

Sino-American Silicon Products Inc. and Subsidiaries

Consolidated Financial Statements

**With Independent Auditors' Review Report
For the Six Months Ended June 30, 2025 and 2024**

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

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Independent Auditors' Review Report

To the Board of Directors
Sino-American Silicon Products Inc.:

Introduction

We have reviewed the accompanying consolidated balance sheets of Sino-American Silicon Products Inc. and its subsidiaries as of June 30, 2025 and 2024, and the related consolidated statements of comprehensive income for the three months and six months ended June 30, 2025 and 2024, as well as the changes in equity and cash flows for the six months ended June 30, 2025 and 2024, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard (“IASs”) 34, “Interim Financial Reporting”, endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the Basis for Qualified Conclusion paragraph, we conducted our reviews in accordance with the Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”, of the Republic of China. A review of the consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing of the Republic of China and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As stated in Note 4(2), the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect total assets amounting to \$4,753,653 thousand and \$5,779,908 thousand, constituting 2% and 2% of consolidated total assets at June 30, 2025 and 2024, respectively, total liabilities amounting to \$1,674,733 thousand and \$2,411,713 thousand, constituting 1% and 1% of consolidated total liabilities at June 30, 2025 and 2024, respectively, and total comprehensive income (loss) amounting to \$(280,605) thousand, \$(96,275) thousand, \$(405,887) thousand and \$93,350 thousand, constituting 4%, (1)%, 10% and 1% of consolidated total comprehensive income (loss) for the three months and six months ended June 30, 2025 and 2024, for the six months ended June 30, 2025 and 2024, respectively.

Furthermore, as stated in Note 6(7), the other equity-method accounted investments of the Sino-American Silicon Products Inc. and its subsidiaries amounting to \$1,511,963 thousand and \$1,573,268 thousand at June 30, 2025 and 2024, respectively, and its equity in net earnings on these investee companies of \$(16,388) thousand, \$26,033 thousand, \$5,592 thousand and \$61,997 thousand for the three months and six months ended June 30, 2025 and 2024, for the six months ended June 30, 2025 and 2024, respectively, were recognized solely on the financial statements prepared by these investee companies, but not reviewed by independent auditors.



Qualified Conclusion

Except for the adjustments, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries and equity-method-accounted investee companies described in the Basis for Qualified Conclusion paragraph above been reviewed by independent auditors, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of Sino-American Silicon Products Inc. and its subsidiaries as of June 30, 2025 and 2024, and of its consolidated financial performance for the three months and six months ended June 30, 2025 and 2024, as well as its consolidated cash flows for the six months ended June 30, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting”, endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors’ report are Yung-Hua Huang and Chun-Yuan Wu.

KPMG

Taipei, Taiwan (Republic of China)
August 8, 2025

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

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

Sino-American Silicon Products Inc. and subsidiaries

Consolidated Balance Sheets

June 30, 2025, December 31, 2024, and June 30, 2024

(Expressed in Thousands of New Taiwan Dollars)

