

Taiwan Mask Corporation and Subsidiaries  
Consolidated Financial Statements and Independent Auditor's  
Review Report  
Q2 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  
Q2 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. 25001368

To Taiwan Mask Corporation,

### Introduction

We have audited the accompanying consolidated balance sheets for the periods starting January 1 and ending June 30, 2025 and 2024, the consolidated statements of comprehensive income for the periods starting April 1 and ending June 30, 2025 and 2024, and starting January 1 and ending June 30, 2025 and 2024 and the consolidated statements of changes in equity and cash flows for the period starting January 1 and ending June 30, 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 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 aforementioned consolidated financial statements have not been reviewed by the CPAs and the total amount of their assets as of June 30, 2025 and 2024 was NT\$3,007,654 thousand and NT\$3,149,265 thousand, accounting for 16.16% and 14.17% of the total consolidated assets, respectively; the total amount of their liabilities was NT\$1,942,439

thousand and NT\$2,414,348 thousand, accounting for 12.68% and 14.05% of the total consolidated liabilities, respectively; the total amount of comprehensive income from April 1 to June 30, 2025 and 2024 was NT\$(165,761) thousand and NT\$(244,647) thousand and that from January 1 to June 30, 2024 and 2023 was NT\$(317,915) thousand and NT\$(452,603) thousand, accounting for 29.33%, 77.56%, 36.28% and (156.90%) of 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 balance of investments using the equity method as of June 30, 2025 and 2024 was NT\$64,860 thousand and NT\$80,584 thousand, accounting for 0.35% and 0.36% of the total consolidated assets, respectively; the share of assets of associates recognized using the equity of such from April 1 to June 30, 2025 and 2024 was NT\$(16,057) thousand and NT\$(7,524) thousand and that from January 1 to June 30, 2025 and 2024 was NT\$(24,394) thousand and NT\$(16,992) thousand, accounting for 2.84%, 2.39%, 2.78% and (5.89%) of the consolidated comprehensive income, respectively.

### **Qualified opinion**

According to our results of the review, except for the part described by the basis for qualified opinion that the financial statement of insignificant subsidiaries and part of the investments using the equity method may affect adjustments to the consolidated financial statements upon the CPA's review, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Group as of June 30, 2025 and 2024, the results of the consolidated financial operations from April 1 to June 30, 2025 and 2024 and that from January 1 to June 30, 2025 and 2024 and the consolidated cash flows from January 1 to June 30, 2025 and 2024 in conformity with the Regulations Governing the Preparation of Financial Statements by Securities Issuers and IAS 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Executive Yuan.

### **Other matters**

As stated in Note 12(4) of the consolidated financial statements, the photomask Group's debt ratio and current ratio as of June 30, 2025, were 82% and 53%, respectively. The Group has already submitted a sound business plan.

PricewaterhouseCoopers Taiwan

Hsin-Yi Tsai

CPA

Chien-Yu Liu

Financial Supervisory Commission approval document number:

Jin-Guan-Zheng-Shen-Zi No. 1140351490

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

August 1, 2025

Taiwan Mask Corporation and Subsidiaries  
Consolidated Balance Sheets  
June 30, 2025 and December 31 and June 30, 2024

Unit: NT\$ Thousand

Assets		Notes	June 30, 2025		December 31, 2024		June 30, 2024	
			Amount	%	Amount	%	Amount	%
Current assets								
1100	Cash and Cash Equivalents	6(1)	\$ 935,523	5	\$ 1,430,542	7	\$ 1,353,779	6
1110	Financial Assets at Fair Value Through Profit or Loss - Current	6(2) and 8	1,955,622	11	3,129,075	15	1,691,642	8
1136	Financial Assets at Amortized Cost - Current	6(3) and 8	213,880	1	227,534	1	335,145	1
1140	Contract Asset - Current	6(23)	60,425	-	90,967	-	83,089	-
1150	Notes Receivables (Net)	6(4)	11,692	-	167	-	4,134	-
1170	Accounts Receivables (Net)	6(4)	1,029,539	6	1,367,379	7	1,568,647	7
1180	Accounts Receivables - Related Parties (Net)	6(4) and 7	72	-	2,383	-	1,432	-
1200	Other Receivables		29,116	-	40,137	-	21,851	-
1210	Other Receivables - Related Parties	7	2,024	-	1,306	-	1,227	-
1220	Tax Assets for the Period		333	-	476	-	332	-
130X	Inventories	6(5)	690,383	4	723,781	4	806,140	4
1410	Prepayments		278,624	1	277,096	1	367,985	2
1470	Other Current Assets		13,296	-	20,371	-	15,179	-
11XX	Total Current Assets		5,220,529	28	7,311,214	35	6,250,582	28
Non-Current Assets								
1510	Financial Asset at Fair Value Through Profit or Loss - Non Current	6(2) and 8	203,269	1	187,241	1	3,142,088	14
1535	Financial Assets at Amortized Cost - Non Current	6(3) and 8	646,719	4	667,051	3	581,157	3
1550	Investment under Equity Method	6(6)	439,580	2	489,392	2	481,656	2
1600	Property, plant and equipment	6(7) and 8	10,492,294	57	10,382,141	50	9,695,789	44
1755	Right-of-use Asset	6(8)	395,516	2	424,264	2	544,670	2
1760	Investment property (Net)	6(10) and 8	180,797	1	167,109	1	168,804	1
1780	Intangible assets	6(11) and 8	591,936	3	654,780	3	659,248	3
1840	Deferred Income Tax Assets	6(30)	24,257	-	25,492	-	59,412	-
1900	Other Non-Current Assets	6(13)	418,539	2	506,461	3	637,162	3
15XX	Total Non-Current Assets		13,392,907	72	13,503,931	65	15,969,986	72
1XXX	Total Assets		\$ 18,613,436	100	\$ 20,815,145	100	\$ 22,220,568	100

(continued on next page)

Taiwan Mask Corporation and Subsidiaries  
Consolidated Balance Sheets  
June 30, 2025 and December 31 and June 30, 2024

Unit: NT\$ Thousand

	Liabilities and Equities	Notes	June 30, 2025		December 31, 2024		June 30, 2024	
			Amount	%	Amount	%	Amount	%
	<b>Current liabilities</b>							
2100	Short Term Loans	6(14) and 7	\$ 4,788,863	26	\$ 6,200,355	30	\$ 6,369,560	29
2120	Financial Liabilities at Fair Value Through Profit or Loss - Current	6(2)						
			30,694	-	19,204	-	5,864	-
2130	Contract Liabilities - Current	6(23)	133,795	1	64,453	-	129,031	1
2150	Notes Payable		44,956	-	43,544	-	9,797	-
2170	Accounts Payable		379,160	2	541,758	3	463,021	2
2200	Other Payables	6(15)	1,375,568	8	1,236,829	6	1,646,720	7
2230	Income Tax Liabilities for the Period		8,664	-	10,730	-	50,782	-
2250	Provision for Liabilities - Current		9,460	-	5,568	-	3,260	-
2280	Lease Liability - Current		31,921	-	34,456	-	38,366	-
2320	Long-term liabilities due within one year or one business cycle	6(16) 6(17)						
			2,967,580	16	1,242,279	6	1,186,904	5
2399	Other Current Liabilities - Other		39,823	-	53,072	-	184,068	1
21XX	<b>Total Current Liabilities</b>		<u>9,810,484</u>	<u>53</u>	<u>9,452,248</u>	<u>45</u>	<u>10,087,373</u>	<u>45</u>
	<b>Non-current liabilities</b>							
2530	Corporate bonds payable	6(16)	1,996,238	10	3,609,156	17	3,134,579	14
2540	Long-term Loans	6(17)	2,962,576	16	3,072,808	15	3,238,213	15
2550	Provision for Liabilities - Non-current		-	-	1,500	-	-	-
2570	Deferred Income Tax.	6(30)	162,215	1	162,297	1	163,953	1
2580	Lease liability - Non Current		377,756	2	402,942	2	519,218	2
2640	Defined Benefit Liabilities - Non Current	6(18)	4,061	-	7,474	-	9,532	-
2645	Guarantee Deposits Received		953	-	34,812	-	35,278	-
25XX	<b>Total Non-Current Liabilities</b>		<u>5,503,799</u>	<u>29</u>	<u>7,290,989</u>	<u>35</u>	<u>7,100,773</u>	<u>32</u>
2XXX	<b>Total Liabilities</b>		<u>15,314,283</u>	<u>82</u>	<u>16,743,237</u>	<u>80</u>	<u>17,188,146</u>	<u>77</u>
	<b>Equity attributable to shareholders of the parent company</b>							
	Capital	6(19)						
3110	Capital stock		2,564,562	14	2,564,562	12	2,564,465	11
	Capital surplus	6(20)						
3200	Capital surplus		1,622,453	8	1,532,041	8	1,440,745	7
	Retained earnings	6(21)						
3310	Legal reserve		863,958	5	863,958	4	863,958	4
3350	Unappropriated earnings		( 654,205)	( 4)	581,828	3	1,483,486	7
	Other equity interests	6(22)						
3400	Other equity interests		( 31,253)	-	20,148	-	15,807	-
3500	Treasury stock	6(19) and 8	( 1,167,369)	( 6)	( 1,167,369)	( 6)	( 1,167,369)	( 5)
31XX	<b>Total Equities Attributable to Parent Company</b>		<u>3,198,146</u>	<u>17</u>	<u>4,395,168</u>	<u>21</u>	<u>5,201,092</u>	<u>24</u>
36XX	<b>Non-controlling Interests</b>		<u>101,007</u>	<u>1</u>	<u>( 323,260)</u>	<u>( 1)</u>	<u>( 168,670)</u>	<u>( 1)</u>
3XXX	<b>Total Equities</b>		<u>3,299,153</u>	<u>18</u>	<u>4,071,908</u>	<u>20</u>	<u>5,032,422</u>	<u>23</u>
	Major Commitments and Contingencies	9						
	Major Events after Financial Statement Date	11						
3X2X	<b>Total Liabilities and Equities</b>		<u>\$ 18,613,436</u>	<u>100</u>	<u>\$ 20,815,145</u>	<u>100</u>	<u>\$ 22,220,568</u>	<u>100</u>

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

Chairman: Sean Chen

Managerial Officer: Lidon Chen

Accounting Officer: Shu-Hua Lin



Taiwan Mask Corporation and Subsidiaries  
Consolidated Comprehensive Income Statement  
January 1 to June 30, 2025 and 2024

Unit: NT\$ Thousand  
Earning (Loss) per Share in NTD

Items	Notes	April 1 to June 30, 2025		April 1 to June 30, 2024		January 1 to June 30, 2025		January 1 to June 30, 2024	
		Amount	%	Amount	%	Amount	%	Amount	%
4000 Operating income	6(23) and 7	\$ 1,589,933	100	\$ 1,997,876	100	\$ 3,217,890	100	\$ 3,847,924	100
5000 Operating costs	6(5) and 7	( 1,475,387)	( 93)	( 1,617,492)	( 81)	( 2,921,150)	( 91)	( 3,137,338)	( 81)
5900 Gross profit		<u>114,546</u>	<u>7</u>	<u>380,384</u>	<u>19</u>	<u>296,740</u>	<u>9</u>	<u>710,586</u>	<u>19</u>
Operating Expenses	6(28)(29) and 7								
6100 Selling Expenses		( 68,535)	( 4)	( 82,659)	( 4)	( 164,711)	( 5)	( 159,355)	( 4)
6200 Administrative Expenses		( 91,581)	( 6)	( 28,913)	( 2)	( 205,673)	( 7)	( 181,523)	( 5)
6300 R&D Expenses		( 81,792)	( 5)	( 95,689)	( 5)	( 169,503)	( 5)	( 199,277)	( 5)
6450 Expected Credit Impairment Benefit (Loss)	12(2)	<u>14,660</u>	<u>1</u>	( 26,781)	( 1)	( 6,585)	-	( 39,700)	( 1)
6000 Total Operating Expenses		( 227,248)	( 14)	( 234,042)	( 12)	( 546,472)	( 17)	( 579,855)	( 15)
6900 Operating gains (losses)		( 112,702)	( 7)	<u>146,342</u>	<u>7</u>	( 249,732)	( 8)	<u>130,731</u>	<u>4</u>
Non-operating income and expenses									
7100 Interest income	6(24)	4,576	-	8,800	1	7,919	-	16,362	-
7010 Other Incomes	6(25) and 7	14,870	1	6,178	-	31,560	1	13,752	-
7020 Other Gains and Losses	6(26)	( 312,163)	( 20)	( 384,767)	( 19)	( 415,230)	( 13)	335,880	9
7050 Financial Costs	6(27) and 7	( 78,554)	( 5)	( 94,305)	( 5)	( 159,997)	( 5)	( 173,510)	( 4)
7060 The share of affiliates and joint venture profits and losses recognized by the equity method	6(6)	( 23,452)	( 1)	( 15,271)	( 1)	( 30,743)	( 1)	( 25,872)	( 1)
7000 Total Non-Operating Incomes and Losses		( 394,723)	( 25)	( 479,365)	( 24)	( 566,491)	( 18)	166,612	4
7900 Net profit (loss) before tax		( 507,425)	( 32)	( 333,023)	( 17)	( 816,223)	( 26)	297,343	8
7950 Income tax expense (or benefit)	6(30)	6,157	-	13,406	1	8,649	-	( 23,047)	( 1)
8200 Net profit (loss) for the period		<u>( \$ 501,268)</u>	<u>( 32)</u>	<u>( \$ 319,617)</u>	<u>( 16)</u>	<u>( \$ 824,872)</u>	<u>( 26)</u>	<u>\$ 274,296</u>	<u>7</u>
<b>Other Comprehensive Incomes (Net)</b>									
<b>Components of other comprehensive income that will not be reclassified to profit or loss</b>									
8320 Profit and loss of associates and joint ventures recognized by using equity method - Items that will not be reclassified to profit or loss		\$ 391	-	\$ -	-	\$ 391	-	\$ -	-
<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)	( 64,191)	( 4)	4,186	-	( 51,792)	( 1)	14,166	1
8300 Other Comprehensive Incomes (Net)		<u>( \$ 63,800)</u>	<u>( 4)</u>	<u>\$ 4,186</u>	<u>-</u>	<u>( \$ 51,401)</u>	<u>( 1)</u>	<u>\$ 14,166</u>	<u>1</u>
8500 Total comprehensive income for the year		<u>( \$ 565,068)</u>	<u>( 36)</u>	<u>( \$ 315,431)</u>	<u>( 16)</u>	<u>( \$ 876,273)</u>	<u>( 27)</u>	<u>\$ 288,462</u>	<u>8</u>
Net Incomes (Losses) Attributable to:									
8610 Parent Company		( \$ 395,782)	( 25)	( \$ 244,849)	( 12)	( \$ 652,717)	( 20)	\$ 429,360	11
8620 Non-controlling Interests		( 105,486)	( 7)	( 74,768)	( 4)	( 172,155)	( 6)	( 155,064)	( 4)
Total		<u>( \$ 501,268)</u>	<u>( 32)</u>	<u>( \$ 319,617)</u>	<u>( 16)</u>	<u>( \$ 824,872)</u>	<u>( 26)</u>	<u>\$ 274,296</u>	<u>7</u>
Total Comprehensive Incomes (Losses) Attributable to:									
8710 Parent Company		( \$ 459,582)	( 29)	( \$ 240,663)	( 12)	( \$ 704,118)	( 22)	\$ 443,526	12
8720 Non-controlling Interests		( 105,486)	( 7)	( 74,768)	( 4)	( 172,155)	( 5)	( 155,064)	( 4)
Total		<u>( \$ 565,068)</u>	<u>( 36)</u>	<u>( \$ 315,431)</u>	<u>( 16)</u>	<u>( \$ 876,273)</u>	<u>( 27)</u>	<u>\$ 288,462</u>	<u>8</u>
Earnings (loss) per share	6(31)								
9750 Basic		<u>( \$ 1.85)</u>		<u>( \$ 1.15)</u>		<u>( \$ 3.05)</u>		<u>\$ 2.01</u>	
9850 Diluted		<u>( \$ 1.85)</u>		<u>( \$ 1.15)</u>		<u>( \$ 3.05)</u>		<u>\$ 1.86</u>	

