

[Stock Code: 8027]

**E&R ENGINEERING CORPORATION AND
SUBSIDIARIES**

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30 2025
AND 2024 AND INDEPENDENT AUDITORS'
REVIEW REPORT**

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Independent Auditors' Review Report

To The Board of Directors and Shareholders of E&R Engineering Corporation:

Introduction

E&R Engineering Corporation and its subsidiaries prepared Consolidated Balance Sheets as of June 30, 2025 and 2024, and Consolidated Statements of Comprehensive Income from April 01 to June 30, 2025 and 2024, and from January 01 to June 30, 2025 and 2024, Consolidated Statements of Changes in Equity and Consolidated Statements of Cash Flows from January 01 to June 30, 2025 and 2024, and Consolidated Financial Statements notes (including a summary of significant accounting policies) which have been reviewed by our accountants. According to Regulations Governing the Preparation of Financial Reports by Securities Issuers as approved and issued by the Financial Supervisory Commission, the responsibility for the preparation of these financial statements in accordance with IAS(s) No. 34 "Interim Financial Reporting" rests with the management. The responsibility of our accountants is to express a conclusion on Consolidated Financial Statements based on the review results.

Scope of review

Except for the matters described in the basis for conclusion paragraph, we conducted our review in accordance with Review Standard No. 2410 "Review of Financial Statements." The procedures performed during the review of Consolidated Financial Statements include inquiries (mainly to personnel responsible for financial and accounting matters), analytical procedures, and other review procedures. The scope of review work is significantly smaller than that of audit work, therefore the accountant may not be able to detect all significant matters that can be identified through audit work, and thus cannot express an audit opinion.

Basis for qualified conclusion

As stated in Note 4(3) of the Consolidated Financial Statements, the financial reports of non-significant subsidiaries included in the aforementioned Consolidated Financial Statements, and the related information disclosed in Note 13, are based on the respective companies' unaudited financial reports for the same period. The total assets of these subsidiaries as of June 30, 2025 and 2024, were NTD 1,173,179 thousand and NTD 1,123,616 thousand, respectively, accounting for 28.99% and 27.12% of the consolidated total assets, respectively. The total liabilities were NTD 962,156 thousand and NTD 736,452 thousand, respectively, accounting for 64.25% and 48.72% of the consolidated total liabilities. The total comprehensive income (loss) from April 1 to June 30, 2025 and 2024, and from January 1 to June 30, 2025 and 2024, were NTD(66,739) thousand, NTD (24,278) thousand and NTD (112,848) thousand, NTD (36,975) thousand, respectively, accounting for 46.09%, (65.90%) and 54.15 %, (137.95)% of the consolidated total comprehensive income (loss), respectively.

Qualified conclusion

Based on the results of our CPA review, except for the potential adjustments to the Consolidated Financial Statements due to the financial reports of the invested companies mentioned in the basis for the qualified conclusion and the relevant information disclosed in Note 13, no significant aspects of the aforementioned Consolidated Financial Statements were found to be non-compliant with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. and the FSC recognized and effective IAS(s) No. 34 "Interim Financial Reporting". Therefore, the Consolidated Financial Statements are unable to fairly present the consolidated financial position of E&R Engineering Corporation and its subsidiaries as of June 30, 2025 and 2024, as well as the consolidated financial performance for the periods from April 1 to June 30, 2025 and 2024,

and from January 1 to June 30, 2025 and 2024, and the consolidated cash flows for the period from January 1 to June 30, 2025 and 2024.

Crowe (TW) CPAs

Accountant: Hsieh, Ren Yao

Accountant: Lee, Kuo Ming

Approval Number: Financial-Supervisory-Securities-Auditing-
Order No.10200032833
Financial-Supervisory-Securities-Auditing-
Order No.1100145994
August 06, 2025

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to review such consolidated financial statements are those generally applied in the Republic of China. For the convenience of readers, the independent auditors' review report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' review report and consolidated financial statements shall prevail

E&R Engineering Corporation and subsidiaries
Consolidated Balance Sheets
June 30, 2025, December 31 and June 30, 2024

Unit: NTD thousand

Code	assets	June 30, 2025		December 31, 2024		June 30, 2024	
		Amount	%	Amount	%	Amount	%
CURRENT ASSETS							
1100	Cash and cash equivalents (Note 6(1)) \$	583,474	14	\$ 730,387	17	\$ 709,944	17
1110	Financial assets at fair value through profit or loss -current(Note 6(2))	318,433	8	233,751	6	281,467	7
1150	Notes receivable, net (Note 6(3))	13,835	–	6,997	–	7,479	–
1170	Accounts receivable, net (Note 6(4))	472,829	12	524,768	12	533,416	13
1200	Other receivables	8,894	–	6,311	–	10,485	–
1220	Current income tax assets	65	–	118	–	554	–
130x	Inventories (Note 6(5))	792,715	21	897,451	22	952,032	24
1410	Prepayments	140,080	3	98,537	2	95,865	2
1476	Other financial assets-current (Note 6(6))	17,270	–	117,419	3	137,347	3
11xx	Total current assets	2,347,595	58	2,615,739	62	2,728,589	66
NON-CURRENT ASSETS							
1517	Financial assets at fair value through other comprehensive income or loss-non-current(Note 6(7))	84,109	2	84,619	2	69,464	2
1600	Property, plant and equipment (Note 6(8))	1,347,324	34	1,259,492	31	1,085,026	26
1755	Right-of-use assets (Note 6(9))	177,717	4	165,523	4	169,356	4
1780	Intangible assets (Note 6 (10))	10,374	–	13,739	–	14,553	–
1840	Deferred tax assets	63,660	2	44,884	1	47,185	1
1920	Refundable deposits (Note 6(11))	10,385	–	11,828	–	11,332	1
1960	Current prepayments for investments	–	–	–	–	10,000	–
1980	Other financial assets- non-current (Note 8)	5,600	–	5,900	–	6,900	–
15xx	Total non-current assets	1,699,169	42	1,585,985	38	1,413,816	34
1xxx	TOTAL ASSETS	\$ 4,046,764	100	\$ 4,201,724	100	\$ 4,142,405	100
Liability and equity							
CURRENT LIABILITIES							
2100	Short-term borrowings (Note 6(12)) \$	160,100	4	\$ 5,000	–	\$ 3,900	–
2130	Contract liabilities-current (Note 6(27))	140,396	3	29,347	1	41,380	1
2150	Notes payable	3,287	–	3,814	–	3,588	–
2170	Accounts payable	232,285	6	212,684	5	164,292	5
2200	Others payable (Note 6 (13))	121,968	3	162,168	4	134,862	3
2230	Current tax liabilities	–	–	417	–	3,000	–
2250	Provisions-current (Note 6(14))	31,609	1	35,446	1	33,327	1
2280	Lease liabilities - current (Note 6(9))	20,206	–	19,806	–	19,913	–
2310	Advance receipts	1,129	–	854	–	398	–
2320	Current portion of long-term liabilities(Note 6(15))	33,356	1	26,029	1	17,310	–
21xx	Total current liabilities	744,336	18	495,565	12	421,970	10

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Code	Liability and equity	June 30, 2025		December 31, 2024		June 30, 2024	
		Amount	%	Amount	%	Amount	%
	NON-CURRENT LIABILITIES						
2530	Bonds payable (Note 6(16))	348,049	9	373,695	9	614,327	15
2540	Long-term borrowings (Note 6(17))	242,596	6	282,502	7	245,947	6
2570	Deferred tax liabilities	–	–	3,251	–	3,760	–
2580	Lease liabilities - non-current (Note 6(9))	129,370	3	119,094	3	124,254	3
2630	Long-term deferred revenue (Note 6(18))	31,987	1	21,912	1	22,726	1
2640	Net defined benefit liabilities - non-current	1,150	–	4,912	–	7,545	–
2645	Deposits received (Note 9(8))	–	–	71,056	1	71,056	1
25xx	Total non-current liabilities	753,152	19	876,422	21	1,089,615	26
2xxx	TOTAL LIABILITY	1,497,488	37	1,371,987	33	1,511,585	36
	EQUITY						
	EQUITY ATTRIBUTABLE TO OWNERS OF PARENT						
3100	Share capital (Note 6(20))						
3110	Ordinary share	1,084,956	27	1,064,275	26	1,027,355	25
3130	Certificate of entitlement to new shares from convertible bond	3,414	–	18,026	–	13,376	–
3140	Advance receipts for ordinary share	–	–	1,468	–	–	–
3200	Capital surplus (Note 6 (21))	1,759,098	44	1,734,570	41	1,522,023	38
3300	Retained earnings (Note 6(23))						
3310	Legal reserve	77,177	2	77,177	2	77,177	2
3320	Special reserve	2,704	–	31,456	1	31,456	1
3350	Unappropriated retained earnings	(94,465)	(2)	56,412	1	111,620	2
3400	Other equity interest (Note 6(24))	(28,061)	(1)	(2,704)	–	(4,076)	–
3500	Treasury shares (Note 6 (25))	(267,909)	(7)	(166,725)	(4)	(166,725)	(4)
31xx	Total Equity attributable to owners of parent	2,536,914	63	2,813,955	67	2,612,206	64
36xx	Non-controlling interests (Note 6(26))	12,362	–	15,782	–	18,614	–
3xxx	Total equity	2,549,276	63	2,829,737	67	2,630,820	64
	TOTAL LIABILITY AND EQUITY	\$ 4,046,764	100	\$ 4,201,724	100	\$ 4,142,405	100

(Please refer to Consolidated Financial Statements note)

Chairman: Wang, Ming-Chin

Managerial officers: Eric Chang

Accounting Supervisor: Max Cao

E&R Engineering Corporation and subsidiaries
Consolidated Statements of Comprehensive Income
April 01 to June 30, 2025 and 2024 and January 01 to June 30, 2025 and 2024

Unit:NTD thousand

Code	item	April 01 to June 30, 2025		April 01 June 30, 2024		January 01 June 30, 2025		January 01 June 30, 2024	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	OPERATING REVENUE (Note 6(27))	\$ 374, 519	100	\$ 503, 896	100	\$ 689, 431	100	\$ 791, 743	100
5000	OPERATING COSTS (Note 6(5))	(239, 310)	(64)	(306, 141)	(61)	(455, 061)	(67)	(501, 074)	(63)
5900	GROSS PROFIT(LOSS)	135, 209	36	197, 755	39	234, 370	33	290, 669	37
	OPERATING EXPENSES								
6100	Selling expenses	(62, 903)	(17)	(59, 027)	(12)	(118, 770)	(17)	(118, 265)	(15)
6200	Administrative expenses	(52, 327)	(14)	(50, 920)	(10)	(110, 291)	(16)	(95, 031)	(12)
6300	Commissions expenses	(60, 854)	(16)	(65, 728)	(13)	(119, 274)	(17)	(128, 886)	(16)
6450	Impairment gain (loss) (Note 6(4))	(3, 500)	(1)	216	-	(5, 946)	(1)	1, 510	-
6000	Total operating expenses	(179, 584)	(48)	(175, 459)	(35)	(354, 281)	(51)	(340, 672)	(43)
6900	INCOME (LOSS) FROM OPERATIONS	(44, 375)	(12)	22, 296	4	(119, 911)	(18)	(50, 003)	(6)
	Non-operating income and expenses								
7100	Interest income (Note 6(29))	2, 491	1	2, 874	1	5, 398	1	6, 705	1
7010	Other income (Note 6 (30))	9, 013	2	-	-	11, 503	2	2, 045	-
7020	Other profits and losses (Note 6(31))	(104, 012)	(28)	11, 597	2	(91, 985)	(14)	51, 609	6
7050	Finance costs (Note 6 (32))	(3, 961)	(1)	(5, 861)	(1)	(8, 732)	(1)	(10, 774)	(1)
7000	Total non-operating income and expenses	(96, 469)	(26)	8, 610	2	(83, 816)	(12)	49, 585	6
7900	PROFIT(LOSS) BEFORE TAX	(140, 844)	(38)	30, 906	6	(203, 727)	(30)	(418)	-
7950	INCOME TAX PROFIT (EXPENSE) (Note 6 (33))	20, 159	5	(2, 080)	-	20, 678	3	(1, 054)	-
8200	NET PROFIT (LOSS)	(120, 685)	(33)	28, 826	6	(183, 049)	(27)	(1, 472)	-
	Other comprehensive income (Note 6(34))								
8310	Items that will not be reclassified subsequently to profit or loss								
8316	Unrealized valuation profits and losses on investments through other comprehensive income measured at fair value equity instruments	848	-	2, 454	-	(3, 774)	(1)	7, 898	1
8360	Items that may be reclassified subsequently to profit or loss								
8361	Exchange differences on translation of foreign financial statements	(25, 678)	(6)	5, 655	2	(22, 215)	(3)	20, 831	3
8399	Profit (expenses) related to income tax of item subject to reclassification	728	-	(90)	-	632	-	(453)	-
8300	Other comprehensive income, net	(24, 102)	(6)	8, 019	2	(25, 357)	(4)	28, 276	4
8500	TOTAL COMPREHENSIVE INCOME	\$ (144, 787)	(39)	\$ 36, 845	8	\$ (208, 406)	(31)	\$ 26, 804	4
8600	NET PROFIT (LOSS) ATTRIBUTABLE TO:								
8610	Owners of parent company (net profit/loss)	\$ (118, 926)	(33)	\$ 30, 707	6	\$ (179, 629)	(27)	\$ 3, 287	1
8620	Non-controlling interests (net profit/loss)	(1, 759)	-	(1, 881)	-	(3, 420)	-	(4, 759)	(1)
		\$ (120, 685)	(33)	\$ 28, 826	6	\$ (183, 049)	(27)	\$ (1, 472)	-
8700	COMPREHENSIVE INCOME ATTRIBUTABLE TO:								
8710	Owners of parent company	\$ (143, 028)	(39)	\$ 38, 703	8	\$ (204, 986)	(31)	\$ 30, 667	4
8720	non-controlling interests	(1, 759)	-	(1, 858)	-	(3, 420)	-	(3, 863)	-
		\$ (144, 787)	(39)	\$ 36, 845	8	\$ (208, 406)	(31)	\$ 26, 804	4
	EARNING PER SHARE								
9750	Basic earnings per share (Note 6(36))	\$ (1. 13)		\$ 0. 31		\$ (1. 71)		\$ 0. 03	
9850	Diluted earnings per share (Note 6(36))	\$ (1. 13)		\$ 0. 31		\$ (1. 71)		\$ 0. 03	

(Please refer to Consolidated Financial Statements note)

Chairman: Wang, Ming-Chin

Managerial officers: Eric Chang

Accounting Supervisor: Max Cao

E&R Engineering Corporation and its subsidiaries
Consolidated Statements of Changes in Equity
January 01 to June 30, 2025 and 2024

Unit:NTD thousand

	Equity attributable to owners of parent												
	Share capital				Retained earnings				Other equity interest item				
	Ordinary share	Certificate of entitlement to new shares from convertible bond	Advance receipts for ordinary share	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Through other comprehensive income according to fair value of financial assets unrealized valuation (loss) profit	Treasury shares	Total equity belonging to owners of parent company	Non-controlling interests	Total equity
BALANCE AT JANUARY 01, 2024	\$ 985,954	\$ -	\$ -	\$ 1,237,824	\$ 77,177	\$ 36,409	\$ 166,014	\$ (15,465)	\$ (15,991)	\$ (166,725)	\$ 2,305,197	\$ 44,175	\$ 2,349,372
Appropriation and distribution of retained earnings:													
Cash dividends of ordinary share	-	-	-	-	-	-	(49,829)	-	-	-	(49,829)	-	(49,829)
Reversal of special reserve	-	-	-	-	-	(4,953)	4,953	-	-	-	-	-	-
Net profit(loss) from January 01 to June 30, 2024	-	-	-	-	-	-	3,287	-	-	-	3,287	(4,759)	(1,472)
Other comprehensive income from January 01 to June 30, 2024	-	-	-	-	-	-	-	19,482	7,898	-	27,380	896	28,276
Total comprehensive income from January 01 to June 30, 2024	-	-	-	-	-	-	3,287	19,482	7,898	-	30,667	(3,863)	26,804
Conversion of Convertible Bonds	-	54,777	-	282,996	-	-	-	-	-	-	337,773	-	337,773
Bond conversion entitlement certificates	41,401	(41,401)	-	-	-	-	-	-	-	-	-	-	-
The difference between the actual acquisition or disposal of the subsidiary company's equity price and book value s	-	-	-	-	-	-	(12,805)	-	-	-	(12,805)	-	(12,805)
Share-based payments transaction	-	-	-	1,203	-	-	-	-	-	-	1,203	-	1,203
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(21,698)	(21,698)
BALANCE AT JUNE 30, 2024	\$ 1,027,355	\$ 13,376	\$ -	\$ 1,522,023	\$ 77,177	\$ 31,456	\$ 111,620	\$ 4,017	\$ (8,093)	\$ (166,725)	\$ 2,612,206	\$ 18,614	\$ 2,630,820
BALANCE AT JANUARY 01, 2025	\$ 1,064,275	\$ 18,026	\$ 1,468	\$ 1,734,570	\$ 77,177	\$ 31,456	\$ 56,412	\$ 4,223	\$ (6,927)	\$ (166,725)	\$ 2,813,955	\$ 15,782	\$ 2,829,737
Appropriation and distribution of retained earnings:													
Reversal of special reserve	-	-	-	-	-	(28,752)	28,752	-	-	-	-	-	-
Net profit(loss) from January 01 to June 30, 2025	-	-	-	-	-	-	(179,629)	-	-	-	(179,629)	(3,420)	(183,049)
Other comprehensive income from January 01 to June 30, 2025	-	-	-	-	-	-	-	(21,583)	(3,774)	-	(25,357)	-	(25,357)
Total comprehensive income (loss) from January 01 to June 30, 2025	-	-	-	-	-	-	(179,629)	(21,583)	(3,774)	-	(204,986)	(3,420)	(208,406)
Conversion of convertible bonds	-	4,556	-	23,926	-	-	-	-	-	-	28,482	-	28,482
Bond conversion entitlement certificates	19,168	(19,168)	-	-	-	-	-	-	-	-	-	-	-
Purchase of treasury shares	-	-	-	-	-	-	-	-	-	(101,184)	(101,184)	-	(101,184)
Share-based payments transaction	1,513	-	(1,468)	602	-	-	-	-	-	-	647	-	647
BALANCE AT JUNE 30, 2025	\$ 1,084,956	\$ 3,414	\$ -	\$ 1,759,098	\$ 77,177	\$ 2,704	\$ (94,465)	\$ (17,360)	\$ (10,701)	\$ (267,909)	\$ 2,536,914	\$ 12,362	\$ 2,549,276

(Please refer to Consolidated Financial Statements note)

Chairman: Wang, Ming-Chin

Managerial officers: Eric Chang

Accounting Supervisor: Max Cao

E&R Engineering Corporation and subsidiaries
Consolidated Statements of Cash Flows
January 01 to June 30, 2025 and 2024

