (1) Total amount of issue: According to the different issue conditions, there are two types of bonds, A and B, of which A is issued with an amount of NT\$200,000, and B is issued with an amount of NT\$300,000, totaling NT\$500,000.
- (2) Issue period: Five years, issued on December 27, 2022, and matured on December 27, 2027.
- (3) Coupon rate and repayment method of principal and interest: Bond A has a fixed annual coupon rate of 2.20% and Bond B has a fixed annual coupon rate of 2.38%. Simple interest is calculated and paid once a year, and the principal is repaid in cash at the face value of the bond at maturity.
- (4) Guarantee method: The Company's bonds are guaranteed by the joint delegation guarantee contract signed and the obligation and the contract of guarantee for the performance of corporate bonds signed by major banks.
- (5) Upon the resolution of the Group's board of directors on May 27, 2024, the Chairman was authorized to repurchase all the second series domestic secured convertible corporate bonds B issued by the Company in 2022 from the securities dealer's office for cancellation and delisting. As the early repurchase was near the expiration of principal repayment of NT\$300,000 on June 24, the delisting from Taipei Exchange was determined to be done on June 25, 2024.

#### 5. Third series domestic secured convertible corporate bonds

In order to raise the Group's working capital, the board of directors resolved to approve on August 4, 2023 the issue of the third series domestic secured convertible corporate bond. The issue has been reported to and approved by the Taipei Exchange, and the terms are as follows:

- (1) Total amount issued: NT\$300,000 in total.
- (2) Issuance period: Five years from issuance on August 28, 2023 to expiration on August 28, 2028.
- (3) Coupon rate and method of repayment of principal and interest: The coupon rate is a fixed interest rate of 1.62% per annum, and the simple interest is calculated once a year. At maturity, the principal is repaid in cash based on the face value of the bond.
- (4) Guarantee method: The Company's bonds are guaranteed by the joint delegation guarantee contract signed and the obligation and the contract of guarantee for the performance of corporate bonds signed by major banks.

#### 6. Fourth series domestic secured convertible corporate bonds

In order to raise the Group's working capital, the board of directors resolved to approve on August 4, 2023 the issue of the fourth series domestic secured convertible corporate bond. The issue has been reported to and approved by the Taipei Exchange, and the terms are as follows:

- (1) Total amount issued: NT\$500,000 in total.
- (2) Issuance period: Five years from issuance on December 12, 2023 to expiration on December 12, 2028.
- (3) Coupon rate and method of repayment of principal and interest: The coupon rate is a fixed interest rate of 1.8% per annum, and the simple interest is calculated once a year.

At maturity, the principal is repaid in cash based on the face value of the bond.

- (4) Guarantee method: The Company's bonds are guaranteed by the joint delegation guarantee contract signed and the obligation and the contract of guarantee for the performance of corporate bonds signed by major banks.

#### 7. Fifth series domestic secured convertible corporate bonds

In order to raise the Group's working capital, the board of directors resolved to approve on August 1, 2024 the issue of the fifth series domestic secured convertible corporate bond. The issue has been reported to and approved by the Taipei Exchange, and the terms are as follows:

- (1) Total amount issued: NT\$500,000 in total.
- (2) Issuance period: Five years from issuance on August 1, 2024 to expiration on August 1, 2029.
- (3) Coupon rate and method of repayment of principal and interest: The coupon rate is a fixed interest rate of 2.2% per annum, and the simple interest is calculated once a year. At maturity, the principal is repaid in cash based on the face value of the bond.
- (4) Guarantee method: The Company's bonds are guaranteed by the joint delegation guarantee contract signed and the obligation and the contract of guarantee for the performance of corporate bonds signed by major banks.

**(XVII) Long-term Loans**

<u>Type of borrowings</u>	<u>Borrowing period and payment method</u>	<u>Range of interest rate</u>	<u>Collateral</u>	<u>March 31, 2025</u>
Long-term bank borrowings				
Credit loan	From January 24, 2022 to August 28, 2029, to be repaid in installments and installments over the agreed period	2.22%~3.95%	None (Note)	\$ 24,577
Secured borrowings	From January 28, 2022 to January 27, 2027, to be repaid in installments and installments over the agreed period	2.68%	Houses and buildings, machinery equipment and investment property	500,000
Secured borrowings	From December 27, 2022 to August 23, 2029, to be repaid in installments and installments over the agreed period	2.30%~2.58%	Houses and buildings and investment property	1,193,421
Secured borrowings	From July 26, 2023 to July 26, 2038, to be repaid in installments and installments over the agreed period	2.45%~3.23%	Plant and land	213,506
Secured borrowings	From October 29, 2021 to March 24, 2030, to be repaid in installments and installments over the agreed period	2.33%~4.47%	Machinery and equipment	1,548,615
Other long-term borrowings				
Credit loan	From June 6, 2023 to January 2, 2027, to be repaid in installments and installments over the agreed period	4.19%~7.80%	None	100,936
Secured borrowings	From July 29, 2021 to March 28, 2029, to be repaid in installments and installments over the agreed period	2.45%~8.20%	Machinery and equipment	712,642
Secured borrowings	From June 10, 2022 to July 28, 2028, to be repaid in installments and installments over the agreed period	3.44%~7.18%	Machine and equipment, land, buildings and structures	333,685
Less: Current portion of long-term borrowings				<hr/> 4,627,382
				( 1,355,199)
				<hr/> \$ 3,272,183

Note: The responsible person of the subsidiary is the joint guarantor.

<u>Type of borrowings</u>	<u>Borrowing period and payment method</u>	<u>Range of interest rate</u>	<u>Collateral</u>	<u>December 31, 2024</u>
Long-term bank borrowings				
Credit loan	From May 23, 2024 to August 28, 2029, to be repaid in installments and installments over the agreed period	2.22%~3.95%	None	\$ 23,696
Credit loan	From January 24, 2022 to January 24, 2027, to be repaid in installments and installments over the agreed period	3.13%	None (Note)	4,335
Secured borrowings	From January 28, 2022 to January 27, 2027, to be repaid in installments and installments over the agreed period	2.68%	Houses and buildings, machinery equipment and investment property	750,000
Secured borrowings	From December 27, 2022 to August 23, 2029, to be repaid in installments and installments over the agreed period	2.30%~2.58%	Houses and buildings and investment property	1,365,789
Secured borrowings	From July 26, 2023 to July 26, 2038, to be repaid in installments and installments over the agreed period	2.45%~3.23%	Plant and land	183,964
Secured borrowings	From October 29, 2021 to May 20, 2029, to be repaid in installments and installments over the agreed period	2.33%~4.47%	Machinery and equipment	974,629
Other long-term borrowings				
Credit loan	From June 9, 2023 to August 2, 2026, to be repaid in installments and installments over the agreed period	4.19%~7.80%	None	129,052
Secured borrowings	From July 29, 2021 to March 28, 2029, to be repaid in installments and installments over the agreed period	2.26%~8.20%	Machinery and equipment	876,754
Secured borrowings	From June 28, 2023 to June 28, 2025, to be repaid in installments and installments over the agreed period	4.06%	Machine and equipment, land, buildings and structures	6,868
Less: Current portion of long-term borrowings				4,315,087
				( 1,242,279)
				<u>\$ 3,072,808</u>

<u>Type of borrowings</u>	<u>Borrowing period and payment method</u>	<u>Range of interest rate</u>	<u>Collateral</u>	<u>March 31, 2024</u>
Long-term bank borrowings				
Secured borrowings	From December 28, 2022 to December 28, 2032, repayable in portions and in installments during the term specified in the agreement	2.32%~ 2.55%	Houses and buildings and investment property	\$ 982,895
Secured borrowings	From December 28, 2021 to January 28, 2027, repayable in portions and in installments during the term specified in the agreement	2.68%	Houses and buildings, machinery equipment and investment property	750,000
Secured borrowings	From July 26, 2023 to July 25, 2038, to be repaid in installments and installments over the agreed period	2.45%~ 2.55%	Plant and land	127,599
Secured borrowings	From January 5, 2021 to July 5, 2028, to be repaid in installments and installments over the agreed period	2.25%~ 4.33%	Machinery and equipment	962,907
Credit loan	From January 24, 2022 to January 24, 2027, to be repaid in installments and installments over the agreed period	3.00%	None (Note)	5,828
Other long-term borrowings				
Secured borrowings	From March 25, 2021 to March 28, 2029, to be repaid in installments and installments over the agreed period	2.45%~ 8.20%	Machinery and equipment	660,851
Secured borrowings	From June 10, 2022 to July 28, 2028, to be repaid in installments and installments over the agreed period	2.26%~ 5.25%	Houses, buildings, machinery and equipment, and land	385,037
Credit loan	From December 30, 2021 to December 29, 2025, to be repaid in installments and installments over the agreed period	4.19%~ 7.80%	None	253,395
				4,128,512
Less: Current portion of long-term borrowings				( 1,171,206)
				<u>\$ 2,957,306</u>

Note: The responsible person of the subsidiary is the joint guarantor.

## (XVIII) Pensions

1. (1) The Company and its domestic subsidiaries operate a defined benefit pension plan in accordance with the Labor Standards Act, which cover all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Labor Standards Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last six months prior to retirement. The Company and its domestic subsidiaries contribute a monthly amount equal to 2% of employees' monthly salaries and wages to a retirement fund at the Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company and its domestic subsidiaries would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is not enough to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company and its domestic subsidiaries will make contribution for the deficit by the end of next March.  
(2) For the three months between January 1 and March 31, 2025, and 2024, the pension costs under defined contribution pension plans of the Group were NT\$533 and NT\$533, respectively.  
(3) The expected contributions to the defined benefit pension plans of the Group for the year ending December 31, 2026 are NT\$2,133.
2. (1) Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (hereinafter referred to as the "New Plan") under the Labor Pension Act (hereinafter referred to as the "Act"), covering all regular employees with domestic citizenship. Under the New Plan, the Company and its domestic subsidiaries contribute an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.  
(2) For the three months between January 1 and March 31, 2025, and 2024, the pension costs under defined contribution pension plans of the Group were NT\$13,388 and NT\$12,560, respectively.

(XIX) Capital

1. As of March 31, 2025, the Company's authorized capital was NT\$5,000,000, consisting of 500,000 thousand shares (including 20,000 thousand shares which can be subscribed to as employee stock options). The paid-in capital was NT\$2,564,562 with a par value of NT\$10. All proceeds from shares issued have been collected.