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

Chairman: Sean Chen

Managerial Officer: Lidon Chen

Accounting Officer: Shu-Hua Lin

Taiwan Mask Corporation and Subsidiaries  
Consolidated Statement of Changes in Equity  
January 1 to June 30, 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					
		Capital stock	Capital surplus	Legal reserve	Unappropriated earnings	Financial statement translation differences of foreign operations	Unrealized gain (loss) on investments on financial assets at fair value through other comprehensive income	Treasury stock			Total
<u>January 1 to June 30, 2024</u>											
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
Profit (loss) for the year		-	-	-	429,360	-	-	-	429,360	( 155,064 )	274,296
Other Comprehensive Profit or Loss	6(22)	-	-	-	-	14,166	-	-	14,166	-	14,166
Total comprehensive income for the year		-	-	-	429,360	14,166	-	-	443,526	( 155,064 )	288,462
Distribution and appropriation of earnings for 2023											
Legal capital reserve		-	-	36,498	( 36,498 )	-	-	-	-	-	-
Cash dividends		-	-	-	( 373,477 )	-	-	-	( 373,477 )	-	( 373,477 )
Changes in ownership interests in subsidiaries recognized	6(20)	-	786	-	-	-	-	-	786	( 368 )	418
Subsidiaries donated treasury stock	6(19)	-	-	-	-	-	-	7,115	7,115	-	7,115
Balance as at June 30, 2024		<u>\$ 2,564,465</u>	<u>\$ 1,440,745</u>	<u>\$ 863,958</u>	<u>\$ 1,483,486</u>	<u>\$ 18,473</u>	<u>(\$ 2,666 )</u>	<u>(\$ 1,167,369 )</u>	<u>\$ 5,201,092</u>	<u>(\$ 168,670 )</u>	<u>\$ 5,032,422</u>
<u>January 1 to June 30, 2025</u>											
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		-	-	-	( 652,717 )	-	-	-	( 652,717 )	( 172,155 )	( 824,872 )
Other Comprehensive Profit or Loss	6(22)	-	-	-	-	( 51,792 )	391	-	( 51,401 )	-	( 51,401 )
Total comprehensive income for the year		-	-	-	( 652,717 )	( 51,792 )	391	-	( 704,118 )	( 172,155 )	( 876,273 )
Changes in ownership interests in subsidiaries recognized	6(20)	-	97,085	-	-	-	-	-	97,085	13,106	110,191
Changes in shares of affiliates and joint ventures recognized under the equity method	6(20)	-	( 6,673 )	-	-	-	-	-	( 6,673 )	-	( 6,673 )
Recognized impairment impact on receivables from subsidiaries	4(3)	-	-	-	( 583,316 )	-	-	-	( 583,316 )	583,316	-
Balance as at June 30, 2025		<u>\$ 2,564,562</u>	<u>\$ 1,622,453</u>	<u>\$ 863,958</u>	<u>(\$ 654,205 )</u>	<u>(\$ 28,978 )</u>	<u>(\$ 2,275 )</u>	<u>(\$ 1,167,369 )</u>	<u>\$ 3,198,146</u>	<u>\$ 101,007</u>	<u>\$ 3,299,153</u>

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

Chairman: Sean Chen

Managerial Officer: Lidon Chen

Accounting Officer: Shu-Hua Lin

Taiwan Mask Corporation and Subsidiaries  
Consolidated Statements of Cash Flows  
January 1 to June 30, 2025 and 2024

Unit: NT\$ Thousand

	Notes	January 1 to June 30, 2025	January 1 to June 30, 2024
<u>Cash Flow from Operating Activities</u>			
Net (loss) profit before tax for the period		( \$ 816,223 )	\$ 297,343
Adjustments to Reconcile Net Income to Net Cash Flow from Operating Activities			
Revenues and Expenses			
Depreciation	6 (7)(8)(10)(28)	726,728	623,609
Amortization	6(11)(28)	38,958	48,675
Expected loss on credit impairment	12(2)	6,585	39,700
Interest income	6(24)	( 7,919 )	( 16,362 )
Interest Expenses	6(27)	159,997	173,510
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)	401,005	( 294,468 )
Gain (loss) on disposal of investments	6(6)(26)	( 49,191 )	( 45 )
Share of losses of affiliated companies recognized under the equity method	6(6)	30,743	25,872
Disposal of interests in property, plant and equipment	6(26)	( 30,032 )	( 13,950 )
Gain on lease modifications	6(8)(26)	( 32 )	( 1,459 )
Goodwill impairment loss	6(11)(12) (26)	23,666	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		767,910	( 20,022 )
Contract Assets		30,542	22,174
Notes Receivables	(	11,525 )	1,915
Accounts Receivables		331,255	( 129,541 )
Accounts Receivables— Related Parties		2,311	( 1,406 )
Other Receivables		11,021	7,152
Other Receivables— Related Parties	(	718 )	( 820 )
Inventories		33,398	( 104,317 )
Prepayments	(	1,528 )	( 40,781 )
Other Current Assets		7,075	( 4,405 )
Other Non-Current Assets		893	( 114 )
Net Changes of Liabilities related to Operating Activities			
Contract Liabilities		69,342	( 45,507 )
Notes Payable		1,412	9,731
Accounts Payable	(	162,598 )	( 871 )
Other Payables		267,738	63,310
Provisions		2,392	( 1,253 )
Other Current Liabilities	(	13,249 )	14,459
Defined Benefit Liabilities	(	3,412 )	( 1,116 )
Net Cash In-Flow from Operating		1,816,544	685,518
Interest Received		7,919	16,362
Interest Paid	(	132,826 )	( 149,902 )
Income Tax Paid	(	9,419 )	( 22,804 )
Net Cash In-Flow (Out-Flow) from Operating Activities		1,682,218	529,174

(Continued)

Taiwan Mask Corporation and Subsidiaries  
Consolidated Statements of Cash Flows  
January 1 to June 30, 2025 and 2024

Unit: NT\$ Thousand

	Notes	January 1 to June 30, 2025	January 1 to June 30, 2024
<u>Cash Flow from Investment Activities</u>			
Acquisition of Amortized Cost Financial Assets	6(3)	( \$ 48,878 )	( \$ 122,719 )
Disposal of Amortized Cost Financial Assets	6(3)	61,900	132,899
Acquisition of investment property by the Equity Method	6(6)	-	( 440,400 )
Proceeds from disposal of investments accounted for using the equity method	6(6)	60,616	-
Acquisition of Property, Plants and Equipment	6 (7)(32)	( 958,714 )	( 943,157 )
Disposal of Property, Plants and Equipment	6(7)	95,176	36,859
Acquisition of Intangible Assets	6(11)	( 117 )	( 3,578 )
Increase in refundable deposit		( 10,878 )	( 969 )
Decrease of Guarantee Deposits		<u>27,908</u>	<u>-</u>
Net Cash Outflow from Investing Activities		( <u>772,987</u> )	( <u>1,341,065</u> )
<u>Cash Flows from Financing Activities</u>			
Increase of Short Term Loan	6 (33)	3,739,745	9,761,032
Redemption of Short Term Loan	6 (33)	( 5,144,131 )	( 8,821,244 )
Increase of Long Term Loan	6 (33)	818,500	644,579
Redemption of Long Term Loan	6 (33)	( 836,332 )	( 571,752 )
Repayment of corporate bonds	6 (33)	-	( 299,417 )
Redemption of Lease Principal	6 (33)	( 21,791 )	( 25,207 )
Increase in Guarantee Deposits Received	6 (33)	31	-
Decrease of Guarantee Deposits Received	6 (33)	( 33,890 )	( 7,004 )
Cash increase of non-controlling equity in Subsidiaries	4(3)	<u>109,796</u>	<u>111,958</u>
Net cash (outflow) inflow in funding activities		( <u>1,368,072</u> )	<u>792,945</u>
Adjustments of Exchange Rate		( <u>36,178</u> )	<u>8,619</u>
Increase (Decrease) in Cash and Cash Equivalents		( 495,019 )	( 10,327 )
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>\$ 935,523</u>	<u>\$ 1,353,779</u>

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

Chairman: Sean Chen

Managerial Officer: Lidon Chen

Accounting Officer: Shu-Hua Lin

Taiwan Mask Corporation and Subsidiaries  
Notes to the Consolidated Financial Statements  
Q2 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 August 1, 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"	<u>IASB</u> 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 IASB</u>
Amendments to certain provisions of IFRS 9 and IFRS 7 regarding the “Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026
Amendments to IFRS 9 and IFRS 7, Sale “Power Purchase Agreement”	January 1, 2026
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 - Comparative Information"	January 1, 2023
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.

(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 IASB</u>
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 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027
IFRS 19 “Subsidiaries without Public Accountability: Disclosures”	January 1, 2027

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:

			<u>Ownership (%)</u>			<u>Explanation</u>
<u>Name of Investment</u>			<u>June 30,</u>	<u>December</u>	<u>June 30,</u>	
<u>Company</u>	<u>Name of Subsidiary</u>	<u>Main Business Activity</u>	<u>2025</u>	<u>31, 2024</u>	<u>2024</u>	
Taiwan Mask Corporation	SunnyLake Park International Holding, Inc.	Name of Investor	100	100	100	Note 6
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	
Taiwan Mask Corporation	Innova Vision INC.	Manufacturing, retail, wholesale and international trade of medical equipment	66.71	75.32	75.32	Note 4, Note 6

<u>Name of Investment</u>			<u>Ownership (%)</u>			<u>Explanation</u>
			<u>June 30,</u> <u>2025</u>	<u>December</u> <u>31, 2024</u>	<u>June 30,</u> <u>2024</u>	
<u>Company</u>	<u>Name of Subsidiary</u>	<u>Main Business Activity</u>				
Taiwan Mask Corporation	One Test Systems	Research, development and design of test equipment and related components	100	100	100	Note 6
Taiwan Mask Corporation	Pilot Energy Co., Ltd.	Electronic parts and components and energy technical services	20.00	20.00	20.00	Note 3, Note 6
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 6
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, Note 6
Youe Chung Capital Corporation	Xsense Technology Corporation	Name of Investor	100	100	100	Note 6
Youe Chung Capital Corporation	Xsense Technology Corporation (B.V.I.) Taiwan Branch	Precious metal coating	53.00	53.00	53.00	Note 6
Youe Chung Capital Corporation	Digital-Can Tech. Co., Ltd.	3D Printing and Plastic Mold Design	57.39	57.39	57.39	Note 6
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 6
Youe Chung Capital Corporation	Moment Semiconductor, Inc.	Retail and wholesale of memory products	52.84	52.84	53.33	Note 1, Note 6
Aptos Technology INC.	New Sunrise Limited	Name of Investor	100	100	100	Note 6
Pilot Energy Co., Ltd.	ADL Energy Corp	Electronic parts and components and energy technical services	100	100	100	Note 6
ADL Energy Corp	Aptos Global Holding Corp.	Name of Investor	100	100	100	Note 6
Miracle Technology CO., LTD.	Jing Hao Investment Co., Ltd.	Name of Investor	100	100	100	Note 6
Miracle Technology CO., LTD.	Miracle International Enterprise (Shanghai) Co., Ltd.	Electronics components manufacturing, electronics materials and precision equipment distribution and power component design	100	100	100	Note 6
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 6
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 6
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 6
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 6
Innova Vision INC.	Innova Technology	Medical equipment retail and	100	100	100	Note 6



<u>Name of Investment Company</u>	<u>Name of Subsidiary</u>	<u>Main Business Activity</u>	<u>Ownership (%)</u>			<u>Explanation</u>
			<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>	
Innova Vision INC.	Innova Vision (B.V.I.) Inc.	Name of Investor	100	100	100	Note 6
Innova Vision INC.	iPro Vision Inc.	Medical equipment retail and wholesale	52.03	52.03	52.03	Note 6
Innova Vision (B.V.I.) Inc.	iPro Vision Inc.	Medical equipment retail and wholesale	47.97	47.97	47.97	Note 6

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 shareholders' meeting of Aptos Technology INC. passed a resolution to dissolve the company in June 2025 and filed for bankruptcy with the court in the same month. As of the date of these consolidated financial statements, the liquidation process has not yet been completed.