Unit: NTD thousand

Item	January 01 to June 30, 2025	January 01 to June 30, 2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit(loss) before tax	\$ (203, 727)	\$ (418)
Adjustments		
Reconcile profit item		
Depreciation expense	81, 236	68, 416
Amortization expense	5, 007	3, 983
Expected credit loss (profit)	5, 946	(1, 510)
Net loss (profit) on financial assets and liabilities at fair value through profit or loss	4, 883	(17, 133)
Interest expense	8, 732	10, 774
Interest income	(5, 398)	(6, 705)
Dividend income	(165)	–
Share-based payments	512	1, 203
Loss(profit) on disposal of property, plant and equipment	(120)	182
Loss(profit) on disposal of subsidiaries	–	2, 329
Impairment loss on non-financial assets	–	4, 524
Profit on lease modification	488	(28)
Other items	(511)	(199)
Total income and expense item	<u>100, 610</u>	<u>65, 836</u>
Changes in operating assets and liabilities		
Changes in operating assets		
Mandatory through profit or loss at fair value of financial assets (increase) decrease	(89, 629)	69, 463
Notes receivable (increase) decrease	(6, 849)	(1, 815)
Accounts receivable (increase) decrease	46, 246	(96, 419)
Other receivables (increase) decrease	(2, 635)	(3, 331)
Inventories (increase) decrease	33, 245	(2, 355)
Prepayments (increase) decrease	(41, 543)	(34, 490)
Other financial assets (increase) decrease	101, 000	200, 000
Total changes in operating assets	<u>39, 835</u>	<u>131, 053</u>
Changes in operating liabilities		
Contract liabilities increase (decrease)	111, 049	18, 342
Increase in notes payable (decrease)	(527)	(64)
Increase in accounts payable (decrease)	19, 601	(21, 740)
Others accounts payable increase (decrease)	(25, 774)	(17, 324)
Increase in provisions (decrease)	(3, 837)	1, 866
Net defined benefit liabilities increase (decrease)	(3, 761)	(2, 039)
Total changes in operating liabilities	<u>96, 751</u>	<u>(20, 959)</u>

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item	January 01 to June 30, 2025	January 01 to June 30, 2024
Total changes in operating assets and liabilities	\$ 136,586	\$ 110,094
Total adjustments	237,196	175,930
Cash generated from (used in) operations	33,469	175,512
Interest received	5,450	6,896
Dividend received	165	–
Interest paid	(6,103)	(4,636)
Income tax refund(paid)	(1,600)	(13,640)
Net cash generated from (used in) operating activities	31,381	164,132
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	(3,264)	(10,296)
Acquisition of property, plant and equipment	(167,805)	(277,596)
Proceeds from disposal of property, plant and equipment	1,342	59
Increase in refundable deposits	–	(44)
Decrease in refundable deposits	1,443	–
Acquisition of intangible assets	(1,699)	(1,841)
Right-of-use asset	(6,073)	–
Increase in other financial assets	(551)	–
Decrease in other financial assets	–	5,286
Net cash flows from investing activities	(176,607)	(284,432)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term loans	155,100	–
Decrease in short-term loans	–	(93,100)
Proceeds from long-term debt	–	178,973
Repayments of long-term debt	(8,459)	(8,314)
Decrease in guarantee deposits	(71,056)	–
Payments of lease liabilities	(11,690)	(10,983)
Increase in other non-current liabilities	13,788	–
Cash dividends paid	–	(49,829)
Employee stock options exercised	135	–
Payments to acquire treasury shares	(101,184)	–
Change in non-controlling interests	–	(34,503)
Net cash flows from financing activities (outflow)	(23,366)	(17,756)
Effect of exchange rate changes on cash and cash equivalents	21,679	1,587
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(146,913)	(136,469)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	730,387	846,413
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$ 583,474	\$ 709,944

(Please refer to Consolidated Financial Statements note)

Chairman: Wang, Ming-Chin

Managerial officers: Eric Chang

Accounting Supervisor: Max Cao

E&R Engineering Corporation and its subsidiaries
Notes to the Consolidated Financial Statements
For the Six Months Ended June 30, 2025 and 2024
(Unless otherwise specified, the amounts are in NTD thousand)

1. Company History

E&R Engineering Corporation (hereinafter referred to as the Company) was established in October 1994, and on January 03, 2003 the stock was listed in the emerging market. After the board of directors' resolution on November 13, 2008 to cancel the trading in the emerging market, it was re-listed for emerging market trading on November 12, 2013, and on March 27, 2015 it was approved by Taipei Exchange (TPEX) for OTC trading. The main business item includes the planning, design, manufacturing, installation, and trading of automated machinery, parts, computer systems, and pollution control equipment.

For the main operating activities of the company and its subsidiaries (hereinafter referred to as the Group), please refer to Note 4, (3), 2. Additionally, our company does not have an ultimate parent company.

These Consolidated Financial Statements are expressed in the Company's functional currency, the NTD.

2. Approval Date and Procedures of the Financial Reports

This Consolidated Financial Statements was approved by the Board of Directors on August 06, 2025.

3. Implementation of New Standards, Amendments, and Interpretations

(I) The Company has adopted the Financial Supervisory Commission (hereinafter referred to as "the FSC") recognized and issued effective IFRS, IAS, interpretations and Statement on Internal Control (SIC) (collectively, the "IFRSs") impact.

The following table lists the newly issued, amended, and revised standards and interpretations approved by the FSC applicable in Year 2025 under IFRS(s):

Newly Released/Amended/Updated Standards and Interpretations	Effective date issued by IASB
Amendment to IAS(s) 21 "lack of exchangeability	January 01, 2025

The Group has assessed the above criteria and interpretations and concluded that they have no significant impact on the Group's financial position and performance.

(II) The impact of newly issued and amended IFRS(s) not yet adopted as recognized by the Financial Supervisory Commission.

The following table lists the newly issued, amended, and revised standards and interpretations approved by the FSC applicable in Year 2025 under IFRS(s):

Newly Released/Amended/Updated Standards and Interpretations	Effective date issued by IASB
IFRS 9 and IFRS 7 Amendments "Amendments to Classification and Measurement of Financial Instruments"	January 01, 2026

1. The FSC has approved this amendment allowing companies to early adopt Section 4.1 of IFRS 9 (Classification of Financial Assets) individually, while simultaneously applying the requirements of IFRS 7 paragraphs 20B, 20C, and 20D. The amendment is explained as follows:
 - (1) Clarify and provide further guidance on assessing whether financial assets meet the solely payments of principal and interest (SPPI) criteria, including terms that change cash flows based on contingent events (e.g., interest rates linked to ESG targets), non-recourse features of instruments, and contract-linked instruments.
 - (2) For certain instruments with contract terms that can change cash flows (such as some instruments with features related to achieving environmental, social, and governance (ESG) goals), a qualitative description of the nature of contingencies should be disclosed; quantitative information on the range of possible changes in contractual cash flows arising from such contract terms; and the total carrying amount of financial assets and the amortized cost of financial liabilities under such contract terms.
- (III) IAS(s) Board issued but not yet Recognized by the Financial Supervisory Commission:
The following table summarizes the new standards, amendments, and revisions issued by IAS(s) Board that have been issued but not yet endorsed by the Financial Supervisory Commission for IFRS(s) and their impact:

Newly Released/Amended/Updated Standards and Interpretations	Effective date issued by IASB
IFRS 9 and IFRS 7 Amendments "Amendments to Classification and Measurement of Financial Instruments"	January 01, 2026
IFRS 9 and IFRS 7 Amendments "Contracts Referencing Nature-dependent Electricity"	January 01, 2026
IFRS 10 and IAS(s) 28 Amendments "Investor and its Associates or Joint Ventures assets sale or investment "	Pending
IFRS 17 "Insurance Contracts"	January 01, 2023
IFRS 17 "Insurance Contracts" Amendment	January 01, 2023
IFRS 17 Amendments "Initial Application of IFRS 17 and IFRS 9 – Comparative Information"	January 01, 2023
IFRS 18 "Presentation and Disclosure of Financial Statements"	January 01, 2027
IFRS 19 "Non-publicly accountable subsidiary: Disclosure"	January 01, 2027
IFRS 「Annual Improvements—Volume 11」	January 01, 2026

1. Amendments to IFRS 9 and IFRS 7 — "Amendments to Classification and Measurement of Financial Instruments".

The FSC has approved certain parts of these amendments, while the parts not yet approved are explained separately as follows:

- (1) Clarify the recognition and derecognition dates of certain financial assets and liabilities, and add that when using an electronic payment system to settle financial liabilities (or partial financial liabilities) in cash, the company is allowed to consider the financial liabilities as released before the settlement date if and only if the company initiates a payment instruction and results in the following situation:
 - A. The company does not have the ability to revoke, stop, or cancel the specified payment;
 - B. The company does not have the actual ability to access the cash to be used for settlement due to the payment instruction;
 - C. The settlement risk associated with the electronic payment system is not significant.
 - (2) Through an irrevocable election designated as through other comprehensive income at fair value of equity instruments (FVTOCI), the fair value should be disclosed by each category, without the need to disclose the fair value information by each underlying item. Additionally, the amount of fair value profits or losses recognized in other comprehensive income during the reporting period should be disclosed, separately listing the fair value profits or losses related to investments disposed of during the reporting period, and the fair value profits or losses related to investments still held as of the end of the reporting period; as well as the cumulative profits or losses transferred to equity due to investment disposals during the reporting period.
2. IFRS 10 and IAS(s) 28 amendments "sale or contribution of assets between an investor and its associate or joint venture"

This amendment resolves the inconsistency between the current IFRS 10 and IAS(s) 28. When investors (or invest) assets to their affiliated enterprises or joint ventures, the recognition of full or partial disposal profits or losses depends on the nature of the transaction assets:

 - (1.) When the transaction assets qualify as a "business," the full disposal profits or losses are recognized;
 - (2.) When the transaction assets do not qualify as a "business," only the partial disposal profits or losses within the scope of non-related investors' equity in the affiliated enterprises or joint ventures can be recognized.
3. IFRS 18 "Presentation and Disclosure of Financial Statements"

IFRS 18 will replace IAS(s) 1 and update the framework of Statement of comprehensive income, add disclosure of management performance measures, and strengthen the principles of aggregation and disaggregation applied to primary financial statements and notes.
4. IFRS 19 "Non-publicly accountable subsidiaries: Disclosure"

This guideline allows eligible subsidiaries to apply the reduced disclosure requirements of IFRS accounting standards.

The Group is still evaluating the impact of the above standards and interpretations on the Group's financial position and performance, and the relevant impact will be disclosed upon completion of the evaluation.

4. Summary of Key Accounting Policies

Significant accounting policies except for those related to the basis of preparation, consolidation, and new components, are explained as follows. The rest are the consistent with Note 4 of the Consolidated Financial Statements for the year 2024. Unless otherwise stated, these policies apply consistently throughout the reporting period.

(I) Follow the statement

This Consolidated Financial Statements is prepared in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers. and the Financial Supervisory Commission recognized and promulgated IAS(s) No. 34 "Interim Financial Reporting". This Consolidated Financial Statements should be read together with the Consolidated Financial Statements for the year 2024.

(II) Preparation Basics

1. Except for the following important item, this Consolidated Financial Statements is prepared on a historical cost basis:
 - (1) Financial assets and liabilities measured at fair value through profit or loss (including derivative instruments).
 - (2) Financial assets measured at fair value through other comprehensive income.
 - (3) Share-based payment liabilities settled in cash, measured at fair value.
 - (4) Defined benefit liabilities recognized as the net amount of retirement fund assets and the present value of defined benefit obligations.
2. Preparing Consolidated Financial Statements in accordance with IFRSs endorsed by the FSC requires the use of certain critical accounting estimates. The application of the Group's accounting policies also requires management to exercise its judgment. For item involving significant judgment or complexity, or involving major assumptions and estimates of Consolidated Financial Statements, please refer to Note 5 for details.

(III) Consolidated Basis

1. Principles of Consolidated Financial Statements Preparation:

- (1) The Group includes all subsidiaries in the Consolidated Financial Statements prepared. A subsidiary is defined as an entity controlled by the Group (including structured entities). The Group controls the entity when it is exposed to variable returns from its involvement with the entity or has rights to those variable returns and has the ability to affect those returns through its power over the entity. Subsidiaries are included in the Consolidated Financial Statements from the date control is obtained and are deconsolidated from the date control is lost.

- (2) Transactions between companies within the group, balance and unrealized profits and losses have been eliminated. The accounting policies of the subsidiary have been adjusted as necessary to be consistent with those adopted by the Group.
- (3) Profit or loss and components of other comprehensive income attributable to owners of the parent company and non-controlling interests are presented separately. Total comprehensive income is also attributable to owners of parent company and non-controlling interests, even if it results in non-controlling interests incurring a loss balance.
- (4) Changes in the ownership interest of subsidiaries that do not result in the loss of control (transactions with non-controlling interests) are treated as equity transactions. The difference between the adjustment amount of non-controlling interests and the fair value of the consideration paid or received is directly recognized in equity.
- (5) When the group loses control of a subsidiary, the remaining investment in the former subsidiary is remeasured at fair. This fair value is recognized as the initial cost of financial assets or investments in associates or joint ventures. The difference between the fair value and the carrying amount is recognized as current period profit or loss. Any amounts previously recognized in other comprehensive income related to the subsidiary, the accounting treatment is the same as if the Group had directly disposed of the related assets or liabilities. Thus, if previously recognized as a profit or loss in other comprehensive income, it will be reclassified to profit or loss upon disposal of the related assets or liabilities. Consequently, upon losing control of a subsidiary, the profit or loss is reclassified from equity to profit or loss.

2. Subsidiaries included in the Consolidated Financial Statements are as follows:

Investment company/subsidiary	Main business item	Shareholding or investment ratio		
		June.30, 2025	December.31,2024	June.30, 2024
1. This company				
E&R Semiconductor Materials Co., Ltd.	Semiconductor packaging materials trading business	100%	100%	100%
TECH-WAVE Industrial Co., Ltd.	Flexible printed circuit board manufacturing and processing trading business	51.43%	51.43%	51.43%
ENRICHMENT TECH. CORPORATION	Investment holding company	100%	100%	100%
EXCELLENT INTERNATIONAL HOLDINGS LIMITED	Investment holding company	100%	100%	100%
EXCELLENT TECHNOLOGIES HOLDINGS PTE LTD	Investment holding company	100%	100%	100%
2. E&R Semiconductor Materials Co., Ltd.				
E&R(Dongguan) Semiconductor Materials Limited Company	Semiconductor packaging materials production and sales business	100%	100%	100%
3. ENRICHMENT TECH. CORPORATION				
ENR APPLIED PACKING MATERIAL CORPORATION	Investment holding company	100%	100%	100%
Chentai Trading (Shanghai) Co. Ltd.	Automation equipment After-sales service	100%	100%	100%
4. ENR APPLIED PACKING MATERIAL CORPORATION				
Wuxi E&R Semiconductor Materials Technology Limited Company	Semiconductor packaging materials production and sales business	100%	100%	100%
5. EXCELLENT INTERNATIONAL HOLDINGS LIMITED				
Jiangsu Superior Technology Semiconductor Co., Ltd. (Note).	Automation equipment production and sales business	90.61%	90.61%	90.61%
6. Chentai Trading (Shanghai) Co. Ltd.				
Jiangsu Superior Technology Semiconductor Co., Ltd. (Note).	Automation equipment production and sales business	9.39%	9.39%	9.39%

(Note) Formerly known as Jiangsu E&R Technology Co., Ltd., the company was officially renamed Jiangsu Superior Technology Semiconductor Co., Ltd. in August 2024.

(1) The above-mentioned subsidiaries included in the Consolidated Financial Statements have not had their financial reports reviewed by accountants.

(2) Changes in consolidated subsidiaries:

(A) In May 2024, the Group acquired a 100% equity interest in EXCELLENT TECHKNOWLEDGIES HOLDINGS PTE LTD through the establishment of a new investment.

3. Subsidiaries not included in Consolidated Financial Statements: None.

4. Adjustment and handling methods for different accounting periods of subsidiaries: None.

5. Major restrictions:

Cash held in banks totaling NTD 91,587 thousand is located in China and is subject to local foreign exchange controls. These restrictions limit the transfer of funds outside of China, except through normal dividend distributions.

6. Subsidiary holds parent company issued securities: None.

7. Significant subsidiaries with non-controlling interests Information: None.

(IV) Retirement benefits

Pension costs during the interim period are calculated based on the pension cost rate determined by actuarial valuation as of the end of the previous financial year, using the period from the beginning of the year to the end of the interim period as the basis. It is adjusted for significant market fluctuations, major plan amendments, settlements, or other significant one-time events occurring during the current period.

(V) Income tax

Tax expense is composed of current income tax and deferred income tax. During the interim period, income tax is estimated on an annual basis by applying the tax rate applicable to the expected annual total profit to calculate the interim pre-tax profit. During the interim period, the impact of tax rate changes due to amendments in tax laws is recognized fully in the period of occurrence, following the same accounting treatment principles as the transactions that generate tax consequences.

5. Significant Accounting Judgments, Estimations and Sources of Assumption and Uncertainty

In preparing the Group's Consolidated Financial Statements, the significant judgments made in the application of accounting policies, the primary sources of significant accounting estimates and assumptions are consistent with Note 5 of the Consolidated Financial Statements for the year 2024.

6. Details of Significant Accounts

Except for the information provided below, please refer to Note 6 of the Consolidated Financial Statements for the year 2024.

(I) Cash and cash equivalents

Item	June 30, 2025	December 31, 2025	June 30, 2024
Cash	\$ 855	\$ 1,135	\$ 1,756
Checking account	455	951	427
Demand deposit	354,100	226,939	242,638

Cash equivalents			
Time deposits with original maturity within three months	228,064	501,362	465,123
Total	<u>\$ 583,474</u>	<u>\$ 730,387</u>	<u>\$ 709,944</u>

1. The Group engages with financial institutions of strong credit quality and diversifies its credit risk by working with multiple institutions, which significantly reduces the likelihood of default.
2. The Group has not pledged cash and cash equivalents as collateral.

(II) Financial assets and liabilities at FVTPL

Item	June 30, 2025	December 31, 2024	June 30, 2024
Mandatory measurement on financial assets at FVTPL-liquidity:			
Listed stocks and ETFs	\$ 65,511	\$ 73,745	\$ 9,384
Open-ended fund	252,060	158,801	269,005
Currency Exchange Contract	–	583	51
Put option on corporate bonds	862	622	3,027
Total	<u>\$ 318,433</u>	<u>\$ 233,751</u>	<u>\$ 281,467</u>

1. The group's net (loss) profit for the periods of April to June 2025 and 2024 and January to June 2025 and 2024, amounted to NTD (2,477) thousand, NTD 5,191 thousand and NTD (4,883) thousand, NTD 17,133 thousand respectively.
2. The Group engages in derivative financial instrument transactions primarily to hedge against risks from exchange rate fluctuations of foreign currency assets and liabilities. As of June 30, 2025, December 31, 2024, and June 30, 2024, the following contracts remained unexpired:

(1) Currency exchange contract:

June 30, 2025: None.