The movements in the number of the Company's common stocks outstanding are as follows:

	Unit: Thousand shares	
	<u>2025</u>	<u>2024</u>
January 1	213,663	213,153
Subsidiaries donated treasury stock	-	500
March 31	<u>213,663</u>	<u>213,653</u>

2. Treasury stock

(1) Reasons for repurchase of shares and changes in the quantity:

<u>Company name of the shareholding</u>	<u>Reasons for buyback</u>	<u>March 31, 2025</u>	
		<u>Number of shares</u> (thousand)	<u>Book value</u>
Subsidiary: Youe Chung Capital Corporation	Subsidiary holds the company's stock	35,331	\$ 502,776
The Company	Transfer shares to employees	<u>7,462</u>	<u>664,593</u>
<u>42,793</u>			
<u>\$ 1,167,369</u>			
<u>December 31, 2024</u>			
<u>Company name of the shareholding</u>	<u>Reasons for buyback</u>	<u>Number of shares</u> (thousand)	
		<u>Book value</u>	
Subsidiary: Youe Chung Capital Corporation	Subsidiary holds the company's stock	35,331	\$ 502,776
The Company	Transfer shares to employees	<u>7,462</u>	<u>664,593</u>
<u>42,793</u>			
<u>\$ 1,167,369</u>			
<u>March 31, 2024</u>			
<u>Company name of the shareholding</u>	<u>Reasons for buyback</u>	<u>Number of shares</u> (thousand)	
		<u>Book value</u>	
Subsidiary: Youe Chung Capital Corporation	Subsidiary holds the company's stock	35,331	\$ 502,776
The Company	Transfer shares to employees	<u>7,462</u>	<u>664,593</u>
<u>42,793</u>			
<u>\$ 1,167,369</u>			

- (2) The Securities and Exchange Act stipulates that the percentage of the Company's repurchase of outstanding shares shall not exceed 10% of the Company's total issued shares, and the total value of shares purchased shall not exceed the retained earnings plus the premium of issued shares and the amount of realized capital reserve.
- (3) The treasury stocks bought back by the Company in accordance with the Securities and Exchange Act shall not be pledged. Before transfer, shareholders are not entitled to the shareholders' rights.
- (4) According to the provisions of the Securities and Exchange Act, the share repurchased to be transferred to employees shall be transferred within 5 years from the date of the purchase. If the transfer is not made within the time limit, the shares are deemed as unissued shares, and change of registration shall be made to cancel the shares. In order to maintain the Company's credit and shareholders equity, the shares bought back should have the registration changed to cancel the shares within six months from the date of the purchase.
- (5) The Company's stock held by the subsidiary Youe Chung Capital is treated as treasury stock. As of March 31, 2025, December 31, 2024, and March 31, 2024, Youe Chung Capital Corporation held 35,331 thousand shares of the Company. The average book value per share was NT\$14.23, and the fair value per share was NT\$37.65, NT\$49.25, and NT\$68.00, respectively. The cost of transferring treasury stocks is calculated based on the book amount of the Company's stock held by Youe Chung Capital and the Company's indirect shareholding during each period.
- (6) On November 3, 2021, the Board of Directors resolved to purchase 6,000 thousand shares of the Company's stock in the centralized trading market and transfer them to employees. This amount represented 2.37% of the total number of issued shares of the Company. The repurchase of 4,485 thousand shares was completed between November 4, 2021 and January 3, 2022. On January 21, 2022, the Board of Directors approved the transfer of 4,485 thousand shares to employees.
- (7) On May 6, 2022, the Board of Directors resolved to purchase 10,000 thousand shares of the Company's stock in the centralized trading market and transfer them to employees. This amount represented 3.91% of the total number of issued shares of the Company. The repurchase of 10,000 thousand shares was completed between May 9, 2022 and July 8, 2022. On April 14, 2023, the Board of Directors approved the transfer of 10,000 thousand shares to employees, of which 7,023 thousand shares were transferred to employees in June 2023.

#### (XX) Capital surplus

In accordance with the Company Act, any capital surplus arising from paid-in capital in excess of the par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the Securities and Exchange Act requires that the amount of capital surplus to be capitalized, as above, should not exceed 10% of paid-in capital each year. Capital reserves should not be used to cover accumulated deficit unless the legal reserve is insufficient. The following is a breakdown of the capital reserve:

			<u>Changes in ownership interests</u>				
	<u>Issue premiums</u>	<u>Trading of treasury stock</u>	<u>in subsidiaries recognized</u>	<u>stock option</u>	<u>Equity changes in affiliates</u>	<u>Others</u>	<u>Total</u>
January 1, 2025	\$ 44,997	\$ 912,335	\$ 155,293	\$ 288,895	\$ 119,385	\$ 11,136	\$ 1,532,041
Changes in ownership interests in subsidiaries recognized	-	-	57,918	-	-	-	57,918
March 31, 2025	\$ 44,997	\$ 912,335	\$ 213,211	\$ 288,895	\$ 119,385	\$ 11,136	\$ 1,589,959
			<u>Changes in ownership interests</u>				
	<u>Issue premiums</u>	<u>Trading of treasury stock</u>	<u>in subsidiaries recognized</u>	<u>stock option</u>	<u>Equity changes in affiliates</u>	<u>Others</u>	<u>Total</u>
January 1, 2024	\$ 44,148	\$ 859,338	\$ 154,097	\$ 295,848	\$ 82,220	\$ 4,308	\$ 1,439,959
Changes in ownership interests in subsidiaries recognized	-	-	786	-	-	-	786
March 31, 2024	\$ 44,148	\$ 859,338	\$ 154,883	\$ 295,848	\$ 82,220	\$ 4,308	\$ 1,440,745

#### (XXI) Retained earnings

1. According to the Articles of Incorporation, any surplus from profit concluded at the end of year by the Company is first subject to reimbursement of previous losses and payment of taxes, followed by 10% provision for legal reserve and provision or reversal of special reserve as the laws may require. Any earnings remaining shall be distributed as shareholders' dividends in whole or partially.
2. The Company takes into account the overall business environment, industrial growth, and the Company's long-term financial planning for stable operation and development to adopt a residual dividend policy, which is mainly based on the Company's future capital budgeting plan to measure the annual capital needs. After using the retained earnings for funding, the remaining surplus will be distributed in the form of dividends, and the distribution steps are shown as follows:
  - (1) Decide on the best capital budgeting.
  - (2) Decide on the financing required for one of the capital budgeting items.
  - (3) Decide on the amount of the financing to be supported by retained earnings (methods such as cash capital increase or corporate bonds and so on can be adopted as support).
  - (4) After retaining the portion required for operation needs out of the earnings remainder, the rest should be distributed to shareholders in the form of dividends. Cash dividends distribution proportion should not be lower than 20% of the total amount of dividends for the distribution proportion of the Company's dividends.
3. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of the legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.
4. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing

earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

5. The Company's Board of Directors approved the proposal for covering the losses in 2024 on March 12, 2025.
6. The Company's shareholders' meeting resolved on May 27, 2024 to distribute a cash dividend of NT\$1.50 per common share from the 2023 earnings, with a total dividend of NT\$373,477. In addition, due to the conversion of convertible bonds, the number of the Company's outstanding shares changed to 248,994 thousand shares (excluding the treasury stock of 7,462 thousand shares). With the cash dividends remained at NT\$1.5 per share, the total amount of cash dividends distributed from earnings in 2023 was adjusted to NT\$373,491.

(XXII) Other equity interests

	<u>2025</u>			
	<u>Unrealized gains and losses</u>	<u>Hedging reserve</u>	<u>Foreign currency translation</u>	<u>Total</u>
January 1	(\$ 2,666)		\$ 22,814	\$ 20,148
Difference in foreign currency translation:				
- Group			12,399	12,399
March 31	(\$ 2,666)		\$ 35,213	\$ 32,547

	<u>2024</u>			
	<u>Unrealized gains and losses</u>	<u>Foreign currency translation</u>	<u>Total</u>	
January 1	(\$ 2,666)	\$ 4,307	\$ 1,641	
Difference in foreign currency translation:				
- Group		9,980	9,980	
March 31	(\$ 2,666)	\$ 14,287	\$ 11,621	

(XXIII) Operating income

	<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
Revenue from contracts with customers	\$ 1,627,957	\$ 1,850,048

1. Segmentation of revenue from contracts with customers

The Corporate Group derives its revenue from the transfer of goods and services either over time or at a point in time. The revenue can be divided into the following main product lines:

<u>From January 1 to March 31, 2025</u>	<u>Photomask and semiconductor segment</u>	<u>Medical segment</u>	<u>Total</u>
Revenue from contracts with external customers	<u>\$ 1,526,885</u>	<u>\$ 101,072</u>	<u>\$ 1,627,957</u>
Cut-off point of income recognition			
Income recognized at a particular point in time	\$ 513,877	\$ 101,072	\$ 614,949
Income recognized gradually over time	<u>1,013,008</u>	<u>-</u>	<u>1,013,008</u>
	<u>\$ 1,526,885</u>	<u>\$ 101,072</u>	<u>\$ 1,627,957</u>

<u>From January 1 to March 31, 2024</u>	<u>Photomask and semiconductor segment</u>	<u>Medical segment</u>	<u>Total</u>
Revenue from contracts with external customers	<u>\$ 1,815,538</u>	<u>\$ 34,510</u>	<u>\$ 1,850,048</u>
Cut-off point of income recognition			
Income recognized at a particular point in time	\$ 693,329	\$ 34,510	\$ 727,839
Income recognized gradually over time	<u>1,122,209</u>	<u>-</u>	<u>1,122,209</u>
	<u>\$ 1,815,538</u>	<u>\$ 34,510</u>	<u>\$ 1,850,048</u>

## 2. Contract Asset and Contract Liability

(1) The Group has recognized the following revenue-related contract assets and contract liabilities:

	<u>December 31,</u>			
	<u>March 31, 2025</u>	<u>2024</u>	<u>March 31, 2024</u>	<u>January 1, 2024</u>
Contract Assets	<u>\$ 99,870</u>	<u>\$ 90,967</u>	<u>\$ 83,670</u>	<u>\$ 105,263</u>
Contract Liabilities	<u>\$ 102,967</u>	<u>\$ 64,453</u>	<u>\$ 164,830</u>	<u>\$ 174,538</u>

(2) Contract liabilities at the beginning of the period recognized as revenue of the period:

	<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
Opening balance of contract liabilities recognized in the current period	<u>\$ 44,054</u>	<u>\$ 113,371</u>

(XXIV) Interest income

	<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
Interest from bank deposits	\$ 1,345	\$ 4,914
Interest income from financial assets measured at amortized cost	1,953	2,564
Other interest incomes	<u>45</u>	<u>84</u>
	<u><u>\$ 3,343</u></u>	<u><u>\$ 7,562</u></u>

(XXV) Other Incomes

	<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
Rental income	\$ 6,122	\$ 5,156
Other income - Others	<u>10,568</u>	<u>3,288</u>
	<u><u>\$ 16,690</u></u>	<u><u>\$ 8,444</u></u>

(XXVI) Other Gains and Losses

	<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
Disposal of interests in property, plant and equipment	\$ 15,921	\$ 14,117
Gain (loss) on disposal of investments	45,719	-
Gain on lease modifications	24	868
Foreign currency exchange gains (losses)	( 8,241)	35,825
Loss/profit of financial assets and liabilities at fair value through profit or loss	( 153,736)	698,087
Goodwill impairment loss	- ( 27,390)	
Other losses -- Depreciation of investment properties	( 848)	( 848)
Other Gains and Losses	( 1,906)	( 883)
	<u><u>(\$ 103,067)</u></u>	<u><u>\$ 719,776</u></u>

**(XXVII) Financial Costs**

	<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
Interest expenses:		
Bank and other borrowings	\$ 65,624	\$ 63,978
Corporate bonds	14,236	13,292
Lease liabilities	1,575	1,878
Others	8	57
	<u>\$ 81,443</u>	<u>\$ 79,205</u>

**(XXVIII) Expenses by nature**

	<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
Employee benefits expenditure	\$ 337,906	\$ 376,468
Depreciation	357,300	307,621
Amortization	19,482	30,065
	<u>\$ 714,688</u>	<u>\$ 714,154</u>

**(XXIX) Employee benefits expenditure**

	<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
Payroll expenses	\$ 278,719	\$ 325,832
Labor and health insurance fees	24,463	22,865
Pension expense	13,921	13,093
Other personnel expenses	20,803	14,678
	<u>\$ 337,906</u>	<u>\$ 376,468</u>

1. According to the Articles of Incorporation, the Company shall distribute not less than 10% of the current year's profit situation for employee remuneration and not more than 2% of current year's profit situation for director remuneration. However, profits must first be taken to offset against cumulative losses, if any.
2. For the periods between January 1 and March 31, 2025 and 2024, employees' remuneration was accrued at NT\$0 and NT\$79,000; respectively, and director remuneration was accrued at NT\$0 and NT\$5,400, respectively. These amounts were recorded under payroll expenses.