Note 6: The financial statements of the entity as of and for the three months ended June 30, 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 June 30, 2025, December 31 and June 30, 2024 were NT\$101,007, NT\$(323,260) and NT\$(168,670), respectively. The following information shows subsidiaries that have non-controlling interests that are material to the Group:

<u>Name of Subsidiary</u>	<u>Main location of business</u>	<u>Non-controlling Interests</u>					<u>Explanation</u>
		<u>June 30, 2025</u>		<u>December 31, 2024</u>			
		<u>Amount</u>	<u>Ownership percentage</u>	<u>Amount</u>	<u>Ownership percentage</u>		
Aptos Technology and its subsidiaries	Taiwan	(\$ 71,559)	52.81%	(\$ 372,100)	52.81%		
Xsense Technology Corporation (B.V.I.) Taiwan Branch	Taiwan	( 57,314)	47.00%	( 163,673)	47.00%		
Pilot Energy Co., Ltd. and its subsidiaries	Taiwan	179,526	41.11%	176,835	41.11%		

<u>Name of Subsidiary</u>	<u>Main location of business</u>	<u>June 30, 2024</u>			<u>Explanation</u>
		<u>Amount</u>	<u>Ratio of Share Percentage</u>		
Aptos Technology and its subsidiaries	Taiwan	(\$ 313,375)	52.81%		
Xsense Technology Corporation (B.V.I.) Taiwan Branch	Taiwan	( 98,228)	47.00%		
Pilot Energy Co., Ltd. and its subsidiaries	Taiwan	198,736	41.11%		

Aggregate financial information of subsidiaries:

Balance Sheet

	<u>Aptos Technology and its subsidiaries</u>		
	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Current assets	\$ 20,959	\$ 103,917	\$ 186,876
Non-Current Assets	11,612	357,565	401,831
Current liabilities	( 726,279)	( 908,842)	( 882,764)
Non-current liabilities	( 61)	( 257,219)	( 299,325)
Total net assets	(\$ 693,769)	(\$ 704,579)	(\$ 593,382)

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

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Current assets	\$ 167,982	\$ 296,422	\$ 468,913
Non-Current Assets	189,626	250,523	249,012
Current liabilities	( 703,483)	( 741,059)	( 852,870)
Non-current liabilities	( 127,873)	( 154,097)	( 74,032)
Total net assets	<u>(\$ 473,748)</u>	<u>(\$ 348,211)</u>	<u>(\$ 208,977)</u>

Pilot Energy Co., Ltd. and its subsidiaries

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Current assets	\$ 217,015	\$ 246,193	\$ 351,683
Non-Current Assets	427,465	388,182	203,229
Current liabilities	( 178,295)	( 166,838)	( 78,502)
Non-current liabilities	( 194,140)	( 165,666)	( 127,848)
Total net assets	<u>\$ 272,045</u>	<u>\$ 301,871</u>	<u>\$ 348,562</u>

Statement of Comprehensive Income

Aptos Technology and its subsidiaries

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Revenue	<u>\$ 69,329</u>	<u>\$ 135,725</u>
Net loss before taxes	( 59,371)	( 69,205)
Income tax benefits	-	-
Net loss of current period from continuing operations	<u>( 59,371)</u>	<u>( 69,205)</u>
Net loss	( 59,371)	( 69,205)
Other comprehensive income (net after tax)	-	-
Total comprehensive income for the year	<u>(\$ 59,371)</u>	<u>(\$ 69,205)</u>

Aptos Technology and its subsidiaries

	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Revenue	<u>\$ 130,653</u>	<u>\$ 189,615</u>
Net loss before taxes	( 72,190)	( 123,308)
Income tax benefits	-	-
Net loss of current period from continuing operations	<u>( 72,190)</u>	<u>( 123,308)</u>
Net loss	( 72,190)	( 123,308)
Other comprehensive income (net after tax)	-	-
Total comprehensive income for the year	<u>(\$ 72,190)</u>	<u>(\$ 123,308)</u>

	<u>Xsense Technology Corporation (B.V.I.) Taiwan Branch</u>	
	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Revenue	\$ 72,312	\$ 196,069
Net loss before taxes	( 49,053)	( 18,563)
Income tax benefits	-	-
Net loss of current period from continuing operations	( 49,053)	( 18,563)
Net loss	( 49,053)	( 18,563)
Other comprehensive income (net after tax)	-	-
Total comprehensive income for the year	(\$ 49,053)	(\$ 18,563)

	<u>Xsense Technology Corporation (B.V.I.) Taiwan Branch</u>	
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Revenue	\$ 147,000	\$ 352,491
Net loss before taxes	( 125,537)	( 54,381)
Income tax benefits	-	-
Net loss of current period from continuing operations	( 125,537)	( 54,381)
Net loss	( 125,537)	( 54,381)
Other comprehensive income (net after tax)	-	-
Total comprehensive income for the year	(\$ 125,537)	(\$ 54,381)

	<u>Pilot Energy Co., Ltd. and its subsidiaries</u>	
	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Revenue	\$ 65,881	\$ 14,760
Net loss before taxes	( 14,396)	( 28,128)
Income tax benefits	-	-
Net loss of current period from continuing operations	( 14,396)	( 28,128)
Net loss	( 14,396)	( 28,128)
Other comprehensive income (net after tax)	-	-
Total comprehensive income for the year	(\$ 14,396)	(\$ 28,128)

	<u>Pilot Energy Co., Ltd. and its subsidiaries</u>	
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Revenue	\$ 94,462	\$ 72,728
Net loss before taxes	( 34,490)	( 56,835)
Income tax benefits	-	-
Net loss of current period from continuing operations	( 34,490)	( 56,835)
Net loss	( 34,490)	( 56,835)
Other comprehensive income (net after tax)	-	-
Total comprehensive income for the year	(\$ 34,490)	(\$ 56,835)

Statements of Cash Flows

	<u>Aptos Technology and its subsidiaries</u>	
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Cash In-Flow (Out-Flow) from Operating Activities	\$ 190,836	(\$ 67,304)
Net cash (outflow) inflow in investing activities	8,487	2,821
Net cash (outflow) inflow in funding activities	( 196,221)	11,491
Net increase (decrease) in cash and cash equivalents	3,102	( 52,992)
Beginning Balance of Cash and Cash Equivalents	11,282	57,865
Ending Balance of Cash and Cash Equivalents	<u>\$ 14,384</u>	<u>\$ 4,873</u>
	<u>Xsense Technology Corporation (B.V.I.) Taiwan Branch</u>	
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Cash In-Flow (Out-Flow) from Operating Activities	\$ 23,092	(\$ 79,219)
Net cash (outflow) inflow in investing activities	15,523	( 14,023)
Net cash (outflow) inflow in funding activities	( 98,989)	54,826
Net increase (decrease) in cash and cash equivalents	( 60,374)	( 38,416)
Beginning Balance of Cash and Cash Equivalents	65,060	49,823
Ending Balance of Cash and Cash Equivalents	<u>\$ 4,686</u>	<u>\$ 11,407</u>
	<u>Pilot Energy Co., Ltd. and its subsidiaries</u>	
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Cash In-Flow (Out-Flow) from Operating Activities	(\$ 19,553)	\$ 46,188
Net cash (outflow) inflow in investing activities	( 90,805)	( 152,802)
Net cash (outflow) inflow in funding activities	69,618	( 63,260)
Net increase (decrease) in cash and cash equivalents	( 40,740)	( 169,874)
Beginning Balance of Cash and Cash Equivalents	59,897	231,797
Ending Balance of Cash and Cash Equivalents	<u>\$ 19,157</u>	<u>\$ 61,923</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\$583,316. 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>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Cash on hand	\$ 500	\$ 396	\$ 731
Checking accounts and demand deposits	935,023	1,426,654	1,316,743
Time deposits	-	3,492	36,305
Total	<u>\$ 935,523</u>	<u>\$ 1,430,542</u>	<u>\$ 1,353,779</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>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Current items:			
Mandatory financial assets at fair value through profit or loss			
Shares of listed and OTC company	\$ 2,558,695	\$ 3,469,504	\$ 1,351,033
Valuation adjustment	( 603,073)	( 340,429)	340,609
	<u>\$ 1,955,622</u>	<u>\$ 3,129,075</u>	<u>\$ 1,691,642</u>
Financial liabilities mandatorily measured at fair value through profit or loss			
Convertible bond call/put options	(\$ 30,694)	(\$ 19,204)	(\$ 5,864)
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	24,516	125,674	125,515
Limited partnership	120,302	95,302	100,000
	244,718	308,376	2,915,019
Valuation adjustment	( 41,449)	( 121,135)	227,069
	<u>\$ 203,269</u>	<u>\$ 187,241</u>	<u>\$ 3,142,088</u>

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

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Financial assets mandatorily measured at fair value through profit or loss		
Shares of listed and OTC company	(\$ 244,315)	(\$ 407,078)
Convertible bond call/put options	( 2,954)	5,195
Beneficiary certificates	-	-
Shares of non-listed and non-OTC company	-	( 1,736)
	<u>(\$ 247,269)</u>	<u>(\$ 403,619)</u>
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Financial assets mandatorily measured at fair value through profit or loss		
Shares of listed and OTC company	(\$ 389,515)	\$ 274,069
Convertible bond call/put options	( 11,490)	3,519
Beneficiary certificates	-	-
Shares of non-listed and non-OTC company	-	16,880
	<u>(\$ 401,005)</u>	<u>\$ 294,468</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

<u>Items</u>	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Current items:			
Demand Deposit	\$ 154,352	\$ 148,097	\$ 155,799
Time deposits	59,528	79,437	179,346
	<u>\$ 213,880</u>	<u>\$ 227,534</u>	<u>\$ 335,145</u>
Non-current items:			
Demand Deposit	\$ 382,809	\$ 384,710	\$ 292,110
Time deposits	263,910	282,341	289,047
Total	<u>\$ 646,719</u>	<u>\$ 667,051</u>	<u>\$ 581,157</u>

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

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Interest income	<u>\$ 2,731</u>	<u>\$ 2,753</u>
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Interest income	<u>\$ 4,684</u>	<u>\$ 5,317</u>



2. As of June 30, 2025, December 31, 2024 and June 30, 2024, without taking into account any collateral held or credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortized cost held by the Group was NT\$860,599, NT\$894,585 and NT\$916,302, 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>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Notes Receivables	<u>\$ 11,692</u>	<u>\$ 167</u>	<u>\$ 4,134</u>
Accounts Receivables	\$ 1,140,289	\$ 1,478,141	\$ 1,637,771
Accounts Receivables — Related Parties	<u>72</u>	<u>2,383</u>	<u>1,432</u>
	1,140,361	1,480,524	1,639,203
Less: Loss allowance	<u>( 110,750)</u>	<u>( 110,762)</u>	<u>( 69,124)</u>
	<u>\$ 1,029,611</u>	<u>\$ 1,369,762</u>	<u>\$ 1,570,079</u>

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

	<u>June 30, 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	\$ 850,928	\$ 11,692	\$ 1,041,381	\$ 167
Up to 30 days	128,577	-	142,862	-
31-90 days	32,641	-	116,488	-
91-180 days	9,835	-	43,381	-
More than 181 days past due	<u>118,380</u>	<u>-</u>	<u>136,412</u>	<u>-</u>
	<u>\$ 1,140,361</u>	<u>\$ 11,692</u>	<u>\$ 1,480,524</u>	<u>\$ 167</u>

  

	<u>June 30, 2024</u>	
	<u>Accounts Receivables</u>	<u>Notes Receivables</u>
Not past due	\$ 1,254,784	\$ 4,134
Up to 30 days	202,205	-
31-90 days	73,236	-
91-180 days	58,989	-
More than 181 days past due	<u>49,989</u>	<u>-</u>
	<u>\$ 1,639,203</u>	<u>\$ 4,134</u>

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

2. As of June 30, 2025, December 31 and June 30, 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.
3. While not considering collaterals or other credit enhancements, the accounts receivable and notes receivable held by the Group had the maximum exposure of credit risk at NT\$1,041,303, NT\$1,369,929 and NT\$1,574,213, respectively, as of June 30, 2025, December 31 and June 30 of 2024.
4. Please refer to Note 12 (2) for the information on credit risk of accounts receivable.

(V) Inventories

	<u>June 30, 2025</u>		
	<u>Cost</u>	<u>(Gain from reversal of) loss allowance on decline in market value of inventories</u>	<u>Book value</u>
Raw materials	\$ 291,127	(\$ 39,918)	\$ 251,209
Work in process	118,525	( 16,177)	102,348
Finished goods	199,798	( 9,429)	190,369
Merchandise	<u>170,087</u>	<u>( 23,630)</u>	<u>146,457</u>
Total	<u>\$ 779,537</u>	<u>(\$ 89,154)</u>	<u>\$ 690,383</u>

  

	<u>December 31, 2024</u>		
	<u>Cost</u>	<u>(Gain from reversal of) loss allowance on decline in market 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	141,455	( 25,216)	116,239
Merchandise	<u>259,813</u>	<u>( 23,473)</u>	<u>236,340</u>
Total	<u>\$ 878,730</u>	<u>(\$ 154,949)</u>	<u>\$ 723,781</u>

  

	<u>June 30, 2024</u>		
	<u>Cost</u>	<u>(Gain from reversal of) loss allowance on decline in market value of inventories</u>	<u>Book value</u>
Raw materials	\$ 317,820	(\$ 66,143)	\$ 251,677
Work in process	175,028	( 14,122)	160,906
Finished goods	239,498	( 33,705)	205,793
Merchandise	<u>202,213</u>	<u>( 14,449)</u>	<u>187,764</u>
Total	<u>\$ 934,559</u>	<u>(\$ 128,419)</u>	<u>\$ 806,140</u>

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

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Cost of goods sold	\$ 1,482,308	\$ 1,588,457
Inventory valuation losses and (recovery gains) or obsolescence losses	( 6,005)	28,618
Revenue from sales of leftovers	( 916)	( 1,127)
Others	-	1,544
	<u>\$ 1,475,387</u>	<u>\$ 1,617,492</u>
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Cost of goods sold	\$ 2,939,363	\$ 3,101,817
Inventory valuation losses and (recovery gains) or obsolescence losses	( 16,495)	34,747
Revenue from sales of leftovers	( 1,718)	( 1,127)
Others	-	1,901
	<u>\$ 2,921,150</u>	<u>\$ 3,137,338</u>

From April 1 to June 30, 2025 and January 1 to June 30, 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 decrease in operating costs.