December 31, 2024:

Contract content	Contract period	Execution price	Contract amount
Buy US dollars, sell NTD	2024.11~2025.01	32.35	USD 570
Buy US dollars, sell NTD	2024.11~2025.01	32.39	USD 1,000

June 30, 2024:

Contract content	Contract period	Execution price	Contract amount
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Buy US dollars, sell NTD	2024.06~2024.07	32.27	USD 300,000
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3. The Group has not pledged financial assets measured at FVTPL.

4. For related credit risk management and assessment methods, please refer to Note 12.

(III) Notes receivable, net

Item	June 30, 2025	December 31, 2024	June 30, 2024
Measured at amortized cost			
Total book amount	\$ 13,849	\$ 7,000	\$ 7,482
Less: Provision for loss	(14)	(3)	(3)
Notes receivable, net	<u>\$ 13,835</u>	<u>\$ 6,997</u>	<u>\$ 7,479</u>

1. The Group has not pledged notes receivable.

2. For related disclosures regarding the allowance for losses on notes receivable, please refer to Note 6 (4).

(IV) Accounts receivable, net

Item	June 30, 2025	December 31, 2024	June 30, 2024
Measured at amortized cost			
Total book amount	\$ 483,343	\$ 529,589	\$ 542,818
Less: Provision for loss	(10,514)	(4,821)	(9,402)
Accounts receivable, net	<u>\$ 472,829</u>	<u>\$ 524,768</u>	<u>\$ 533,416</u>

1. The group's accounts receivable that are neither overdue nor impaired comply with the credit standards established based on the industry characteristics, business scale, and profitability of the counterparties. The average credit period for automation equipment in the automation machinery department is 4-6 months, and for FPC equipment, it is 6-9 months (excluding the final payment, which is generally about 10%~30%, collected according to the agreement, typically one year after delivery); other departments have a credit period of 3-4 months.

2. The Group has not pledged accounts receivable.

3. The Group applies the simplified approach of IFRS 9 to recognize the allowance for expected credit losses over the lifetime of Accounts receivable. Expected credit losses are calculated using a provision matrix, which considers the customer's past default records, current financial status, and industry economic trends. According to historical credit loss experience, there is no significant variation in the loss patterns of different customer groups. Consequently, the provision matrix does not differentiate between customer groups and sets the expected credit loss rate based on the number of days past due for accounts receivable.

4. The Group measures the allowance for losses of Notes receivable and Accounts receivable according to the preparation matrix as follows:

June 30, 2025	Expected credit loss Rate	Total book value	Provision for losses (Expected credit Losses during the Duration)	Cost after amortization
Not overdue	0%-1%	\$ 435,627	\$ (2,248)	\$ 433,379
Overdue 0~30 days	0%-20%	32,355	(1,186)	31,169
Overdue 31~180 days	0%-20%	19,331	(1,069)	18,262
Overdue 181~365 days	0%-50%	2,606	(674)	1,932
Overdue for more than 1 year	0%-100%	3,845	(1,923)	1,922
The counterparty has already defaulted signs	100%	3,428	(3,428)	–
Total		<u>\$ 497,192</u>	<u>\$ (10,528)</u>	<u>\$ 486,664</u>

December 31, 2024	Expected credit loss Rate	Total book value	Provision for losses (Expected credit Losses during the Duration)	Cost after amortization
Not overdue	0%-1%	\$ 499,986	\$ (1,516)	\$ 498,470
Overdue 0~30 days	0%-20%	18,462	(685)	17,777
Overdue 31~180 days	0%-20%	8,993	(704)	8,289
Overdue 181~365 days	0%-50%	7,163	(759)	6,404
Overdue for more than 1 year	0%-100%	1,963	(1,138)	825
The counterparty has already defaulted signs	100%	22	(22)	–
Total		<u>\$ 536,589</u>	<u>\$ (4,824)</u>	<u>\$ 531,765</u>

June 30, 2024	Expected credit loss Rate	Total book value	Provision for losses (Expected credit Losses during the Duration)	Cost after amortization
Not overdue	0%-1%	\$ 510,503	\$ (3,405)	\$ 507,098
Overdue 0~30 days	0%-20%	7,577	(400)	7,177
Overdue 31~180 days	0%-20%	14,250	(893)	13,357
Overdue 181~365 days	0%-50%	5,241	(659)	4,582

Overdue for more than 1 year	0%-100%	10,742	(2,061)	8,681
The counterparty has already defaulted signs	100%	1,987	(1,987)	–
Total		<u>\$ 550,300</u>	<u>\$ (9,405)</u>	<u>\$ 540,895</u>

5. Notes receivable and accounts receivable allowance for loss changes are as follows:

Item	January to June, 2025	January to June, 2024
Equity at beginning of period	\$ 4,824	\$ 10,737
Deduct: Impairment loss reversal	5,946	(1,510)
Foreign Exchange Difference Impact Amount	(242)	178
Equity at end of period	<u>\$ 10,528</u>	<u>\$ 9,405</u>

The amounts listed above account for collateral or other credit enhancements held, June 30, 2025, December 31, 2024, and June 30, 2024, as well as other credit enhancements (such as letters of credit) held for the aforementioned receivables, which are respectively NTD 0 thousand, NTD 0 thousand, and NTD 7,975 thousand.

If there is evidence that the counterparty is experiencing severe financial difficulties and the Group cannot reasonably expect to recover the amount, the Group will directly write off the relevant receivables. However, collection activities will continue, and any amounts recovered will be recognized in profit or loss. The accounts receivable for the contract amounts written off by the group in 2025 and from January to June 2024, amount is NTD 0.

6. For related credit risk management and assessment methods, please refer to Note 12.

(V) Inventories and Operating costs

Item	June 30, 2025	December 31, 2024	June 30, 2024
Original Supplies	\$ 434,441	\$ 507,125	\$ 517,262
Work in progress	182,794	212,320	260,156
Finished goods and goods	175,480	178,006	174,614
Total	<u>\$ 792,715</u>	<u>\$ 897,451</u>	<u>\$ 952,032</u>

1. The current period recognition as Operating costs of Inventories related profits (losses) is as follows:

	April to June, 2025	April to June, 2024
Selling Inventories cost	\$ 226,053	\$ 292,624
Inventories Impairment and Obsolescence Loss	13,257	13,517
Total operating costs	<u>\$ 239,310</u>	<u>\$ 306,141</u>

	January to June, 2025	January to June, 2024
Selling Inventories cost	\$ 429, 789	\$ 468, 217
Inventories Impairment and Obsolescence Loss	25, 272	32, 857
Total operating costs	<u>\$ 455, 061</u>	<u>\$ 501, 074</u>

2. The Group wrote down Inventories to net realizable value due to obsolescence or lack of market sales value for the periods from April to June 2025 and 2024, and from January to June in 2025 and 2024, respectively, recognizing impairment and obsolescence losses of NTD 13,257 thousand, NTD 13,517 thousand, NTD 25,272 thousand, and NTD 32,857 thousand.
3. The Group has not pledged the Inventories.

(VI) Other current financial assets

Item	June 30, 2025	December 31, 2024	June 30, 2024
Time deposit for more than 3 months	\$ 10, 000	\$ 111, 000	\$ 114, 000
Restricted assets	7, 270	6, 419	23, 347
Total	<u>\$ 17, 270</u>	<u>\$ 117, 419</u>	<u>\$ 137, 347</u>

(VII) Non-current financial assets at fair value through other comprehensive income

Item	June 30, 2025	December 31, 2024	June 30, 2024
Equity tool Investment			
Domestic listed companies	\$ –	\$ –	\$ 26, 261
Preferred Stock			
Domestic unlisted company	94, 810	91, 546	51, 296
Stocks			
Subtotal	<u>\$ 94, 810</u>	<u>\$ 91, 546</u>	<u>\$ 77, 557</u>
Evaluation adjustment	(10, 701)	(6, 927)	(8, 093)
Total	<u>\$ 84, 109</u>	<u>\$ 84, 619</u>	<u>\$ 69, 464</u>

1. The Group invests in the above-listed and unlisted domestic company stocks according to medium and long-term strategic objectives, and expects to profit through long-term investment. The management of the Group believes that including the short-term fair value fluctuations of these investments in profit or loss is inconsistent with the aforementioned long-term investment planning. Consequently, the Group has designated these investments as fair value through other comprehensive income.
2. For related credit risk management and evaluation methods, please refer to Note 12.
3. The Group has not pledged any financial assets classified as fair value through other comprehensive income.

(VIII) Property, plant and equipment

Item	June 30, 2025	December 31, 2024	June 30, 2024
Land	\$ 51,515	\$ 51,515	\$ 51,515
Housing and building	767,214	815,725	299,663
Machinery and equipment	393,195	395,996	380,778
Transportation equipment	14,725	15,654	15,687
Office equipment	19,335	23,003	22,483
Other equipment	651,351	599,508	589,115
Equipment pending inspection and incomplete projects	335,790	230,534	536,834
Total cost	\$ 2,233,125	\$ 2,131,935	\$ 1,896,075
Decrease: Accumulated depreciations	(876,837)	(862,454)	(801,077)
Accumulated impairment	(8,964)	(9,989)	(9,972)
Total	\$ 1,347,324	\$ 1,259,492	\$ 1,085,026

	Land	Housing and Construction	Machinery and equipment	Other equipment (Note)	Equipment pending inspection and Unfinished project	Total
Cost						
Balance at January 01, 2025	\$ 51,515	\$ 815,725	\$ 395,996	\$ 638,165	\$ 230,534	\$ 2,131,935
Increase	–	5,348	12,017	26,893	109,393	153,651
Disposal	–	–	(1,470)	(10,895)	–	(12,365)
Inventories Transfer	–	–	26,736	46,249	–	72,985
Reclassification	–	405	–	2,979	(3,384)	–
Turn Inventories	–	–	–	(1,493)	–	(1,493)
Foreign exchange difference impact number	–	(54,264)	(40,084)	(16,487)	(753)	(111,588)
Balance at June 30, 2025	\$ 51,515	\$ 767,214	\$ 393,195	\$ 685,411	\$ 335,790	\$ 2,233,125
Accumulated depreciations and impairment						
Balance at January 01, 2025	\$ –	\$ 148,672	\$ 313,619	\$ 410,152	\$ –	\$ 872,443
Depreciation expense	–	18,603	6,591	43,417	–	68,611
Disposition	–	–	(1,470)	(9,673)	–	(11,143)
Turn Inventories	–	–	–	(1,083)	–	(1,083)
Foreign exchange difference impact number	–	(2,225)	(27,261)	(13,541)	–	(43,027)
Balance at June 30, 2025	\$ –	\$ 165,050	\$ 291,479	\$ 429,272	\$ –	\$ 885,801

	Land	Housing and Construction	Machinery and equipment	Other equipment (Note)	Equipment pending inspection and Unfinished project	Total
Cost						
Balance at January 01, 2024	\$ 51,515	\$ 297,789	\$ 330,597	\$ 577,856	\$ 263,777	\$ 1,521,534
Increase	–	1,862	3,948	17,402	264,154	287,366

Disposition	-	(2,414)	(10,881)	(20,358)	-	(33,653)
Inventories Transfer	-	-	41,807	50,200	-	92,007
Reclassification	-	1,926	871	(781)	(2,016)	-
Turn Inventories	-	-	-	(3,933)	-	(3,933)
Reversal of impairment loss	-	-	-	-	(4,524)	(4,524)
Foreign exchange difference impact number	-	500	14,436	6,899	15,443	37,278
Balance on June 30, 2024	\$ 51,515	\$ 299,663	\$ 380,778	\$ 627,285	\$ 536,834	\$ 1,896,075
Accumulated depreciations and impairment						
Balance at January 01, 2024	\$ -	\$ 126,425	\$ 301,326	\$ 342,819	\$ -	\$ 770,570
Depreciation expense	-	7,330	5,061	44,127	-	56,518
Disposition	-	(2,414)	(10,881)	(20,117)	-	(33,412)
Turn Inventories	-	-	-	(556)	-	(556)
Reclassification	-	285	-	(285)	-	-
Foreign exchange difference impact number	-	103	12,213	5,613	-	17,929
Balance at June 30, 2024	\$ -	\$ 131,729	\$ 307,719	\$ 371,601	\$ -	\$ 811,049

(Note) Includes transportation equipment, office equipment, and other equipment.

1. Property, plant and equipment capitalized borrowing costs and interest rate range:
Please refer to Note 6 (32) for details.
2. Property, plant and equipment Impairment amount situation: None.
3. Information on the guarantee provided by Property, plant and equipment: Please refer to Note Eight for details.
4. The adjustments for the current period's additions and Statement of cash flows acquisition of property, plant and equipment are as follows:

Item	January to June, 2025	January to June, 2024
Property, plant and equipment Increase in number	\$ 153,651	\$ 287,366
Payable on machinery and equipment (Increase) Decrease	14,154	(9,770)
Purchase property, plant and equipment pay cash amount	\$ 167,805	\$ 277,596

5. The Group Property, plant and equipment is depreciated on a straight-line basis over the following useful lives depreciations:

Housing and building	
Main building of the factory	25 years~50 years
Factory ancillary equipment	3 years~35 years
Machinery and transport equipment	2 years~8 years
Other equipment	2 years~10 years

(IX) Lease Agreement

1.Right-of-use assets

Item	June 30, 2025	December 31, 2024	June 30, 2024
Land	\$ 135,341	\$ 142,064	\$ 142,207
Building	90,232	103,400	95,660
Transportation equipment	9,117	10,017	5,184
Total cost	\$ 234,690	\$ 255,481	\$ 243,051
Decrease: Accumulated depreciations	(56,973)	(89,958)	(73,695)
Net amount	<u>\$ 177,717</u>	<u>\$ 165,523</u>	<u>\$ 169,356</u>

Cost	Land	Building	Transportation equipment	Total
Balance at January 01, 2025	\$ 142,064	\$ 103,400	\$ 10,017	\$ 255,481
Increase this period	6,073	27,726	1,689	35,488
Decrease this period	(9,303)	(33,577)	(2,055)	(44,935)
Exchange rate impact number	(3,493)	(7,317)	(534)	(11,344)
Balance at June 30, 2025	<u>\$ 135,341</u>	<u>\$ 90,232</u>	<u>\$ 9,117</u>	<u>\$ 234,690</u>

Accumulated depreciations				
Balance at January 01, 2025	\$ 25,125	\$ 61,483	\$ 3,350	\$ 89,958
Depreciation expense	2,815	8,120	1,690	12,625
Decrease this period	(9,303)	(31,460)	(2,055)	(42,818)
Exchange rate impact number	(306)	(2,377)	(109)	(2,792)
Balance at June 30, 2025	<u>\$ 18,331</u>	<u>\$ 35,766</u>	<u>\$ 2,876</u>	<u>\$ 56,973</u>

Cost	Land	Building	Transportation equipment	Total
Balance at January 01, 2024	\$ 140,616	\$ 97,558	\$ 4,996	\$ 243,170
Increase this period	–	–	960	960
Decrease this period	(37)	(5,273)	(772)	(6,082)
Exchange rate impact number	1,628	3,375	–	5,003
Balance at June 30, 2024	<u>\$ 142,207</u>	<u>\$ 95,660</u>	<u>\$ 5,184</u>	<u>\$ 243,051</u>

Accumulated depreciations				
Balance at January 01, 2024	\$ 18,969	\$ 43,327	\$ 2,946	\$ 65,242
Depreciation expense	3,022	8,032	844	11,898
Decrease this period	–	(4,133)	(772)	(4,905)

Exchange rate impact	103	1,357	–	1,460
number				
Balance at June 30, 2024	<u>\$ 22,094</u>	<u>\$ 48,583</u>	<u>\$ 3,018</u>	<u>\$ 73,695</u>

2. Lease liabilities

Item	June 30, 2025	December 31, 2024	June 30, 2024
Book value on leased liabilities			
Current	<u>\$ 20,206</u>	<u>\$ 19,806</u>	<u>\$ 19,913</u>
Non-current	<u>\$ 129,370</u>	<u>\$ 119,094</u>	<u>\$ 121,254</u>

The discount rate range for the lease liabilities is as follows:

June 30, 2025	December 31, 2024	June 30, 2024
1.60%-3.60%	1.60%-3.53%	1.60%-3.53%

For the analysis of the expiration of the lease liabilities, please refer to Note 12(3)

3. Important Leasing Activities and Terms

The Group leases certain lands and buildings for operational use, with lease terms ranging from 2 to 50 years. Some leases include renewal rights upon expiration of the lease term, and some leases calculate rent based on the area of the leased land according to zonal values and rates or the announced current land value of the year. The Group has accounted the renewal in the lease liabilities. According to the contract, the Group is prohibited from subleasing the leased assets without the lessor's consent. As of June 30, 2025, there is no indication of impairment for right-of-use assets, therefore no impairment assessment has been conducted.

4. Subletting: None.

5. Other Leasing Information

(1) The rental-related fee information for this period is as follows:

Item	April to June, 2025	April to June, 2024
Short-term rental costs	<u>\$ 3,809</u>	<u>\$ 3,648</u>
Low-value assets lease expenses	<u>\$ 186</u>	<u>\$ 107</u>
Total cash outflows from leasing (Note)	<u>\$ 9,241</u>	<u>\$ 9,314</u>

Item	January to June, 2025	January to June, 2024
Short-term rental costs	<u>\$ 5,173</u>	<u>\$ 5,949</u>
Low-value assets lease expenses	<u>\$ 213</u>	<u>\$ 253</u>
Total cash outflows from leasing (Note)	<u>\$ 17,076</u>	<u>\$ 17,185</u>

(Note): It includes the principal payment amount of the lease liabilities for this period.