		<u>June 30, 2025</u>		<u>December 31, 2024</u>		<u>June 30, 2024</u>						<u>June 30, 2025</u>		<u>December 31, 2024</u>		<u>June 30, 2024</u>	
Assets		Amount	%	Amount	%	Amount	%			Liabilities and Equity		Amount	%	Amount	%	Amount	%
Current assets:										Current liabilities:							
1100	Cash and cash equivalents (note 6(1))	\$ 36,396,032	15	54,136,770	20	50,360,143	18	2100	Short-term borrowings (notes 6(13) and 8)	\$ 19,037,615	8	28,863,280	11	42,576,754	16		
1110	Financial assets at fair value through profit or loss—current (note 6(2))	34,473	-	28,751	-	99	-	2105	Short-term notes and bills payable (note 6(12))	3,499,849	1	3,999,248	1	-	-		
1170	Notes and accounts receivable, net (notes 6(5) and (23))	12,361,842	5	12,591,069	5	12,519,542	5	2120	Financial liabilities at fair value through profit or loss—current (notes 6(2) and (15))	62,829	-	94,142	-	32,439	-		
1180	Accounts receivable due from related parties, net (notes 6(5), (23) and 7)	62,882	-	564	-	-	-	2130	Contract liabilities—current (note 6(23))	8,784,260	3	10,811,513	4	10,238,645	4		
130X	Inventories (note 6(6))	12,932,132	5	13,976,189	5	13,944,878	5	2170	Notes and accounts payable	4,958,513	2	6,069,275	2	5,247,257	2		
1476	Other financial assets—current (notes 6(1) and 8)	25,884,479	10	19,346,916	7	42,784,014	16	2180	Accounts payable to related parties (note 7)	801	-	9	-	1,739	-		
1479	Other current assets (note 6(11))	<u>2,720,019</u>	<u>1</u>	<u>2,723,908</u>	<u>1</u>	<u>2,320,016</u>	<u>1</u>	2201	Payroll and bonus payable	4,911,201	2	4,737,526	2	5,071,636	2		
		<u>90,391,859</u>	<u>36</u>	<u>102,804,167</u>	<u>38</u>	<u>121,928,692</u>	<u>45</u>	2216	Dividends payable	4,636,236	2	3,199,272	1	6,610,811	2		
Non-current assets:								2250	Provisions—current (note 6(17))	296,116	-	296,906	-	299,019	-		
1513	Financial assets at fair value through profit or loss—non-current (notes 6(2) and 8)	6,029,709	2	6,766,986	3	10,573,499	4	2230	Current tax liabilities	2,153,349	1	2,505,027	1	2,933,395	1		
1517	Financial assets at fair value through other comprehensive income—non-current (notes 6(3) and 8)	1,224,646	-	1,145,053	-	3,372,996	1	2321	Ordinary bonds payable, current portion (note 6(15))	6,498,599	3	-	-	7,099,666	3		
1535	Financial assets at amortized cost—non-current (note 6(4))	5,830,700	2	6,524,215	3	6,457,550	2	2322	Long-term borrowings, current portion (note 6(14))	2,135,237	1	2,413,766	1	2,111,065	1		
1550	Investments accounted for using equity method (note 6(7))	1,511,963	1	1,567,664	1	1,573,268	1	2399	Other current liabilities (notes 6(16) and 7)	<u>9,653,413</u>	<u>4</u>	<u>14,332,621</u>	<u>5</u>	<u>11,793,294</u>	<u>4</u>		
1600	Property, plant and equipment (notes 6(9), 7 and 8)	132,512,805	53	137,361,821	51	111,439,751	41			<u>66,628,018</u>	<u>27</u>	<u>77,322,585</u>	<u>28</u>	<u>94,015,720</u>	<u>35</u>		