(VI) Investment under Equity Method

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Affiliates:			
Advagene Biopharma Co., Ltd.	\$ 38,030	\$ 56,495	\$ 32,152
Weida Hi-Tech Co., Ltd.	20,178	25,851	22,479
TrueLight Corporation	374,720	388,848	401,072
BKS Tec Corp.	6,652	18,198	25,953
	<u>\$ 439,580</u>	<u>\$ 489,392</u>	<u>\$ 481,656</u>

1. Affiliates

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

		<u>Shareholding percentage</u>			
<u>Name of Company</u>	<u>Main location of business</u>	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 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>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Current assets	\$ 592,558	\$ 729,988	\$ 961,497
Non-Current Assets	662,762	622,913	644,866
Current liabilities	( 200,892)	( 222,706)	( 440,053)
Non-current liabilities	( 214,310)	( 173,413)	( 106,538)
Total net assets	<u>\$ 840,118</u>	<u>\$ 956,782</u>	<u>\$ 1,059,772</u>
Proportion of net assets attributable to the related party	\$ 101,742	\$ 115,870	\$ 128,094
Goodwill	<u>272,978</u>	<u>272,978</u>	<u>272,978</u>
Book value of affiliates	<u>\$ 374,720</u>	<u>\$ 388,848</u>	<u>\$ 401,072</u>

Statement of Comprehensive Income

	<u>TrueLight Corporation</u>	
	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Revenue	\$ 285,591	\$ 138,628
Net income of current period from continuing operations	(\$ 56,464)	(\$ 62,002)
Other comprehensive income (net after tax)	-	-
Total comprehensive income for the year	<u>(\$ 56,464)</u>	<u>(\$ 62,002)</u>
Dividends received from related parties	<u>\$ -</u>	<u>\$ -</u>

	<u>TrueLight Corporation</u>	
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Revenue	\$ 355,278	\$ 283,920
Net loss of current period from continuing operations	(\$ 52,774)	(\$ 135,042)
Other comprehensive income (net after tax)	-	-
Total comprehensive income for the year	<u>(\$ 52,774)</u>	<u>(\$ 135,042)</u>
Dividends received from related parties	<u>\$ -</u>	<u>\$ -</u>

- (3) The book value and the share of operating results of each of the Group's insignificant affiliates are summarized as follows:

As of June 30, 2025, December 31 and June 30, 2024 the total amount of individual non-

material associates of the Group was NT\$64,860, NT\$100,544, and NT\$80,584, respectively.

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Total comprehensive income for the year	(\$ <u>16,057</u> )	(\$ <u>7,524</u> )
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Total comprehensive income for the year	(\$ <u>24,394</u> )	(\$ <u>16,992</u> )

2. As of June 30, 2025, December 31, 2024 and June 30, 2024, the Group held 20.29%, 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. and 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.
3. The Group sold the shares of Advagene Biopharma Co., Ltd. from January to June 2025, resulting in a decrease in shareholding from 25.62% to 20.29%; a gain on disposal of investments of NT\$49,191 was recognized.
4. 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 June 30, 2024, 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.
5. 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 June 30, 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.
6. For the three months and six months ended June 30, 2025 and 2024, the audited company TrueLight Corporation, the investment income (loss) of 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, <u>2025</u>	\$ 1,901,064	\$ 6,238,768	\$ 39,445	\$ 3,720	\$ 28,738	\$ 581,815	\$ 1,588,591	\$ 10,382,141
Add - Cost	19,152	42,353	4,897	270	-	38,118	800,326	905,116
Disposals - Cost	-	( 466,182)	( 245)	( 1,520)	( 5,338)	( 1,857)	-	( 475,142)
Disposal - Accumulated depreciation	-	401,232	245	1,326	5,338	1,857	-	409,998
Depreciation	( 114,462)	( 486,889)	( 9,931)	( 646)	( 3,915)	( 86,171)	-	( 702,014)
Reclassification	( 15,552)	791,489	-	-	3,700	( 8,519)	( 798,923)	( 27,805)
June 30	<u>\$ 1,790,202</u>	<u>\$ 6,520,771</u>	<u>\$ 34,411</u>	<u>\$ 3,150</u>	<u>\$ 28,523</u>	<u>\$ 525,243</u>	<u>\$ 1,589,994</u>	<u>\$ 10,492,294</u>
June 30, 2025								
Cost	\$ 3,060,756	\$ 9,969,832	\$ 112,170	\$ 8,077	\$ 63,457	\$ 1,018,309	\$ 1,589,994	\$ 15,822,595
Accumulated depreciation	( 1,270,554)	( 3,449,061)	( 77,759)	( 4,927)	( 34,934)	( 493,066)	-	( 5,330,301)
	<u>\$ 1,790,202</u>	<u>\$ 6,520,771</u>	<u>\$ 34,411</u>	<u>\$ 3,150</u>	<u>\$ 28,523</u>	<u>\$ 525,243</u>	<u>\$ 1,589,994</u>	<u>\$ 10,492,294</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>	<u>Total</u>
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, <u>2024</u>	\$ 2,027,849	\$ 5,699,354	\$ 38,412	\$ 4,934	\$ 34,661	\$ 524,285	\$ 1,162,876	\$ 9,492,391
Add - Cost	42,437	227,004	6,835	-	2,610	63,506	469,893	812,285
Disposals - Cost	-	( 91,040)	( 714)	-	-	( 130)	-	( 91,884)
Disposal - Accumulated depreciation	-	68,131	714	-	-	130	-	68,975
Depreciation	( 110,005)	( 396,346)	( 8,918)	( 746)	( 4,864)	( 74,017)	-	( 594,896)
Reclassification	<u>14,252</u>	<u>485,527</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,077</u>	<u>( 499,938)</u>	<u>8,918</u>
June 30	<u>\$ 1,974,553</u>	<u>\$ 5,992,630</u>	<u>\$ 36,329</u>	<u>\$ 4,188</u>	<u>\$ 32,407</u>	<u>\$ 522,851</u>	<u>\$ 1,132,831</u>	<u>\$ 9,695,789</u>
June 30, 2024								
Cost	\$ 3,023,045	\$ 9,000,851	\$ 95,149	\$ 11,826	\$ 340,588	\$ 836,982	\$ 1,132,831	\$ 14,441,272
Accumulated depreciation	( 1,048,492)	( 3,008,221)	( 58,820)	( 7,638)	( 308,181)	( 314,131)	-	( 4,745,483)
	<u>\$ 1,974,553</u>	<u>\$ 5,992,630</u>	<u>\$ 36,329</u>	<u>\$ 4,188</u>	<u>\$ 32,407</u>	<u>\$ 522,851</u>	<u>\$ 1,132,831</u>	<u>\$ 9,695,789</u>

1. The Group had no interest capitalization for investment property in the period between January 1 and June 30, 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>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
	<u>Book value</u>	<u>Book value</u>	<u>Book value</u>
Land	\$ 314,272	\$ 331,679	\$ 472,947
Buildings and structures	9,467	15,268	17,935
Transportation equipment (company vehicles)	15,098	17,911	15,630
Other equipment	56,679	59,406	38,158
	<u>\$ 395,516</u>	<u>\$ 424,264</u>	<u>\$ 544,670</u>

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
	<u>Depreciation</u>	<u>Depreciation</u>
Land	\$ 4,474	\$ 6,501
Buildings and structures	2,864	3,006
Transportation equipment (company vehicles)	2,843	2,906
Other equipment	1,205	823
	<u>\$ 11,386</u>	<u>\$ 13,236</u>

	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
	<u>Depreciation</u>	<u>Depreciation</u>
Land	\$ 8,947	\$ 13,002
Buildings and structures	6,008	6,425
Transportation equipment (company vehicles)	5,487	5,943
Other equipment	2,408	1,647
	<u>\$ 22,850</u>	<u>\$ 27,017</u>

3. For the period between January 1 and June 30, 2025 and 2024, the increase (decrease) in the right-of-use assets was (NT\$5,898) and NT\$17,057, respectively.



4. The information on profit or loss items related to lease contracts is as follows:

	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
<u>Items affecting current profit and loss</u>		
Interest expenses on lease liabilities	\$ 3,106	\$ 3,812
Expenses for short-term lease contracts	1,382	2,734
Lease of low-value assets	1,054	1,225
Gain on lease modifications	32	1,459

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
<u>Items affecting current profit and loss</u>		
Interest expenses on lease liabilities	\$ 1,531	\$ 1,934
Expenses for short-term lease contracts	764	2,210
Lease of low-value assets	386	76
Gain on lease modifications	8	591

5. For the six months ended June 30, 2025 and 2024, the Group's total cash outflow for leases were NT\$27,333 and NT\$32,980, 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\$5,432, NT\$5,566, NT\$10,854 and NT\$9,975 based on operating lease contracts in the periods between April 1 and June 30 of 2025 and 2024 and between January 1 and June 30 of 2025 and 2024, respectively, and none of the lease contracts was a variable lease payment.
4. The maturity analysis of the undiscounted lease payments under the operating leases is as follows:

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
2024	\$ -	\$ -	\$ 8,406
2025	8,512	18,261	-
	<u>\$ 8,512</u>	<u>\$ 18,261</u>	<u>\$ 8,406</u>

(X) Real estate investment

	<u>Buildings and structures</u>
January 1, 2025	
Cost	\$ 192,176
Accumulated depreciation	( 25,067)
	<u>\$ 167,109</u>
January 1, <u>2025</u>	
	\$ 167,109
Reclassification for the period -- Cost	16,874
Reclassification for the period -- Accumulated depreciation	( 1,322)
Depreciation	( 1,864)
June 30	<u>\$ 180,797</u>
June 30, 2025	
Cost	\$ 209,050
Accumulated depreciation	( 28,253)
	<u>\$ 180,797</u>
	<u>Buildings and structures</u>
January 1, 2024	
Cost	\$ 192,176
Accumulated depreciation	( 21,676)
	<u>\$ 170,500</u>
January 1, <u>2024</u>	
	\$ 170,500
Depreciation	( 1,696)
June 30	<u>\$ 168,804</u>
June 30, 2024	
Cost	\$ 192,176
Accumulated depreciation	( 23,372)
	<u>\$ 168,804</u>

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

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Rental income from investment property	\$ <u>5,432</u>	\$ <u>5,566</u>
Direct operating expenses incurred by investment property that generates rental income for the period	\$ <u>1,103</u>	\$ <u>866</u>
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Rental income from investment property	\$ <u>10,854</u>	\$ <u>9,975</u>
Direct operating expenses incurred by investment property that generates rental income for the period	\$ <u>2,250</u>	\$ <u>1,733</u>

2. The fair value of investment property held by the Group as of June 30, 2025, December 31, 2024 and June 30, 2024 was NT\$285,223, NT\$271,457 and NT\$159,256, respectively, which were measured using income approach and were classified as Level 3 fair value with the following key assumptions:

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Discount rate	3.49%~4.17%	3.36%~5.65%	3.75%~5.89%
Annual rent (net income)	\$ 19,606	\$ 17,955	\$ 15,507
Number of years	45~50	45~50	45~50

3. No capitalization of interest for investment property in the period between January 1 and June 30, 2025 and 2024.
4. As of June 30, 2025, December 31, 2024 and June 30, 2024, the investment property was pledged as collaterals, please refer to Note 8 for details.

(XI)

	<u>2025</u>					
	<u>Trademark and</u>	<u>Computer</u>				
	<u>concession</u>	<u>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	( 13,542)	( 14,199)	( 7,884)	( 3,333)	-	( 38,958)
Reclassification	-	-	( 337)	-	-	( 337)
Impairment loss	-	-	-	-	( 23,666)	( 23,666)
June 30	<u>\$ 166,281</u>	<u>\$ 17,557</u>	<u>\$ 145,750</u>	<u>\$ 17,778</u>	<u>\$ 244,570</u>	<u>\$ 591,936</u>
June 30						
Cost	\$ 276,588	\$ 126,937	\$ 179,361	\$ 33,333	\$ 295,626	\$ 911,845
Accumulated amortization and impairments	( 110,307)	( 109,380)	( 33,611)	( 15,555)	( 51,056)	( 319,909)
	<u>\$ 166,281</u>	<u>\$ 17,557</u>	<u>\$ 145,750</u>	<u>\$ 17,778</u>	<u>\$ 244,570</u>	<u>\$ 591,936</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	-	778	2,800	-	-	3,578
Amortization expense	( 13,472)	( 14,633)	( 11,680)	( 8,890)	-	( 48,675)
Impairment loss	-	-	-	-	( 27,390)	( 27,390)
June 30	<u>\$ 188,060</u>	<u>\$ 42,012</u>	<u>\$ 136,497</u>	<u>\$ 24,443</u>	<u>\$ 268,236</u>	<u>\$ 659,248</u>
June 30						
Cost	\$ 280,614	\$ 140,728	\$ 152,399	\$ 33,333	\$ 295,626	\$ 902,700
Accumulated amortization and impairments	( 92,554)	( 98,716)	( 15,902)	( 8,890)	( 27,390)	( 243,452)
	<u>\$ 188,060</u>	<u>\$ 42,012</u>	<u>\$ 136,497</u>	<u>\$ 24,443</u>	<u>\$ 268,236</u>	<u>\$ 659,248</u>

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

<u>June 30, 2025</u>		<u>December 31, 2024</u>	
<u>Photomask and semiconductor segment</u>	<u>Medical segment</u>	<u>Photomask and semiconductor segment</u>	<u>Medical segment</u>
<u>\$ 201,322</u>	<u>\$ 43,248</u>	<u>\$ 224,988</u>	<u>\$ 43,248</u>
<u>June 30, 2024</u>		<u>June 30, 2024</u>	
<u>Photomask and semiconductor segment</u>	<u>Medical segment</u>	<u>Photomask and semiconductor segment</u>	<u>Medical segment</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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 from April 1 to June 30, 2025 and 2024 and from January 1 to June 30, 2025 and 2024 by department are disclosed as follows:

	<u>Recognized in profit or loss</u>	
	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Photomask and semiconductor segment	<u>\$ 23,666</u>	<u>\$ -</u>
	<u>Recognized in profit or loss</u>	
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Photomask and semiconductor segment	<u>\$ 23,666</u>	<u>\$ 27,390</u>

2. As business conditions were not as good as expected, and the recoverable amount was estimated to be less than the book value, an impairment loss of NT\$23,666 and NT\$27,390 was recognized in 2025 and 2024, respectively.