6. According to the information provided by right-of-use assets, please refer to the explanation in Note Eight.

(X) Intangible assets

Item	June 30, 2025	December 31, 2024	June 30, 2024
Computer software cost	\$ 29,791	\$ 28,196	\$ 24,417
Other intangible assets, net	–	–	5,000
Total cost	\$ 29,791	\$ 28,196	\$ 29,417
Decrease: Accumulated amortization	(19,417)	(14,457)	(14,864)
Net amount	\$ 10,374	\$ 13,739	\$ 14,553

	Computer software cost	Other intangible assets	Total
<u>Cost</u>			
Balance at January 01, 2025	\$ 28,196	\$ –	\$ 28,196
Increase	1,699	–	1,699
The impact of foreign currency exchange differences	(104)	–	(104)
Balance at June 30, 2025	\$ 29,791	\$ –	\$ 29,791
<u>Accumulated amortization</u>			
Balance on January 01, 2025	\$ 14,457	\$ –	\$ 14,457
Amortization expense	5,007	–	5,007
Impact of foreign currency exchange differences	(47)	–	(47)
Balance at June 30, 2025	\$ 19,417	\$ –	\$ 19,417

	Computer software cost	Other intangible assets, net	Total
<u>Cost</u>			
Balance at January 01, 2024	\$ 22,693	\$ 5,000	\$ 27,693
Increase	1,841	–	1,841
Write-off upon maturity	(158)	–	(158)
The impact of foreign currency exchange differences	41	–	41
Balance on June 30, 2024	\$ 24,417	\$ 5,000	\$ 29,417
<u>Accumulated amortization</u>			

Balance at January 01, 2024	\$	6,775	\$	4,250	\$	11,025
Amortization expense		3,483		500		3,983
Write-off upon maturity		(158)		–		(158)
Impact of foreign currency exchange differences		14		–		14
Balance at June 30, 2024	\$	10,114	\$	4,750	\$	14,864

(XI) Deposits paid

Item	June 30, 2025	December 31, 2024	June 30, 2024
Rental deposit	\$ 6,971	\$ 6,984	\$ 5,689
Performance bond	2,705	3,329	3,324
Other deposit	709	1,515	2,319
Total	\$ 10,385	\$ 11,828	\$ 11,332

(XII) Short-term borrowings

Loan nature	June 30, 2025	
	Amount	Interest rate
Mortgage loan	\$ 2,700	2.23%
Credit loan	157,400	2.14%~2.15%
Total	\$ 160,100	

Loan nature	December 31, 2024	
	Amount	Interest rate
Credit loan	5,000	2.848%

Loan nature	June 30, 2024	
	Amount	Interest rate
Mortgage loan	\$ 2,700	2.23%
Credit loan	1,200	2.83%
Total	\$ 3,900	

For Short-term borrowings, the Group provides certain other financial assets and Property, plant and equipment as collateral for borrowings, please refer to Note 8 for details.

(XIII) Other payables

Item	June 30, 2025	December 31, 2024	June 30, 2024
Salary and bonus payable	\$ 53,879	\$ 71,321	\$ 58,914
Commission payable	14,439	20,063	18,419
Handle social security and provident fund payable	11,883	11,979	11,943
Insurance expense payable	4,248	4,554	4,734

Interest payable	105	377	72
Payable on machinery and equipment	13,461	27,615	14,974
Pay employees and directors Compensation- This issue	–	–	450
Other	23,953	26,259	25,356
Total	<u>\$ 121,968</u>	<u>\$ 162,168</u>	<u>\$ 134,862</u>

(XIV) Current provisions

Item	June 30, 2025	December 31, 2024	June 30, 2024
Employee benefits	\$ 9,892	\$ 8,839	\$ 9,871
Warranty Preparation	21,717	26,607	23,456
Total	<u>\$ 31,609</u>	<u>\$ 35,446</u>	<u>\$ 33,327</u>

Item	January to June, 2025		
	Employee benefits	Warranty Preparation	Total
Balance at January 01	\$ 8,839	\$ 26,607	\$ 35,446
Newly added Provisions - liability	8,704	12,403	21,107
Current use of Provisions - liability	(7,651)	(17,293)	(24,944)
Balance at June 30	<u>\$ 9,892</u>	<u>\$ 21,717</u>	<u>\$ 31,609</u>

Item	January to June, 2024		
	Employee benefits	Warranty Preparation	Total
Balance at January 01	\$ 9,117	\$ 22,344	\$ 31,461
Newly added Provisions - liability	9,089	13,086	22,175
Current use of Provisions - liability	(8,335)	(11,974)	(20,309)
Balance at June 30	<u>\$ 9,871</u>	<u>\$ 23,456</u>	<u>\$ 33,327</u>

1. Employee benefits provisions - liabilities represent the estimated short-term service leave entitlements of employees.
2. The types of guarantees provided by the Group are in accordance with agreed specifications. Warranty services related to the sales of machine products, and warranty provisions - liabilities are estimated based on the historical warranty data of the product.

(XV) Long-term liabilities due within one year or one operating cycle

Item	June 30, 2025	December 31, 2024	June 30, 2024
Due within one year long-term borrowing	<u>\$ 33,356</u>	<u>\$ 26,029</u>	<u>\$ 17,310</u>

(XVI) Bonds payable

Item	June 30, 2025	December 31, 2024	June 30, 2024
The third time unsecured convertible bonds in domestic	\$ 359,200	\$ 388,700	\$ 644,100
Decrease: Discount on corporate bonds payable	(11,151)	(15,005)	(29,773)
Total	<u>\$ 348,049</u>	<u>\$ 373,695</u>	<u>\$ 614,327</u>

1. The company was approved by the competent authority on June 22, 2022 to raise and issue the third domestic unsecured convertible bonds, with a total issuance amount of NTD 1,000,000 thousand, a coupon rate of 0%, and an issuance period of five years. The circulation period is from July 13, 2022 to July 13, 2027. The convertible bonds will be repaid in full in cash at face value upon maturity.
2. The conversion price of these convertible bonds is adjusted according to the prescribed model of the conversion method. The conversion price at issuance was NTD 67.60. Due to changes in Share capital, the conversion price has been adjusted. The conversion price from January to June, 2025 was NTD 64.74. As of June 30, 2025, 9,878 thousand shares had been converted.
3. According to the conversion method regulations, all convertible bonds repurchased by the company (including those bought back by the securities firm's business office), repaid, or already converted will be canceled, and will no longer be sold or issued, with their attached conversion rights extinguished.
4. According to the conversion regulations, the holders of this convertible bond may request conversion into the company's common stock at any time from three months after the issuance date until the maturity date,, except during the period when transfer must be suspended according to regulations or laws. The rights and obligations of the converted common stock are the same as those of the originally issued common stock.
5. From three months after issuance until 40 days before the maturity date, if the closing price of the company's common stock exceeds the conversion price of the convertible bonds at that time by 30% (inclusive) for 30 consecutive trading days or if the outstanding balance is less than 10% of the original issuance amount, the issuing company may redeem all outstanding bonds at face value in cash.
6. Bondholders may request the issuing company to repurchase at face value plus interest compensation on the third and fourth anniversaries of the issuance. The interest compensation on the third and fourth anniversaries is total percent of the face value of the bonds, which are 1.5075% and 2.0151% respectively. As of June 30, 2025, the amount requested for redemption by bondholders is NTD 0.

7. As of June 30, 2025, the company has repurchased convertible bonds issued in the open market with its own funds amounting to NTD 0.

8. Regarding the third Bonds payable conversion during this period, the situation is as follows:

Item	January to June, 2025	January to June, 2024
Bonds payable Conversion number	\$ 29,500	\$ 355,900
Reversal of discount on bonds payable Discount on corporate bonds payable	(954)	(17,663)
Conversion reversal on financial assets through FVTPL	(64)	(464)
Equity change for this period	(28,482)	(337,773)
Cash payment for this period	\$ -	\$ -

(XVII) Long-term borrowings

Item	June 30, 2025	December 31, 2024	June 30, 2024
Secured loan	\$ 275,952	\$ 308,531	\$ 263,257
Reduction: Expires within one year	(33,356)	(26,029)	(17,310)
Total	\$ 242,596	\$ 282,502	\$ 245,947
Interest rate range	2.125%-3.80%	2.12%-3.80%	2.00%-3.45%

For the collateral of the above Bank loan, please refer to Note 8 for details.

(XVIII) Long-term deferred revenue

Item	June 30, 2025	December 31, 2024	June 30, 2024
Deferred Revenue:			
Subsidy for factory construction	\$ 29,060	\$ 18,243	\$ 18,213
Subsidy for equipment	5,972	5,972	5,972
Subtotal	\$ 35,032	\$ 24,215	\$ 24,185
Reduction: Cumulative recognition revenue	(1,916)	(1,449)	(1,061)
Reduction: Deferred revenue within one year	(1,129)	(854)	(398)
Equity at end of period	\$ 31,987	\$ 21,912	\$ 22,726

The subsidiary of the group - Jiangsu Superior Technology Semiconductor Co., Ltd. signed an investment agreement with the Management Committee of Nantong Economic and Technological Development Zone, and the committee provided a subsidy for the construction of the factory.

(XIX) Pension

1. Confirm the allocation plan

- (1) The pension system of our company and its subsidiaries within the Republic of China, applicable under the "Labor Pension Act", is a government-managed defined contribution retirement plan. A retirement pension amounting to 6% of employees' monthly salary is contributed to the individual account at the Bureau of Labor Insurance. The subsidiaries outside the Republic of China have joined defined contribution plan managed by the local government and contribute retirement pension to the local government on a monthly basis.
- (2) The group recognized retirement pension expenses of NTD 8,440 thousand, NTD 8,741 thousand, and NTD 17,566 thousand, NTD 16,990 thousand for April to June 2025 and 2024, January to June 2025 and 2024, respectively.

2. Defined benefit plan

- (1) The pension expenses related to the defined benefit plans recognized by the Group for April to June 2024, as well as January to June 2024, are NTD 358 thousand and NTD 723 thousand respectively. These amounts were calculated using the pension cost rate determined by the actuarial valuation as of December 31, 2023. The Company, E&R Engineering Corporation, settled its defined benefit plan obligations for domestic employees under the old scheme during the first half of 2025. Accordingly, for the three-month and six-month periods ended June 30, 2025, the Group recognized pension expenses of NT\$3 thousand and NT\$2,076 thousand, respectively.
- (2) The Group estimated that before the end of the year 2024, the balance in the labor retirement special account would be insufficient to cover the estimated number of employees meeting retirement conditions in the following year. Therefore, in February 2025, the difference of NTD 3,762 thousand was allocated to the special account and offset against the net defined benefit liabilities.

(XX) Ordinary share

1. The reconciliation of the number and amount of common shares outstanding at the beginning and end of the period is as follows:

	January to June, 2025		January to June, 2024	
	Number of shares (thousand shares)	Amount	Number of shares (thousand shares)	Amount
January 01,	106,427	\$ 1,064,275	98,595	\$ 985,954
Bonds payable conversion (Note)	1,917	19,168	4,140	41,401
Retirement of treasury share	—	—	—	—
Employee Stock Options	151	1,513	—	—

June 30

108,495	\$ 1,084,956	102,735	\$ 1,027,355
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(Notes) For the six-month period ended June 30, 2025, the conversion of corporate bonds payable included NT\$18,026 thousand of conversion option certificates outstanding at the beginning of the period and NT\$4,556 thousand of additional conversion option certificates arising from conversions during the period. Among these, NT\$1,142 thousand has been reclassified to share capital upon completion of the registration of change.

- (1) As of June 30, 2025, the Company's authorized capital is NTD 1,500,000 thousand, divided into 150,000 thousand shares (of which 5,000 thousand shares are for stock warrants, special shares with stock warrants, or convertible bonds with stock warrants).
- (2) The face value of the convertible bonds issued by the Company that requested conversion into common stock during January and June 2025 and 2024 was NTD 29,500 thousand and NTD 355,900 thousand respectively. The number of shares converted were 456 thousand shares and 5,478 thousand shares, respectively. As of June 30, 2025 and 2024, 114 thousand shares and 4,140 thousand shares have completed the change registration and were transferred to Share capital as NTD 1,142 thousand and NTD 41,401 thousand, respectively. Additionally, 342 thousand shares and 1,338 thousand shares have not yet completed the change registration and are recorded under certificate of entitlement to new shares from convertible bond as NTD 3,414 thousand and NTD 13,376 thousand.
- 3) For the employee stock options issued by the Company, the number of options exercised during the six months ended June 30, 2025 and 2024 amounted to 4.5 thousand shares and 0 thousand shares, respectively, at exercise prices of NT\$29.9 per share and NT\$0 per share. As of June 30, 2025 and 2024, the related registration of capital increase had been completed.

(XXI) Capital surplus

Item	June 30, 2025	December 31, 2024	June 30, 2024
Stock issuance premium	\$ 1,711,810	\$ 1,680,517	\$ 1,445,602
The difference between the actual acquisition or disposal of subsidiary equity prices and the book value	9,786	9,786	9,786
Stock options	23,910	25,874	42,875
Employee Stock Options	4,509	9,310	14,677
Other - Right to Revert	9,083	9,083	9,083
Total	1,759,098	1,734,570	1,522,023

According to the Company Act, the surplus from issuing shares above par value and the Capital surplus received as donations, except when used to cover losses, may be distributed as new shares or cash to shareholders in proportion to their original shares provided the company has no accumulated losses. Under the relevant provisions of Securities and Exchange Act, capital surplus allocated to capital shall not exceed ten percent of the paid-in capital each year. Capital surplus cannot be used to cover capital deficits when the surplus reserve is insufficient to cover the capital loss. The Investments accounted for using equity method generated Capital surplus shall not be used for any purpose.

(XXII) Share-based payments

1. Employee stock options -November 2020 issuance

The company issued 500 units of employee stock options plan on November 15, 2021, with each unit entitling the holder to subscribe for 1,000 ordinary shares at a subscription price of NTD 32 per share, which is not lower than 50% of the closing price of the company's ordinary shares on the issuance date of this employee stock option certificate. The exercise price will be adjusted according to a specific formula if there are changes in the company's common stock shares. The duration of the issued stock warrants is 5 years. Employees may exercise their stock warrant rights according to the employee stock warrant regulations after 2 years from the date of grant. The company's compensation costs for employee stock options recognized for April to June 2025 and 2024, and January to June 2025 and 2024 are NT\$256 thousand, NT\$602 thousand, NT\$512 thousand, and NT\$1,203 thousand, respectively.

(1) The disclosure of the number of stock options and the weighted average exercise price for the employee stock option plan for January to June, 2025 and 2024 is as follows:

Stock Options	January to June, 2025	
	Quantity (thousand shares)	Weighted average exercise price
Circulating at the beginning of the period	128	29.90
This issue gives	—	—
This period exercise	(4)	29.90
This issue is confiscated	—	—
Circulating at the end of the period	124	29.90
Stock options exercisable at the end of the term	124	

Stock Options	January to June, 2024	
	Quantity (thousand shares)	Weighted average exercise price
Circulating at the beginning of the period	500	30.10
This issue gives	–	–
This period exercise	–	–
This issue is confiscated	–	–
Circulating at the end of the period	500	30.10
Stock options exercisable at the end of the term	500	

- (2) As of June 30, 2025, December 31, 2024 and June 30, 2024, information on outstanding employee stock options was as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Range of Exercise Prices (NT\$)	29.90	29.90	30.10
Weighted-Average Remaining Contractual Life (years)	1.375	1.875	2.375

- (3) The company uses the Black-Scholes option pricing model to estimate the fair value of stock options on the grant date for Share-based payments transactions.

The weighted average information and fair value of each factor are as follows:

Grant Date	November 15, 2021
Dividend yield	0%
Expected price volatility	43.12%~43.63%
Risk-free rate	0.40%~0.43%
Expected duration	3.5 years~4.5 years
Weighted average fair value (per share)	NTD 35.52~NTD 37.02

2. Treasury stock transferred to employees: Please refer to Note 6 (25) for details.

(XXIII) Retained earnings and dividend policy

1. According to the surplus distribution policy outlined in the Articles of Incorporation, the annual surplus, if any, shall be distributed in the following order:

- (1) Pay taxes as required by law.
- (2) Offset accumulated losses.
- (3) Allocate 10% as legal reserve, but when the accumulated legal reserve reaches the company's total capital, this requirement no longer applies.
- (4) Set aside a special surplus reserve in accordance with legal requirements or operational needs. After these allocations, the remaining balance, combined with the accumulated unappropriated retained earnings from the previous year, will be

used by the board of directors to draft a shareholder dividend distribution plan, which will then be submitted to the shareholders' meeting for approval.

- (5) If the company decides to distribute dividends or part or all of the legal reserve and capital surplus in the form of cash, the board of directors is authorized to do so with the attendance of at least two-thirds of the directors and the consent of more than half of the attending directors, and subsequently report to the shareholders' meeting.

The company's dividend policy align with its operating environment and growth stage, taking into account capital expenditures, business expansion needs, sound financial planning, and the need to balance shareholder interests for sustainable development. Dividends will be distributed depending on the company's future capital expense budget and funding needs, allocating no less than 10% of the distributable profits to shareholders as dividends. However, if accumulated distributable profits are less than 5% of the paid-in share capital, distribution may not be made. When distributing shareholder dividends, they may be issued in the form of stock dividends or cash dividends, with the ratio of cash dividends being no less than 10% of the total shareholder dividends. If the company has significant investments or development policies, it may be distributed entirely as stock dividends.

2. The legal reserve may only be used to cover company losses or to issue new shares or cash in proportion to shareholders' original shares. However, for issuing new shares or cash, it is limited to the portion of the reserve that exceeds 25 percent of the paid-in capital.
3. Special reserve

Item	June 30, 2025	December 31, 2024	June 30, 2024
Other equity interest borrowing balance provision	\$ 2,704	\$ 31,456	\$ 31,456

When the company distributes earnings, it must comply with the legal regulations by appropriating a special reserve for the current year's balance sheet date's "Other Equity Interest" item debit balance before making any distributions. When the debit balance in the "Other Equity Interest" item is reversed in the future, the reversed amount can be added back to distributable earnings.

4. The company approved 2024 earning appropriation proposals at the board meetings in March 2025 and subsequently at the shareholder meetings in June 2025 are as follows:

Item	Earning appropriation case
Special reserve reversal	\$ (28,752)

- The company approved 2023 earning appropriation proposals at the board meetings in March 2024 and subsequently at the shareholder meetings in June 2024 are as follows:

Item	Exchange differences in the translation of financial statements of foreign operating institutions	Unrealized profit(loss) through FVOCI	Total
Balance at January 01, 2025	\$ 4, 223	\$ (6, 927)	\$ (2, 704)
Exchange differences in the translation of financial statements of foreign operating institutions	(21, 583)	-	(21, 583)
Through other comprehensive income according to public Fair value measurement of financial assets Unrealized (loss) profit	-	(3, 774)	(3, 774)
Balance at June 30, 2025	<u>\$ (17, 360)</u>	<u>\$ (10, 701)</u>	<u>\$ (28, 061)</u>
Item	Earning appropriation case	Dividend per Share (NT\$)	
Special reserve reversal	\$ (4, 953)		
Cash dividends of ordinary share	49, 829	0. 5	
Total	\$ 44, 876		

5. For details on the surplus distribution as resolved by the shareholders' meeting, please refer to the Taiwan Stock Exchange's "Market Observation Post System" for inquiries.