1755	Right-of-use assets (note 6(10))	1,292,579	1	1,344,479	-	1,438,218	1	Non-Current liabilities:									
1780	Intangible assets	5,500,464	2	5,893,393	2	5,662,322	2	2527	Contract liabilities—non-current (notes 6(23) and 9)	18,354,820	7	20,879,312	8	24,582,444	9		
1840	Deferred tax assets	4,106,428	2	4,066,186	1	3,577,575	1	2500	Financial liabilities at fair value through profit or loss—non-current (notes 6(2) and (15))	423,317	-	404,230	-	667,391	-		
1980	Other financial assets—non-current (note 8)	269,380	-	231,342	-	858,880	-	2530	Convertible bonds (note 6(15))	783,450	-	776,258	-	769,099	-		
1990	Other non-current assets (note 6(11))	<u>3,085,328</u>	<u>1</u>	<u>3,625,993</u>	<u>1</u>	<u>6,338,238</u>	<u>2</u>	2531	Ordinary bonds payable (note 6(15))	17,885,657	7	16,890,669	6	16,888,750	6		
		<u>161,364,002</u>	<u>64</u>	<u>168,527,132</u>	<u>62</u>	<u>151,292,297</u>	<u>55</u>	2532	Exchangeable bonds with warrants (note 6(15))	10,497,769	4	10,256,704	4	10,251,158	4		
Total assets		\$ <u>251,755,861</u>	<u>100</u>	<u>271,331,299</u>	<u>100</u>	<u>273,220,989</u>	<u>100</u>	2540	Long-term borrowings (notes 6(14) and 8)	17,631,328	7	14,993,522	6	4,955,287	2		
								2550	Provisions—non-current (note 6(17))	2,611,577	1	2,813,503	1	2,979,180	1		
								2570	Deferred tax liabilities	5,483,248	2	6,909,689	3	6,814,000	2		
								2670	Other non-current liabilities (notes 6(16) and 7)	2,951,821	1	3,018,155	1	2,895,991	1		
								2640	Net defined benefit liabilities	<u>1,478,252</u>	<u>1</u>	<u>1,512,147</u>	<u>1</u>	<u>1,554,182</u>	<u>1</u>		
										<u>78,101,239</u>	<u>30</u>	<u>78,454,189</u>	<u>30</u>	<u>72,357,482</u>	<u>26</u>		
								Total liabilities		<u>144,729,257</u>	<u>57</u>	<u>155,776,774</u>	<u>58</u>	<u>166,373,202</u>	<u>61</u>		
								Equity (notes 6(20) and 8):									
								3110	Ordinary shares	<u>6,412,217</u>	<u>3</u>	<u>6,412,217</u>	<u>2</u>	<u>5,862,217</u>	<u>2</u>		
								3200	Capital surplus	<u>32,643,907</u>	<u>13</u>	<u>32,671,766</u>	<u>12</u>	<u>23,985,217</u>	<u>9</u>		
								3300	Retained earnings	<u>19,527,517</u>	<u>8</u>	<u>20,318,655</u>	<u>7</u>	<u>20,413,862</u>	<u>8</u>		
								3400	Other equity interest	<u>(9,511,350)</u>	<u>(4)</u>	<u>(6,454,604)</u>	<u>(2)</u>	<u>(5,702,332)</u>	<u>(2)</u>		
								3500	Treasury shares	<u>(4,382,100)</u>	<u>(2)</u>	<u>(4,382,100)</u>	<u>(2)</u>	<u>(4,382,100)</u>	<u>(2)</u>		
									Total equity attributable to owners of parent	<u>44,690,191</u>	<u>18</u>	<u>48,565,934</u>	<u>17</u>	<u>40,176,864</u>	<u>15</u>		
								36XX	Non-controlling interests (note 6(8))	<u>62,336,413</u>	<u>25</u>	<u>66,988,591</u>	<u>25</u>	<u>66,670,923</u>	<u>24</u>		
								Total equity		<u>107,026,604</u>	<u>43</u>	<u>115,554,525</u>	<u>42</u>	<u>106,847,787</u>	<u>39</u>		
								Total liabilities and equity		\$ <u>251,755,861</u>	<u>100</u>	<u>271,331,299</u>	<u>100</u>	<u>273,220,989</u>	<u>100</u>		