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>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Prepayments for equipment	\$ 357,813	\$ 427,812	\$ 543,884
Refundable Deposit	59,528	76,558	91,495
Others	<u>1,198</u>	<u>2,091</u>	<u>1,783</u>
Total	<u>\$ 418,539</u>	<u>\$ 506,461</u>	<u>\$ 637,162</u>

(XIV) Short Term Loans

<u>Type of borrowings</u>	<u>June 30, 2025</u>	<u>Range of interest rate</u>	<u>Collateral</u>
Bank borrowings			
Credit loan	\$ 2,257,686	1.6%~4.204%	None
Secured borrowings	2,424,301	0.5%~3.125%	Certificates of deposit, reserve accounts (Note), stocks of listed and OTC companies and treasury stock
Other borrowings (Related Parties)			
Credit loan	106,876	2.7%	None
	<u>\$ 4,788,863</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	110,969	2.7%	None
	<u>\$ 6,200,355</u>		
 Type of borrowings	 June 30, 2024	 Range of interest rate	 Collateral
Bank borrowings			
Credit loan	\$ 1,943,503	0.84%~4.09%	None
Secured borrowings	4,365,655	1.20%~4.01%	Certificates of deposit, reserve accounts (Note), stocks of listed and OTC companies and treasury stock
Other borrowings			
Credit loan	60,402	2.70%	None
	<u>\$ 6,369,560</u>		

For the three months ended June 30, 2025 and 2024, and the six months ended June 30, 2025 and 2024, the Group's interest expense from the borrowings recognized in profit or loss were NT\$29,711, NT\$36,086, NT\$64,256 and NT\$68,573, respectively.

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

(XV) Other Payables

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Payable on machinery and equipment	\$ 526,137	\$ 649,734	\$ 489,429
Machine maintenance payable	156,980	55,693	53,459
Payroll and bonus payable	136,460	156,053	117,938
Remunerations payable to employees and directors	129	168	151,978
Dividends payable	-	-	373,477
Others	<u>555,862</u>	<u>375,181</u>	<u>460,439</u>
	<u>\$ 1,375,568</u>	<u>\$ 1,236,829</u>	<u>\$ 1,646,720</u>

(XVI) Corporate bonds payable

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Corporate bonds payable	\$ 4,300,000	\$ 4,300,000	\$ 3,500,000
Less: Amount of exercised conversion options	( 325,200)	( 325,200)	( 324,400)
Less: Discount on corporate bonds payable	<u>( 23,474)</u>	<u>( 32,828)</u>	<u>( 41,021)</u>
	3,951,326	3,941,972	3,134,579
Less: Corporate bonds with the put option exercised	( 33,400)	( 33,400)	-
Less: Corporate bonds redeemed early	( 299,416)	( 299,416)	-
Less: Corporate bonds with the call option exercised in one year	<u>( 1,622,272)</u>	<u>-</u>	<u>-</u>
	<u>\$ 1,996,238</u>	<u>\$ 3,609,156</u>	<u>\$ 3,134,579</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 June 30, 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 June 30, 2025, a total amount of NT\$325,200 had been converted into 3,743 thousand shares of common stock.
- (7) As of June 30, 2025, 334 convertible bonds were repurchased at the price of NT\$100 per bond; the repurchase amount was NT\$33,400.
- (8) During the issuance of the convertible bonds of the Group, according to the regulations of IAS 32 "Financial Instruments: Presentation", the conversion right of equity nature is separated from the liability component, which is recognized under the "Capital surplus - subscription right" at an amount of 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%.

## 2. 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.

### 3. 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.

### 4. 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.

### 5. 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.

6. 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>June 30, 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)	\$ 21,092
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 28, 2022 to December 28, 2032, repayable in portions and in installments during the term specified in the agreement	2.30%~ 2.58%	Houses and buildings and investment property	1,171,053
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	225,535
Secured borrowings	From December 29, 2022 to March 24, 2030, to be repaid in installments and installments over the agreed period	2.33%~ 3.02%	Machinery and equipment	1,418,529
Other long-term borrowings				
Credit loan	From October 5, 2023 to January 2, 2027, to be repaid in installments and installments over the agreed period	4.96%~ 7.80%	None	60,869
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	627,379
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	283,427
				-
				4,307,884
Less: Current portion of long-term borrowings				( 1,345,308)
				<u>\$ 2,962,576</u>

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
				-
				4,315,087
Less: Current portion of long-term borrowings				( 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>June 30, 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%~2.68%	Houses and buildings and investment property	\$ 1,348,026
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%~3.23%	Plant and land	129,599
Secured borrowings	From January 5, 2021 to July 5, 2028, to be repaid in installments and installments over the agreed period	2.38%~4.34%	Machinery and equipment	893,463
Credit loan	From January 24, 2022 to January 24, 2027, to be repaid in installments and installments over the agreed period	3.23%~3.95%	None (Note)	24,532
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	654,235
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	390,485
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	234,777
				-
				4,425,117
Less: Current portion of long-term borrowings				( 1,186,904)
				<u>\$ 3,238,213</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) As for the three months ended June 30, 2025 and 2024 and the six months ended June 30, 2025 and 2024, the pension cost recognized by the Group according to the aforementioned pension requirements was NT\$534, NT\$534, NT\$1,067 and NT\$1,067, 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) The subsidiaries in China are subject to the pension plan system stipulated by the People's Republic of China (PRC) government. According to the PRC regulations, a certain percentage of the total salary of the local employees is appropriated as pension fund on a monthly basis. Except for the monthly contributions, the Company is not required to bear further obligations.
- (3) As for the three months ended June 30, 2025 and 2024 and the six months ended June 30, 2025 and 2024, the pension cost recognized by the Group according to the aforementioned pension requirements was NT\$11,957, NT\$15,806, NT\$25,345 and NT\$28,366, respectively.

(XIX) Capital

1. As of June 30, 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 at a par value of NT\$10 per share. 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
June 30	<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>June 30, 2025</u> <u>Number of</u> <u>shares (thousand)</u>	<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>Company name of the shareholding</u>	<u>Reasons for buyback</u>	<u>December 31, 2024</u> <u>Number of</u> <u>shares (thousand)</u>	<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>Company name of the shareholding</u>	<u>Reasons for buyback</u>	<u>June 30, 2024</u> <u>Number of</u> <u>shares (thousand)</u>	<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 June 30, 2025, December 31, 2024, and June 30, 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\$28.7, NT\$49.25 and NT\$76.1, 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. As of May 5, 2025, there were 2,977 thousand shares still not yet transferred to employees. The Board of Directors has resolved on May 5, 2025, to cancel the treasury shares, with a record date for the capital reduction on July 8, 2025.

(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>Issue premiums</u>	<u>Trading of treasury stock</u>	<u>Changes in ownership interests 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	-	-	97,085	-	-	-	97,085
Changes in shares of affiliates and joint ventures recognized under the equity method	-	-	-	-( 6,673)	-	-	( 6,673)
June 30, 2025	<u>\$ 44,997</u>	<u>\$ 912,335</u>	<u>\$ 252,378</u>	<u>\$ 288,895</u>	<u>\$ 112,712</u>	<u>\$ 11,136</u>	<u>\$ 1,622,453</u>

  

	<u>Issue premiums</u>	<u>Trading of treasury stock</u>	<u>Changes in ownership interests 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
June 30, 2024	<u>\$ 44,148</u>	<u>\$ 859,338</u>	<u>\$ 154,883</u>	<u>\$ 295,848</u>	<u>\$ 82,220</u>	<u>\$ 4,308</u>	<u>\$ 1,440,745</u>

(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 shareholders' meeting of the Company has resolved to approve the proposal for covering losses for 2024 on May 28, 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 remaining 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</u> <u>losses</u>	<u>Foreign currency</u> <u>translation</u>	<u>Total</u>
January 1	(\$ 2,666)	\$ 22,814	\$ 20,148
Difference in foreign currency translation:			
- Group	391	( 51,792)	( 51,401)
June 30	<u>(\$ 2,275)</u>	<u>(\$ 28,978)</u>	<u>(\$ 31,253)</u>

	<u>2024</u> <u>Unrealized gains and</u> <u>losses</u>	<u>Foreign currency</u> <u>translation</u>	<u>Total</u>
January 1	(\$ 2,666)	\$ 4,307	\$ 1,641
Difference in foreign currency translation:			
- Group	-	14,166	14,166
June 30	<u>(\$ 2,666)</u>	<u>\$ 18,473</u>	<u>\$ 15,807</u>

(XXIII) Operating income

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Revenue from contracts with customers	<u>\$ 1,589,933</u>	<u>\$ 1,997,876</u>
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Revenue from contracts with customers	<u>\$ 3,217,890</u>	<u>\$ 3,847,924</u>

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>April 1 to June 30, 2025</u>	<u>Photomask and semiconductor segment</u>	<u>Medical segment</u>	<u>Total</u>
Revenue from contracts with external customers	<u>\$ 1,503,745</u>	<u>\$ 86,188</u>	<u>\$ 1,589,933</u>
Cut-off point of income recognition			
Income recognized at a particular point in time	\$ 541,260	\$ 86,188	\$ 627,448
Income recognized gradually over time	<u>962,485</u>	<u>-</u>	<u>962,485</u>
	<u>\$ 1,503,745</u>	<u>\$ 86,188</u>	<u>\$ 1,589,933</u>
<u>April 1 to June 30, 2024</u>	<u>Photomask and semiconductor segment</u>	<u>Medical segment</u>	<u>Total</u>
Revenue from contracts with external customers	<u>\$ 1,939,062</u>	<u>\$ 58,814</u>	<u>\$ 1,997,876</u>
Cut-off point of income recognition			
Income recognized at a particular point in time	\$ 698,383	\$ 58,814	\$ 757,197
Income recognized gradually over time	<u>1,240,679</u>	<u>-</u>	<u>1,240,679</u>
	<u>\$ 1,939,062</u>	<u>\$ 58,814</u>	<u>\$ 1,997,876</u>
<u>January 1 to June 30, 2025</u>	<u>Photomask and semiconductor segment</u>	<u>Medical segment</u>	<u>Total</u>
Revenue from contracts with external customers	<u>\$ 3,030,630</u>	<u>\$ 187,260</u>	<u>\$ 3,217,890</u>
Cut-off point of income recognition			
Income recognized at a particular point in time	\$ 1,055,137	\$ 187,260	\$ 1,242,397
Income recognized gradually over time	<u>1,975,493</u>	<u>-</u>	<u>1,975,493</u>
	<u>\$ 3,030,630</u>	<u>\$ 187,260</u>	<u>\$ 3,217,890</u>
<u>January 1 to June 30, 2024</u>	<u>Photomask and semiconductor segment</u>	<u>Medical segment</u>	<u>Total</u>
Revenue from contracts with external customers	<u>\$ 3,754,600</u>	<u>\$ 93,324</u>	<u>\$ 3,847,924</u>
Cut-off point of income recognition			
Income recognized at a particular point in time	\$ 1,391,712	\$ 93,324	\$ 1,485,036
Income recognized gradually over time	<u>2,362,888</u>	<u>-</u>	<u>2,362,888</u>
	<u>\$ 3,754,600</u>	<u>\$ 93,324</u>	<u>\$ 3,847,924</u>

## 2. Contract Asset and Contract Liability

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

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>	<u>January 1, 2024</u>
Contract Assets	<u>\$ 60,425</u>	<u>\$ 90,967</u>	<u>\$ 83,089</u>	<u>\$ 105,263</u>
Contract Liabilities	<u>\$ 133,795</u>	<u>\$ 64,453</u>	<u>\$ 129,031</u>	<u>\$ 174,538</u>

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

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Opening balance of contract liabilities recognized in the current period	<u>\$ 1,088</u>	<u>\$ 8,288</u>
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Opening balance of contract liabilities recognized in the current period	<u>\$ 45,142</u>	<u>\$ 121,659</u>

(XXIV) Interest income

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Interest from bank deposits	<u>\$ 1,808</u>	<u>\$ 5,960</u>
Interest income from financial assets measured at amortized cost	<u>2,731</u>	<u>2,753</u>
Other interest incomes	<u>37</u>	<u>87</u>
	<u>\$ 4,576</u>	<u>\$ 8,800</u>
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Interest from bank deposits	<u>\$ 3,153</u>	<u>\$ 10,874</u>
Interest income from financial assets measured at amortized cost	<u>4,684</u>	<u>5,317</u>
Other interest incomes	<u>82</u>	<u>171</u>
	<u>\$ 7,919</u>	<u>\$ 16,362</u>

(XXV) Other Incomes

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Rental income	<u>\$ 6,076</u>	<u>\$ 5,422</u>
Dividend income	<u>5,130</u>	
Other income - Others	<u>3,664</u>	<u>756</u>
	<u>\$ 14,870</u>	<u>\$ 6,178</u>
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Rental income	<u>\$ 12,198</u>	<u>\$ 10,578</u>
Dividend income	<u>5,130</u>	<u>-</u>
Other income - Others	<u>14,232</u>	<u>3,174</u>
	<u>\$ 31,560</u>	<u>\$ 13,752</u>

(XXVI) Other Gains and Losses

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Gain (loss) on disposal of property, plant and equipment	\$ 14,111	(\$ 167)
Gain (loss) on disposal of investments	3,472	45
Gain on lease modifications	8	591
Foreign currency exchange gains (losses)	( 56,236)	19,247
Loss (gain) on financial assets and liabilities at fair value through profit or loss	( 247,269)	( 403,619)
Goodwill impairment loss	( 23,666)	-
Other losses -- Depreciation of investment properties	( 1,016)	( 848)
Other Gains and Losses	( 1,567)	( 16)
	<u>(\$ 312,163)</u>	<u>(\$ 384,767)</u>
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Disposal of interests in property, plant and equipment	\$ 30,032	\$ 13,950
Gain (loss) on disposal of investments	49,191	45
Gain on lease modifications	32	1,459
Foreign currency exchange gains (losses)	( 64,477)	55,072
Loss/profit of financial assets and liabilities at fair value through profit or loss	( 401,005)	294,468
Goodwill impairment loss	( 23,666)	( 27,390)
Other losses -- Depreciation of investment properties	( 1,864)	( 1,696)
Other Gains and Losses	( 3,473)	( 28)
	<u>(\$ 415,230)</u>	<u>\$ 335,880</u>

(XXVII) Financial Costs

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Interest expenses:		
Bank and other borrowings	\$ 62,772	\$ 68,484
Corporate bonds	14,247	23,865
Lease liabilities	1,531	1,934
Others	4	22
	<u>\$ 78,554</u>	<u>\$ 94,305</u>
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Interest expenses:		
Bank and other borrowings	\$ 128,396	\$ 132,462
Corporate bonds	28,483	37,157
Lease liabilities	3,106	3,812
Others	12	79
	<u>\$ 159,997</u>	<u>\$ 173,510</u>

(XXVIII) Expenses by nature

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Employee benefits expenditure	\$ 271,256	\$ 281,762
Depreciation	369,428	315,988
Amortization	19,476	18,610
	<u>\$ 660,160</u>	<u>\$ 616,360</u>
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Employee benefits expenditure	\$ 609,162	\$ 658,230
Depreciation	726,728	623,609
Amortization	38,958	48,675
	<u>\$ 1,374,848</u>	<u>\$ 1,330,514</u>

(XXIX) Employee benefits expenditure

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Payroll expenses	\$ 219,476	\$ 216,205
Labor and health insurance fees	22,353	28,542
Pension expense	12,491	16,340
Other personnel expenses	16,936	20,675
	<u>\$ 271,256</u>	<u>\$ 281,762</u>
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Payroll expenses	\$ 498,195	\$ 542,037
Labor and health insurance fees	46,816	51,407
Pension expense	26,412	29,433
Other personnel expenses	37,739	35,353
	<u>\$ 609,162</u>	<u>\$ 658,230</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 Company's remuneration of employees and remuneration of directors for the period from January 1 to June 30, 2025, relevant expenses were not estimated for recognition due to a net loss in the current period. The estimated amounts for the Company's remuneration of employees for the three months ended June 30, 2024 and the six months ended June 30, 2024 was NT\$(29,000) and NT\$50,000, respectively, and the estimated amounts of remuneration of directors were NT\$2,400 and NT\$7,800, respectively. The aforementioned amounts were recognized as payroll expenses.