The remuneration of employees and directors for January 1 to March 31, 2025 and 2024 were estimated in accordance with the Articles of Incorporation taking into account annual profits.

The 2024 remuneration for employees, directors and supervisors as resolved by the Board of Directors are consistent with the amounts recognized in the 2024 financial statements.

Information about employees remuneration and director remuneration of the Company as resolved by the Board of Directors is available on the MOPS.

(XXX) Income tax

1. Income tax expense

Components of income tax expense:

	<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
Current tax:		
Current tax on profits for the year	\$ 6,358	\$ 38,338
Total current tax	<u>6,358</u>	<u>38,338</u>
Deferred income tax:		
Origination and reversal of temporary differences	8,448	( 1,885)
Total Deferred Income Tax	<u>8,448</u>	<u>( 1,885)</u>
Income Tax Expense	<u>\$ 14,806</u>	<u>\$ 36,453</u>

2. The Company's income tax returns through 2023 have been assessed and approved by the tax authority.

(XXXI) Earnings (loss) per share

	<u>From January 1 to March 31, 2025</u>	<u>Weighted average</u>	
	<u>Amount after tax</u>	<u>share outstanding (thousand shares)</u>	<u>Loss per share (NTD)</u>
<u>Basic and diluted loss per share</u>			
Net loss attributable to ordinary shareholders of the parent	(\$ 256,935)	<u>213,663</u>	(\$ 1.20)
<u>From January 1 to March 31, 2024</u>			
	<u>Weighted average</u>		
	<u>Amount after tax</u>	<u>share outstanding (thousand shares)</u>	<u>Earnings per share (NTD)</u>
<u>Earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 674,209	<u>213,301</u>	\$ 3.16
<u>Diluted Earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 674,209	213,301	
Assumed conversion of all dilutive potential ordinary shares			
Convertible bonds	3,531	20,335	
Employee remuneration	-	1,989	
Profit attributable to ordinary shareholders of the parent company plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 677,740</u>	<u>235,625</u>	<u>\$ 2.88</u>

The weighted average number of shares outstanding during the periods between January 1 and March 31, 2025 and 2024 has deducted the number of shares held by the subsidiary company Youe Chung Capital deemed as the Company's treasury stock (the number of shares is based on the Company's shareholding). Since the period between January 1 and March 31, 2025 was a loss, there was no potential dilutive effect of ordinary shares, and the diluted loss per share was equal to the basic loss per share.

(XXXII) Supplemental cash flow information

1. Investing activities with partial cash payments:

	<u>From January 1 to March 31,</u> <u>2025</u>	<u>From January 1 to March 31,</u> <u>2024</u>
Purchase of property, plant and equipment	\$ 871,562	\$ 275,415
Add: Prepayments for equipment at the end of the period	306,316	621,275
Beginning balance of payable on equipment	649,734	498,861
Less: Prepayments for equipment at the beginning of the period	(427,812)	(422,444)
Ending balance of payable on equipment	(584,040)	(557,041)
Cash paid during the year	<u>\$ 815,760</u>	<u>\$ 416,066</u>

2. Financing activities with no cash flow effects:

	<u>From January 1 to March 31,</u> <u>2025</u>	<u>From January 1 to March 31,</u> <u>2024</u>
Dividends payable	<u>\$ -</u>	<u>\$ 373,477</u>

(XXXIII) Changes in liabilities arising from financing activities

	<u>Short Term Loans</u>	<u>Corporate bonds payable</u>	<u>Long-term borrowings (including current portion)</u>	<u>Lease liabilities</u>	<u>Guarantee Deposits Received</u>	<u>Dividends payable</u>	<u>Total liabilities arising from financing activities</u>
January 1, 2025	\$ 6,200,355	\$ 3,609,156	\$ 4,315,087	\$ 437,398	\$ 34,812	\$ -	\$ 14,596,808
Change in cash flow from financing activities	( 344,993)	-	308,819	( 10,768)	( 33,253)	-	( 80,195)
Interest Expenses	-	14,236	-	1,575	-	-	15,811
Interest Paid	-	-	-	( 1,575)	-	-	( 1,575)
Other Non-Cash Transactions	60	( 9,566)	3,476	( 7,123)	-	-	( 13,153)
March 31, 2025	<u>\$ 5,855,422</u>	<u>\$ 3,613,826</u>	<u>\$ 4,627,382</u>	<u>\$ 419,507</u>	<u>\$ 1,559</u>	<u>\$ -</u>	<u>\$ 14,517,696</u>

	<u>Short Term Loans</u>	<u>Corporate bonds payable</u>	<u>Long-term borrowings (including current portion)</u>	<u>Lease liabilities</u>	<u>Guarantee</u>	<u>Deposits Received</u>	<u>Dividends payable</u>	<u>Total liabilities arising from financing activities</u>
January 1, 2024	\$ 5,429,370	\$ 3,424,600	\$ 4,342,556	\$ 567,193	\$ 42,282	\$ -	\$ -	\$ 13,806,001
Change in cash flow from financing activities	989,779	-	( 219,070)	( 12,868)	( 2,209)	-	-	755,632
Interest Expenses	-	13,292	-	1,878	-	-	-	15,170
Interest Paid	-	-	-	( 1,878)	-	-	-	( 1,878)
Distribution of cash dividends announced	-	-	-	-	-	-	373,477	373,477
Other Non-Cash Transactions	( 1,412)	( 8,600)	5,026	8,862	-	-	-	3,876
March 31, 2024	<u>\$ 6,417,737</u>	<u>\$ 3,429,292</u>	<u>\$ 4,128,512</u>	<u>\$ 563,187</u>	<u>\$ 40,073</u>	<u>\$ 373,477</u>	<u>\$ 14,952,278</u>	

## VII. Related Party Transactions

### (I) Related parties' names and relationship

Name of the related parties	Relationship with the Group
Weida Hi-Tech Co., Ltd.	Affiliates
TrueLight Corporation	Affiliate (Note 1)
BKS Tec Corp.	Affiliate (Note 2)
Ontario Capital Co., Ltd.	Other related party
Taiwan Mask Charity Foundation	Other related party

Note 1: The Group acquired the equity of TrueLight Corporation in March 2024, which was recognized in “Investment under Equity Method”. Please refer to Note 6(6) for details.

Note 2: The Group acquired the equity of BKS Tec Corp. in April 2024, which was recognized in “Investment under Equity Method”. Please refer to Note 6(6) for details.

### (II) Significant transactions with the related parties

#### 1. Operating revenue

	<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
Product sales:		
Affiliates	<u>\$ 1,723</u>	<u>\$ 2,828</u>

There are no major abnormalities in the transaction prices and payment terms of the related party compared to that of non-related parties.

2. Account receivable from related parties.

	<u>March 31, 2024</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Accounts Receivables:			
Affiliates/other related party	\$ 1,584	\$ 2,383	\$ 458
Other Receivables:			
Affiliates/other related party	1,851	1,306	611
Total	<u>\$ 3,435</u>	<u>\$ 3,689</u>	<u>\$ 1,069</u>

3. Account payable from related parties

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Other payables:			
Other related party	<u>\$ 1,016</u>	<u>\$ -</u>	<u>\$ 229</u>

4. Acquisition of financial assets

BKS Tec Corp. was another related party to the Group. On April 1, 2024, the Group invested NT\$30,000 to acquire 6,000 thousand shares of BKS Tec Corp., a 38.91% shareholding, to have a significant influence on the company. The data was recognized in “Investment under Equity Method”. Please refer to Note 6(6) for details.

5. Others

(1) Deposits Received:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Affiliates/other related party	<u>\$ 118</u>	<u>\$ 118</u>	<u>\$ 118</u>

(2) Rent income:

	<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
Affiliates/other related party	<u>\$ 962</u>	<u>\$ 437</u>

(3) Other income

	<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
Affiliates/other related party	<u>\$ 569</u>	<u>\$ 108</u>

(4) For the three months ended March 31, 2024, the Company's subsidiary, Youe Chung Capital Corporation, donated 500,000 shares of the Company's stock, totaling NT\$7,115,

to the Taiwan Mask Charitable Foundation.

(5) For the three months ended March 31, 2025 and 2024, the Company donated NT\$284 and NT\$599, respectively, in cash to the Taiwan Mask Charity Foundation.

6. Loaning of funds to related parties

Loans from related parties:

(1) Closing balance  
(recorded as "short-term borrowings")

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Other related party	\$ 120,229	\$ 110,969	\$ 60,000

(2) Interest expenses

	<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
Other related party	\$ 776	\$ 229

The conditions for borrowing from related parties are that the interest is paid monthly at an annual interest rate of 2.7% after the loan is loaned, and the principal is repaid at maturity. The borrowing period is from August 3, 2023 to June 30, 2025.

(III) Compensation of key management personnel

	<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
Salary and short-term employee benefits	\$ 8,562	\$ 10,815
Post-employment benefits	27	54
Total	\$ 8,589	\$ 10,869

## VIII. Pledged assets

Assets pledged by the Corporate Group as collateral are as follows:

<u>Assets</u>	<u>Book value</u>			<u>Purpose</u>
	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>	
Demand deposit (Recognized as "Financial assets at amortized cost")	\$ 536,808	\$ 532,807	\$ 534,790	Short-term borrowings, reserve accounts, and corporate bond guarantee
Time deposit (Recognized as "Financial assets at amortized cost")	359,458	361,778	466,295	Short-term borrowings and customs guarantee
Stocks of publicly traded and OTC companies (recognized as "Financial assets at fair value through profit or loss")	2,482,887	2,753,540	4,226,341	Short Term Loans
Shares of the Company (recognized as "treasury stock") (Note)	493,070	493,070	491,647	Short Term Loans
Buildings and structures (including land)	1,230,016	1,245,385	1,172,732	Long-term Loans
Machinery and equipment and equipment under acceptance	4,402,479	3,629,379	3,601,174	Long-term Loans
Real estate investment	166,261	167,109	169,652	Long-term Loans
Other equipment	27,930	29,864	6,636	Long-term Loans
Intangible assets	934	1,478	-	Long-term Loans
	<u>\$ 9,699,843</u>	<u>\$ 9,214,410</u>	<u>\$ 10,669,267</u>	

Note: The cost of pledged treasury stocks was NT\$493,070 and its fair value was NT\$1,304,573 as of March 31, 2025.

## IX. Significant Contingent Liabilities and Unrecognized Contract Commitments

### (I) Contingencies

None.

### (II) Commitments

1. Machine equipment maintenance contracts that have been signed but not yet paid

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Machine maintenance	\$ 133,960	\$ 55,693	\$ 44,005

2. Capital expenditures that have been signed but not yet incurred

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Property, plant and equipment	<u>\$ 537,235</u>	<u>\$ 1,175,844</u>	<u>\$ 1,616,919</u>

3. Lease agreement

Please see Note 6 (8) and (9)

X. Losses due to major disasters

None.

XI. Major Events after Financial Statement Date

None.

XII. Others

(I) Capital management

There was no significant change in the reporting period. Please refer to Note 12 in the 2024 consolidated financial statements.