See accompanying notes to consolidated financial statements.

(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)

Sino-American Silicon Products Inc. and subsidiaries

Consolidated Statements of Comprehensive Income

For the three months and six months ended June 30, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)

		For the three months ended June 30,				For the six months ended June 30,			
		2025		2024		2025		2024	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	Operating revenue (notes 6(23) and 7)	\$ 20,231,153	100	19,896,382	100	39,604,401	100	39,588,537	100
5000	Operating costs (notes 6(6), (18), (24) and 7)	15,107,833	75	13,538,113	68	29,407,988	74	27,035,469	68
	Gross profit from operations	5,123,320	25	6,358,269	32	10,196,413	26	12,553,068	32
	Operating expenses (notes 6(18), (24) and 7):								
6100	Selling expenses	578,048	3	386,604	2	1,041,228	3	762,778	2
6200	Administrative expenses	879,963	4	747,576	4	1,680,134	4	1,403,500	4
6300	Research and development expenses	842,750	4	885,929	5	1,716,299	4	1,697,860	4
6450	Expected credit losses (gains) (note 6(5))	(5,658)	-	(302)	-	1,909	-	(5,011)	-
	Total operating expenses	2,295,103	11	2,019,807	11	4,439,570	11	3,859,127	10
	Net operating income	2,828,217	14	4,338,462	21	5,756,843	15	8,693,941	22
	Non-operating income and expenses:								
7100	Interest income (notes 6(25) and 7)	545,101	2	1,152,603	6	1,174,170	3	1,910,067	4
7020	Other gains and losses (note 6(26))	(672,850)	(3)	(683,013)	(3)	(1,433,543)	(4)	(508,798)	(1)
7050	Finance costs (notes 6(25) and 7)	(273,573)	(1)	(263,474)	(1)	(541,819)	(1)	(520,581)	(1)
7060	Share of profit of associates accounted for using equity method	(16,388)	-	26,033	-	5,592	-	61,997	-
		(417,710)	(2)	232,149	2	(795,600)	(2)	942,685	2
	Income before income tax	2,410,507	12	4,570,611	23	4,961,243	13	9,636,626	24
7950	Less: Income tax expense (note 6(19))	682,398	3	1,030,501	5	1,435,543	4	2,140,003	5
	Net income	1,728,109	9	3,540,110	18	3,525,700	9	7,496,623	19
8300	Other comprehensive income:								
8310	Items that will not be reclassified subsequently to profit or loss								
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(496,430)	(2)	103,673	1	(1,295,113)	(3)	853,806	2
8320	Share of other comprehensive income of associates accounted for using equity method	15	-	-	-	15	-	-	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	(332)	-	61,350	-	341	-	19,111	-
	Total items that will not be reclassified subsequently to profit or loss	(496,747)	(2)	165,023	1	(1,294,757)	(3)	872,917	2
8360	Items that may be reclassified subsequently to profit or loss								
8361	Exchange differences on translation of foreign operations	(10,598,502)	(52)	(289,861)	(1)	(7,766,435)	(20)	1,419,927	4
8399	Income tax related to components of other comprehensive income that may be reclassified to profit or loss	2,111,878	10	58,849	-	1,547,167	4	(282,143)	(1)
	Total items that may be reclassified subsequently to profit or loss	(8,486,624)	(42)	(231,012)	(1)	(6,219,268)	(16)	1,137,784	3
8300	Other comprehensive income (after tax)	(8,983,371)	(44)	(65,989)	-	(7,514,025)	(19)	2,010,701	5
	Total comprehensive income	\$ (7,255,262)	(35)	3,474,121	18	(3,988,325)	(10)	9,507,324	24
	Net income attributable to:								
	Owners of parent	\$ 720,929	4	1,646,281	8	1,453,138	4	3,548,291	9
	Non-controlling interests	1,007,180	5	1,893,829	10	2,072,562	5	3,948,332	10
		\$ 1,728,109	9	3,540,110	18	3,525,700	9	7,496,623	19
	Total comprehensive income attributable to:								
	Owners of parent	\$ (3,295,617)	(16)	1,689,092	9	(1,603,990)	(4)	4,512,834	11
	Non-controlling interests	(3,959,645)	(19)	1,785,029	9	(2,384,335)	(6)	4,994,490	13
		\$ (7,255,262)	(35)	3,474,121	18	(3,988,325)	(10)	9,507,324	24
	Earnings per share (NT dollars) (note 6(22))								
9750	Basic earnings per share	\$ 1.17		2.94		2.37		6.35	
9850	Diluted earnings per share	\$ 1.17		2.94		2.36		6.33	

See accompanying notes to consolidated financial statements.

(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)