The 2024 remuneration of employees and remuneration of directors 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>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Current tax:		
Current tax on profits for the year	\$ 1,138	\$ 20,611
Additional surtax on undistributed earnings	-	756
Total current tax	<u>1,138</u>	<u>21,367</u>
Deferred income tax:		
Origination and reversal of temporary differences	( 7,295)	( 34,773)
Total Deferred Income Tax	<u>( 7,295)</u>	<u>( 34,773)</u>
Income tax expense (profit)	<u>(\$ 6,157)</u>	<u>(\$ 13,406)</u>

  

	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Current tax:		
Current tax on profits for the year	\$ 7,496	\$ 58,949
Additional surtax on undistributed earnings	-	756
Total current tax	<u>7,496</u>	<u>59,705</u>
Deferred income tax:		
Origination and reversal of temporary differences	1,153	( 36,658)
Total Deferred Income Tax	<u>1,153</u>	<u>( 36,658)</u>
Income Tax Expense	<u>\$ 8,649</u>	<u>\$ 23,047</u>

3. The Company's profit-seeking income tax has been approved by the taxation authority through 2023.

(XXXI) Earnings (loss) per share

<u>April 1 to June 30, 2025</u>			
	<u>Amount after</u>	<u>Weighted average</u>	<u>Loss per share</u>
	<u>tax</u>	<u>share outstanding</u>	<u>(in dollars)</u>
		<u>(thousand shares)</u>	
<u>Basic loss per share</u>			
Net loss attributable to ordinary shareholders of the parent	<u>(\$ 395,782)</u>	<u>213,663</u>	<u>(\$ 1.85)</u>
<u>April 1 to June 30, 2024</u>			
	<u>Amount after</u>	<u>Weighted average</u>	<u>Loss per share</u>
	<u>tax</u>	<u>share outstanding</u>	<u>(in dollars)</u>
		<u>(thousand shares)</u>	
<u>Basic loss per share</u>			
Net loss attributable to ordinary shareholders of the parent	<u>(\$ 244,849)</u>	<u>213,653</u>	<u>(\$ 1.15)</u>
<u>January 1 to June 30, 2025</u>			
	<u>Amount after</u>	<u>Weighted average</u>	<u>Loss per share</u>
	<u>tax</u>	<u>share outstanding</u>	<u>(in dollars)</u>
		<u>(thousand shares)</u>	
<u>Basic and diluted loss per share</u>			
Net loss attributable to ordinary shareholders of the parent	<u>(\$ 652,717)</u>	<u>213,663</u>	<u>(\$ 3.05)</u>
<u>January 1 to June 30, 2024</u>			
	<u>Amount after</u>	<u>Weighted average</u>	<u>Earnings per</u>
	<u>tax</u>	<u>share outstanding</u>	<u>share</u>
		<u>(thousand shares)</u>	<u>(in dollars)</u>
<u>Earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	<u>\$ 429,360</u>	<u>213,477</u>	<u>\$ 2.01</u>
<u>Diluted Earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 429,360	213,477	
Assumed conversion of all dilutive potential ordinary shares			
Convertible bonds	7,072	20,335	
Employee remuneration	-	1,071	
Profit attributable to ordinary shareholders of the parent company plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 436,432</u>	<u>234,883</u>	<u>\$ 1.86</u>

The weighted average number of shares outstanding during the periods between April 1 and June 30 of 2025 and 2024 and January 1 and June 30 of 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 periods between April 1 and June 30 of 2025 and January 1 and June 30 of 2024 were at 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>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Purchase of property, plant and equipment	\$ 905,116	\$ 812,285
Add: Prepayments for equipment at the end of the period	357,813	543,884
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	( 526,137)	( 489,429)
Cash paid during the year	<u>\$ 958,714</u>	<u>\$ 943,157</u>

2. Financing activities with no cash flow effects:

	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 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 (mature within one year)</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	( 1,404,386)	-	( 17,832)	( 21,791)	( 33,859)	-	( 1,477,868)
Interest Expenses	-	28,483	-	3,106	-	-	31,589
Interest Paid	-	-	-	( 3,106)	-	-	( 3,106)
Other Non-Cash Transactions	( 7,106)	( 19,129)	10,629	( 5,930)	-	-	( 21,536)
June 30, 2025	<u>\$ 4,788,863</u>	<u>\$ 3,618,510</u>	<u>\$ 4,307,884</u>	<u>\$ 409,677</u>	<u>\$ 953</u>	<u>\$ -</u>	<u>\$ 13,125,887</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 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	939,788	( 299,417)	72,827	( 25,207)	( 7,004)	-	680,987
Interest Expenses	-	37,157	-	3,812	-	-	40,969
Interest Paid	-	( 13,548)	-	( 3,812)	-	-	( 17,360)
Distribution of cash dividends announced	-	-	-	-	-	373,477	373,477
Other Non-Cash Transactions	-	( 14,213)	9,734	15,598	-	-	11,119
June 30, 2024	<u>\$ 6,369,158</u>	<u>\$ 3,134,579</u>	<u>\$ 4,425,117</u>	<u>\$ 557,584</u>	<u>\$ 35,278</u>	<u>\$ 373,477</u>	<u>\$ 14,895,193</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>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Product sales:		
Affiliates	<u>\$ 61</u>	<u>\$ 1,364</u>
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Product sales:		
Affiliates	<u>\$ 1,784</u>	<u>\$ 4,192</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>June 30, 2024</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Accounts Receivables:			
Affiliates/other related party	\$ 72	\$ 2,383	\$ 1,432
Other Receivables:			
Affiliates/other related party	<u>2,024</u>	<u>1,306</u>	<u>1,227</u>
Total	<u>\$ 2,096</u>	<u>\$ 3,689</u>	<u>\$ 2,659</u>

3. 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., with 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.

4. Others

(1) Deposits Received:

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Affiliates/other related party	<u>\$ 118</u>	<u>\$ 118</u>	<u>\$ 118</u>

(2) Rent income:

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Affiliates/other related party	<u>\$ 971</u>	<u>\$ 438</u>
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Affiliates/other related party	<u>\$ 1,933</u>	<u>\$ 875</u>

(3) Other income

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Affiliates/other related party	<u>\$ 608</u>	<u>\$ 37</u>
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Affiliates/other related party	<u>\$ 1,177</u>	<u>\$ 145</u>

(4) For the three months ended June 30, 2025, 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 six months ended June 30, 2025 and 2024, the Company donated NT\$402 and

NT\$838, respectively, in cash to the Taiwan Mask Charity Foundation.

5. Loaning of funds to related parties

Loans from related parties:

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

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Other related party	<u>\$ 106,876</u>	<u>\$ 110,969</u>	<u>\$ 60,402</u>

(2) Interest expenses

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Other related party	<u>\$ 737</u>	<u>\$ 457</u>
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Other related party	<u>\$ 1,513</u>	<u>\$ 686</u>

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 made, 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>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Salary and short-term employee benefits	<u>\$ 7,033</u>	<u>\$ 9,431</u>
Post-employment benefits	<u>27</u>	<u>54</u>
Total	<u>\$ 7,060</u>	<u>\$ 9,485</u>
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
Salary and short-term employee benefits	<u>\$ 15,595</u>	<u>\$ 20,246</u>
Post-employment benefits	<u>54</u>	<u>108</u>
Total	<u>\$ 15,649</u>	<u>\$ 20,354</u>

# 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>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>	
Demand deposit (Recognized as "Financial assets at amortized cost")	\$ 437,163	\$ 532,807	\$ 447,909	Short-term borrowings, reserve accounts, and corporate bond guarantee
Time deposit (Recognized as "Financial assets at amortized cost")	310,421	361,778	451,295	Short-term borrowings and customs guarantee
Stocks of publicly traded and OTC companies (recognized as "Financial assets at fair value through profit or loss")	1,939,591	2,753,540	3,964,226	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)	1,199,263	1,245,385	1,163,894	Long-term Loans
Machinery and equipment and equipment under acceptance	4,087,578	3,629,379	3,826,517	Long-term Loans
Real estate investment	180,797	167,109	168,804	Long-term Loans
Other equipment	26,040	29,864	5,794	Long-term Loans
Intangible assets	817	1,478	-	Long-term Loans
	<u>\$ 8,674,740</u>	<u>\$ 9,214,410</u>	<u>\$ 10,520,086</u>	

Note: The cost of pledged treasury stocks was NT\$493,070 and its fair value was NT\$994,455 as of June 30, 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>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Machine maintenance	<u>\$ 156,980</u>	<u>\$ 55,693</u>	<u>\$ 53,459</u>

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

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Property, plant and equipment	<u>\$ 476,381</u>	<u>\$ 1,175,844</u>	<u>\$ 1,465,920</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

1. The Board of Directors of the Company approved the appointment of new Chairman on August 1, 2025.
2. Please refer to Note 6(19) for details regarding the cancellation of treasury shares of the Company.
3. On July 18, 2025, the Board of Directors resolved to set the price of the first private placement of common shares for 2025 at NT\$24.4 per share. LUMINOUS RISE INVESTMENT CO., LTD. was determined as the prospective subscriber, and the subscription amount was 63,370 thousand shares, which was fully paid on July 31, 2025.

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>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 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>\$ 2,158,891</u>	<u>\$ 3,316,316</u>	<u>\$ 4,833,730</u>
Financial assets measured at amortized cost cash and cash equivalents	\$ 935,523	\$ 1,430,542	\$ 1,353,779
Financial assets measured at amortized cost	860,599	894,585	916,302
Notes Receivables	11,692	167	4,134
Accounts receivable (Including related parties)	1,029,611	1,369,762	1,570,079
Other account receivable (Including related parties)	31,140	41,443	23,078
Refundable Deposit	<u>59,528</u>	<u>76,558</u>	<u>91,495</u>
	<u>\$ 2,928,093</u>	<u>\$ 3,813,057</u>	<u>\$ 3,958,867</u>
	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
<u>Financial liabilities</u>			
Financial liabilities at fair value through profit or loss			
Financial liabilities mandatorily measured at fair value through profit or loss	<u>\$ 30,694</u>	<u>\$ 19,204</u>	<u>\$ 5,864</u>
Financial liabilities at amortized cost			
Short Term Loans	\$ 4,788,863	\$ 6,200,355	\$ 6,369,560
Notes Payable	44,956	43,544	9,797
Accounts Payable	379,160	541,758	463,021
Other accounts payable (Including related parties)	1,375,568	1,236,829	1,646,720
Corporate bonds payable (including portion matured in one year or one operating cycle)	3,618,510	3,609,156	3,134,579
Long-term borrowings (including current portion)	4,307,884	4,315,087	4,425,117
Guarantee Deposits Received	953	34,812	35,278
	<u>\$ 14,515,894</u>	<u>\$ 15,981,541</u>	<u>\$ 16,084,072</u>
Lease liabilities	<u>\$ 409,677</u>	<u>\$ 437,398</u>	<u>\$ 557,584</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:

<u>June 30, 2025</u>			Book value	
<b>(Foreign currency: functional currency)</b>	<u>Foreign currency (in thousand)</u>		<u>Exchange rate</u>	<u>(NT\$ in thousands)</u>
Financial assets				
<u>Monetary items</u>				
USD : NTD	USD	29,195	29.300	\$ 859,119
RMB : NTD	CNY	37,025	4.091	151,471
JPY : NTD	JPY	217,681	0.2034	44,275
Financial liabilities				
<u>Monetary items</u>				
USD : NTD	USD	16,338	29.300	480,709
JPY : NTD	JPY	1,151,653	0.2034	234,289
Euro : NTD	EUR	3,242	34.35	111,349

		<u>December 31, 2024</u>			
<b>(Foreign currency: functional currency)</b>	<u>Foreign currency (in thousand)</u>	<b>Book value</b>			
		<u>Exchange rate</u>		<u>(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	32.14		61,008

<u>June 30, 2024</u>					
(Foreign currency: functional currency)	<u>Foreign currency (in thousand)</u>	Book value			
		<u>Exchange rate</u>	<u>(NT\$ in thousands)</u>		
Financial assets					
<u>Monetary items</u>					
USD : NTD	USD	47,468	32.45	\$	1,539,125
RMB : NTD	CNY	73,932	4.445		328,629
JPY : NTD	JPY	164,147	0.2017		33,108
Financial liabilities					
<u>Monetary items</u>					
USD : NTD	USD	14,951	32.45		484,793
JPY : NTD	JPY	844,444	0.2017		170,324
Euro : NTD	EUR	1,020	34.71		35,399

B. The aggregate amount of all exchange gains (losses) (including realized and unrealized) recognized for April 1 to June 30, 2025 and 2024, and January 1 to June 30, 2025 and 2024 on monetary items of the Group that are significantly affected by exchange rate fluctuations are NT(\$56,236), NT\$19,247, NT(\$64,477) and NT\$55,072, respectively.