(II) Financial instruments

1. Types of financial instrument

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
<u>Financial assets</u>			
Financial Assets at Fair Value Through Profit or Loss			
Mandatory financial assets at fair value through profit or loss	<u>\$ 2,956,212</u>	<u>\$ 3,316,316</u>	<u>\$ 5,242,865</u>
Financial assets measured at amortized cost cash and cash equivalents	<u>\$ 1,234,099</u>	<u>\$ 1,430,542</u>	<u>\$ 1,562,811</u>
Financial assets measured at amortized cost	<u>910,814</u>	<u>894,585</u>	<u>1,004,085</u>
Notes Receivables	<u>30,265</u>	<u>167</u>	<u>5,767</u>
Accounts receivable (Including related parties)	<u>1,173,150</u>	<u>1,369,762</u>	<u>1,283,583</u>
Other account receivable (Including related parties)	<u>51,154</u>	<u>41,443</u>	<u>32,095</u>
Refundable Deposit	<u>74,076</u>	<u>76,558</u>	<u>90,917</u>
	<u><u>\$ 3,473,558</u></u>	<u><u>\$ 3,813,057</u></u>	<u><u>\$ 3,979,258</u></u>

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Financial liabilities			
Financial liabilities at fair value through profit or loss			
Financial liabilities mandatorily measured at fair value through profit or loss	<u>\$ 27,740</u>	<u>\$ 19,204</u>	<u>\$ 11,059</u>
Financial liabilities at amortized cost			
Short Term Loans	\$ 5,855,422	\$ 6,200,355	\$ 6,417,737
Notes Payable	43,473	43,544	10,676
Accounts Payable	337,673	541,758	407,316
Other accounts payable (Including related parties)	1,310,325	1,236,829	1,647,750
Corporate bonds payable	3,613,826	3,609,156	3,429,292
Long-term borrowings (including current portion)	4,627,382	4,315,087	4,128,512
Guarantee Deposits Received	1,559	34,812	40,073
	<u>\$ 15,789,660</u>	<u>\$ 15,981,541</u>	<u>\$ 16,081,356</u>
Lease liabilities	<u>\$ 419,507</u>	<u>\$ 437,398</u>	<u>\$ 563,187</u>

## 2. Risk management policies

- (1) The Group's activities expose it to a variety of financial risks, including market risk (exchange rate, interest rate and price), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial position and performance.
- (2) Risk management is carried out by a central finance department (Group finance) under policies approved by the Board of Directors. Group finance identifies, evaluates and hedges financial risks in close collaboration with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as currency exchange risk, interest rate risk, credit risk, the use of derivatives and non-derivative financial instruments and investment of excess liquidity.

3. Significant financial risks and degrees of financial risks

(1) Market risk

A. Foreign exchange risk

The Group's operations involve certain non-functional currencies (the Company's and certain subsidiaries' functional currency is the New Taiwan dollar (NTD), and for other certain subsidiaries, the functional currency is the US Dollars, Japanese Yen and China's Renminbi (RMB)), so it is subject to the impact of exchange rate fluctuation. The details of assets and liabilities denominated in foreign currencies whose values that would be materially affected by exchange rate fluctuations are as follows:

March 31, 2025

<b>(Foreign currency: functional currency)</b>	<u>Foreign currency (in thousand)</u>	Book value								
		<u>Exchange rate (NT\$ in thousands)</u>								
Financial assets										
<u>Monetary items</u>										
USD : NTD	USD	34,221	33.205	\$	1,136,107					
RMB : NTD	CNY	41,471	4.573		189,646					
JPY : NTD	JPY	491,912	0.2227		109,548					
Financial liabilities										
<u>Monetary items</u>										
USD : NTD	USD	11,513	33.205		382,276					
JPY : NTD	JPY	870,903	0.2227		193,950					
Euro : NTD	EUR	3,597	35.97		129,369					

December 31, 2024

<b>(Foreign currency: functional currency)</b>	<u>Foreign currency (in thousand)</u>	Book value								
		<u>Exchange rate (NT\$ in thousands)</u>								
Financial assets										
<u>Monetary items</u>										
USD : NTD	USD	38,770	32.785	\$	1,270,949					
RMB : NTD	CNY	46,309	4.478		207,372					
JPY : NTD	JPY	512,938	0.2099		107,666					
Financial liabilities										
<u>Monetary items</u>										
USD : NTD	USD	19,898	32.785		652,347					
JPY : NTD	JPY	345,127	0.2099		72,442					
Euro : NTD	EUR	1,787	34.14		61,008					

March 31, 2024

<b>(Foreign currency: functional currency)</b>	<u>Foreign currency (in thousand)</u>	<u>Exchange rate</u>	<u>Book value (NT\$ in thousands)</u>
Financial assets			
<u>Monetary items</u>			
USD : NTD	USD	39,253	32.000 \$ 1,256,083
RMB : NTD	CNY	61,803	4.408 272,426
JPY : NTD	JPY	151,050	0.2115 31,947
Financial liabilities			
<u>Monetary items</u>			
USD : NTD	USD	11,154	32.000 356,930
JPY : NTD	JPY	917,240	0.2115 193,996
Euro : NTD	EUR	485	34.460 16,718

B. Total exchange gain (loss), including realized and unrealized gains (losses) from significant foreign exchange variations on monetary items held by the Group amounted to (NT\$8,241) and NT\$35,825 for the periods between January 1 and March 31, 2025 and 2024, respectively.

C. The analysis of foreign currency risk due to significant exchange rate fluctuation is as follows:

<b>(Foreign currency: functional currency)</b>	<u>From January 1 to March 31, 2025</u>		
	<u>Fluctuation</u>	<u>Effect on profit or loss</u>	<u>Other comprehensive profit and loss affected</u>
Financial assets			
<u>Monetary items</u>			
USD : NTD	1%	\$ 11,361	\$ -
RMB : NTD	1%	1,896	-
JPY : NTD	1%	1,095	-
Financial liabilities			
<u>Monetary items</u>			
USD : NTD	1%	( 3,823)	-
JPY : NTD	1%	( 1,940)	-
Euro : NTD	1%	( 1,294)	-

From January 1 to March 31, 2024

Sensitivity Analysis

<b>(Foreign currency: functional currency)</b>	<u>Fluctuation</u>	<u>Effect on profit or loss</u>	<u>Other comprehensive profit and loss affected</u>
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	1%	\$ 12,561	\$ -
RMB : NTD	1%	2,724	-
JPY : NTD	1%	319	-
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD : NTD	1%	( 3,569)	-
JPY : NTD	1%	( 1,940)	-
Euro : NTD	1%	( 167)	-

Price risk

- A. The equity instruments owned by the Company exposing to the price risk are financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income.
- B. The Group invests primarily in equity instruments and open-end funds issued by domestic and foreign companies. The price of such equity instrument is subject to the uncertainty of the future value of investment target. If the equity instrument price had increased/decreased by 1% with all other variables held constant, net income after tax from equity instruments at fair value through profit or loss for the three months ended March 31, 2025 and 2024, would have increased/decreased by NT\$5,912 and NT\$10,486, respectively; other comprehensive income classified as equity investment at fair value through other comprehensive income would have increased or decreased by NT\$0.

Cash flow and fair value interest rate risk

- A. The Group's interest rate risk mainly comes from long-term borrowings issued at floating rates, which exposes the Group to cash flow interest rate risk. For the periods between January 1 and March 31, 2025 and 2024, the Group's borrowings issued at floating rates were mainly denominated in New Taiwan dollars and US dollars.
- B. The Group's borrowings are measured at amortized cost, and the annual interest rate is re-priced according to the contract, which exposes the Group to the risk of future market interest rate changes.
- C. If the long- and short-term borrowing rates increase or decrease by 0.25%, while all other factors remain constant, the net profit after tax for the periods between January 1 and March 31, 2025 and 2024 would decrease or increase by NT\$5,241 and NT\$5,273, respectively, mainly due to the interest expense changes caused by

the floating interest rate.

(2) Credit risk

- A. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments under contract obligations, and the defaults are accounts receivable and the contract cash flow from debt instruments measured at amortized cost, measured at fair value through other comprehensive income and at fair value through profit or loss.
- B. The management of credit risk is established with a Group perspective. Only the banks and financial institutions with an independent credit rating of at least "A" can be accepted as transaction partners of the Group. According to the Group's credit policy, each local entity in the Group is responsible for managing and analyzing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilization of credit limits is regularly monitored.
- C. The Group considers a contract payment overdue in accordance with the agreed payment terms a breach of contract.
- D. The Group uses IFRS 9 to provide the following assumption as a basis for determining whether there is a significant increase in the credit risk of financial instruments after the original recognition:
  - (A) If the contract payment is overdue for more than 30 days in accordance with the agreed payment terms, the credit risk of the financial asset is significantly increased since the original recognition.
  - (B) For bond investments in Taipei Exchange, if any external rating agency rates it as an investment grade on the balance sheet date, the credit risk of the financial asset is considered low.
- E. The Group uses the following indicators to determine the status of credit impairments of debt instruments:
  - (A) The issuer has suffered significant financial difficulties or is likely to enter bankruptcy or other financial restructuring.
  - (B) The issuer has suffered significant financial difficulties or is likely to enter bankruptcy or other financial restructuring.
  - (C) The issuer delays or does not pay for the interest or principal.
  - (D) Unfavorable changes in the national- or regional-level economic situation resulting in the issuer's default.
- F. The Group categorizes the accounts receivable from customers based on the characteristics of trade credit risks. The simplified approach is adopted for estimating the expected credit loss based on the provision matrix.
- G. The Group may write off the amount of financial assets that cannot be reasonably expected to be recovered after recourse. However, the Group will continue the recourse to protect the rights of the claims.

H. The Group has incorporated forward-looking considerations to adjust the loss rate built according to historical and current data in order to estimate the loss allowance of accounts receivable and notes receivable. The provision matrix for the periods ended March 31, 2025, December 31 and March 31, 2024 are shown as follows:

	<u>Not past due</u>	<u>Up to 30 days</u>	<u>31-90 days</u>	<u>91-180 days</u>	<u>More than 181 days past due</u>	<u>Total</u>
<u>March 31, 2025</u>						
Expected loss rate	0.01%	0.01~15.11%	8.22~100%	77.81~100%	39.79~100%	
Total book value	\$ 942,245	\$ 148,657	\$ 57,513	\$ 17,102	\$ 163,659	\$ 1,329,176
Loss allowance	-	-	( 3,997)	( 4,957)	( 116,807)	( 125,761)
<u>December 31, 2024</u>						
Expected loss rate	0.01%	2.27~8.26%	9.12~66.68%	37.32~100%	75.03~100%	
Total book value	\$ 1,041,548	\$ 142,862	\$ 116,488	\$ 43,381	\$ 136,412	\$ 1,480,691
Loss allowance	-	-	( 8,669)	( 7,468)	( 94,625)	( 110,762)
<u>March 31, 2024</u>						
Expected loss rate	0.01%	0.04~31.54%	0.04~64.10%	1.40~100%	63.58~100%	
Total book value	\$ 1,031,790	\$ 173,506	\$ 70,483	\$ 33,400	\$ 22,513	\$ 1,331,692
Loss allowance	-	-	( 4,866)	( 15,155)	( 22,321)	( 42,342)

I. The Group adopts a simplified method in which the loss allowance for the accounts receivable is shown as follows:

	<u>2025</u>	<u>2024</u>
January 1	\$ 110,762	\$ 29,423
Recognize impairment loss	21,245	12,919
Impact from exchange rate	27	-
Amounts written off due to uncollectibility	6,273	-
March 31	<u>\$ 125,761</u>	<u>\$ 42,342</u>

### (3) Liquidity risk

A. Cash flow forecasting is performed by the operating entities of the Corporate Group and aggregated by the Group's treasury department. The Group's Finance Department monitors the forecasts of the Group's demand for working capital to ensure that it has sufficient funds to meet operational needs, and maintains sufficient unspent loan commitments at all times so that the Group will not exceed the relevant borrowing limits or violate the terms. These forecasts consider the Group's debt financing plan, compliance with debt terms, and compliance with the financial ratio objectives of the internal balance sheet.