Sino-American Silicon Products Inc. and subsidiaries

Consolidated Statements of Changes in Equity

For the six months ended June 30, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent						Other equity interest							
	Retained earnings						Exchange differences on translation of foreign financial statements	Gains (losses) on equity instrument measured at fair value through other comprehensive income	Others	Total other equity interest	Treasury shares	Total	Non-controlling interests	Total equity
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings								
Balance at January 1, 2024	\$ 5,862,217	16,955,211	3,395,684	6,188,164	10,180,285	19,764,133	(5,343,697)	(1,109,138)	(4,287)	(6,457,122)	(4,382,100)	31,742,339	50,251,836	81,994,175
Net income for the period	-	-	-	-	3,548,291	3,548,291	-	-	-	-	-	3,548,291	3,948,332	7,496,623
Other comprehensive income for the period	-	-	-	-	-	-	622,141	342,402	-	964,543	-	964,543	1,046,158	2,010,701
Total comprehensive income for the period	-	-	-	-	3,548,291	3,548,291	622,141	342,402	-	964,543	-	4,512,834	4,994,490	9,507,324
Appropriation and distribution of retained earnings:														
Legal reserve	-	-	517,362	-	(517,362)	-	-	-	-	-	-	-	-	-
Special reserve	-	-	-	264,671	(264,671)	-	-	-	-	-	-	-	-	-
Cash dividends on ordinary shares	-	-	-	-	(3,106,975)	(3,106,975)	-	-	-	-	-	(3,106,975)	(3,503,817)	(6,610,792)
Share-based payments	-	5,996	-	-	-	-	-	-	70	70	-	6,066	25,839	31,905
Cash capital increase by a subsidiary recognized under non-controlling interests	-	6,991,851	-	-	-	-	-	-	-	-	-	6,991,851	14,899,583	21,891,434
Changes in equity of subsidiaries and associates accounted for using equity method	-	(23,026)	-	-	(1,386)	(1,386)	-	-	-	-	-	(24,412)	-	(24,412)
Others	-	-	-	-	(24)	(24)	-	-	-	-	-	(24)	-	(24)
Cash dividends received by subsidiaries from the parent company	-	55,185	-	-	-	-	-	-	-	-	-	55,185	-	55,185
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	2,992	2,992
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	209,823	209,823	-	(209,823)	-	(209,823)	-	-	-	-
Balance at June 30, 2024	\$ 5,862,217	23,985,217	3,913,046	6,452,835	10,047,981	20,413,862	(4,721,556)	(976,559)	(4,217)	(5,702,332)	(4,382,100)	40,176,864	66,670,923	106,847,787
Balance at January 1, 2025	\$ 6,412,217	32,671,766	4,288,719	5,698,116	10,331,820	20,318,655	(4,775,243)	(1,477,427)	(201,934)	(6,454,604)	(4,382,100)	48,565,934	66,988,591	115,554,525
Net income for the period	-	-	-	-	1,453,138	1,453,138	-	-	-	-	-	1,453,138	2,072,562	3,525,700
Other comprehensive income for the period	-	-	-	-	-	-	(2,951,595)	(105,533)	-	(3,057,128)	-	(3,057,128)	(4,456,897)	(7,514,025)
Total comprehensive income for the period	-	-	-	-	1,453,138	1,453,138	(2,951,595)	(105,533)	-	(3,057,128)	-	(1,603,990)	(2,384,335)	(3,988,325)
Appropriation and distribution of retained earnings:														
Legal reserve	-	-	182,846	-	(182,846)	-	-	-	-	-	-	-	-	-
Special reserve	-	-	-	752,969	(752,969)	-	-	-	-	-	-	-	-	-
Cash dividends on ordinary shares	-	-	-	-	(2,244,276)	(2,244,276)	-	-	-	-	-	(2,244,276)	(2,334,568)	(4,578,844)
Share-based payments	-	2,796	-	-	-	-	-	-	382	382	-	3,178	13,017	16,195
Changes in equity of subsidiaries and associates accounted for using equity method	-	(77,868)	-	-	-	-	-	-	-	-	-	(77,868)	-	(77,868)
Others	-	(88)	-	-	-	-	-	-	-	-	-	(88)	-	(88)
Cash dividends received by subsidiaries from the parent company	-	47,301	-	-	-	-	-	-	-	-	-	47,301	-	47,301
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	53,708	53,708
Balance at June 30, 2025	\$ 6,412,217	32,643,907	4,471,565	6,451,085	8,604,867	19,527,517	(7,726,838)	(1,582,960)	(201,552)	(9,511,350)	(4,382,100)	44,690,191	62,336,413	107,026,604

See accompanying notes to consolidated financial statements.

(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)