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

<u>January 1 to June 30, 2025</u>				
<b>(Foreign currency: functional currency)</b>	<u>Sensitivity Analysis</u>			
		<u>Effect on profit or</u>	<u>Other comprehensive profit and</u>	
	<u>Fluctuation</u>	<u>loss</u>	<u>loss affected</u>	
<u>Financial assets</u>				
<u>Monetary items</u>				
USD : NTD	1%	\$	8,591	\$ -
RMB : NTD	1%		1,515	-
JPY : NTD	1%		443	-
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD : NTD	1%	(	4,807)	-
JPY : NTD	1%	(	2,343)	-
Euro : NTD	1%	(	1,113)	-

<u>January 1 to June 30, 2024</u>				
<b>(Foreign currency: functional currency)</b>	<u>Sensitivity Analysis</u>			
		<u>Effect on profit or</u>	<u>Other comprehensive profit and</u>	
	<u>Fluctuation</u>	<u>loss</u>	<u>loss affected</u>	
<u>Financial assets</u>				
<u>Monetary items</u>				
USD : NTD	1%	\$	15,391	\$ -
RMB : NTD	1%		3,286	-
JPY : NTD	1%		331	-
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD : NTD	1%	(	4,848)	-
JPY : NTD	1%	(	1,703)	-
Euro : NTD	1%	(	354)	-

#### 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 nine months ended June 30, 2025 and 2024, would have increased/decreased by NT\$8,636 and NT\$19,335, respectively; other comprehensive income classified as equity investment at fair value through other comprehensive income would have both increased/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 June 30, 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 borrowing interest rate had increased/decreased by 0.25% with all other variables held constant, net income after tax for the nine months ended June 30, 2025 and 2024 would have increased/decreased by NT\$9,097 and NT\$10,794, respectively due to the change in interest expenses as a result of borrowings with floating interest rates.

(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 June 30, 2025, December 31 and June 30, 2024 is 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>June 30, 2025</u>						
Expected loss rate	0.01%	0.01~26.57%	0.01~76.79%	66.68~100%	27.72%~100%	
Total book value	\$ 862,620	\$ 128,577	\$ 32,641	\$ 9,835	\$ 118,380	\$ 1,152,053
Loss allowance	-	-	( 2,601)	( 3,289)	( 104,860)	( 110,750)
	<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>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>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>June 30, 2024</u>						
Expected loss rate	0.01%	0.01~30.48%	0.01~62.25%	0.01~100%	0.10~100%	
Total book value	\$ 1,258,918	\$ 202,205	\$ 73,236	\$ 58,989	\$ 49,989	\$ 1,643,337
Loss allowance	-	-	( 2,648)	( 18,427)	( 48,049)	( 69,124)

- 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		6,585	39,700
Impact from exchange rate	( 324)		1
Amounts written off due to uncollectibility	( 6,273)		-
June 30	<u>\$ 110,750</u>		<u>\$ 69,124</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, and 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 adequate headroom as determined by the aforementioned forecasts. As of June 30, 2025, December 31, 2024 and June 30, 2024, the Group held money market positions of NT\$1,796,122, NT\$2,325,127 and NT\$2,270,081, respectively, which are expected to generate cash flow immediately to manage liquidity risk.

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

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Floating rate			
Short-term credit limits	\$ 753,316	\$ 920,414	\$ 1,106,613
Medium to long-term credit limits	-	-	-
Fixed rate			
Medium to long-term credit limits	44,493	4,493	8,326
	<u>\$ 797,809</u>	<u>\$ 924,907</u>	<u>\$ 1,114,939</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>
June 30, 2025				
<u>Non-derivative financial liabilities:</u>				
Short Term Loans	\$ 4,836,238	\$ -	\$ -	\$ -
Notes Payable	44,956	-	-	-
Accounts Payable	379,160	-	-	-
Other accounts payable (Including related parties)	1,375,568	-	-	-
Lease liabilities	38,583	31,120	73,765	315,437
Corporate bonds payable	1,679,660	38,260	2,074,120	-
Long-term borrowings (including current portion)	1,447,873	1,434,361	1,340,963	320,775
Guarantee Deposits Received	-	953	-	-
	<u>Within 1 year</u>	<u>1 to 2 years</u>	<u>2 to 5 years</u>	<u>Over 5 years</u>
December 31, 2024				
<u>Non-derivative financial liabilities:</u>				
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	-	-
	<u>Within 1 year</u>	<u>1 to 2 years</u>	<u>2 to 5 years</u>	<u>Over 5 years</u>
June 30, 2024				
<u>Non-derivative financial liabilities:</u>				
Short Term Loans	\$ 6,437,731	\$ -	\$ -	\$ -
Notes Payable	9,797	-	-	-
Accounts Payable	463,021	-	-	-
Other accounts payable (Including related parties)	1,646,720	-	-	-
Lease liabilities	44,004	39,401	98,793	434,538
Corporate bonds payable	27,260	27,260	3,243,980	-
Long-term borrowings (including current portion)	1,309,570	1,328,140	1,639,885	443,433
Guarantee Deposits Received	-	35,278	-	-



(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:

June 30, 2025	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Assets</b>				
<u>Recurring fair value measurements</u>				
Financial Assets at Fair Value				
Through Profit or Loss				
Equity securities	<u>\$ 1,955,622</u>	<u>\$ 63,330</u>	<u>\$ 139,939</u>	<u>\$ 2,158,891</u>
<b>Liabilities</b>				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value				
through profit or loss				
Convertible bond call/put options	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,694</u>	<u>\$ 30,694</u>

December 31, 2024	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Assets</b>				
<u>Recurring fair value measurements</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>Recurring fair value measurements</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>
June 30, 2024	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Assets</b>				
<u>Recurring fair value measurements</u>				
Financial Assets at Fair Value Through Profit or Loss				
Equity securities	<u>\$ 4,607,097</u>	<u>\$ 92,372</u>	<u>\$ 134,261</u>	<u>\$ 4,833,730</u>
<b>Liabilities</b>				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Convertible bond call/put options	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,864</u>	<u>\$ 5,864</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 was no transfer between Levels 1 and 2 for the six months ended June 30, 2025 and 2024.
  6. The following table shows the changes in Level 3 from January 1 to June 30, 2025 and 2024:

	<u>Financial instruments</u>
January 1, 2025	\$ 110,517
Acquisition cost of the period	15,000
Sold in this period	( 2,925)
Recognized in profit or loss of the period	( 11,490)
Impact from exchange rate	( 1,857)
June 30, 2025	<u>\$ 109,245</u>

	<u>Financial instruments</u>
January 1, 2024	\$ 104,312
Acquisition cost of the period	20,000
Recognized in profit or loss of the period	3,519
Impact from exchange rate	<u>566</u>
June 30, 2024	<u>\$ 128,397</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:

June 30, 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	\$ 139,939	Net asset value method	Net asset value	-	The higher the net asset value, the higher the fair value
Convertible bond call/put options	( 30,694)	Convertible bond evaluation model	Stock price volatility	43.34%	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

June 30, 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	\$ 134,261	Net asset value method	Net asset value	-	The higher the net asset value, the higher the fair value
Convertible bond call/put options	( 5,864)	Convertible bond evaluation model	Stock price volatility	31.02%	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:

June 30, 2025

			<u>Recognized in profit or loss</u>		<u>Recognized in other comprehensive income</u>	
	<u>Inputs</u>	<u>Changes</u>	<u>Favorable changes</u>	<u>Adverse changes</u>	<u>Favorable changes</u>	<u>Adverse changes</u>
Financial assets						
Equity instruments	Net asset value	± 1%	\$ 1,399	(\$ 1,399)	\$ -	\$ -
Debt	Stock price volatility	± 1%	20	( 20)	-	-
			<u>\$ 1,419</u>	<u>(\$ 1,419)</u>	<u>\$ -</u>	<u>\$ -</u>

December 31, 2024

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

June 30, 2024

			<u>Recognized in profit or loss</u>		<u>Recognized in other comprehensive income</u>	
	<u>Inputs</u>	<u>Changes</u>	<u>Favorable changes</u>	<u>Adverse changes</u>	<u>Favorable changes</u>	<u>Adverse changes</u>
Financial assets						
Equity instruments	Net asset value	± 1%	\$ 1,343	(\$ 1,343)	\$ -	\$ -
Debt	Stock price volatility	± 1%	10	-	-	-
			<u>\$ 1,353</u>	<u>(\$ 1,343)</u>	<u>\$ -</u>	<u>\$ -</u>

(IV) Sound Business Plan

As of June 30, 2025, the Group's financial structure showed a debt ratio of 82% and a current ratio of 53%. In response, the Group has formulated and is actively implementing a sound business plan that addresses capital, operations and governance.

In terms of capital, the Company continues to sign credit contracts with major banks and extend short-term credit lines. Simultaneously, in July 2025, the Company also introduced strategic investors through private placement of common shares to improve the financial structure. The Company will continue to plan a public offering to increase capital in cash, in order to replenish the working capital and to reduce its debt-to-equity 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. Significant securities held (excluding investment in subsidiaries, associates, and joint venture equity): Please refer to Table 3 for details.
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. Significant intercompany transactions: Please refer to Table 4 for details.

#### (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:

January 1 to June 30, 2025:

<u>Photomask and semiconductor segment</u>	<u>Medical segment</u>	<u>Total</u>
--	------------------------	--------------

Revenue from external clients	<u>\$ 3,030,630</u>	<u>\$ 187,260</u>	<u>\$ 3,217,890</u>
Segment revenue	<u>(\$ 80,594)</u>	<u>(\$ 7,205)</u>	<u>(\$ 87,799)</u>
Segment margin	<u>(\$ 747,658)</u>	<u>(\$ 68,565)</u>	<u>(\$ 816,223)</u>
Segment margin include:			
Depreciation	<u>(\$ 690,529)</u>	<u>(\$ 36,198)</u>	<u>(\$ 726,728)</u>
Amortization expense	<u>(\$ 30,889)</u>	<u>(\$ 8,069)</u>	<u>(\$ 38,958)</u>
Financial Costs	<u>(\$ 149,821)</u>	<u>(\$ 10,176)</u>	<u>(\$ 159,997)</u>
Interest income	<u>\$ 7,720</u>	<u>\$ 199</u>	<u>\$ 7,919</u>
Investments income recognized by using equity method	<u>(\$ 30,743)</u>	<u>\$ -</u>	<u>(\$ 30,743)</u>
Segment assets	<u>\$ 17,556,966</u>	<u>\$ 1,056,470</u>	<u>\$ 18,613,436</u>

January 1 to June 30, 2024:

	<u>Photomask and semiconductor segment</u>	<u>Medical segment</u>	<u>Total</u>
Revenue from external clients	<u>\$ 3,754,600</u>	<u>\$ 93,324</u>	<u>\$ 3,847,924</u>
Segment revenue	<u>(\$ 106,582)</u>	<u>(\$ 5,735)</u>	<u>(\$ 112,317)</u>
Segment margin	<u>\$ 433,433</u>	<u>(\$ 136,090)</u>	<u>\$ 297,343</u>
Segment margin include:			
Depreciation	<u>(\$ 580,231)</u>	<u>(\$ 43,378)</u>	<u>(\$ 623,609)</u>
Amortization expense	<u>(\$ 44,099)</u>	<u>(\$ 4,576)</u>	<u>(\$ 48,675)</u>
Financial Costs	<u>(\$ 160,088)</u>	<u>(\$ 13,422)</u>	<u>(\$ 173,510)</u>
Interest income	<u>\$ 16,239</u>	<u>\$ 123</u>	<u>\$ 16,362</u>
Investments income recognized by using equity method	<u>(\$ 25,872)</u>	<u>\$ -</u>	<u>(\$ 25,872)</u>
Segment assets	<u>\$ 21,038,171</u>	<u>\$ 1,182,397</u>	<u>\$ 22,220,568</u>

(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

January 1 to June 30, 2025

Table 1

Unit: NT\$ Thousand  
(Unless otherwise specified)

No. (Note 1)	Company that lent funds	Borrowing party	General ledger	Related party?	Highest balance in the current period	Ending balance	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
													Name	Value		
0	Taiwan Mask Corporation	Youe Chung Capital Corporation	Other Receivables—Related Parties	Y	\$ 800,000	\$ 20,000	\$ -	2.700%	Short-term financing	-	Working Capital Turnover	-	Promissory note	\$ 20,000	\$ 1,279,258	Note 2
0	Taiwan Mask Corporation	Aptos Technology INC.	Other Receivables—Related Parties	Y	130,000	-	-	2.700%	Short-term financing	-	Working Capital Turnover	-	Promissory note	-	1,279,258	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	1,279,258	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	335,961	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	335,961	Note 4
1	Youe Chung Capital Corporation	Innova Vision INC.	Other Receivables—Related Parties	Y	180,000	60,000	60,000	2.700%	Short-term financing	-	Working Capital Turnover	-	Promissory note	90,000	335,961	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	77,939	Note 3
3	Miko-China Enterprise (Shanghai) Co., Ltd.	Sichuan Miracle Power Technology Co., Ltd.	Other Receivables—Related Parties	Y	109,752	57,274	36,819	2.509%	Short-term financing	-	Working Capital Turnover	-	None	-	165,373	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	-	Promissory note	40,000	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 borrowers 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 business dealings with the Company, the loan amount of each individual borrowers 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

January 1 to June 30, 2025

Attachment 2

Unit: NT\$ Thousand  
(Unless otherwise specified)

No.	Endorser/guarantor	Party being endorsed/guaranteed		Limit of endorsement and guarantee for a single enterprise	Maximum amount of Endorsement/ Guarantee for the Period	Ending Balance of Endorsement/Guarantee	Amount Actually Drawn	Endorsement/guarantee amount secured by property	Ratio of Accumulated Endorsement/Guarantee to Net Equity per Latest Financial Statements	Endorsement/Guarantee Amount Allowable	Guarantee Provided by Parent Company to Subsidiary	Guarantee Provided by Subsidiary to Parent Company	Guarantee Provided to Subsidiaries in Mainland China	Note
		Name of Company	Relationship											
(Note 1)			(Note 2)	(Notes 3, 4, 5)						(Notes 3, 4, 5)				
0	Taiwan Mask Corporation	Miracle Technology CO., LTD.	2	\$ 229,550	\$ 132,820	\$ 117,200	\$ -	\$ -	3.66%	\$ 1,279,258	Y	N	N	Note 3
1	Miracle Technology CO., LTD.	Xsense Technology	1	77,939	150,000	146,000	146,000	146,000	74.93%	77,939	N	N	N	Note 5
1	Miracle Technology CO., LTD.	Aptos Technology INC.	1	77,939	20,000	-	-	-	0.00%	77,939	N	N	N	Note 5
2	Miko-China Enterprise (Shanghai) Co., Ltd.	Miracle Technology CO., LTD.	3	413,432	233,223	208,641	208,641	208,641	50.47%	413,432	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 and 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.
- (7) Companies that are engaged in joint and several guarantees for the performance guarantee of pre-sale housing sales contracts in accordance with the regulations of the Consumer Protection Act.