B. The remaining cash held by each operating entity will be transferred back to the Group's finance department. The finance department of the Group invests the remaining funds in interest-bearing demand deposits, time deposits, financial

assets at fair value through profit or loss, financial assets at amortized cost (time deposits with a maturity of more than 3 months and less than 12 months), as the instruments chosen have appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the abovementioned forecasts. As of March 31, 2025, December 31 and March 31, 2024, the money market position held by the Corporate Group was NT\$2,144,913, NT\$2,325,127 and NT\$2,566,896, respectively, and was expected to generate immediate cash flow to manage liquidity risk.

C. The Group's unutilized borrowings are shown as follows:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Floating rate			
Short-term credit limits	\$ 483,573	\$ 920,414	\$ 780,290
Medium to long-term credit limits	40,000	-	250,000
Fixed rate			
Medium to long-term credit limits	<u>8,326</u>	<u>4,493</u>	<u>8,326</u>
	<u>\$ 531,899</u>	<u>\$ 924,907</u>	<u>\$ 1,038,616</u>

D. The following table shows the Group's non-derivative financial liabilities and derivative financial liabilities settled on a net or total amount, grouped according to the relevant maturity date. Non-derivative financial liabilities are analyzed based on the remaining period from the balance sheet date to the contract maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial liabilities:

	<u>Within 1 year</u>	<u>1 to 2 years</u>	<u>2 to 5 years</u>	<u>Over 5 years</u>
March 31, 2025				
<u>Non-derivative financial liabilities:</u>				
Short Term Loans	\$ 5,883,838	\$ -	\$ -	\$ -
Notes Payable	43,473	-	-	-
Accounts Payable	337,673	-	-	-
Other accounts payable (Including related parties)	1,310,325	-	-	-
Lease liabilities	38,830	31,191	74,305	321,461
Corporate bonds payable	38,260	1,679,660	2,074,120	-
Long-term borrowings (including current portion)	1,470,111	1,542,907	1,537,665	347,338
Guarantee Deposits Received	-	1,559	-	-

Within 1 year      1 to 2 years      2 to 5 years      Over 5 years

December 31, 2024

Non-derivative financial liabilities:

Short Term Loans	\$ 6,350,812	\$ -	\$ -	\$ -
Notes Payable	43,544	-	-	-
Accounts Payable	541,758	-	-	-
Other accounts payable (Including related parties)	1,236,829	-	-	-
Lease liabilities	41,751	34,076	77,196	337,258
Corporate bonds payable	38,260	38,260	3,715,520	-
Long-term borrowings (including current portion)	1,339,012	1,232,450	1,557,319	437,867
Guarantee Deposits Received	-	34,812	-	-

March 31, 2024

Non-derivative financial liabilities:

	<u>Within 1 year</u>	<u>1 to 2 years</u>	<u>2 to 5 years</u>	<u>Over 5 years</u>
Short Term Loans	\$ 6,818,724	\$ -	\$ -	\$ -
Notes Payable	10,676	-	-	-
Accounts Payable	407,316	-	-	-
Other accounts payable (Including related parties)	1,647,750	-	-	-
Lease liabilities	44,100	38,009	98,802	442,359
Corporate bonds payable	34,400	34,400	3,558,260	-
Long-term borrowings (including current portion)	1,274,893	1,206,796	1,451,988	453,248
Guarantee Deposits Received	-	40,073	-	-

**(III) Fair value information**

1. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in stocks of publicly traded or OTC firms and beneficiary certificates is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in stocks of non-publicly traded or non-OTC firms and private equity fund is included in Level 3.

2. Financial instruments not measured at fair value

Cash, notes receivable, accounts receivable, other receivable, short-term borrowings, notes payable, accounts payable and other payable as reasonable approximation of fair value.

3. The related information for financial and non-financial instruments measured at fair

value by level on the basis of the nature, characteristics and risks of the assets and liabilities is as follows:

March 31, 2025	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Assets</b>				
<u><b>Recurring fair value measurements</b></u>				
Financial Assets at Fair Value Through Profit or Loss				
Equity securities	<u>\$ 2,755,658</u>	<u>\$ 58,302</u>	<u>\$ 142,252</u>	<u>\$ 2,956,212</u>
<b>Liabilities</b>				
<u><b>Recurring fair value measurements</b></u>				
Financial liabilities at fair value through profit or loss				
Convertible bond call/put options	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,740</u>	<u>\$ 27,740</u>
December 31, 2024	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Assets</b>				
<u><b>Recurring fair value measurements</b></u>				
Financial Assets at Fair Value Through Profit or Loss				
Equity securities	<u>\$ 3,129,075</u>	<u>\$ 57,520</u>	<u>\$ 129,721</u>	<u>\$ 3,316,316</u>
<b>Liabilities</b>				
<u><b>Recurring fair value measurements</b></u>				
Financial liabilities at fair value through profit or loss				
Convertible bond call/put options	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,204</u>	<u>\$ 19,204</u>
March 31, 2024	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Assets</b>				
<u><b>Recurring fair value measurements</b></u>				
Financial Assets at Fair Value Through Profit or Loss				
Equity securities	<u>\$ 5,021,974</u>	<u>\$ 86,308</u>	<u>\$ 134,083</u>	<u>\$ 5,242,365</u>
Beneficiary certificates	<u>500</u>	<u>-</u>	<u>-</u>	<u>500</u>
	<u><u>\$ 5,022,474</u></u>	<u><u>\$ 86,308</u></u>	<u><u>\$ 134,083</u></u>	<u><u>\$ 5,242,865</u></u>
<b>Liabilities</b>				
<u><b>Recurring fair value measurements</b></u>				
Financial liabilities at fair value through profit or loss				
Convertible bond call/put options	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,059</u>	<u>\$ 11,059</u>

4. The methods and assumptions adopted by the Group for assessing the fair value are as

follows:

(1) The Group adopt market pricing as the input of fair value (i.e. Level 1), and the breakdown of the characteristics of the instrument is as follows:

	<u>Shares of listed and OTC company</u>	<u>Open-end funds</u>
Market price	Closing price	Net Value

(2) Except for the abovementioned financial instruments with active markets, the fair value of the remaining financial instruments is obtained using valuation techniques. The fair value obtained through valuation techniques can refer to the current fair value of other financial instruments with similar substantive conditions and characteristics, discounted cash flow method, or other valuation techniques, including the use of market information available on the date of the consolidated balance sheet (for example, the Taipei Exchange refers to the yield curve, the Reuters adopts the average quotation of interest rate of commercial promissory notes).

(3) The output of the valuation model is the estimated value, and the valuation technique may not reflect all the relevant factors of the financial instruments and non-financial instruments held by the Group. Therefore, the estimated value of the valuation model will be appropriately adjusted according to additional parameters, such as model risk or liquidity risk. According to the Group's fair value valuation model management policies and related control procedures, the management believes that in order to properly express the fair value of financial instruments and non-financial instruments in the consolidated balance sheet, valuation adjustments are appropriate and necessary. The price information and parameters used in the valuation process are carefully assessed and appropriately adjusted according to current market conditions.

(4) The Group incorporates credit risk valuation adjustments into the consideration of the fair value of financial instruments and non-financial instruments to reflect counterparty credit risk and the credit quality of the Group, respectively.

5. There were no transfers between Level 1 and 2 in the periods between January 1 and March 31, 2025 and 2024.

6. The following table shows the changes in Level 3 in the periods between January 1 and March 31, 2025 and 2024:

	<u>Financial instruments</u>
January 1, 2025	\$ 110,517
Acquisition cost of the period	15,000
Transferred out of Level 3	( 2,925)
Recognized in profit or loss of the period	( 8,536)
Impact from exchange rate	456
March 31, 2025	\$ 114,512

	<u>Financial instruments</u>
January 1, 2024	\$ 104,312
Acquisition cost of the period	20,000
Recognized in profit or loss of the period	( 1,676)
Impact from exchange rate	388
March 31, 2024	<u><u>\$ 123,024</u></u>

7. As Image Match Design Inc. was officially listed on the Emerging Stock Market on March 10, 2025, and trading volume in the market has increased steadily, sufficient observable market data has become available. Accordingly, the Group reclassified the fair value measurement of the investment from Level 3 to Level 2 at the end of the month in which the event occurred.

8. The quantitative information about the significant unobservable input value of the valuation model and the sensitivity analysis of the significant unobservable input value change used in the Level 3 fair value measurements are explained as follows:

March 31, 2025

	<u>Fair value</u>	<u>Valuation technique</u>	<u>Significant unobservable inputs</u>	<u>Range (weighted average)</u>	<u>Relationship between inputs and fair value</u>
Derivative equity/liability instruments:					
Shares of non-listed and non-OTC company	\$ 142,252	Net asset value method	Net asset value	-	The higher the net asset value, the higher the fair value
Convertible bond call/put options	( 27,740)	Convertible bond evaluation model	Stock price volatility	35.83%	The higher the stock price volatility, the higher the fair value

December 31, 2024

	<u>Fair value</u>	<u>Valuation technique</u>	<u>Significant unobservable inputs</u>	<u>Range (weighted average)</u>	<u>Relationship between inputs and fair value</u>
Derivative equity/liability instruments:					
Shares of non-listed and non-OTC company	\$ 129,721	Net asset value method	Net asset value	-	The higher the net asset value, the higher the fair value
Convertible bond call/put options	( 19,204)	Convertible bond evaluation model	Stock price volatility	32.66%	The higher the stock price volatility, the higher the fair value

March 31, 2024

	<u>Fair value</u>	<u>Valuation technique</u>	<u>Significant unobservable inputs</u>	<u>Range (weighted average)</u>	<u>Relationship between inputs and fair value</u>
Derivative equity/liability instruments:					
Shares of non-listed and non-OTC company	\$ 134,083	Net asset value method	Net asset value		- The higher the net asset value, the higher the fair value
Convertible bond call/put options	( 11,059)	Convertible bond volatility evaluation model	Stock price volatility	26.79%	The higher the stock price volatility, the higher the fair value

9. The Corporate Group has carefully assessed the valuation models and parameters used to measure fair value. However, use of different valuation models or parameters may result in different measurement. For financial assets or liabilities classified in Level 3, changes in valuation parameters have the following impacts on the income or other comprehensive income of the period:

		<u>March 31, 2025</u>			
		<u>Recognized in other comprehensive income</u>			
		<u>Recognized in profit or loss</u>			
		<u>Favorable changes</u>	<u>Adverse changes</u>	<u>Favorable changes</u>	<u>Adverse changes</u>
Inputs	<u>Changes</u>				
Financial assets					
Equity instruments	Net asset value ± 1%	\$ 1,423	(\$ 1,423)	\$ -	\$ -
Debt	Stock price volatility ± 1%	50	( 40)	-	-
		\$ 1,473	(\$ 1,463)	\$ -	\$ -
		<u>December 31, 2024</u>			
		<u>Recognized in other comprehensive income</u>			
		<u>Recognized in profit or loss</u>			
		<u>Favorable changes</u>	<u>Adverse changes</u>	<u>Favorable changes</u>	<u>Adverse changes</u>
Inputs	<u>Changes</u>				
Financial assets					
Equity instruments	Net asset value ± 1%	\$ 1,297	(\$ 1,297)	\$ -	\$ -
Debt	Stock price volatility ± 1%	50	( 50)	-	-
		\$ 1,347	(\$ 1,347)	\$ -	\$ -

		March 31, 2024			
		Recognized in other comprehensive income			
		<u>Favorable</u> <u>changes</u>	<u>Adverse</u> <u>changes</u>	<u>Favorable</u> <u>changes</u>	<u>Adverse</u> <u>changes</u>
<u>Inputs</u>	<u>Changes</u>				
Financial assets					
Equity instruments	Net asset value ± 1%	\$ 1,341	(\$ 1,341)	\$ -	\$ -
Debt	Stock price volatility ± 1%	30	(30)	-	-
		<u>\$ 1,371</u>	<u>(\$ 1,371)</u>	<u>\$ -</u>	<u>\$ -</u>

#### (IV) Sound Business Plan

As of March 31, 2025, the Group's financial structure showed a debt ratio of 81% and a current ratio of 72%. In response, the Group has formulated and is actively implementing a sound business plan that addresses capital, operations and governance.