(XXIV) Other equity interest

Item	Exchange differences in the translation of financial statements of foreign operating institutions	Unrealized profit(loss) through FVOCI	Total
Balance at January 01, 2025	\$ 4,223	\$ (6,927)	\$ (2,704)
Exchange differences in the translation of financial statements of foreign operating institutions	(21,583)	–	(21,583)
Through Other comprehensive income according to public	–	(3,774)	(3,774)

Fair value measurement
of financial assets
Unrealized (loss) profit

Balance at June 30, 2025	\$ (17,360)	\$ (10,701)	\$ (28,061)
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Item	Exchange differences in the translation of financial statements of foreign operating institutions	Unrealized profit(loss) through FVOCI	Total
Balance at January 01, 2024	\$ (15,465)	\$ (15,991)	\$ (31,456)
Exchange differences in the translation of financial statements of foreign operating institutions	19,482	- -	19,482
Through Other comprehensive income according to public Fair value measurement of financial assets Unrealized (loss) profit	-	7,898	7,898
Balance at June 30, 2024	\$ (4,017)	\$ (8,093)	\$ (4,076)

(XXV) Treasury shares

1. Reasons for Share Repurchase and Changes in Their Quantities

Reason for recall	January to June, 2025			June 30
	January 01	Increased this period	Decrease this period	
Transfer to employees	2,823	-	-	2,823
Maintain company credit	-	1,375	-	1,375
.				

Unit: thousand shares

Reason for recall	January to June, 2024			June 30
	January 01	Increased this period	Decrease this period	
Transfer to employees	2,823	-	-	2,823

- (1) The company, on August 17, 2021, resolved to repurchase 1,000 thousand treasury shares for employee transfer between September 18, 2021, and October 17, 2021. As of the end of the buyback period, the company had bought back 834 thousand shares, totaling NTD 54,075 thousand.
 - (2) The company, on October 13, 2022, resolved to repurchase 1,000 thousand treasury shares for employee transfer between October 14, 2022, and November 13, 2022. As of the expiration date of the buyback period, the company has bought back a total of 989 thousand shares, amounting to NTD 51,706 thousand.
 - (3) The company, on June 05, 2023 resolved to repurchase 1,000 thousand treasury shares for employee transfer, executing the buyback between June 06, 2023, and August 05, 2023. As of June 30, 2023, the execution has been completed. Our company has bought back a total of 1,000 thousand shares, amounting to NTD 60,944 thousand.
 - (4) The Company, on April 9, 2025, resolved to repurchase 1,500 thousand treasury shares to maintain the company's credit and protect shareholders' equity between April 10, 2025, and June 9, 2025. As of the expiration date of the buyback period, the Company had bought back a total of 1,375 thousand shares, amounting to NTD 101,184 thousand.
2. According to the Securities and Exchange Act, the proportion of repurchased shares to the total issued shares must not exceed 10% of the total issued shares. The total amount of repurchased amount must not exceed the sum of retained earnings, the premium on issued shares and the realized amount of capital surplus.
 3. The treasury shares held by the company cannot be pledged and do not carry shareholder rights before being transferred, in accordance with the Securities and Exchange Act.
 4. Treasury shares repurchased for employee transfer must be transferred within five years from the repurchase date. If not transferred within the period, they will be regarded as unissued shares of the company and should be deregistered. To maintain the company's credit and the equity of shareholders equity, the repurchased shares should be processed for cancelation within six months from the date of repurchase.

(XXVI) Non-controlling interests

Item	January to June, 2025	January to June, 2024
Equity at beginning of period	\$ 15,782	\$ 44,175
Share attributable to non-controlling interests:		
Net profit (net loss) this year	(3,420)	(4,759)
Other comprehensive income this year	—	896

Non-controlling interests Decrease -	-	(34, 503)
Minority equity transfer		
Non-controlling interests Increase -	-	12, 805
Acquisition cost and equity		
Net value difference		
Equity at end of period	\$ 12, 362	\$ 18, 614

(XXVII) Operating revenue

Item	April to June, 2025	April to June, 2024
Customer contract of Revenue		
Total amount on operating revenue	\$ 374, 800	\$ 505, 336
Sales returns	(100)	(476)
Sales discounts and allowances	(181)	(964)
Operating revenue net amount	\$ 374, 519	\$ 503, 896

Item	January to June, 2025	January to June, 2024
Customer contract of Revenue		
Total operating revenue	\$ 690, 256	\$ 806, 670
Sales returns	(237)	(12, 718)
Sales discounts and allowances	(588)	(2, 209)
Operating revenue net amount	\$ 689, 431	\$ 791, 743

1. Explanation of customer contract

The sales of mechanical products, flexible printed circuit board products, and semiconductor materials are directed primarily at downstream manufacturers and are conducted at contractually agreed prices.

2. Customer contract Revenue segmentation

The Group's Revenue is segmented into the following main product lines and geographic regions:

April to June, 2025:

	Automation machinery	Electronic products	Net amount
Major regional market			
Taiwan	\$ 134, 804	\$ 12, 871	\$ 147, 675
Hong Kong and China	38, 070	46, 594	84, 664
Southeast Asia	38, 660	28, 169	66, 829
America	69, 476	-	69, 476
Europe	565	-	565
Other countries	2, 213	3, 097	5, 310
Total	\$ 283, 788	\$ 90, 731	\$ 374, 519
Main product line			
Automation machinery	\$ 283, 788	\$ -	\$ 283, 788
Flexible printed circuit board	-	9, 544	9, 544
Semiconductor materials	-	81, 187	81, 187

Other		–		–		–
Total	\$	283,788	\$	90,731	\$	374,519
<u>Revenue recognition timing</u>						
Fulfill performance obligations at a certain point in time	\$	283,788	\$	90,731	\$	374,519
Gradually fulfill performance obligations over time		–		–		–
Total	\$	283,788	\$	90,731	\$	374,519

April to June, 2024:

	Automation machinery	Electronic products	Net amount
<u>Major regional market</u>			
Taiwan	\$ 121,976	\$ 10,647	\$ 132,623
Hong Kong and Mainland China	84,691	40,249	124,940
Southeast Asia	90,939	31,492	122,431
America	106,699	-	106,699
Europe	8,927	-	8,927
Other countries	4,773	3,503	8,276
Total	\$ 418,005	\$ 85,891	\$ 503,896
<u>Main product line</u>			
Automation machinery	\$ 418,005	\$ -	\$ 418,005
Flexible printed circuit board	-	8,095	8,095
Semiconductor materials	-	77,796	77,796
Other	-	-	-
Total	\$ 418,005	\$ 85,891	\$ 503,896
<u>Revenue Recognition Timing</u>			
Fulfill performance obligations at a certain point in time	\$ 418,005	\$ 85,891	\$ 503,896
Gradually fulfill performance obligations over time	-	-	-
Total	\$ 418,005	\$ 85,891	\$ 503,896

January to June, 2025:

	Automation machinery	Electronic products	Net amount
<u>Major regional market</u>			
Taiwan	\$ 255,516	\$ 25,688	\$ 281,204
Hong Kong and China	88,611	86,302	174,913
Southeast Asia	72,223	60,013	132,236
America	89,473	-	89,473
Europe	2,343	-	2,343
Other countries	3,038	6,224	9,262
Total	\$ 511,204	\$ 178,227	\$ 689,431
<u>Main product line</u>			
Automation machinery	\$ 511,204	\$ -	\$ 511,204
Flexible printed circuit board	-	19,449	19,449

Semiconductor materials	–	158,778	158,778
Other	–	–	–
Total	<u>\$ 511,204</u>	<u>\$ 178,227</u>	<u>\$ 689,431</u>
<u>Revenue Recognition Timing</u>			
Fulfill performance obligations at a certain point in time	\$ 511,204	\$ 178,227	\$ 689,431
Gradually fulfill performance obligations over time	–	–	–
Total	<u>\$ 511,204</u>	<u>\$ 178,227</u>	<u>\$ 689,431</u>

January to June, 2024:

	Automation machinery	Electronic products	Net amount
<u>Major regional market</u>			
Taiwan	\$ 216,095	\$ 22,885	\$ 238,980
Hong Kong and China	152,650	77,122	229,772
Southeast Asia	104,778	55,068	159,846
America	140,116	–	140,116
Europe	11,123	–	11,123
Other countries	4,851	7,055	11,906
Total	<u>\$ 629,613</u>	<u>\$ 162,130</u>	<u>\$ 791,743</u>
<u>Main product line</u>			
Automation machinery	\$ 629,613	\$ –	\$ 629,613
Flexible printed circuit board	–	19,671	19,671
Semiconductor materials	–	142,459	142,459
Other	–	–	–
Total	<u>\$ 629,613</u>	<u>\$ 162,130</u>	<u>\$ 791,743</u>
<u>Revenue Recognition Timing</u>			
Fulfill performance obligations at a certain point in time	\$ 629,613	\$ 162,130	\$ 791,743
Gradually fulfill performance obligations over time	–	–	–
Total	<u>\$ 629,613</u>	<u>\$ 162,130</u>	<u>\$ 791,743</u>

3. Contract balance

The Group recognizes receivables related to customer contracts Revenue, contract assets, and contract liabilities as follows:

	June 30, 2025	December 31, 2024	June 30, 2024	January 1, 2024
應收款項	\$ 486,664	\$ 531,765	\$ 540,895	\$ 441,329
合約資產	–	–	–	–
合 計	<u>\$ 486,664</u>	<u>\$ 531,765</u>	<u>\$ 540,895</u>	<u>\$ 441,329</u>
合約負債—流動	<u>\$ 140,396</u>	<u>\$ 29,347</u>	<u>\$ 41,380</u>	<u>\$ 23,038</u>

(1) Significant changes in contract assets and contract liabilities

The changes in contract assets and contract liabilities primarily result from the difference between the timing of fulfilling performance obligations and the timing of customer payments, with no other significant changes.

- (2) The amount recognized as revenue from beginning contract liabilities and performance obligations that were satisfied in prior periods is as follows:

The amount recognized as revenue for the period	January to June, 2025	2024	January to June, 2024
From the initial contract liabilities-product Sales	\$ 22, 089	\$ 23, 038	\$ 18, 504
Fulfilled from previous commitments obligation	\$ -	\$ -	\$ -

(XXVIII) Employee benefits, depreciations amortization expenses

By nature	April to June, 2025		
	Belonging to Operating costs	Belonging to Operating expenses	Total
Employee benefits expenses			
Salary expenses	\$ 20, 874	\$ 66, 107	\$ 86, 981
Labor and health insurance fees	981	5, 466	6, 447
Pension expenses	3, 448	4, 995	8, 443
Other employee benefits expenses	693	2, 738	3, 431
Depreciation expense	7, 471	32, 948	40, 419
Amortization expense	-	2, 508	2, 508
Total	\$ 33, 467	\$ 114, 762	\$ 148, 229

By nature	April to June, 2024		
	Belonging to Operating costs	Belonging to Operating expenses	Total
Employee benefits expenses			
Salary expenses	\$ 22, 474	\$ 81, 378	\$ 103, 852
Labor and health insurance fees	1, 047	6, 053	7, 100
Pension expenses	3, 785	5, 314	9, 099
Other employee benefits expenses	1, 192	3, 181	4, 373
Depreciation expense	9, 428	25, 269	34, 697
Amortization expense	-	2, 021	2, 021
Total	\$ 37, 926	\$ 123, 216	\$ 161, 142

By nature	January to June, 2025		
	Belonging to Operating costs	Belonging to Operating expenses	Total
Employee benefits expenses			
Salary expenses	\$ 45,140	\$ 136,643	\$ 181,783
Labor and health insurance fees	2,045	11,503	13,548
Pension expenses	7,168	12,474	19,642
Other employee benefits expenses	1,885	5,688	7,573
Depreciation expense	15,671	65,565	81,236
Amortization expense	–	5,007	5,007
Total	<u>\$ 71,909</u>	<u>\$ 236,880</u>	<u>\$ 308,789</u>

By nature	January to June, 2024		
	Belonging to Operating costs	Belonging to Operating expenses	Total
Employee benefits expenses			
Salary expenses	\$ 45,189	\$ 161,272	\$ 206,461
Labor and health insurance fees	2,120	12,545	14,665
Pension expenses	7,595	10,118	17,713
Other employee benefits expenses	2,257	6,398	8,655
Depreciation expense	19,251	49,165	68,416
Amortization expense	–	3,983	3,983
Total	<u>\$ 76,412</u>	<u>\$ 243,481</u>	<u>\$ 319,893</u>

1. The company allocates 5~10% of the annual profit as employee remuneration (of which 40% to 55% shall be allocated to non-managerial employees) and allocates no more than 3% as director compensation. The estimated employee compensation and director compensation for April to June 2025 and January to June 2025 were both NT\$0 thousand due to operating losses. The estimated employee compensation for April to June 2024 and January to June 2024 were NTD 340 thousand and NTD 340 thousand, respectively, and the estimated director compensation were NT\$110 thousand and NT\$110 thousand, respectively.
2. The company's board of directors passed resolutions in March 2024 and March 2025, regarding employee and director compensation for the years 2024 and 2023, and the related amounts recognized in the financial report are as follows:

	2024		2023	
	Employee compensation	Director remuneration	Employee compensation	Director remuneration
Resolution distribution amount	\$ -	\$ -	\$ 3,400	\$ 1,100
Annual financial report recognized amount	-	-	3,400	1,100
Difference amount	\$ -	\$ -	\$ -	\$ -

The above-mentioned employee remuneration is all paid in cash.

3. For information regarding the remuneration of employees and directors as approved by the company's board of directors, please refer to the Taiwan Stock Exchange "Market Observation Post System".

(XXIX) Interest revenue

Item	April to June, 2025	April to June, 2024
Interest revenue		
Interest income from bank deposits	\$ 2,084	\$ 2,874
Fund dividends	407	-
Total	\$ 2,491	\$ 2,874

Item	January to June, 2025	January to June, 2024
Interest revenue		
Interest income from bank deposits	\$ 4,566	\$ 6,705
Fund dividends	832	-
Total	\$ 5,398	\$ 6,705

(XXX) Other income

Item	April to June, 2025	April to June, 2024
Rental income	\$ 937	\$ -
Dividend income	165	-
Other income	1,601	-
Other income - surrender value	6,310	-
Total	\$ 9,013	\$ -

Item	January to June, 2025	January to June, 2024
Rental income	\$ 2,522	\$ 102
Dividend income	165	-
Other income	2,506	1,943
Other income - surrender value	6,310	-
Total	\$ 11,503	\$ 2,045

(XXXI) Other profits and losses

Item	April to June, 2025	April to June, 2024
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Net foreign exchange profits (loss)	\$ (100,527)	\$ 12,213
Disposition through profit or loss according to FVTPL	421	796
Valuation profit(loss) at FVTPL	(2,898)	4,395
Loss from disposal of subsidiaries	–	(2,329)
Impairment loss (Note)	–	(4,524)
Profits(loss) on disposals of property, plant and equipment	120	36
Other expenses	(1,128)	1,010
Total	<u>\$ (104,012)</u>	<u>\$ 11,597</u>

Item	January to June, 2025	January to June, 2024
Net Foreign exchange profits (loss)	\$ (85,395)	\$ 41,839
Disposition through profit or loss according to FVTPL	12,343	1,536
Valuation profit(loss) at FVTPL	(17,226)	15,597
Loss from disposal of subsidiaries	–	(2,329)
Impairment loss (Note)	–	(4,524)
Lease modification profit	(488)	28
Profit(loss) on disposals of property, plant and equipment	120	(182)
Other expenses	(1,339)	(356)
Total	<u>\$ (91,985)</u>	<u>\$ 51,609</u>

(Note): Losses that cannot be recovered from jointly developed equipment with other manufacturers.

(XXXII) Finance costs

Item	April to June, 2025	April to June, 2024
Interest expense:		
Bank loan	\$ 2,126	\$ 2,253
Convertible corporate bonds	1,452	2,773
Interest on the lease liabilities	969	835
Less: Capitalized amount of assets	(586)	–
Finance costs	<u>\$ 3,961</u>	<u>\$ 5,861</u>

Item	January to June, 2025	January to June, 2024
Interest expense:		
Bank loan	\$ 4,965	\$ 2,807
Convertible Bonds	2,901	6,269
Interest on the lease liabilities	1,736	1,698
Less: Capitalized amount of assets	(870)	–
Finance costs	<u>\$ 8,732</u>	<u>\$ 10,774</u>

(XXXIII) Income tax

1. Tax expense components are as follows:

	<u>April to June, 2025</u>	<u>April to June, 2024</u>
<u>Current income tax</u>		
The income tax generated during the period	\$ 382	\$ –
Unappropriated retained earnings	–	–
Additional tax amount		
Previous year income tax adjustment	(94)	(9, 018)
Foreign taxes not creditable	446	903
Total income tax	<u>\$ 734</u>	<u>\$ (8, 115)</u>
<u>Deferred income tax</u>		
Original occurrence and reversal of temporary differences	\$ (20, 893)	\$ 10, 195
Total deferred income tax	<u>\$ (20, 893)</u>	<u>\$ 10, 195</u>
Tax expense (profit)	<u><u>\$ (20, 159)</u></u>	<u><u>\$ 2, 080</u></u>

	<u>January to June, 2025</u>	<u>January to June, 2024</u>
<u>Current income tax</u>		
The income tax generated during the period	\$ 538	\$ –
Unappropriated retained earnings	–	–
Additional tax amount		
Previous year income tax adjustment	(94)	(7, 917)
Foreign taxes not creditable	792	1, 083
Total income tax	<u>\$ 1, 236</u>	<u>\$ (6, 834)</u>
<u>Deferred income tax</u>		
Original occurrence and reversal of temporary differences	\$ (21, 914)	\$ 7, 888
Total deferred income tax	<u>\$ (21, 914)</u>	<u>\$ 7, 888</u>
Tax expense (profit)	<u><u>\$ (20, 678)</u></u>	<u><u>\$ 1, 054</u></u>

The tax rate applicable to the entities of this group under the Income Tax Act is 20%. For unappropriated retained earnings, the applicable tax rate is 5%. The tax amount generated in other jurisdictions is calculated based on the applicable tax rates of each relevant jurisdiction.

2. Related other comprehensive income tax expense (income) :

<u>Item</u>	<u>April to June, 2025</u>	<u>April to June, 2024</u>
Foreign operation entity financial statement translation differences	<u>\$ (728)</u>	<u>\$ 90</u>
<u>Item</u>	<u>January to June, 2025</u>	<u>January to June, 2024</u>

Foreign operation entity financial statement translation differences	\$	(632)	\$	453
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3. The company's profit-seeking enterprise income tax has been approved by the tax authority up to the year 2022.