Sino-American Silicon Products Inc. and subsidiaries

Consolidated Statements of Cash Flows

For the six months ended June 30, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	For the six months ended June 30,	
	2025	2024
Cash flows from operating activities:		
Income before income tax	\$ 4,961,243	9,636,626
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expenses	5,638,457	4,715,452
Amortization expenses	103,923	92,826
Expected credit losses (gains)	1,909	(5,011)
Net losses (gains) on financial assets or liabilities at fair value through profit or loss	736,538	1,229,842
Interest expenses	541,819	520,581
Interest income	(1,174,170)	(1,910,067)
Dividend income	(51,008)	(172,794)
Share-based compensation cost	16,195	31,905
Shares of profit of associates accounted for using equity method	(5,592)	(61,997)
Gains on disposal of property, plant and equipment	(11,387)	(38,657)
Provision for inventory write-down	168,827	136,236
Reversal of impairment losses on non-financial assets	(74,278)	-
Gain from reversal of provisions	(152,694)	(220,335)
Gain from lease modification	(11,590)	(2,917)
Total adjustments	5,726,949	4,315,064
Changes in operating assets and liabilities:		
Notes and accounts receivable (including related parties)	165,571	(286,786)
Inventories	917,262	(1,464,987)
Prepayments for purchase of materials	117,233	16,182
Other assets	39,045	(54,586)
Other financial assets	245,486	-
Contract liabilities	(2,853,209)	(1,587,456)
Notes and accounts payable (including related parties)	(1,079,646)	(742,897)
Net defined benefit liabilities	(33,896)	(54,719)
Other operating liabilities	816,908	(391,337)
Total changes in operating assets and liabilities	(1,665,246)	(4,566,586)
Total adjustments	4,061,703	(251,522)
Cash inflow generated from operations	9,022,946	9,385,104
Interest received	1,769,215	1,958,672
Dividends received	51,008	172,794
Interest paid	(1,470,126)	(918,505)
Income taxes paid	(1,712,330)	(2,580,830)
Net cash flows generated from operating activities	7,660,713	8,017,235

(Continued)

See accompanying notes to consolidated financial statements.

(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)

Sino-American Silicon Products Inc. and subsidiaries

Consolidated Statements of Cash Flows(Continued)

For the six months ended June 30, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	For the six months ended June 30,	
	2025	2024
Cash flows from investing activities:		
Acquisition of financial assets at fair value through other comprehensive income and prepayments	\$ (95,714)	(55,793)
Proceeds from disposal of financial assets at fair value through other comprehensive income	-	1,009,772
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	2,908	3,031
Acquisition of financial assets at amortized cost	-	(6,349,394)
Proceeds from capital reduction of financial assets at fair value through profit or loss	8,537	7,708
Acquisition of financial assets at fair value through profit or loss	(74,828)	(19,687)
Proceeds from disposal of financial assets at fair value through profit or loss	28,027	-
Acquisition of investments accounted for using equity method	-	(16,000)
Acquisition of property, plant and equipment, and prepayments of equipment	(19,895,058)	(24,396,337)
Proceeds from disposal of property, plant and equipment	3,395	180,624
Acquisition of intangible assets	(24,857)	(4,284)
Decrease (increase) in other financial assets	(7,416,133)	738,317
Other investing activities	6,195,953	-
Net cash flows used in investing activities	(21,267,770)	(28,902,043)
Cash flows from financing activities:		
Increase (decrease) in short-term loans	(9,816,165)	10,765,593
Decrease in short-term notes and bills payable	(499,399)	-
Issuing bonds	7,502,334	16,903,383
Repayments of bonds	-	(6,937,021)
Proceeds from long-term borrowings	6,621,125	1,878,023
Repayments of long-term borrowings	(2,787,925)	(1,258,460)
Decrease in guarantee deposits	(231,732)	(25,567)
Payment of lease liabilities	(111,251)	(125,825)
Cash dividends distribution	(3,118,045)	(3,756,469)
Change in non-controlling interests	-	21,848,112
Other financing activities	(88)	-
Net cash flows generated from financing activities	(2,441,146)	39,291,769
Effect of exchange rate changes on cash and cash equivalents	(1,692,535)	1,125,679
Increase (decrease) in cash and cash equivalents	(17,740,738)	19,532,640
Cash and cash equivalents at beginning of period	54,136,770	30,827,503
Cash and cash equivalents at end of period	\$ 36,396,032	50,360,143

See accompanying notes to consolidated financial statements.

(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)

Sino-American Silicon Products Inc. and subsidiaries

Notes to the Consolidated Financial Statements

June 30, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

1. Company history

Sino-American Silicon Products Inc. (“SAS” or “the Company”) was incorporated in accordance with the Company Act of the Republic of China in January 1981. The registered address is No.8, Industrial East Road 2, Science Based Industrial Park, Hsinchu, Taiwan, R.O.C. The Company, as well as its subsidiaries (together referred to as the “Group”), mainly engages in the design, production, and sale of semiconductor silicon materials and components, rheostat, optical and communications wafer materials; also the related technology, management consulting business, and technical services of the photo-voltaic power system generation and installation.

The Company’s common stocks have been officially listed and traded on Taipei Exchange (“TPEX”) since March 2001.