On the capital front, the Group continues to sign credit facility agreements with its major banks and has completed the renewal of short-term credit lines. In addition, the Group plans to raise funds in 2025 through private placement or cash capital increase to strengthen working capital and reduce the debt ratio.

In terms of operations, the Group has streamlined its organizational structure, optimized capacity allocation, strictly controlled raw material procurement and expense spending, and implemented a tiered tracking mechanism for accounts receivable to improve gross margin and accelerate cash collection.

In terms of governance, the Group has implemented an enterprise-wide risk management mechanism and established a quarterly reporting system to regularly update the Board of Directors and the Audit Committee on the execution status. The Group also evaluates market conditions to dispose of non-core assets or reinvestments as needed to supplement cash flow.

The Group expects that the full implementation of the above measures will ensure its ability to continue as a going concern and maintain long-term financial stability.

### XIII. Supplementary Disclosure

#### (I) Significant transactions information

1. Loans to others: Please refer to Table 1.
2. Provision of endorsements and guarantees to others: Please refer to Table 2.
3. Holding of marketable material securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to Table 3.
4. Purchases or sales of goods from or to 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. Engaged in derivative trading: None.

7. Significant inter-company transactions during the reporting periods: Please refer to Table 4.

(II) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to Table 5.

(III) Information on investments in Mainland China

1. Basic information: Please refer to Table 6.

2. Significant transactions, either directly or indirectly through a third party or region, with investee companies in China: Please refer to Table 4.

**XIV. Segments Information**

(I) General information

Management has determined the reportable operating segments based on reports reviewed by the president and used to make strategic decisions.

The Group's corporate structure, the basis for division of segments, and the basis for measurement of segment information have not changed significantly during the current period.

(II) Segments Information

Information on the reporting segments provided to the chief operating decision maker is shown as follows:

From January 1 to March 31, 2025:

	<u>Photomask and semiconductor segment</u>	<u>Medical segment</u>	<u>Total</u>
Revenue from external clients	\$ 1,526,885	\$ 101,072	\$ 1,627,957
Segment revenue	(\$ 35,716)	(\$ 1,206)	(\$ 36,922)
Segment margin	(\$ 276,923)	(\$ 31,875)	(\$ 308,798)
Segment margin include:			
Depreciation	(\$ 339,355)	(\$ 17,945)	(\$ 357,300)
Amortization expense	(\$ 15,445)	(\$ 4,037)	(\$ 19,482)
Financial Costs	(\$ 76,280)	(\$ 5,163)	(\$ 81,443)
Interest income	\$ 3,340	\$ 3	\$ 3,343
Investments income recognized by using equity method	(\$ 7,291)	\$ -	(\$ 7,291)
Segment assets	\$ 19,299,956	\$ 1,122,321	\$ 20,422,277

From January 1 to March 31, 2024:

	<u>Photomask and semiconductor segment</u>	<u>Medical segment</u>	<u>Total</u>
Revenue from external clients	\$ 1,815,538	\$ 34,510	\$ 1,850,048
Segment revenue	(\$ 23,873)	(\$ 1,924)	(\$ 25,797)
Segment margin	\$ 698,181	(\$ 67,815)	\$ 630,366
Segment margin include:			
Depreciation	(\$ 293,204)	(\$ 14,417)	(\$ 307,621)
Amortization expense	(\$ 27,867)	(\$ 2,198)	(\$ 30,065)
Financial Costs	(\$ 72,640)	(\$ 6,565)	(\$ 79,205)
Interest income	\$ 7,562	\$ -	\$ 7,562
Investments income recognized by using equity method	(\$ 10,600)	\$ -	(\$ 10,600)
Segment assets	\$ 21,334,198	\$ 1,074,471	\$ 22,408,669

(III) Reconciliation for segment income

Sales between segments are conducted according to the principle of transactions at fair value. The operating revenue from external customers reported to the operating decision maker is measured in a manner consistent with that in the income statement. The consolidated income, assets and liabilities of related segments are consistent with the consolidated income, consolidated assets and consolidated liabilities, so there is no reconciliation information.

Taiwan Mask Corporation and Subsidiaries

Loans to Others

From January 1 to March 31, 2025

Table 1

Unit: NT\$ Thousand

(Unless otherwise specified)

No.	(Note 1)	Company that lent funds	Borrowing party	General ledger account	Related party?	Highest balance in the current period			Amount Actually Drawn	Range of interest rate	Nature of loan	Amount of transaction with borrower	Reason for short-term financing	Amount of recognized impairment loss	Collateral			Limit on loans granted to a single party	Ceiling on total loan granted	Note			
						Ending balance	Amount Drawn	Rate															
0	Taiwan Mask Corporation	Youe Chung Capital Corporation	Other Receivables – Related Parties	Y	\$ 300,000	\$ 300,000	\$ 300,000	2.700%		Short-term financing	-	Working Capital Turnover	-	Promissory note	\$ 300,000	\$ 1,445,484	\$ 1,445,484	Note 2					
0	Taiwan Mask Corporation	Aptos Technology INC.	Other Receivables – Related Parties	Y	130,000	130,000	83,000	2.700%		Short-term financing	-	Working Capital Turnover	83,000	Promissory note	83,000	1,445,484	1,445,484	Note 2					
0	Taiwan Mask Corporation	Innova Vision INC.	Other Receivables – Related Parties	Y	50,000	50,000	50,000	2.700%		Short-term financing	-	Working Capital Turnover	-	Promissory note	50,000	1,445,484	1,445,484	Note 2					
1	Youe Chung Capital Corporation	Aptos Technology INC.	Other Receivables – Related Parties	Y	350,000	350,000	340,000	2.700%		Short-term financing	-	Working Capital Turnover	340,000	Promissory note	350,000	269,611	269,611	Note 4					
1	Youe Chung Capital Corporation	Xsense Technology Corporation (B.V.I.) Taiwan Branch	Other Receivables – Related Parties	Y	320,000	320,000	310,000	2.700%		Short-term financing	-	Working Capital Turnover	310,000	Promissory note	330,000	269,611	269,611	Note 4					
1	Youe Chung Capital Corporation	Innova Vision INC.	Other Receivables – Related Parties	Y	180,000	90,000	90,000	2.700%		Short-term financing	-	Working Capital Turnover	-	Promissory note	90,000	269,611	269,611	Note 4					
2	Miracle Technology CO., LTD.	Aptos Technology INC.	Other Receivables – Related Parties	Y	170,000	170,000	170,000	2.700%		Short-term financing	-	Working Capital Turnover	170,000	Promissory note	170,000	105,752	105,752	Note 3					
3	Miko-China Enterprise (Shanghai) Co., Ltd.	Sichuan Miracle Power Technology Co., Ltd.	Other Receivables – Related Parties	Y	109,752	64,022	41,157	2.509%		Short-term financing	-	Working Capital Turnover	-	None	-	184,857	184,857	Note 6					
4	Pilot Energy Co., Ltd.	Xsense Technology Corporation (B.V.I.) Taiwan Branch	Other Receivables – Related Parties	Y	90,000	40,000	40,000	2.700%		Short-term financing	-	Working Capital Turnover	40,000	Promissory note	40,000	120,748	120,748	Note 5					

Note 1: The description of the number columns are as follows:

(1) Fill in "0" for the issuer.

(2) The investee company is numbered in sequence starting from the Arabic numeral 1 according to company type.

Note 2: Amendment to the Procedures for Lending Funds to Others:

(1) Total amount of loans: The total amount of the Company's loans shall not exceed 40% of the Company's net value.

(2) For companies or businesses that have business dealings with the Company, the loan amount of each individual borrower shall not exceed the amount of transactions between the two parties in the most recent year and not exceed 40% of the Company net value.

(3) For companies or businesses that have a short-term financing need, the loan amount of each individual borrower shall not exceed the amount of transactions between the two parties in the most recent year and not exceed 40% of the Company's net value.

(4) Inter-company loans of funds between overseas companies in which the Company owns, directly or indirectly, 100% of the voting shares, are not restricted by the abovementioned paragraphs. However, the total amount of loans and the amount of loan to a single party shall not exceed 50% of the Company's net value.

Note 3: Subsidiary - Miracle Technology Procedures for Lending Funds to Others

(1) Total amount of loans: The total amount of the Company's loans shall not exceed 40% of the Company's net value.

(2) For companies or businesses that have a short-term financing need, the loan amount of each individual borrower shall not exceed the amount of transactions between the two parties in the most recent year and not exceed 40% of the Company net value.

(3) For companies or businesses that have a short-term financing need, the loan amount of each individual borrower shall not exceed the amount of transactions between the two parties in the most recent year and not exceed 40% of the Company's net value.

(4) Inter-company loans of funds between overseas companies in which the Company owns, directly or indirectly, 100% of the voting shares, are not restricted by the abovementioned paragraphs. However, the total amount of loans and the amount of loan to a single party shall not exceed 50% of the Company's net value.

Note 4: Subsidiary - Youe Chung Capital Corporation Procedures for Lending Funds to Others

(1) Total amount of loans: The total amount of the Company's loans shall not exceed 40% of the Company's net value.

(2) For companies or businesses that have a short-term financing need, the loan amount of each individual borrower shall not exceed the amount of transactions between the two parties in the most recent year and not exceed 40% of the Company's net value.

Note 5: Subsidiary - Pilot Energy Co., Ltd. Procedures for Lending Funds to Others:

The Company shall not loan funds to any of its shareholders or any other person except under the following circumstances:

(1) Where an inter-company or inter-firm business transaction calls for a loan arrangement.

(2) Where an inter-company or inter-firm short-term financing facility is necessary, provided that such financing amount shall not exceed 40% of the lender's net worth.

Note 6: Subsidiary - Miko-China Enterprise (Shanghai) Co., Ltd. Procedures for Lending Funds to Others:

(1) Total amount of loans: The total amount of the Company's loans shall not exceed 40% of the Company's net value.

(2) For companies or businesses that have a short-term financing need, the loan amount of each individual borrower shall not exceed the amount of transactions between the two parties in the most recent year and not exceed 40% of the Company's net value.

## Taiwan Mask Corporation and Subsidiaries

## Endorsements and Guarantees to Others

From January 1 to March 31, 2025

Attachment 2

Unit: NT\$ Thousand

(Unless otherwise specified)

Party being endorsed/guaranteed

No.