(XXXIV) Other comprehensive income

Item	April to June, 2025		
	Before tax	Income tax profit(expense)	Net amount after tax
Not reclassified to profit and loss item:			
Equity on FVOCI	\$ 848	\$ –	\$ 848
Unrealized valuation profits and losses on tool investments			
Subtotal	\$ 848	\$ –	\$ 848
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign financial statements	\$ (25, 678)	\$ 728	\$ (24, 950)
Subtotal	\$ (25, 678)	\$ 728	\$ (24, 950)
Recognized in Other comprehensive income	\$ (24, 830)	\$ 728	\$ (24, 102)

Item	April to June, 2024		
	Before tax	Income tax profit(expenses)	Net amount after tax
Not reclassified to profit and loss item:			
Equity on FVOCI	\$ 2, 454	\$ –	\$ 2, 454
Unrealized valuation profits and losses on tool investments			
Subtotal	\$ 2, 454	\$ –	\$ 2, 454
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign financial statements	\$ 5, 655	\$ (90)	\$ 5, 565
Subtotal	\$ 5, 655	\$ (90)	\$ 5, 565
Recognized in Other comprehensive income	\$ 8, 109	\$ (90)	\$ 8, 019

Item	January to June, 2025		
	Before tax	Income tax profit(expense)	Net amount after tax
Not reclassified to profit and loss item:			
Equity on FVOCI	\$ (3, 774)	\$ –	\$ (3, 774)
Unrealized valuation profits and losses on tool investments			

Subtotal	\$ (3, 774)	\$ –	\$ (3, 774)
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign financial statements	\$ (22, 215)	\$ 632	\$ (21, 583)
Subtotal	\$ (22, 215)	\$ 632	\$ (21, 583)
Recognized in Other comprehensive income	\$ (25, 989)	\$ 632	\$ (25, 357)

Item	January to June, 2024		
	Before tax	income tax(fee) Profit	Net amount after tax
Not reclassified to profit and loss item:			
Equity on FVOCI	\$ 7, 898	\$ –	\$ 7, 898
Unrealized valuation profits and losses on tool investments			
Subtotal	\$ 7, 898	\$ –	\$ 7, 898
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign financial statements	\$ 20, 831	\$ (453)	\$ 20, 378
Subtotal	\$ 20, 831	\$ (453)	\$ 20, 378
Recognized in Other comprehensive income	\$ 28, 729	\$ (453)	\$ 28, 276

(XXXV) With non-controlling interest transactions

1. Acquisition of subsidiary additional equity

January to June, 2025: None.

January to June, 2024:

The Group purchased additional 9.39% equity in the subsidiary Jiangsu Superior Technology Semiconductor Co., Ltd. with cash NTD 34,503 thousand in March 2024, resulting in the shareholding ratio increasing from 90.61% to 100%. Since the above transaction did not alter the Group's control over the subsidiary, the Group treated it as an equity transaction:

Item	Jiangsu Superior Technology Semiconductor Co., Ltd
The book value of the purchase of non-controlling interests	\$ 21, 698
Consideration paid to non-controlling interests	(34, 503)
Accumulated profit and loss- Actual acquisition or disposal of subsidiary equity price and book value	\$ (12, 805)

(XXXVI) Earning per share

Item	April to June, 2025	April to June, 2024
A. Basic earnings per share:		
Net profit (loss)	\$ (118,926)	\$ 30,707
The weighted average number of shares outstanding for this period (thousand shares)	104,851	99,948
Basic earnings per share (After tax) (NTD)	<u>\$ (1.13)</u>	<u>\$ 0.31</u>
B. Diluted earnings per share:		
Net profit (loss)	\$ (118,926)	\$ 30,707
Interest on convertible bonds	–	2,218
Adjusted diluted effect of net profit	<u>\$ (118,926)</u>	<u>\$ 32,925</u>
The weighted average number of shares outstanding for this period (thousand shares)	104,851	99,948
The impact of potential common stock with dilutive effect:		
Convertible bonds (thousand shares)	–	5,416
Impact of employee stock options (thousand shares)	–	338
Impact of Employee Compensation (thousand shares)	–	28
Weighted average shares outstanding after adjusting for dilutive potential common shares	104,851	105,730
Shares outstanding (thousand shares)		
Diluted earnings per share (after tax) (NTD)	<u>\$ (1.13)</u>	<u>\$ 0.31</u>

Item	January to June, 2025	January to June, 2024
A. Basic earnings per share:		
Net profit (loss)	\$ (179,629)	\$ 3,287
The weighted average number of shares outstanding for this period (thousand shares)	105,223	98,658
Basic earnings per share (after tax) (NTD)	<u>\$ (1.71)</u>	<u>\$ 0.03</u>
B. Diluted earnings per share:		
Net profit (loss)	\$ (179,629)	\$ 3,287
Interest on convertible corporate bonds	–	–
Adjusted diluted effect of net profit(loss)	<u>\$ (179,629)</u>	<u>\$ 3,287</u>
The weighted average number of shares outstanding for this period (thousand shares)	105,223	98,658
The impact of potential common stock with dilutive effect:		
Convertible corporate bonds (thousand shares)	–	–
Impact of employee stock options (thousand shares)	–	–
Impact of Employee Compensation (thousand shares)	–	–

Weighted average shares outstanding after adjusting for dilutive potential common shares	105,223	98,658
Shares Outstanding (thousand shares)		
Diluted earnings per share (After tax) (NTD)	\$ (1.71)	\$ 0.03

(Note) When calculating diluted earnings per share, it is assumed that employee compensation will be distributed in the form of stock if the company opts to distribute it in either stock or cash. The weighted average number of shares outstanding will be included if the potential common shares have a dilutive effect. The dilutive effect of such potential common shares will be taken into account before calculating diluted earnings per share for the next year's resolution.

7. Related Party Transactions

(I) The parent company and the ultimate controller

This company is the ultimate controller of the group.

(II) Name of related party and its relationship: None.

(III) Significant transactions with related parties:

1. Operating revenue: None.
2. Stocking: No.
3. Contract assets: None.
4. Contract liabilities: None.
5. Accounts receivable from related parties (excluding loans to related parties): None.
6. Amounts payable to related parties (excluding borrowings from related parties): None.
7. Prepayments: None.
8. Property transaction: None.
9. Lease agreement: None.
10. Rental agreement: None.
11. Loans to related parties: None.
12. Borrowing from related parties: None.
13. Endorsement Guarantee: None.

(IV) Main management remuneration information

Related person category/Name	April to June, 2025	April to June, 2024
Salaries and other short-term employee benefits	\$ 5,639	\$ 5,220
Post-retirement benefits	223	258
Other long-term employee benefits	–	–
Resignation benefits	–	–
Share-based payments	81	189
Total	\$ 5,943	\$ 5,667

Related person category/Name	January to June, 2025	January to June, 2024
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Salaries and other short-term employee benefits	\$	12,590	\$	14,540
Post-retirement benefits		404		508
Other long-term employee benefits		–		–
Resignation benefits		–		–
Share-based payments		161		378
Total	\$	13,155	\$	15,426

8. Pledged assets

The following assets have been provided as collateral for various loans and performance guarantees:

Item	June 30, 2025	December 31, 2024	June 30, 2024
Other current financial assets	\$ 7,270	\$ 6,419	\$ 23,347
Other non-current financial assets	5,600	5,900	6,900
Property, plant and equipment (net)	634,028	690,618	659,953
Right of use assets (net amount)	27,813	31,332	31,620
Total	\$ 674,711	\$ 734,269	\$ 721,820

9. Significant contingent liabilities and unrecognized contractual commitments

- (I) As of June 30, 2025, December 31, 2024, and June 30, 2024, the Group's guarantee notes issued due to loan quotas and other guarantees amounted to NTD 920,870 thousand, NTD 927,840 thousand, and NTD 927,170 thousand, respectively, recorded under the accounts of guarantee notes issued and guarantee notes payable.
- (II) As of June 30, 2025, December 31, 2024, and June 30, 2024, the Group provided all time deposit certificates amounting to NTD 710 thousand to the Kaohsiung Customs Office of the Ministry of Finance as a guarantee for import and export goods deposits.
- (III) As of June 30, 2025, December 31, 2024, and June 30, 2024, the performance bonds provided by banks for the Group's technology research and development projects under the Ministry of Economic Affairs were NTD 995 thousand, NTD 995 thousand, and NTD 21,587 thousand, respectively.
- (IV) The group has opened unused letters of credit details as follows:

Item	June 30, 2025		December 31, 2024		Unit: NTD thousand June 30, 2024	
Amount of foreign letter of credit	JPY	27,509	JPY	6,812	JPY	46,329
	USD	344	USD	199	USD	679
	EUR	39	EUR	–	EUR	305

- (V) The amount of bank acceptance bills for imported goods by the group is as follows:

Item	June 30, 2025		December 31, 2024		Unit: NTD thousand June 30, 2024	
Acceptance bill	JPY	24,924	JPY	49,135	JPY	38,789

USD 344 USD 139 USD 141

(VI) Significant capital expenses under contract but not yet incurred:

Item	Unit: NTD thousand		
	June 30, 2025	December 31, 2024	June 30, 2024
Property, plant and equipment	\$ 313,544	\$ 395,613	\$ 522,739

(VII) The group signed a factory purchase contract with Zen Voce Co., Ltd. in May 2022. According to the agreement, once the Group's subsidiary, Jiangsu Superior Technology Semiconductor Co., Ltd. completes the construction of the new factory, it will sell part of the floors of the new factory. The group received NTD 71,056 thousand as a performance bond in July 2022, which is listed under deposits received. However, after the completion of the construction, the planned sale became unfeasible due to legal restrictions prohibiting the partial sale of factory floors and cross-border capital control issues in Mainland China. The parties are currently in negotiations regarding the follow-up arrangements.

10. Significant disaster losses: None.

11. Significant events after the reporting period: None.

12. Other

(I) Explanation of the seasonality or cyclicity of mid-term operations

The Group's operations are not affected by seasonal or cyclical factors.

(II) Capital Risk Management

The Group's approach to capital risk management has not significantly changed from that described in the 2024 Consolidated Financial Statements. For related explanations, please refer to Note 12(1) of the 2024 Consolidated Financial Statements.

(III) Financial instruments

1. Financial risk of financial instruments

Financial Risk Management Policy

The Group's daily operations are affected by various financial risks, including market risk (including exchange rate risk, price risk, and interest rate risk), credit risk, and liquidity risk. To reduce related financial risks, the Group is committed to identifying, assessing, and mitigating market uncertainties to minimize the potential adverse impact of market fluctuations on the Group's financial performance.

The important financial activities of the group are reviewed by the board of directors in accordance with relevant regulations and internal control systems. During the execution period of the financial plan, the Group must strictly follow the established financial operating procedures related to overall financial risk management and the division of responsibilities.

The nature and extent of significant financial risks

(1) Market risk

A. Exchange rate risk

(A) The nature and extent of significant financial risks have not changed materially from those described in the 2024 Consolidated Financial Statements. For related explanations, please refer to Note 12(2) of the 2024 Consolidated Financial Statements.

(B) Exchange Rate Risk and Sensitivity Analysis

June 30, 2025						
	Foreign currency	Exchange rate	Account amount(NTD)	Sensitivity analysis		
				Range of change	Impact on profit and loss	Equity impact
(Foreign currency: functional currency)						
<u>Financial assets</u>						
<u>Currency</u>						
USD: TWD	10, 966	29.30	321, 310	Appreciate 1%	3, 213	-
Yen: TWD	437, 010	0.2030	88, 713	Appreciate 1%	887	-
RMB: TWD	110, 194	4.0930	451, 023	Appreciate 1%	4, 510	-
USD: RMB	2, 452	7.1586	71, 835	Appreciate 1%	718	-
USD: HKD	1, 262	7.8498	36, 978	Appreciate 1%	370	-
<u>Financial liabilities</u>						
<u>Currency</u>						
USD: TWD	1, 077	29.30	31, 549	Appreciate 1%	(315)	-
USD: RMB	3, 518	7.1586	103, 083	Appreciate 1%	(1, 031)	-
USD: HKD	1, 373	7.8498	40, 236	Appreciate 1%	(402)	-

			December 31, 2024			
			Account amount (NTD)	Sensitivity analysis		
Foreign currency	Exchange rate	Range of change		Impact on profit and loss	Equity impact	
(Foreign currency: functional currency)						
Financial assets						
Currency						
USD: TWD	11, 036	32.785	361, 804	Appreciate 1%	3, 618	–
Yen: TWD	157, 967	0.2107	33, 284	Appreciate 1%	333	–
RMB: TWD	84, 795	4.5608	386, 733	Appreciate 1%	3, 867	–
USD: RMB	2, 346	7.1884	76, 900	Appreciate 1%	769	–
USD: HKD	1, 310	7.7625	42, 940	Appreciate 1%	429	
Financial liabilities						
Currency						

USD: TWD	834	32.785	27,353	Appreciate 1%	(274)	
USD: HKD	1,462	7.7625	47,928	Appreciate 1%	(479)	–
USD: RMB	3,243	7.1884	106,329	Appreciate 1%	(1,063)	–

June 30, 2024						
	Foreign currency	Exchange rate	Account Amount (NTD)	Sensitivity analysis		
				Range of change	Impact on profit and loss	Equity impact
(Foreign currency: Functional currency)						
Financial assets						
Currency						
USD: TWD	16,384	32.45	531,665	Appreciate 1%	5,317	—
Yen: TWD	144,708	0.2035	29,448	Appreciate 1%	294	—
RMB: TWD	55,880	4.5532	254,432	Appreciate 1%	2,544	—
USD: RMB	2,332	7.127	75,676	Appreciate 1%	757	—
USD: HKD	1,031	7.8087	33,443	Appreciate 1%	334	—
Financial liabilities						
Currency						
USD: TWD	844	32.45	27,402	Appreciate 1%	(274)	—
USD: RMB	15,539	7.127	504,255	Appreciate 1%	(5,043)	—
USD: HKD	1,210	7.8087	39,264	Appreciate 1%	(393)	—

If the value of the NTD appreciates relative to the aforementioned currencies, assuming all other variables remain constant, on June 30, 2025, December 31, 2024, and June 30, 2024, there will be an equal but opposite impact on the amounts of the aforementioned currencies.

The monetary item of the Group have experienced significant impacts due to exchange rate fluctuations, which have contributed to the total exchange profits and losses (including realized and unrealized) recognized in April to June 2025 and 2024, and January to June 2025 and 2024, with the aggregate amounts being NTD (100,527) thousand, NTD 12,213 thousand, NTD (85,395) thousand, and NTD 41,839 thousand respectively.

B. Price risk

As the securities investments held by the Group in Consolidated Balance Sheets are classified as financial assets measured at Fair value through profit or loss or financial assets measured at Fair value through Other comprehensive income, the Group is therefore exposed to securities price risk.

The Group primarily invests in financial instruments such as stocks of (un) listed companies, funds, and corporate bonds. The prices of these securities are affected by the uncertainty of the future value of the investment targets. If the prices of these securities rise or fall by 1%, while all other factors remain unchanged, the net profit after tax for January to June 2025 and 2024

would be impacted by NTD 3,176 thousand and NTD 2,784 thousand, respectively, due to profits or losses from financial instruments measured at fair value through profit or loss. Additionally, Other comprehensive income (loss), net of income tax for January to June 2025 and 2024 will increase or decrease by NTD 841 thousand and NTD 694 thousand, respectively, due to the rise or fall in the fair value of financial assets measured at Fair value through Other comprehensive income.

C. Interest rate risk

The group's financial assets and financial liabilities book amounts exposed to interest rate risk as of the reporting date are as follows:

Item	Book value		
	June 30, 2025	December 31, 2024	June 30, 2024
Fair value interest rate risk:			
Financial assets	\$ 238,064	\$ 620,032	\$ 579,123
Financial liabilities	(497,625)	(512,595)	(758,494)
Net amount	<u>\$ (259,561)</u>	<u>\$ 107,437</u>	<u>\$ (179,371)</u>
Interest rate risk on cash flow:			
Financial assets	\$ 366,970	\$ 231,588	\$ 272,885
Financial liabilities	(436,052)	(313,531)	(267,157)
Net amount	<u>\$ (69,082)</u>	<u>\$ (81,943)</u>	<u>\$ 5,728</u>

(A) Fair value Sensitivity analysis of interest rate risk tools

The Group has not classified any fixed-rate financial assets and liabilities as financial assets measured at Fair value through profit or loss and at Fair value through Other comprehensive income, nor has it designated derivative instruments (interest rate swaps) as hedging instruments under the fair value hedge accounting model. Therefore, changes in the daily reported interest rate will not affect profit, loss, or other comprehensive income.

(B) Sensitivity analysis of instruments with cash flow interest rate risk

The financial instruments of the Group with variable interest rates are floating rate assets (liabilities). Consequently, changes in market interest rates cause their effective interest rates to fluctuate, leading to variations in future cash flows. A 1% decrease (increase) in market interest rates would cause net profit for January to June 2025 and 2024 to increase (decrease) by NTD (345) thousand and NTD 29 thousand respectively.

(2) Credit risk

Credit risk refers to the potential financial loss to the Group due to a counterparty's breach of contractual obligations. The credit risk of the Group

mainly arises from receivables generated from operating activities, and cash in banks and other financial instruments generated from investing activities. Operational credit risk and financial credit risk are managed separately.

A. Operational-related credit risk

To maintain the quality of Accounts receivable, the Group has established procedures for managing operational-related credit risk. The risk assessment of individual customers considers various factors that may affect the customer's ability to make payments, including the customer's financial status, internal credit rating within the group, historical transaction records, and current economic conditions.

B. Financial credit risk

Credit risk associated with cash in banks and other financial instruments is measured and monitored by the Group's finance department. Since the counterparties to the Group's transactions are banks with good credit and financial institutions with investment grade ratings or higher, as well as corporate organizations and government agencies, there are no significant concerns about performance, and thus no significant credit risk. In addition, the Group has no investments classified as debt instruments measured at amortized cost or as financial assets measured at fair value through other comprehensive income.

(A) Credit concentration risk

As of June 30, 2025, December 31, 2024, and June 30, 2024, the percentage of the accounts receivable balance attributable to the Group's top ten customers was 46%, 47%, and 53%, respectively. The credit concentration risk of the remaining Accounts receivable is relatively insignificant.

(B) Measurement of expected credit loss:

(a) Accounts receivable: Is simplified, please refer to Note 6 (4) for details.

(b) Basis for determining whether credit risk has significantly increased:

None. (The Group has not classified any debt instrument investments as measured at amortized cost and classified as measured at Other comprehensive income through Fair value)

(C) Holding collateral and other credit enhancements to mitigate the credit risk of financial assets:

The financial assets recognized in the Consolidated Balance Sheets along with the collateral held by the Group as security, the net settlement of total agreements, and other credit enhancements have financial implications related to the maximum exposure to credit risk the relevant information is shown in the table below:

June 30, 2025	Book value	Credit risk maximum exposure reduction amount			
		Collateral	Net Settlement total Agreement	Other credit enhancements	Total
Credit instruments that are subject to the impairment requirements of IFRS 9 and have been credit-impaired Financial instruments to which the IFRS 9 impairment requirements are not applicable:	\$1, 922	\$ -	\$ -	\$ -	\$ -
FVTPL	318, 433	-	-	-	-
Equity instrument investment on FVOCI	84, 109	-	-	-	-
Total	<u>\$ 404, 464</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

December 31, 2024	Book value	Credit risk maximum exposure reduction amount			
		Collateral	Net settlement total agreement	Other credit enhancements	Total
Credit instruments that are subject to the impairment requirements of IFRS 9 and have been credit-impaired Financial instruments to which the IFRS 9 impairment requirements are not applicable:	\$ 825	\$ -	\$ -	\$ -	\$ -
FVTPL	233, 751	-	-	-	-
Equity instrument investment on FVOCI	84, 619	-	-	-	-
Total	<u>\$ 319, 195</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

June 30, 2024	Book value	Credit risk maximum exposure reduction amount			
		Collateral	Net Settlement total Agreement	Other credit enhancements	Total
Credit instruments that are subject to the impairment requirements of IFRS 9 and have been credit-impaired Financial instruments to which the IFRS 9 impairment requirements are not applicable:	\$ -	\$ -	\$ -	\$ -	\$ -
FVTPL	281, 467	-	-	-	-
Equity instrument investment on FVOCI	69, 464	-	-	-	-
Total	<u>\$ 350, 931</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(3) Liquidity risk

A. Liquidity Risk Management

The objectives and policies governing the Group's management of liquidity risk have not significantly changed from those described in the 2024 Consolidated Financial Statements. For further details, please refer to Note 12(2) of the 2024 Consolidated Financial Statements Consolidated Financial Statements.