2. Approval date and procedures of the consolidated financial statements:

The consolidated financial statements were authorized for issue by the Board of Directors on August 8, 2025.

3. New standards, amendments and interpretations adopted:

- (1) The impact of the International Financial Reporting Standards (“IFRS Accounting Standards”) endorsed by the Financial Supervisory Commission, R.O.C. (the “FSC”) which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2025:

- Amendments to IAS21 “Lack of Exchangeability”

- (2) The impact of IFRS Accounting Standards endorsed by the FSC but not yet effective

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2026, would not have a significant impact on its consolidated financial statements:

- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”
- Annual Improvements to IFRS Accounting Standards—Volume 11
- Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

- (3) The impact of IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

The following new and amended standards, which may be relevant to the Group, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

Standards or Interpretations	Content of amendment	Effective date per IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities. • A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined ‘operating profit’ subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities. • Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards. • Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.	January 1, 2027

Sino-American Silicon Products Inc. and subsidiaries

Notes to the Consolidated Financial Statements

The Group is evaluating the impact on its consolidated financial position and consolidated financial performance upon the initial adoption of the abovementioned standards or interpretations. The results thereof will be disclosed when the Group completes its evaluation.

The Group does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures”

4. Summary of material accounting policies:

(1) Statement of compliance

These consolidated financial statements have been prepared in accordance with the preparation and guidelines of IAS 34 “Interim Financial Reporting” which are endorsed and issued into effect by FSC, and do not include all of the information required by the Regulations and International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (hereinafter referred to IFRS Accounting Standards endorsed by the FSC) for a complete set of the annual consolidated financial statements.

Except the following accounting policies mentioned below, the material accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statements for the year ended December 31, 2024. For the related information, please refer to note 4 of the consolidated financial statements for the year ended December 31, 2024.

(2) Basis of consolidation

Principles of preparation of the consolidated financial statements are the same as those of the consolidated financial statements for the year ended December 31, 2024. For the related information, please refer to note 4(3) to the consolidated financial statements for the year ended December 31, 2024.

A. List of subsidiaries in the consolidated financial statements

The list of subsidiaries is included in the consolidated financial statements:

Name of Investor	Name of subsidiary	Business	Percentage of Ownership			Note
			June 30, 2025	December 31, 2024	June 30, 2024	
SAS	Sino Silicon Technology Inc. (SSTI)	Investment and triangular trade center with subsidiaries in China	100%	100%	100%	Note 10
SAS	GlobalWafers Co., Ltd. (GlobalWafers)	Manufacturing and trading of semiconductor silicon materials and components	46.64%	46.64%	46.64%	Note 11
SAS	Aleo Solar GmbH (Aleo Solar)	Solar cell manufacturing and sale and wholesale of electronic materials	100%	100%	100%	Note 10

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

Name of Investor	Name of subsidiary	Business	Percentage of Ownership			Note
			June 30, 2025	December 31, 2024	June 30, 2024	
SAS	SAS Sunrise Inc. (SSR)	Investment activities	100%	100%	100%	Note 10
SAS	Sunrise PV Three Co., Ltd. (SPV3)	Electricity activities	100%	100%	100%	Note 10
SAS	SAS Capital Co., Ltd. (SSH)	Investment activities	100%	100%	100%	Note 10
SAS	Sustainable Energy Solution Co., Ltd. (SES)	Energy technology service business	100%	100%	100%	Note 10
SAS	Taiwan Speciality Chemicals Corporation (TSC)	Semiconductor special gas and chemical materials	28.52%	28.52%	30.09%	Note 11
SAS	Advanced Wireless Semiconductor Company (Advanced Wireless)	Manufacturing and trading of GaAs Wafers	28.46%	28.46%	27.80%	Note 11
SAS	Actron Technology Corporation (Actron)	Manufacturing and trading of automotive semiconductors	25.48%	25.56%	24.58%	Notes 9 and 11
SAS	Mosel Vitekc Inc. (MVI)	Semiconductor holding company	-	-	-	Note 8
SAS	Anneal Energy Co., Ltd. (Anneal Energy)	Electricity activities	45.01%	45.01%	-	Notes 5, 10 and 11
SAS	Sustainable Sunrise Co., Ltd. (SUN)	Battery Manufacturing Industry	100%	-	-	Notes 3(3) and 10
SAS	EcoFuture Crystal Co., Ltd. (EFC)	General and Venture Capital Investment Industry	100%	-	-	Notes 3(4) and 10
SSR	Sulu Electric Power and Light Inc. (Sulu)	Electricity activities	40%	40%	40%	Notes 1 and 10
SSR	AMLED International Systems Inc. (AMLED)	Investment activities	-	-	-	Notes 2 and 10
AMLED	Sulu	Electricity activities	45%	45%	45%	Note 10
Aleo Solar	Aleo Solar Distribuzione Italia S.r.l	Solar cell manufacturing and sale and wholesale of electronic materials	-	100%	100%	Notes 3(2) and 10
SSH	Sustainable Hydropower Energy Co., Ltd. (SHE)	Energy technology service business	51%	51%	51%	Note 10
SSH	Waferchem Technology Corporation (Waferchem)	Semiconductor holding company	51%	51%	-	Notes 6 and 10
GlobalWafers	GlobalSemiconductor Inc. (GSI)	Investment activities	100%	100%	100%	