(Note 1)	Endorser/guarantor	Name of Company	(Note 2)	Relationship	Limits on Endorsement/Guarantee Amount	Endorsement/Guarantee for the Period	Amount	Endorsement/guarantee amount	Ratio of Accumulated Endorsement/Guarantee to Net	Maximum Endorsement/Guarantee	Guarantee Provided by Parent	Subsidiary to Parent	Subsidiaries in Mainland	Guarantee Provided by	Guarantee Provided to
														Company	China
0	Taiwan Mask Corporation	Miracle Technology CO., LTD.	2	\$	229,550	\$ 132,820	\$ 132,820	-	\$ 3.68%	\$ 1,445,484	Y	N	N	Note 3	
1	Miracle Technology CO., LTD.	Xsense Technology	1	✓	105,752	150,000	146,000	146,000	55.22%	105,752	N	N	N	Note 5	
1	Miracle Technology CO., INC.	Aptos Technology	1	✓	105,752	20,000	20,000	20,000	7.56%	105,752	N	N	N	Note 5	
2	Miko-China Enterprise (Shanghai) Co., Ltd.	Miracle Technology CO., LTD.	3		462,143	233,223	233,223	233,223	50.47%	462,143	N	Y	N	Note 4	

Note 1: The description of the number columns are as follows:

(1) Fill in "0" for the issuer.

(2) The investee company is numbered in sequence starting from the Arabic numeral 1 according to company type.

Note 2: The relationship between the guarantor and the guarantee is one of the seven types indicated below:

(1) A company with which it does business.

(2) A company in which the Company directly and indirectly holds more than 50% of the voting shares.

(3) A company that directly or indirectly holds more than 50% of the voting shares in the Company.

(4) Companies in which the Company holds, directly or indirectly, 90% or more of the voting shares may make endorsements/guarantees for each other.

(5) A company that is mutually insured by a contract between peers or co-founders based on the needs of the contracted work.

(6) A company guaranteed by contributing shareholders in proportion to their shareholdings due to a joint investment relationship.

Note 3: The Company's endorsement and guarantee practices for others provide that:

(1) The total amount of the Company's external endorsement guarantee shall not exceed 30% of the Company's paid-in capital.

(2) The amount of business transactions refers to the higher of the amount of goods purchased or sold between the parties.

(3) Companies with which the Company has a parent-child relationship: The endorsement and guarantee for a single enterprise shall not exceed 10% of the Company's paid-in capital and the company's paid-in capital being endorsed and guaranteed.

(4) The aggregate amount of the endorsement and guarantee of the Company and its subsidiaries as a whole shall not exceed 40% of the net worth of the Company, of which the endorsement and guarantee of a single subsidiary shall not exceed 20% of the net worth of the Company.

Note 4: Miko-China Enterprise (Shanghai) Co., Ltd. Endorsement and Guarantee Procedures:

The total amount of endorsement guarantee liability is limited to RMB 30 million, and the amount of endorsement guarantee for a single enterprise shall not exceed RMB 30 million; however, for the parent company that directly or indirectly holds, through a subsidiary, more than 50% of the common stock equity of a company, it may endorse up to its net value.

Note 5: Subsidiary - Miracle Technology Co., Ltd. Endorsement and Guarantee Procedures:

The aggregate amount of cumulative external endorsement guarantees shall not exceed 40% of the net value of the Company's most recent audited or reviewed financial statements.

Taiwan Mask Corporation and Subsidiaries

Ending holdings of significant marketable securities (excluding investments in subsidiaries, associates, and joint ventures)

March 31, 2025

Table 3

Unit: NT\$ Thousand

(Unless otherwise specified)

Company name of the shareholding	Marketable securities	Relationship with the marketable securities issuer	General ledger account	End of period				
				Number of shares	Book value	Ownership	Fair value	Note
Taiwan Mask Corporation	Common stocks of United Microelectronics Corporation	None	Financial Assets at Fair Value Through Profit or Loss - Current	7,554,000	\$ 337,286	0.06%	\$ 337,286	1,800 lots pledged
Taiwan Mask Corporation	Common stock of China Steel Structure Co., Ltd.	None	Financial Assets at Fair Value Through Profit or Loss - Current	14,329,000	697,822	7.16%	697,822	14,160 lots pledged
Taiwan Mask Corporation	Common stocks of Avision Inc. through private placement.	None	Financial Assets at Fair Value Through Profit or Loss - Non Current	10,000,000	31,100	4.61%	31,100	
Taiwan Mask Corporation	Common Stock of 3S Silicon Tech Inc.	None	Financial Assets at Fair Value Through Profit or Loss - Non Current	1,000,000	23,540	2.69%	23,540	
Taiwan Mask Corporation	Unsecured corporate bonds of Xsense Technology Corp	The parent company of the Company	Financial assets measured at amortized cost	-	100,000	-	100,000	Eliminated in the consolidated financial statements
Youe Chung Capital Corporation	Common stocks of United Microelectronics Corporation	None	Financial Assets at Fair Value Through Profit or Loss - Current	4,680,000	208,962	0.04%	208,962	4,680 lots pledged
Youe Chung Capital Corporation	Common stocks of Microtek International	None	Financial Assets at Fair Value Through Profit or Loss - Current	30,538,000	366,456	14.85%	366,456	30,000 lots pledged
Youe Chung Capital Corporation	Common stocks of Taiwan Mask	Parent company	Financial Assets at Fair Value Through Profit or Loss - Non Current	35,331,440	1,330,229	13.77%	1,330,229	34,650 lots were pledged, and treated as treasury stock in the consolidated financial statements
Youe Chung Capital Corporation	Common stock of China Steel Structure Co., Ltd.	None	Financial Assets at Fair Value Through Profit or Loss - Current	23,514,000	1,145,132	11.76%	1,145,132	23,490 lots pledged
Youe Chung Capital Corporation	Common stocks of Image Match Design Inc.	None	Financial Assets at Fair Value Through Profit or Loss - Current	116,000	3,662	0.48%	3,662	
Youe Chung Capital Corporation	B Current Impact Investment	The Company is a director of that company	Financial Assets at Fair Value Through Profit or Loss - Non Current	1,000,000	10,000	10.00%	10,000	
Youe Chung Capital Corporation	B Current Impact Investment Partnership		Financial Assets at Fair Value Through Profit or Loss - Non Current	750,000	7,500	-	7,500	
Youe Chung Capital Corporation	Intellectual Property Innovation Corporation Partnership Fund	None	Financial Assets at Fair Value Through Profit or Loss - Non Current	-	20,000	-	20,000	
Youe Chung Capital Corporation	Wisdom Capital Limited Partnership	None	Financial Assets at Fair Value Through Profit or Loss - Non Current	-	82,802	-	82,802	
Jing Hao Investment Co., Ltd.	G-TECH ELECTRONICS LTD.	None	Financial Assets at Fair Value Through Profit or Loss - Non Current	1,097,092	-	8.08%	-	
Jing Hao Investment Co., Ltd.	Common stocks of MEMCHIP TECHNOLOGY CO., LTD.	None	Financial Assets at Fair Value Through Profit or Loss - Non Current	187,915	-	3.13%	-	
Aptos Technology INC.	Common stocks of TOPFUN TECHNOLOGY INC.	None	Financial Assets at Fair Value Through Other	100,000	-	12.27%	-	
Miko-China Enterprise (Shanghai)	Common stocks of Shenzhen He Mei Jing Yi	None	Financial Assets at Fair Value Through Profit or Loss -	400,000	21,950	0.31%	21,950	

Taiwan Mask Corporation and Subsidiaries  
Business relationships and material transactions between the parent company and its subsidiaries  
From January 1 to March 31, 2025

Table 4

Unit: NT\$ Thousand  
(Unless otherwise specified)

No.	(Note 1)	Name of the counterparty	Counterparty	Relationship (Note 2)	General ledger account	Amount	Status of transaction		Percentage of consolidated total operating revenues or total assets (Note 3)
							Transaction terms		
0	Taiwan Mask Corporation	Miracle Technology CO., LTD.	Miracle Technology CO., LTD.	1	Sales	1,892	Net 60		0.12%
0	Taiwan Mask Corporation	Miracle Technology CO., LTD.	Miracle International	1	Endorsement and guarantee	132,820	Same with other customers		0.65%
0	Taiwan Mask Corporation	Miracle International	Enterprise(Shanghai) Co., Ltd.	1	Sales	6,999	Net 60		0.43%
0	Taiwan Mask Corporation	Miracle International	Enterprise(Shanghai) Co., Ltd.	1	Accounts Receivables	6,903	Net 60		0.03%
0	Taiwan Mask Corporation	Enterprise(Shanghai) Co., Ltd.	Miracle Technology CO., LTD.	1	Accounts Receivables	1,931	Net 60		0.01%
0	Taiwan Mask Corporation	Miracle Technology CO., LTD.	Aptos Technology INC.	1	Other Receivables	108,999	Receipt and payment at an agreed time		0.53%
0	Taiwan Mask Corporation	Innova Vision INC.	Aptos Technology INC.	1	Rental income	4,426	Same with other customers		0.27%
0	Taiwan Mask Corporation	Aptos Technology INC.	Innova Vision INC.	1	Rental income	12,026	Same with other customers		0.74%
0	Taiwan Mask Corporation	Innova Vision INC.	Innova Vision INC.	1	Other Receivables	88,583	Receipt and payment at an agreed time		0.43%
0	Taiwan Mask Corporation	Youe Chung Capital Corporation	Youe Chung Capital Corporation	1	Other Receivables	1,997	Receipt and payment at an agreed time		0.01%
0	Taiwan Mask Corporation	Xsense Technology Corporation (B.V.I.) Taiwan Branch	Xsense Technology Corporation (B.V.I.) Taiwan Branch	1	Other Receivables	25,136	Receipt and payment at an agreed time		0.12%
0	Taiwan Mask Corporation	Xsense Technology Corporation (B.V.I.) Taiwan Branch	Youe Chung Capital Corporation	1	Rental income	10,920	Same with other customers		0.67%
0	Taiwan Mask Corporation	Youe Chung Capital Corporation	Youe Chung Capital Corporation	1	Other receivables (loans of funds)	300,000	Receipt and payment at an agreed time		1.47%
0	Taiwan Mask Corporation	Aptos Technology INC.	Aptos Technology INC.	1	Other receivables (loans of funds)	83,000	Receipt and payment at an agreed time		0.41%
0	Taiwan Mask Corporation	Innova Vision INC.	Innova Vision INC.	1	Other receivables (loans of funds)	50,000	Receipt and payment at an agreed time		0.24%
0	Taiwan Mask Corporation	Youe Chung Capital Corporation	Interest income	3	Interest income	1,997	Receipt and payment at an agreed time		0.12%
1	Miracle Technology CO., LTD.	Aptos Technology INC.	Interest income	3	Interest income	1,132	Receipt and payment at an agreed time		0.07%
1	Miracle Technology CO., LTD.	Xsense Technology Corporation (B.V.I.) Taiwan Branch	Endorsement and guarantee	3	Endorsement and guarantee	146,000	Same with other customers		0.71%
1	Miracle Technology CO., LTD.	Miracle International	Sales	3	Sales	26,017	Net 30		1.60%
1	Miracle Technology CO., LTD.	Enterprise(Shanghai) Co., Ltd.	Accounts Receivables	3	Accounts Receivables	16,214	Net 30		0.08%
1	Miracle Technology CO., LTD.	Miracle International	Endorsement and guarantee	3	Endorsement and guarantee	20,000	Same with other customers		0.10%
1	Miracle Technology CO., LTD.	Enterprise(Shanghai) Co., Ltd.	Other receivables (loans of funds)	3	Other receivables (loans of funds)	170,000	Receipt and payment at an agreed time		0.83%
1	Miracle Technology CO., LTD.	Aptos Technology INC.	Other Receivables	3	Other Receivables	3,282	Receipt and payment at an agreed time		0.02%
1	Miracle Technology CO., LTD.	Aptos Technology INC.	Endorsement and guarantee	3	Endorsement and guarantee	233,223	Same with other customers		1.14%
2	Miko-China Enterprise (Shanghai) Co., Ltd.	Miracle Technology CO., LTD.	Other receivables (loans of funds)	3	Other receivables (loans of funds)	41,157	Receipt and payment at an agreed time		0.20%
2	Miko-China Enterprise (Shanghai) Co., Ltd.	Sichuan Miracle Power Technology Co., Ltd.	Other receivables (loans of funds)	3	Other receivables (loans of funds)	340,000	Receipt and payment at an agreed time		1.66%
4	Youe Chung Capital Corporation	Aptos Technology INC.	Other Receivables	3	Other Receivables	9,613	Receipt and payment at an agreed time		0.05%
4	Youe Chung Capital Corporation	Xsense Technology Corporation (B.V.I.) Taiwan Branch	Other Receivables	3	Other Receivables	2,064	Receipt and payment at an agreed time		0.01%
4	Youe Chung Capital Corporation	Aptos Technology INC.	Interest income	3	Interest income	2,264	Receipt and payment at an agreed time		0.14%
4	Youe Chung Capital Corporation	Xsense Technology Corporation (B.V.I.) Taiwan Branch	Other receivables (loans of funds)	3	Other receivables (loans of funds)	310,000	Receipt and payment at an agreed time		1.52%
4	Youe Chung Capital Corporation	Xsense Technology Corporation (B.V.I.) Taiwan Branch	Interest income	3	Interest income	2,064	Receipt and payment at an agreed time		0.13%
4	Youe Chung Capital Corporation	Innova Vision INC.	Other receivables (loans of funds)	3	Other receivables (loans of funds)	90,000	Receipt and payment at an agreed time		0.44%
5	Pilot Energy Co., Ltd.	Xsense Technology Corporation (B.V.I.) Taiwan Branch	Other receivables (loans of funds)	3	Other receivables (loans of funds)	40,000	Receipt and payment at an agreed time		0.20%
6	Innova Vision INC.	iPro Vision Inc.	Accounts Receivables	3	Accounts Receivables	28,805	Net 60		0.14%
7	iPro Vision Inc.	Innova Vision INC.	Sales	3	Sales	1,206	Receipt and payment at an agreed time		0.07%