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

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)

June 30, 2025

Table 3

Unit: NT\$ Thousand  
(Unless otherwise specified)

Company name of the shareholding	Marketable securities	Relationship with the	General ledger account	End of period				Note
				Number of shares	Book value	Ownership	Fair value	
Taiwan Mask Corporation	Common stocks of United Microelectronics Corporation	None	Financial Assets at Fair Value Through Profit or Loss - Current	1,800,000	\$ 79,560	0.01%	\$ 79,560	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	628,327	7.16%	628,327	14,160 lots pledged
Taiwan Mask Corporation	Common stocks of Avison Inc. through private placement.	None	Financial Assets at Fair Value Through Profit or Loss - Non Current	10,000,000	32,400	4.61%	32,400	
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	30,930	2.69%	30,930	
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 Microtek International	None	Financial Assets at Fair Value Through Profit or Loss - Current	28,041,000	287,420	13.63%	287,420	27,200 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	1,014,012	13.77%	1,014,012	34,650 lots were pledged, and treated as treasury stock in the consolidated financial
Youe Chung Capital Corporation	Common stock of China Steel Structure Co., Ltd.	None	Financial Assets at Fair Value Through Profit or Loss - Current	21,900,000	960,315	10.95%	960,315	21,900 lots pledged
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	None	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	-	\$2,802	-	\$2,802	
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	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 - Non Current	400,000	19,637	0.27%	19,637	
Miracle Technology CO., LTD.	Common corporate bonds of Innova Vision Inc.	None	Financial assets measured at amortized cost	-	30,000	-	30,000	Eliminated in the consolidated financial statements

Taiwan Mask Corporation and Subsidiaries  
Business relationships and material transactions between the parent company and its subsidiaries  
January 1 to June 30, 2023

Table 4

Unit: NTS Thousand  
(Unless otherwise specified)

No. (Note 1)	Name of the counterparty	Counterparty	Relationship with the counterparty (Note 2)	Status of transaction			Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount	Transaction terms	
0	Taiwan Mask Corporation	Miracle Technology CO., LTD.	1	Sales	16,332	Net 60	0.51%
0	Taiwan Mask Corporation	Miracle Technology CO., LTD.	1	Endorsement and guarantee	117,200	Same with other customers	0.63%
0	Taiwan Mask Corporation	Miracle International Enterprise(Shanghai) Co., Ltd.	1	Sales	14,230	Net 60	0.44%
0	Taiwan Mask Corporation	Miracle International Enterprise(Shanghai) Co., Ltd.	1	Accounts Receivables	6,059	Net 60	0.03%
0	Taiwan Mask Corporation	Miracle Technology CO., LTD.	1	Accounts Receivables	12,705	Net 60	0.07%
0	Taiwan Mask Corporation	Aptos Technology DNC.	1	Other Receivables	132,658	Receipt and payment at an agreed time	0.71%
0	Taiwan Mask Corporation	Innova Vision DNC.	1	Rental income	9,270	Same with other customers	0.29%
0	Taiwan Mask Corporation	Aptos Technology DNC.	1	Rental income	23,983	Same with other customers	0.75%
0	Taiwan Mask Corporation	Innova Vision DNC.	1	Other Receivables	98,842	Receipt and payment at an agreed time	0.53%
0	Taiwan Mask Corporation	Xisense Technology Corporation (B.V.I.) Taiwan Branch	1	Other Receivables	42,935	Receipt and payment at an agreed time	0.23%
0	Taiwan Mask Corporation	Xisense Technology Corporation (B.V.I.) Taiwan Branch	1	Rental income	21,840	Same with other customers	0.68%
0	Taiwan Mask Corporation	Innova Vision DNC.	1	Other receivables (loans of funds)	50,000	Receipt and payment at an agreed time	0.27%
0	Taiwan Mask Corporation	Miracle Technology CO., LTD.	1	Rental income	1,234	Same with other customers	0.04%
0	Taiwan Mask Corporation	Yone Chung Capital Corporation	1	Interest income	3,921	Receipt and payment at an agreed time	0.12%
0	Taiwan Mask Corporation	Aptos Technology DNC.	1	Interest income	1,098	Receipt and payment at an agreed time	0.03%
0	Taiwan Mask Corporation	Xisense Technology Corporation (B.V.I.) Taiwan Branch	1	Interest income	1,488	Receipt and payment at an agreed time	0.05%
1	Miracle Technology CO., LTD.	Aptos Technology DNC.	3	Interest income	2,276	Receipt and payment at an agreed time	0.07%
1	Miracle Technology CO., LTD.	Xisense Technology Corporation (B.V.I.) Taiwan Branch	3	Endorsement and guarantee	146,000	Same with other customers	0.78%
1	Miracle Technology CO., LTD.	Miracle International Enterprise(Shanghai) Co., Ltd.	3	Sales	42,483	Net 30	1.32%
1	Miracle Technology CO., LTD.	Miracle International Enterprise(Shanghai) Co., Ltd.	3	Accounts Receivables	5,618	Net 30	0.03%
1	Miracle Technology CO., LTD.	Aptos Technology DNC.	3	Other receivables (loans of funds)	170,000	Receipt and payment at an agreed time	0.91%
1	Miracle Technology CO., LTD.	Aptos Technology DNC.	3	Other Receivables	4,427	Receipt and payment at an agreed time	0.02%
1	Miracle Technology CO., LTD.	Sichuan Miracle Power Technology Co., Ltd.	3	Sales	2,965	Net 60	0.09%
3	Yone Chung Capital Corporation	Aptos Technology DNC.	3	Other receivables (loans of funds)	340,000	Receipt and payment at an agreed time	1.83%
3	Yone Chung Capital Corporation	Aptos Technology DNC.	3	Other Receivables	11,901	Receipt and payment at an agreed time	0.06%
3	Yone Chung Capital Corporation	Xisense Technology Corporation (B.V.I.) Taiwan Branch	3	Other Receivables	4,151	Receipt and payment at an agreed time	0.02%
3	Yone Chung Capital Corporation	Aptos Technology DNC.	3	Interest income	4,552	Receipt and payment at an agreed time	0.14%
3	Yone Chung Capital Corporation	Xisense Technology Corporation (B.V.I.) Taiwan Branch	3	Other receivables (loans of funds)	310,000	Receipt and payment at an agreed time	1.67%
3	Yone Chung Capital Corporation	Xisense Technology Corporation (B.V.I.) Taiwan Branch	3	Interest income	4,151	Receipt and payment at an agreed time	0.13%
3	Yone Chung Capital Corporation	Innova Vision DNC.	3	Other receivables (loans of funds)	60,000	Receipt and payment at an agreed time	0.32%
3	Yone Chung Capital Corporation	Innova Vision DNC.	3	Other Receivables	1,107	Receipt and payment at an agreed time	0.01%
3	Yone Chung Capital Corporation	Innova Vision DNC.	3	Interest income	1,107	Receipt and payment at an agreed time	0.03%
4	Miko-China Enterprise (Shanghai) Co., Ltd.	Miracle Technology CO., LTD.	3	Endorsement and guarantee	208,641	Same with other customers	1.12%
4	Miko-China Enterprise (Shanghai) Co., Ltd.	Sichuan Miracle Power Technology Co., Ltd.	3	Other receivables (loans of funds)	36,819	Receipt and payment at an agreed time	0.20%
5	Pilot Energy Co., Ltd.	Xisense Technology Corporation (B.V.I.) Taiwan Branch	3	Other receivables (loans of funds)	40,000	Receipt and payment at an agreed time	0.21%
6	Innova Vision DNC.	iPro Vision Inc.	3	Accounts Receivables	23,031	Net 60	0.12%
6	Innova Vision DNC.	iPro Vision Inc.	3	Sales	4,772	Net 60	0.15%
7	iPro Vision Inc.	Innova Vision DNC.	3	Sales	2,434	Receipt and payment at an agreed time	0.08%
8	Digital-Can Tech. Co., Ltd.	Taiwan Mask Corporation	2	Sales	3,158	Net 60	0.10%
8	Digital-Can Tech. Co., Ltd.	Taiwan Mask Corporation	2	Accounts Receivables	3,262	Net 60	0.02%

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 subsidiaries refer to the same transaction, it is not required 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 accumulated transaction amount for the period to consolidate

Note 4: Only transactions with an amount of more than NTS1 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)

January 1 to June 30, 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 (loss) recognized for the current period	Note
				Balance at the end of period	End of the previous year	Number of shares	Ownership	Book value			
Taiwan Mask Corporation	SunnyLake Park International Holdings, Inc.	British Virgin Islands	Re-investment	\$ 103,045	\$ 103,045	3,120,000	100%	\$ 5,274	(\$ 92)	(\$ 92)	
Taiwan Mask Corporation	Youe Chung Capital Corporation	Taiwan	Re-investment	1,960,000	1,260,000	404,877,568	100%	346,022	( 1,833,693)	( 427,507)	
Taiwan Mask Corporation	Advagene Biopharma Co., Ltd.	Taiwan	Medical, R&D, manufacturing	163,871	165,686	12,046,652	20.29%	38,030	( 33,086)	( 6,754)	
Taiwan Mask Corporation	Miracle Technology CO., LTD.	Taiwan	Electronics components manufacturing, electronics materials and precision equipment distribution and power component design	252,651	252,651	22,955,033	100%	312,730	( 190,969)	( 17,686)	
Taiwan Mask Corporation	Weida Hi-Tech Co., Ltd.	Taiwan	Display panel control chip and other module's research, design, development, manufacturing and sales	293,371	293,371	12,176,880	28.20%	20,178	( 19,213)	( 5,419)	
Taiwan Mask Corporation	Innova Vision INC.	Taiwan	Manufacturing, retail, wholesale and international trade of medical equipment	688,924	598,721	23,416,722	66.71%	77,535	( 68,628)	( 46,799)	
Taiwan Mask Corporation	ONE TEST SYSTEMS	United States	Research, development and design of test equipment and related components	121,372	121,372	940,000	100%	83,513	( 2,950)	( 2,950)	
Taiwan Mask Corporation	Pilot Energy Co., Ltd.	Taiwan	Electronic parts and components and energy technical services	180,000	180,000	3,600,000	20.00%	87,179	( 34,490)	1,309	
Taiwan Mask Corporation	TrueLight Corporation	Taiwan	Fiber-optic communication related products	410,400	410,400	13,500,000	12.11%	374,720	( 52,426)	( 6,349)	
Youe Chung Capital Corporation	Xsense Technology Corporation	British Virgin Islands	Precious metal coating	325,965	325,965	1	100.00%	6,110	( 114)	( 114)	
Youe Chung Capital Corporation	Xsense Technology Corporation (B.V.I) Taiwan Branch	Taiwan	Precious metal coating	-	-	12,189,191	53.00%	196,098	( 125,537)	( 90,196)	
Youe Chung Capital Corporation	Aptos Technology INC.	Taiwan	Design, packaging and testing of NAND flash memory, solid state drives and the related products	434,692	434,692	28,481,161	47.19%	328,538	( 72,190)	( 34,065)	
Youe Chung Capital Corporation	Innova Vision INC.	Taiwan	Manufacturing, retail, wholesale and international trade of medical equipment	151,533	151,533	47,185	0.13%	314	( 68,628)	( 93)	
Youe Chung Capital Corporation	Digital-Can Tech. Co., Ltd.	Taiwan	3D Printing and Plastic Mold Design	139,072	139,072	7,281,250	57.39%	120,086	( 10,748)	( 6,168)	
Youe Chung Capital Corporation	Pilot Energy Co., Ltd.	Taiwan	Electronic parts and components and energy technical services	178,500	178,500	7,000,000	38.89%	165,150	( 34,490)	( 13,413)	
Youe Chung Capital Corporation	Moment Semiconductor, Inc.	Taiwan	Retail and wholesale of memory products	43,590	43,590	4,359,000	52.84%	7,394	( 23,168)	( 12,241)	
Youe Chung Capital Corporation	BKS Tec Corp.	Taiwan	Electronics Components Manufacturing	30,000	30,000	6,000,000	38.91%	6,652	( 30,677)	( 11,937)	
Youe Chung Capital Corporation	New Sunrise Limited	Samoa	Re-investment	-	-	-	100%	-	-	-	Note
ADL Energy Corp	Aptos Global Holding Corp.	Seychelles	Re-investment	29,795	29,795	10,000,000	100%	-	-	-	
Miracle Technology CO., LTD.	Jing Hao Investment Co., Ltd.	Taiwan	Re-investment	10,012	10,012	29,731,315	100%	348,939	17,020	17,020	
Jing Hao Investment Co., Ltd.	Miko Technology Co., Ltd	Hong Kong	Electronics components manufacturing, electronics materials and precision equipment distribution and power component design	37	37	10,000	100%	6,326	13	13	
Innova Vision INC.	Innova Technology	Taiwan	Sales of contact lens	64,650	64,650	3,000,000	100%	1,127	2,375	2,375	
Innova Vision INC.	Innova Vision (B.V.I) Inc.	British Virgin Islands	Re-investment	60,157	60,157	1,000,000	100%	822	38	38	
Innova Vision INC.	iPro Vision Inc.	Japan	Sales of contact lens	84,204	84,204	6,400	52.03%	1,070	78	41	
Innova Vision (B.V.I) Inc.	iPro Vision Inc.	Japan	Sales of contact lens	56,420	56,420	5,900	47.97%	987	78	37	
Pilot Energy Co., Ltd.	ADL Energy Corp	Taiwan	Electronic parts and components and energy technical services	413,050	413,050	9,984,526	100%	40,333	( 1,590)	( 1,590)	

Note: As of June 30, 2025, the funds for shares have not been remitted.

Taiwan Mask Corporation and Subsidiaries  
Information on investments in Mainland China

January 1 to June 30, 2025

Table 6

Unit: NT\$ Thousand  
(Unless otherwise specified)

Investee in Mainland China	Main business activities	Paid-up capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to China at the beginning of the period	Amount remitted from Taiwan to China/Amount remitted back to Taiwan for the period		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	Accumulated amount of investment income remitted back to Taiwan	Note
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	\$ 21,287	100%	\$ 21,287	\$ 433,288	\$ -	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	( 4,348)	100%	( 4,348)	90,800	-	Note 2(2)C, Note 4
Sichuan Miracle Power Technology Co., Ltd.	IC product design, production and sales	53,676	3	-	-	-	-	( 14,224)	100%	( 14,224)	30,328	-	Note 2 (2) C

Name of Company	Accumulated amount of remittance from Taiwan to China as of the end of the period	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in China imposed by the Investment Commission of MOEA
Miracle Technology CO., LTD.	\$ 13,498	\$ 13,498	\$ 116,909

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.