B. Financial liabilities maturity analysis

Non-derivative financial liabilities	June 30, 2025						Contract cash flow	Book value
	Within 6 months	6-12 months	1-2 years	2-5 years	More than 5 years			
Short-term borrowings	\$ 160,100	\$ –	\$ –	\$ –	\$ –		\$ 160,100	\$ 160,100
Notes payable	3,287	–	–	–	–		3,287	3,287
Accounts payable	232,285	–	–	–	–		232,285	232,285
Other accounts payable	121,968	–	–	–	–		121,968	121,968
Long-term borrowings (Including due within one year)	16,643	16,713	62,107	160,319	20,170		275,952	275,952
Corporate bonds payable	–	–	359,200	–	–		359,200	348,049
Lease liabilities	12,103	11,612	24,537	46,427	79,931		174,610	149,576
Total	\$ 546,386	\$ 28,325	\$ 445,844	\$ 206,746	\$ 100,101		\$ 1,327,402	\$ 1,291,217

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

	Shorter than 1 year	1-5 years	5-10 years	10-15 years	15-20 years	More than 20 years	Total unrealized lease payment
Lease liabilities	\$ 23,715	\$ 70,964	\$ 30,014	\$ 28,053	\$ 16,476	\$ 5,388	\$ 174,610

Non-derivative financial liabilities	December 31, 2024						Contract cash flow	Book value
	Within 6 months	7-12 months	1-2 years	2-5 years	More than 5 years			
Short-term borrowings	\$ –	\$ 5,000	\$ –	\$ –	\$ –		\$ 5,000	\$ 5,000
Notes payable	3,814	–	–	–	–		3,814	3,814
Accounts payable	212,684	–	–	–	–		212,684	212,684
Other Accounts Payable	162,168	–	–	–	–		162,168	162,168
Long-term borrowings (Including due within one year)	8,458	17,571	53,440	206,360	22,702		308,531	308,531
Corporate bonds payable	–	–	–	388,700	–		388,700	373,695
Lease liabilities	13,245	9,391	18,777	38,864	82,882		163,159	138,900
Ddeposit	–	71,056	–	–	–		71,056	71,056
Total	\$ 400,369	\$ 103,018	\$ 72,217	\$ 633,924	\$ 105,584		\$ 1,315,112	\$ 1,275,848
Derivative financial liabilities								

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

	Shorter than 1 year	1-5 years	5-10 years	10-15 years	15-20 years	More than 20 years	Total unrealized lease payment
Lease liabilities	\$ 22,636	\$ 57,641	\$ 28,345	\$ 29,868	\$ 18,791	\$ 5,878	\$ 163,159

June 30, 2024

Non-derivative financial liabilities	Within 6 months	6-12 months	1-2 years	2-5 years	More than 5 years	Contract Cash flow	Book Value
Short-term borrowings	\$ 3,900	\$ -	\$ -	\$ -	\$ -	\$ 3,900	\$ 3,900
Notes payable	3,588	-	-	-	-	3,588	3,588
Accounts payable	164,292	-	-	-	-	164,292	164,292
Other Accounts Payable	134,412	450	-	-	-	134,862	134,862
Long-term borrowings (Including due within one year)	8,740	8,570	39,811	182,761	23,375	263,257	263,257
Corporate bonds payable	-	-	-	644,100	-	644,100	614,327
Lease liabilities	12,167	10,747	17,192	43,960	85,833	169,899	144,167
Deposit	-	71,056	-	-	-	71,056	71,056
Total	\$ 327,099	\$ 90,823	\$ 57,003	\$ 870,821	\$ 109,208	\$ 1,454,954	\$ 1,399,449

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

	Shorter than 1 year	1-5 years	5-10 years	10-15 years	15-20 years	More than 20 years	Total unrealized lease payment
Lease liabilities	\$ 22,914	\$ 61,152	\$ 28,491	\$ 29,867	\$ 21,107	\$ 6,368	\$ 169,899

The Group does not expect the cash flow timing in the maturity analysis to occur significantly earlier or the actual amounts to differ significantly.

2. Types of financial instruments

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Financial assets</u>			
Financial assets measured at amortized cost			
Cash and cash equivalents	\$ 583,474	\$ 730,387	\$ 709,944
Notes receivable and accounts	486,664	531,765	540,895
Other receivables	8,894	6,311	10,485
Other current financial assets	17,270	117,419	137,347
Other non-current financial assets	5,600	5,900	6,900
Deposits paid	10,385	11,288	11,332
FVTPL-current	318,433	233,751	281,467
FVOCI-non-current	84,109	84,619	69,464
<u>Financial liabilities</u>			
Financial liabilities measured at amortized cost			
Short-term borrowings	160,100	5,000	3,900
Notes payable and accounts	235,572	216,498	167,880
Others accounts payable	121,968	162,168	134,862

Long-term borrowings (including due within one year)	275, 952	308, 531	263, 257
Corporate bonds payable (Including due within one year)	348, 049	373, 695	614, 327
Lease liabilities (including within one year)	149, 576	138, 900	144, 167
Deposits received	–	71, 056	71, 056

(IV) Fair value information:

1. For the financial assets and financial liabilities fair value information of the group not measured at fair value, please refer to the explanation in Note 12(4) 3.

2. Definition of 3 fair value levels:

First level:

This level refers to inputs that are quoted prices for identical instruments in an active market. An active market is one where the traded items are homogeneous, buyers and sellers can be found at any time, and price information is readily accessible to the public. The fair value of the Group's investments in listed stocks, beneficiary certificates, popular Taiwan central government bonds, and publicly quoted derivatives with an active market is included.

Second level:

This level includes inputs other than quoted prices in active markets that are observable, either directly (such as prices) or indirectly (such as derived from prices) observable inputs obtained from active markets. The group's investments in non-popular bonds, including government bonds, corporate bonds, financial bonds, convertible bonds, and most derivatives, are classified under this level.

Third level:

This level refers to inputs used in the fair value measurement that are not based on observable market data. Investments in equity instruments and convertible preferred stock investments by the Group belong to the non-active market.

3. Non-financial instruments measured at fair value

The carrying amounts of the Group's financial instruments not measured at fair value, except for those listed in the table below, such as cash and cash equivalents, receivables, other financial assets, Deposits paid, short-term borrowings, payables, lease liabilities, long-term borrowings (including those due within one year or one operating cycle), and Deposits received, approximate their fair values.

Item	June 30, 2025			
	Book Value	Fair value		
		First level	Second level	Third level
Finance liabilities:				
Corporate bonds payable	\$ 348, 049	\$ 477, 736	\$ –	\$ –

Item	December 31, 2024			
	Book Value	Fair value		
		First level	Second level	Third level
Finance liabilities:				
Corporate bonds payable	\$ 373, 695	\$ 532, 519	\$ –	\$ –

Item	June 30, 2024			
	Book Value	Fair value		
		First level	Second level	Third level
Finance liabilities:				
Corporate bonds payable	\$ 614, 327	\$1, 281, 759	\$ –	\$ –

4. Fair value level Information:

The financial instruments of the group measured at fair value are all based on recurrence at fair value. The information regarding the fair value levels of the Group's financial instruments is presented in the following table:

Item	June 30, 2025			
	First level	Second level	Third level	Total
Assets:				
<u>Repetitive fair value</u>				
FVTPL				
Holding non-derivative financial assets for trading	\$ 317, 571	\$ –	\$ –	\$ 317, 571
Convertible bond redemption right and put option	–	862	–	862
FVOCI				
Domestic unlisted stocks	–	–	84, 109	84, 109
Total	\$ 317, 571	\$ 862	\$ 84, 109	\$ 402, 542

Item	December 31, 2024			
	First level	Second level	Third level	Total
Assets:				
<u>Repetitive fair value</u>				
FVTPL-current				
Holding non-derivative financial assets for trading	\$ 232, 546	\$ –	\$ –	\$ 232, 546
Convertible bond redemption right and put option	–	622	–	622
Currency exchange contract	–	583	–	583
FVOCI- non-current				
Domestic unlisted stocks	–	–	84, 619	84, 619
Total	\$ 232, 546	\$ 1, 205	\$ 84, 619	\$ 318, 370

Item	June 30, 2024			
	First level	Second level	Third level	Total
Assets:				
<u>Repetitive fair value</u>				
FVTPL				
Holding non-derivative financial assets for trading	\$ 278, 389	\$ –	\$ –	\$ 278, 389
Currency exchange contract		51		51

Convertible bond redemption right and put option	–	3,027	–	3,027
FVOCI				
Domestic listed preferred stock	24,973	–	–	24,973
Domestic unlisted stocks	–	–	44,491	44,491
Total	<u>\$ 303,362</u>	<u>\$ 3,078</u>	<u>\$ 44,491</u>	<u>\$ 350,931</u>

5. Using the fair value evaluation technique of fair value:

- (1) If financial instruments have publicly quoted prices in an active market, these prices should be used as the fair value. The market prices announced by the main exchanges and the central government bond TPEX judged as popular bonds are all listed equity instruments and the basis of the fair value of debt instruments with active market quotations.

Financial instruments are considered to have active market public quotations if timely and frequent public prices can be obtained from exchanges, brokers, underwriters, industry associations, pricing service agencies, or regulatory authorities, and such prices represent actual and frequent fair market transactions, then the financial instruments have active market public quotations. If the above conditions are not met, the market is deemed inactive. Indicators of an inactive market include a very large bid-ask spread, a significant increase in the bid-ask spread, or very low trading volumes.

The financial instruments held by the Group, if they belong to an active market, their fair value is presented as follows by category and attribute:

- A. Listed (TPEX) company stock: Closing price.
- B. Closed-end fund: Closing price.
- C. Open-ended Fund: Net value.
- D. Government bonds: Transaction price.
- E. Company bonds: Weighted average NTD hundred prices.
- F. Convertible (transferable) corporate bonds: Closing price.

- (2) Apart from the aforementioned financial instruments with active markets, the fair value of other financial instruments is obtained using valuation techniques or by referring to counterparty quotations. The fair value obtained through valuation techniques can refer to the current fair value of other financial instruments with substantially similar conditions and characteristics, the discounted cash flow method, or other valuation techniques, including using models calculated with market information available as of Balance sheet.

- (3) The valuation of derivative financial instruments is based on valuation models widely accepted by market participants, such as the discounted cash flow method, option pricing models, and counterparty quotations. Forward foreign exchange contracts are usually valued based on the current forward exchange rate. Structured interest rate derivative financial instruments are priced using

appropriate option pricing models (such as the Black-Scholes model) or other valuation methods, such as Monte Carlo simulation.

- (4) The output of the valuation model is an estimated value, and the valuation techniques may not reflect all relevant factors of the financial and non-financial instruments held by the company. Therefore, the estimated value of the evaluation model will be appropriately adjusted according to additional parameters, such as model risk or liquidity risk, etc.

6. Movement between first level and second level: None.

7. Details of changes in the third tier:

Item	Through Other comprehensive income according to Fair value - Financial assets-equity instruments	
	January to June, 2025	January to June, 2024
Equity at beginning of period	\$ 84,619	\$ 26,176
Purchase more	3,264	10,296
Recognized in profit and loss	-	-
Recognized in Other comprehensive income	(3,774)	8,019
Equity at end of period	\$ 84,109	\$ 44,491

8. Quantitative information of fair value for significant unobservable inputs (Level 3) :

The unlisted company stocks held by the Group without an active market are mainly estimated at fair value using the market approach, with the determination based on the valuation of similar companies, the company's net worth, and operational status assessment. The significant unobservable inputs used for Fair value are listed in the table below:

June 30, 2025:

Item	Evaluation technology	Significant unobservable input values	Interval	The input value and fair value relationship
Through Other comprehensive income according to Fair value of financial assets - stocks	Market Approach and Income Approach	Liquidity discount rate	20.84%~28.28%	The higher the liquidity discount, the lower the fair value estimate

December 31, 2024:

Item	Evaluation technology	Significant unobservable input values	Interval	The input value and fair value relationship
Through Other comprehensive income according to Fair value of financial assets - stocks	Market Approach and Income Approach	Liquidity discount rate	20.84%~28.28%	The higher the liquidity discount, the lower the fair value estimate

June 30, 2024:

Item	Evaluation technology	Significant unobservable input values	Interval	The input value and fair value relationship
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Through comprehensive income according to Fair value of financial assets - stocks	Other	Market Approach	Liquidity discount rate	25.52%	The higher the liquidity discount, the lower the fair value estimate
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9. Fair value classified under level 3 evaluation process

The Group uses independent source data to ensure that the valuation process for fair value classified as Level 3 accurately reflects market conditions, and regularly conducts independent fair value verification and review of financial instruments to ensure that the valuation results are reasonable.

(V) Financial assets transfer: None.

(VI) Financial assets and financial liabilities offset: None.

(VII) On August 29, 2024, the Ministry of Environment announced the “Regulations on the Collection of Carbon Fees,” the “Regulations on the Management of Voluntary Emission Reduction Programs,” and the “Designated Greenhouse Gas Emission Reduction Targets for Entities Subject to Carbon Fee Collection.” In October 2024, the Ministry further announced the carbon fee rates, which will take effect on January 1, 2025. The Company expects that its greenhouse gas emissions for 2025 will not exceed the threshold for carbon fee collection; therefore, no liability has been recognized for carbon emissions from January to June 2025.

13. Notes Disclosures

(I) Significant Transactions (Before consolidation elimination)

1. Capital lending to others: Appendix 1.
2. Endorse for others guarantee: Appendix 2.
3. Status of securities held at the end of the period: Appendix 3.
4. If the amount of sales or purchases with related parties reaches NTD 100 million or 20% or more of the paid-in capital: None.
5. Accounts receivable from related parties reaching NTD 100 million or 20 percent or more of the paid-in capital: Appendix 4.
6. Business relationships and significant transactions between parent and subsidiary companies: Appendix 5.

(II) Information related to investment transfer matters (before consolidation offset): Appendix 6.

(III) Investments in China (before consolidation offset): Appendix 7.

Appendix 1

E&R Engineering Corporation and subsidiaries
Lending funds to others
June 30, 2025

Unit: Foreign currency thousand ; NTD
thousand

Number	The company of loan amount	Loan Target	Intercompany transactions item	Related party	The highest balance this period	Equity at end of period	Actual expenditure amount	Interest rate range	Nature of Fund Lending (Note 3)	Business transaction amount	Reasons for the necessity of short-term financing	Provision for bad debts amount	Collateral		Lending limit to individual targets (Note 1)	Maximum loan amount (Note 2)
													Item	Value		
0	E&R ENGINEERING CORPORATION	Wuxi E&R Semiconductor Materials Technology Co., Ltd.	Other receivables due from related parties (Note 4)	Yes	24,536 (USD 837)	21,332 (USD 728)	21,332 (USD 728)	-	1	44,611 (Note 5 and 6)	-	-	-	-	1,014,766	1,014,766
		Jiangsu Superior Technology Semiconductor CO., LTD.	Other receivables due from related parties	Yes	6,291 (USD164:RMB366)	3,636 (USD65:RMB422)	3,636 (USD65:RMB422)	-	1	83,970 (Note 6)		-	-	-	1,014,766	1,014,766
		Jiangsu Superior Technology Semiconductor CO., LTD.	Other receivables due from related parties	Yes	523,005 (USD 17,850)	435,105 (USD 14,850)	325,394 (RMB 79,500)	2.50%	2	-	Operating turnover	-	-	-	1,014,766	1,014,766
1	Jiangsu Superior Technology Semiconductor CO., LTD.	Chentai Trading (Shanghai) Co. Ltd.	Other receivables due from related parties	Yes	57,302 (RMB 14,000)	24,558 (RMB 6,000)	24,558 (RMB 6,000)	2.50%	2	-	Operating turnover	-	-	-	36,763 (RMB 8,982)	36,763 (RMB 8,982)

Note 1.The company and its subsidiaries have a lending limit to individual entities: limited to no more than 40% of the net value of the lending company for the current period.

Note 2.The maximum limit for loans provided by the company and its subsidiaries: limited to not exceeding the net value of the lending company in the current period 40%.

Note 3.The method of filling in the nature of the funds loaned is as follows:

Fill in 1 if you have business dealings.

Those who need short-term financing should fill in 2.

Note 4.In principle, our company handles the collection of receivables from related parties by closely aligning with the collection policies applied to similar transactions with non-related parties. However, when the related party is unable to implement the above policy due to insufficient funds or losses, it will be more important to consider that the company fully supports the subsidiary's operations to achieve the company's China market business goals, and the company will postpone the payment. The overdue accounts receivable from Wuxi E&R and Jiangsu Superior Technology Semiconductor were reclassified to other receivables amounting to NT\$21,332 thousand and NT\$3,636 thousand, respectively.

Note 5.Our company handles the transactions of purchasing Raw materials on behalf of Wuxi E&R as collection and payment on behalf, and does not recognize them as purchases and sales.

Note 6. Represents the transaction amounts for the year ended 2024.

Note 7.The transactions between the parent and subsidiary companies have been offset.

Appendix 2

E&R Engineering Corporation and subsidiaries Act as a guarantor for others June 30, 2025

Unit: NTD and foreign currency thousand

Number	Guarantor Company Name	Endorsed Guaranteed target		Endorsement and guarantee limit for a single enterprise (Note 2)	The maximum endorsement guarantee for this period balance	End-of-term guarantee balance	Actual expenditure amount	Endorsement guarantee amount secured by property	The accumulated endorsement guarantee amounts as a percentage of the net value in the most recent financial statement	Memorize Guaranteed Maximum Amount (Note 3)	The parent company provides an endorsement guarantee for the subsidiary	Subsidiary endorses guarantee for parent company	Endorsement guarantee for mainland China
		Company Name	Relationship (Note 1)										
0	E&R ENGINEERING CORPORATION	TECH-WAVE Industrial Co., Ltd.	2	507,383	20,000	20,000	4,400	-	0.79%	1,268,457	Y	-	-

Note 1: There are seven types of relationships between the endorser and the endorsed guarantee, just indicate the type:

- (1) Companies with business dealings.
- (2) A company that directly and indirectly holds more than 50 percent of the voting shares.
- (3) A company that directly and indirectly holds more than 50 percent of the voting shares of the company.
- (4) Companies directly and indirectly holding more than 90 percent of the voting shares.
- (5) Companies that mutually insure each other based on contract requirements among peers or co-builders due to the needs of contracted projects.
- (6) A company jointly guaranteed by all shareholders according to their shareholding ratio due to a joint investment relationship.
- (7) Joint guarantee for the performance of pre-sale house sales contracts among peers in accordance with consumer protection laws.