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

(1) Parent company is "0".

(2) The subsidiaries are numbered in order starting from "1".

Note 2: Relationship between transaction company and counterparty is classified into the following three categories; fill in the number of category each case belongs to (If transactions between parent company and subsidiaries or between subs For transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction):

(1) Parent company to subsidiary.

(2) Subsidiary to parent company.

(3) Subsidiary to subsidiaries.

Note 3: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accu

Note 4: Only transactions with an amount of more than NT\$1 million will be disclosed, and transactions with related parties will not be disclosed separately.

## Taiwan Mask Corporation and Subsidiaries

Names, locations and other information of investee companies (not including investees in Mainland China)

From January 1 to March 31, 2025

Table 5

Unit: NT\$ Thousand

(Unless otherwise specified)

Name of Investor	Investee	Location	Main business activities	Initial investment amount		Shares held at the end of the period			Profit (loss) of the investee for the current period	Investment profit for the current period	Note
				Balance at the end of period	End of the previous year	Number of shares	Ownership	Book value			
台灣光罩(股)公司	SunnyLake Park International Holdings, Inc.	英屬維京群島	轉投資其他公司	\$ 103,045	\$ 103,045	3,120,000	100%	\$ 6,083	\$ 11	\$ 11	
台灣光罩(股)公司	友縛投資(股)公司	台灣	轉投資其他公司	1,260,000	1,260,000	534,877,568	100% (	295,485) (	1,260,009) (	172,529)	
台灣光罩(股)公司	盈厚生技(股)公司	台灣	醫療、研發、製造	163,871	165,686	12,046,652	20.29% (	42,130) (	12,875) (	2,654)	
台灣光罩(股)公司	美祿科技(股)公司	台灣	電子零組件製造、電子材料及精密儀器批發與功率元件設計等	252,651	252,651	22,955,033	100% (	382,261) (	183,323) (	10,041)	
台灣光罩(股)公司	威達高科(股)公司	台灣	顯示面板控制晶片及其模組之研究、設計、開發、製造及銷售	293,371	293,371	12,176,880	28.20% (	24,198) (	5,936) (	1,731)	
台灣光罩(股)公司	盈嘉科技(股)公司	台灣	醫療器材設備製造、零售、批發及國際貿易	688,924	598,721	23,416,722	66.71% (	101,893) (	31,938) (	22,319)	
台灣光罩(股)公司	ONE TEST SYSTEMS	美國	研發、設計檢測設備及相關元件	121,372	121,372	940,000	100% (	84,613) (	1,844) (	1,844)	
台灣光罩(股)公司	百樂千翔能源(股)公司	台灣	電子零組件及能源技術服務業	180,000	180,000	3,600,000	20.00% (	70,328) (	60,171) (	4,019)	
台灣光罩(股)公司	光環科技(股)公司	台灣	光纖通訊相關產品	410,400	410,400	13,500,000	12.11% (	390,182) (	8,290	1,045)	
友縛投資(股)公司	盈厚生技(股)公司	台灣	醫療、研發、製造	64,483	73,251	249,223	0.42% (	872) (	12,875) (	255)	
友縛投資(股)公司	Xsens Technology Corporation	英屬維京群島	貴重金属鍍膜	325,965	325,965	1	100.00% (	6,237) (	13	13	
友縛投資(股)公司	艾格生科技(股)公司	台灣	貴重金属鍍膜	-	-	12,189,191	53.00% (	146,435) (	76,484) (	40,534)	
友縛投資(股)公司	群豐科技(股)公司	台灣	NAND型快閃記憶體及固態硬碟等相關產品設計、封裝、測試	434,692	434,692	28,481,161	47.19% (	339,688) (	12,819) (	6,049)	
友縛投資(股)公司	盈嘉科技(股)公司	台灣	醫療器材設備製造、零售、批發及國際貿易	151,533	151,533	47,185	0.13% (	360) (	31,938) (	46)	
友縛投資(股)公司	數可科技(股)公司	台灣	3D列印及塑膠模具設計	139,072	139,072	7,281,250	57.39% (	124,039) (	3,861) (	2,216)	
友縛投資(股)公司	百樂千翔能源(股)公司	台灣	電子零組件及能源技術服務業	178,500	178,500	7,000,000	38.89% (	154,789) (	60,171) (	7,815)	
友縛投資(股)公司	閃點半導體(股)公司	台灣	記憶體產品零售及批發	43,590	43,590	4,359,000	52.84% (	14,865) (	9,028) (	4,770)	
友縛投資(股)公司	波克夏科技(股)公司	台灣	電子零組件製造	30,000	30,000	6,000,000	38.91% (	14,501) (	9,503) (	3,698)	
群豐科技(股)公司	新地有限公司	薩摩亞	轉投資其他公司	-	-	-	100% (	-	-	-	註
群成能源(股)公司	Aptos Global Holding Corp.	塞席爾	轉投資其他公司	29,795	29,795	10,000,000	100% (	-	-	-	
美祿科技(股)公司	晶皓投資(股)公司	台灣	轉投資其他公司	10,012	10,012	29,731,315	100% (	390,820) (	7,784	7,784)	
晶皓投資(股)公司	Miko Technology Co., Ltd	香港	電子零組件製造、電子材料及精密儀器批發與功率元件設計等	37	37	10,000	100% (	7,162) (	6	6	
盈嘉科技(股)公司	英諾華科技(股)公司	台灣	隱形眼鏡銷售	64,650	64,650	3,000,000	100% (	1,104) (	2,398	2,398	
盈嘉科技(股)公司	Innova Vision (B.V.I) Inc.	英屬維京群島	轉投資其他公司	60,157	60,157	1,000,000	100% (	1,052) (	116) (	116)	
Innova Vision INC.	iPro Vision Inc.	Japan	Sales of contact lens	84,204	84,204	6,400	52.03% (	1,342) (	241) (	125)	
Innova Vision (B.V.I) Inc.	iPro Vision Inc.	Japan	Sales of contact lens	56,420	56,420	5,900	47.97% (	1,239) (	241) (	116)	
百樂千翔能源(股)公司	群成能源(股)公司	台灣	電子零組件及能源技術服務業	413,050	413,050	9,984,526	100% (	50,675) (	1,248) (	330)	

Note: As of March 31, 2025, the funds for shares have not been remitted.

Taiwan Mask Corporation and Subsidiaries

Information on investments in Mainland China

From January 1 to March 31, 2025

Table 6

Unit: NT\$ Thousand

(Unless otherwise specified)

Investee in Mainland China	Main business activities	Taiwan to China/Amount										Accumulated amount of investment income remitted back to Taiwan	Note
		Paid-up capital	Investment method	Accumulated amount of remittance from Taiwan to China at the beginning of the period	Remitted to	Remitted back	Accumulated amount of remittance from Taiwan to China at the end of period	Profit (loss) of the investee for the current period	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for the current period (Note 2)	Ending carrying amount		
Miko-China Enterprise (Shanghai) Co., Ltd.	Electronics components manufacturing, electronics materials and precision equipment distribution and power component design	\$ 3,283	1	\$ 3,283	\$ -	\$ -	\$ 3,283	\$ 9,742	100%	\$ 9,742	\$ 472,017	\$ -	Note 2 (2) C
Miracle International Enterprise(Shanghai) Co., Ltd.	Electronics components manufacturing, electronics materials and precision equipment distribution and power component design	\$ 10,215	1	\$ 10,215	\$ -	\$ -	\$ 10,215	\$ (8,405)	100%	\$ (8,405)	\$ 97,512	\$ -	Note 2(2)C, Note 4
Sichuan Miracle Power Technology Co., Ltd.	IC product design, production and sales	\$ 53,676	3	\$ -	\$ -	\$ -	\$ -	\$ (7,885)	100%	\$ (7,885)	\$ 40,741	\$ -	Note 2 (2) C

Name of Company	Investment amount approved by the		
	Investment	Ceiling on investments	
Accumulated amount of remittance from Taiwan to China as of the end of the period	Commission of the	in China imposed by the	
Miracle Technology CO., LTD.	Ministry of Economic Affairs (MOEA)	Investment Commission of MOEA	

Note 1: Investment methods are classified into the following three categories; fill in the number of categories each case belongs to:

- (1) Directly invest in a company in Mainland China.
- (2) Through investing in an existing company in the third area (please specify the company), which then invested in Mainland China.
- (3) Others

Note 2: Investment income recognized by the Company for the current period

- (1) If it is still under preparation with no actual gain or loss, it shall be indicated in the box.
- (2) The basis for recognition of the investment gains or losses is divided into the following three,
  - A. Financial reports audited and certified by international accounting firms in cooperation with a CPA firm in the Republic of China
  - B. Financial statements audited and certified by the certified public accountant engaged by the parent company in Taiwan
  - C. Others.

Note 3: The relevant figures in this table should be presented in New Taiwan Dollars.

Note 4: It was originally invested through Misun Technology Co., Ltd. Since the aforementioned company has gone through dissolution and liquidation, it has been changed to Miracle Technology Co., Ltd. directly investing in Miracle International Enterprise (Shanghai) Co., Ltd.