Note 2: The company's endorsement guarantee limit for a single enterprise shall not exceed 20% of the company's net value, but for a single overseas affiliate, it shall not exceed 30% of the net value.

Note 3: The company's endorsement guarantee is limited to a maximum of 50% of the company's net value.

Appendix 3

E&R Engineering Corporation and subsidiaries
 Situation of holding securities at the end of the period
 June 30, 2025

Unit: Thousand shares ; NTD thousand

The company held	Types and Names of Securities	Relationship with the issuer of securities	Account item	End of term				Note
				Number of shares (units)	Book Value	Shareholding ratio	Fair value	
E&R ENGINEERING CORPORATION	Stock — Major Power Technology Co.,Ltd.	-	Financial assets at FVTPL - current	48	7,104	0.17%	7,104	
	Stock — Skytech Inc.	-	Financial assets at FVTPL - current	240	51,840	0.36%	51,840	
	Stock — Global Tek Fabrication Co., Ltd.	-	Financial assets at FVTPL - current	110	6,567	0.10%	6,567	
	Fund — Allianz Global Investors B	-	Financial assets at FVTPL - current	620	4,162	-	4,162	
	Fund — TACB currency market	-	Financial assets at FVTPL - current	21,736	231,152	-	231,152	
	Fund-Cathay Taiwan Money Market Fund B-TWD	-	Financial assets at FVTPL - current	298	2,682	-	2,682	
	Fund-Cathay Taiwan Money Market Fund B-USD	-	Financial assets at FVTPL - current	49	14,064	-	14,064	
			Total		317,571		317,571	

The company held	Types and Names of Securities	Relationship with the issuer of securities	Account item	End of term				Note
				Number of shares (units)	Book Value	Shareholding ratio	Fair value	
E&R ENGINEERING CORPORATION	Stock – LEDlas Corp.	-	Financial assets at FVTOCI – non-current	3,667	7,131	9.38%	7,131	
	Stock – Uniconn Interconnections Technology Co., Ltd.	-	Financial assets at FVTOCI – non-current	579	32,015	1.00%	32,015	
	Stock - Shyawei Optronics Corporation	-	Financial assets at FVTOCI – non-current	1,640	35,913	16.40%	35,913	
	Stock – King Tech Vietnam Corporation	-	Financial assets at FVTOCI – non-current	412	9,050	19.80%	9,050	
			Total		84,109		84,109	

Appendix 4

E&R Engineering Corporation and its subsidiaries
Accounts receivable from related parties amounting to NTD 100 million or more than 20 percent of the paid-in capital
June 30, 2025

Unit: NTD thousand and foreign currency thousand

The company listed in accounts receivable	Name of Transaction Counterparty	Relationship	Accounts receivable from related parties balance	Turnover rate	Overdue receivables from related parties		Amount of receivables from related parties recovered after the period	Provision for bad debts amount
					Amount	Handling method		
E&R ENGINEERING CORPORATION	Jiangsu Superior Technology Semiconductor Co., Ltd.	Subsidiary	Accounts receivable 61,046	1.37	-	-	65	-
			Other receivables 344,727	Note 1	-	-	75,990	-

Note 1: Mainly refers to financial loans, so it is not applicable to the calculation of turnover rate.

Note 2: The transactions between the parent and subsidiary companies have been offset.

Appendix 5

E&R Engineering Corporation and its subsidiaries
Business relationship and significant transactions between parent and subsidiary companies
June 30, 2025

Individual transaction amounts not reaching NTD 10 million (inclusive) will not be disclosed; additionally, disclosure will be made based on assets and Revenue, and the corresponding transactions will no longer be disclosed.

Unit: NTD and foreign currency thousand

Number (Note 1)	Trader Name	Trading partner	Relationship with the trader (Note 2)	Transaction status			
				Subject	Amount	Transaction Terms	The ratio of the combined total revenue or assets (Note 3)
0	E&R ENGINEERING CORPORATION	Jiangsu Superior Technology Semiconductor Co., Ltd..	1	Sales Accounts receivable	32, 217 61, 046	There are no comparable transactions available, processed at the agreed price, with a credit period of 270 days.	4. 67% 1. 51%
		Wuxi E&R Semiconductor Materials Technology Co., Ltd.	1	Accounts receivable	39,449 (Note 4)	There are no comparable transactions available, processed at the agreed price, with a credit period of 270 days.	0.97%
		E&R(Dongguan) Semiconductor Materials Co., Ltd.	1	Accounts receivable	40,005 (Note 4)	There are no comparable transactions available, processed at the agreed price, with a credit period of 270 days.	0.99%
		Wuxi E&R Semiconductor Materials Technology Co., Ltd.	1	Other receivables	21,332	(Note 5)	0.53%
		Jiangsu Superior Technology Semiconductor Co., Ltd.	1	Other receivables	3,636	(Note 5)	0.09%
		Jiangsu Superior Technology Semiconductor Co., Ltd.	1	Other receivables	341,091	(Note 6)	8.43%
1	E&R(Dongguan) Semiconductor Materials Co., Ltd.	E&R Semiconductor Materials Co., Ltd.	2	Sales Accounts receivable	52, 766 39, 661	There are no comparable transactions available, processed at the agreed price, with a credit period of 270 days.	7.65% 0.98%
2	Jiangsu Superior Technology Semiconductor Co., Ltd.	Chentai Trading (Shanghai) Co. Ltd.	3	Other receivables	24,609	(Note 6)	0.61%

Note 1: Information on business transactions between the parent company and subsidiaries is respectively indicated in the number column. The method of filling in the numbers is as follows:

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

Note 2: There are three types of relationships with traders, and the second type can be:

1. Parent company to subsidiary.
2. Subsidiary to parent company.
3. Subsidiary to subsidiary.

Note 3: The calculation of the transaction amount as a percentage of total consolidated revenue or total assets, if it belongs to the Balance sheet account, is calculated as equity at end of period as a percentage of total consolidated assets; if it belongs to the profit and loss account, it is accumulated

The amount is calculated as a percentage of the total consolidated revenue.

Note 4: It is a purchasing agent raw material, handled as collection and payment on behalf, not recognized as sales and purchases.

Note 5: Is overdue Accounts receivable.

Note 6: Mainly for financial intermediation, etc.

Note 7: The transactions between the parent and subsidiary companies have been offset.

Appendix 6

E&R Engineering Corporation and its subsidiaries
Investees Information
June 30, 2025

Unit: Thousand shares; Foreign currency thousand; NTD
thousand

Investment Company Name	Invested Company Name	Location	Main business item	Original Investment Amount		End of period holding			Shareholding ratio x Investee company's year-end net value	Investee company Current profit and loss	Investment profits and losses recognized in this period	The dividend distribution situation of the invested company for this period		Note
				This end of term	The end of last year	Number of shares	Ratio	Book Value				Stock dividends	Cash dividends	
E&R ENGINEERING CORPORATION	TECH-WAVE Industrial Co., Ltd.	New Taipei City	flexible printed circuit board manufacturing, processing, and trading business	23,000	23,000	2,500	51.43%	13,088	13,088	(7,041)	(3,621)	-	-	-
	E&R Semiconductor Materials Co., Ltd.	Hong Kong	Semiconductor packaging materials trading business	84,839 (HK 20,392)	84,839 (HK 20,392)	15,000	100%	48,632	51,426	(17,326)	(17,180)	-	-	-
	ENRICHMENT TECH. CORPORATION	Samoa	Investment holding company	117,730 (USD 3,186+ NTD 18,589)	117,730 (USD 3,186+ NTD 18,589)	7,290	100%	38,842	39,174	(6,470)	(6,470)	-	-	-
	EXCELLENT INTERNATIONAL HOLDING LIMITED	British Virgin Islands	Investment holding company	286,430 (USD 9,709)	286,430 (USD 9,709)	9,709	100%	59,825	83,284	(54,220)	(54,220)	-	-	-
	EXCELLENT TECHKNOWLEDGIES HOLDINGS PTE LTD	Singapore	Investment holding company	3,291 (USD 101)	3,291 (USD 101)	101	100%	3,060	3,060	41	41	-	-	-
ENRICHMENT TECH. CORPORATION	ENR APPLIED PACKING MATERIAL CORPORATION	Samoa	Investment holding company	116,979 (USD 3,886)	116,979 (USD 3,886)	10,755	100%	39,222 (USD 1,339)	39,222 (USD 1,339)	(246) (USD -8)	(246) (USD -8)	-	-	-

Note: The transactions between the parent and subsidiary companies have been offset.

Appendix 7

E&R Engineering Corporation and its subsidiaries
Investments in China
June 30, 2025

(1) Investments in China:

Unit: Foreign currency thousand : NTD thousand

Mainland China is being invested in Company Name	Main business item	Paid-up capital	Investment Methods (Note 1)	The cumulative investment amount remitted from Taiwan at the beginning of this period	Investment amount exported or recovered this period		The cumulative investment amount remitted from Taiwan this term	Investee company Current profit and loss	The shareholding ratio of the company's direct or indirect investments	Investment profits and losses for this period (Note 2)	Book value of final investment	As of this period, the investment income has been remitted back to Taiwan
					Export	Take back						
E&R(Dongguan) Semiconductor Materials Co., Ltd.	Semiconductor packaging materials production and sales business	HK 28,180 (Note 1)	(II)	105,185 (HKD 28,180)	-	-	105,185 (HK28,180)	(14,697) (HK-3,584)	100%	(14,697) (HK-3,584) (II).3	51,884 (HK 13,900)	-
Wuxi E&R Semiconductor Materials Technology Co., Ltd.	Semiconductor packaging materials production and sales business	USD 5,000 (Note 2)	(II)	148,844 (USD 5,080)	-	-	148,844 (USD 5,080)	(246) (USD-7)	100%	(246) (USD-7) (II).3	39,165 (USD 1,337)	-
Chentai Trading (Shanghai) Co., Ltd.	Automation equipment After-sales service	USD 500	(II)	14,650 (USD 500)	-	-	14,650 (USD 500)	(6,224) (USD-195)	100%	(6,224) (USD-195) (II).3	1,636 (USD 56)	-
Jiangsu Superior Technology Semiconductor Co., Ltd.	Automation equipment production and sales business	RMB 71,900	(II)	266,659 (RMB 65,150)	-	-	266,659 (RMB 65,150)	(59,837) (USD -1,873)	100% (Note 3)	(59,837) (USD -1,873) (II).3	91,912 (USD 3,137)	-

The cumulative amount of investment remitted from Taiwan to Mainland China for this period	Ministry of Economic Affairs Investment Commission, MOEA Approved Investment Amount	According to the Ministry of Economic Affairs Investment Commission, MOEA regulations, the investment limit for going to Mainland China
105,185(HK 28,180) (Note 4)	105,185 (HK 28,180) (Note 1)	(Note 5)
148,844(USD 5,080) (Note 4)	154,030 (USD 5,257) (Note 2)	
14,650(USD 500) (Note 4)	14,650 (USD 500)	
266,659(RMB 65,150) (Note 4)	368,984 (RMB 90,150)	

- (Note 1) Our company's investment in E&R(Dongguan) Semiconductor Materials Co., Ltd. is a reinvestment through E&R Semiconductor Materials Co., Ltd. (Hong Kong). Hong Kong's investment in E&R (Dongguan) Semiconductor Materials Co., Ltd. includes fixed asset valuation investment and cash investment, totaling HK\$28,180,000. In addition, the company purchased additional equity in E&R Semiconductor Materials Co., Ltd. (Hong Kong) in May 2022, resulting in the company's indirect shareholding in E&R (Dongguan) Semiconductor Materials Co., Ltd. increasing from 81% to 90%. Therefore, the company's China investment amount is calculated as HK\$25,443 thousand based on the shareholding ratio. In August 2023, it purchased additional equity in E&R Semiconductor Materials Co., Ltd. (Hong Kong), which increased the indirect shareholding ratio in E&R (Dongguan) Semiconductor Materials Co., Ltd. from 90% to 100%. Therefore, the company's investment amount in mainland China is HKD 28,180 thousand.
- (Note2) Our company's investment in Wuxi E&R Semiconductor Materials Technology Co., Ltd. is through ENRICHMENT TECH.CORPORATION's reinvestment ENR APPLIED PACKING MATERIAL CORPORATION, then the company will reinvest in Wuxi E&R Semiconductor Materials Technology Co., Ltd., ENR APPLIED PACKING MATERIAL CORPORATION to Wuxi. The investment of Xitai Semiconductor Materials Technology Co., Ltd. includes fixed assets investment and cash investment totaling USD 5.08 million (the actual capital verification amount is USD 5.08 million, The investment of Xitai Semiconductor Materials Technology Co., Ltd. includes fixed assets investment and cash investment totaling USD 5,080 thousand (the actual capital verification amount is USD 5,080 thousand, The registered capital of the company is USD 5,000 thousand).
- (Note 3) The Company's shareholding ratio in Jiangsu Superior Technology Semiconductor Co., Ltd. comprises 90.61% through EXCELLENT INTERNATIONAL HOLDING and 9.39% through Chentai Trading (Shanghai) Co., Ltd. with its own funds, representing a total shareholding ratio of 100%.
- (Note 4) The cumulative amount of investment remitted from Taiwan to mainland China by the end of the period is calculated based on the actual paid-in capital of the mainland China investee companies, according to the shareholding ratio of direct or indirect investment.
- (Note 5) Enterprises approved by the Ministry of Economic Affairs to operate headquarters are not subject to amount or ratio restrictions.
- Note 1: The investment methods are divided into the following three types, just indicate the category:
- (1) Direct investment in mainland companies
 - (2) Establish a company through investment in a third region and reinvest in mainland companies (please refer to Appendix 7)
 - (3) Other methods
- Note 2: Recognized investment profits and losses for this period:
- (1) If it is still in preparation and there are no investment profits or losses, it should be noted
 - (2) The basis for recognizing investment profits and losses is divided into the following three types, and should be noted
 1. Financial statements audited and certified by an international accounting firm that has a cooperative relationship with the Republic of China accounting firm
 2. Financial statements audited and certified by the parent company's certified public accountant in Taiwan
 3. Others
- (2) The major transactions between the company and the invested company in Mainland China from January to June, 2025 are listed as follows:
1. Situation of financial integration with mainland China investment companies: See Note 13, Appendix 1.
 2. Major transactions with mainland China investment companies: See Note 13, Appendix 5.
- (3) The transactions between the aforementioned parent and subsidiary companies have been offset.

14. Departmental Information

(I) General Information:

For management purposes, the Group's operating decision-makers divide operating units based on the type of business operated, and they are divided into the following reportable segments:

1. Automation Machinery Department: Mainly engaged in the manufacturing, maintenance, and trading of automation machinery, etc.
2. Flexible printed circuit board department: Design, research, processing, manufacturing, and trading of flexible printed circuit board.
3. Semiconductor Packaging Materials Department: Mainly engaged in the production and sales of semiconductor materials, etc.

(II) Measurement Basis:

The Group's operating decision-makers primarily evaluate the performance of operating segments based on departmental Net profit. Additionally, since the Group has not included the amounts of assets and liabilities in the operational decision report, the measurement amounts of the operating segments assets and liabilities are zero. The accounting policies of the operating departments are the same as the summary of significant accounting policies described in Notes 4 on Consolidated Financial Statements.

(III) Department Financial Information:

April to June, 2025:

Unit: NTD thousand					
Item	Automation machinery	Flexible printed circuit board	Semiconductor materials	Adjustments and Disposals	Total
Revenue					
From external customers Revenue	\$ 283,788	\$ 9,544	\$ 81,187	\$ –	\$ 374,519
Inter-departmental Revenue	22,658	–	28,299	(50,957)	–
Total Revenue	\$ 306,446	\$ 9,544	\$ 109,486	\$ (50,957)	\$ 374,519
Department profit and loss	\$ (37,388)	\$ (2,560)	\$ (7,494)	\$ 3,067	\$ (44,375)

April to June 2024:

Unit: NTD thousand					
Item	Automation machinery	Flexible printed circuit board	Semiconductor materials	Adjustments and Disposals	Total
Revenue					
From external customers Revenue	\$ 418,005	\$ 8,095	\$ 77,796	\$ –	\$ 503,896
Inter-departmental Revenue	4,156	10	23,626	(27,792)	–
Total Revenue	\$ 422,161	\$ 8,105	\$ 101,422	\$ (27,792)	\$ 503,896
Department profit and loss	\$ 33,539	\$ (4,566)	\$ (6,360)	\$ (317)	\$ 22,296

January to June, 2025:

Unit: NTD thousand

Item	Automation machinery	Flexible printed circuit board	Semiconductor materials	Adjustments and Disposals	Total
Revenue					
From external customers Revenue	\$ 511,204	\$ 19,449	\$ 158,778	\$ –	\$ 689,431
Inter-departmental Revenue	50,517	–	53,198	(103,715)	–
Total Revenue	\$ 561,721	\$ 19,449	\$ 211,976	\$ (103,715)	\$ 689,431
Department profit and loss	\$ (96,909)	\$ (5,675)	\$ (17,928)	\$ 601	\$ (119,911)
Department total assets	\$ –	\$ –	\$ –	\$ –	\$ 4,046,764
Department total liabilities	\$ –	\$ –	\$ –	\$ –	\$ 1,497,488

January to June 2024:

Unit: NTD thousand

Item	Automation machinery	Flexible printed circuit board	Semiconductor materials	Adjustments and Disposals	Total
Revenue					
From external customers Revenue	\$ 629,613	\$ 19,671	\$ 142,459	\$ –	\$ 791,743
Inter-departmental Revenue	59,654	22	41,719	(101,395)	–
Total revenue	\$ 689,267	\$ 19,693	\$ 184,178	\$ (101,395)	\$ 791,743
Department profit and loss	\$ (24,984)	\$ (8,094)	\$ (17,199)	\$ 274	\$ (50,003)
Department total assets	\$ –	\$ –	\$ –	\$ –	\$ 4,142,405
Department total liabilities	\$ –	\$ –	\$ –	\$ –	\$ 1,511,585

(IV) Information on product categories and services

Interim financial statements are exempt from disclosure.

(V) District Information

Interim financial statements are exempt from disclosure.

(VI) Important customer information

Interim financial statements are exempt from disclosure.