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

Name of Investor	Name of subsidiary	Business	Percentage of Ownership			Note
			June 30, 2025	December 31, 2024	June 30, 2024	
GlobalWafers	GlobalWafers Japan Co., Ltd. (GWJ)	Manufacturing and trading of silicon wafers	100%	100%	100%	
GlobalWafers	GlobalWafers Singapore Pte. Ltd. (GWS)	Investment activities	100%	100%	100%	
GlobalWafers	Sunrise PV Four Co., Ltd. (SPV4)	Electricity activities	100%	100%	100%	
GlobalWafers	Sunrise PV Electric Power Five Co., Ltd. (SPV5)	Electricity activities	100%	100%	100%	
GlobalWafers	GWC Capital Co., Ltd (GWH)	Investment activities	100%	100%	100%	
GlobalWafers	GlobalWafers GmbH (GW GmbH)	Investment activities	100%	100%	100%	
GlobalWafers	GlobalWafers B.V. (GWBV)	Investment activities	100%	100%	100%	
GlobalWafers	Crystalwise Technology Inc. (CWT)	Manufacturing and trading of optoelectronic wafers and substrate material	100%	100%	100%	
GlobalWafers	GlobalWafers Capital Co., Ltd. (GWCC)	Investment activities	100%	100%	100%	
GlobalWafers	Hongwang Investment Co., Ltd. (Hongwang)	Investment activities	30.98 %	30.98 %	30.98 %	Note 4
GSI	Kunshan Sino Silicon Technology Co., Ltd. (SST)	Processing and trading of ingots and wafers	100%	100%	100%	
GWJ	MEMC Japan Ltd. (MEMC Japan)	Manufacturing and trading of silicon wafers	100%	100%	100%	
SST	MEMC Electronic Materials, Sdn Bhd (MEMC Sdn Bhd)	Research and development, manufacturing and trading of silicon wafers	100%	100%	100%	
SST	Kunshan SST Trading Co., Ltd. (KST)	Sales, marketing and trading activities	100%	100%	100%	
SST	Shanghai Sawyer Shenkai Technology Material Co., Ltd. (SSKT)	Manufacturing and sales of lithium tantalate and lithium niobate wafers	100%	100%	100%	
CWT	Crystalwise Technology (HK) Limited (Crystalwise (HK))	Investment activities	100%	100%	100%	
CWT	Yuan Hong (SHANDONG) Technical Materials Ltd. (YHTM)	Manufacturing and trading of optoelectronic wafers and substrate material	19.69%	19.69%	19.69%	

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

Name of Investor	Name of subsidiary	Business	Percentage of Ownership			Note
			June 30, 2025	December 31, 2024	June 30, 2024	
GWBV	MEMC Electronic Materials, SpA (MEMC SpA)	Manufacturing and trading of silicon wafers	100%	100%	100%	
MEMC SpA	MEMC Electronic Materials France SarL (MEMC SarL)	Trading	100%	100%	100%	
GWBV	MEMC Korea Company (MEMC Korea)	Manufacturing and trading of silicon wafers	100%	100%	100%	
GWBV	MEMC Ipoh Sdn Bhd (MEMC Ipoh)	Manufacturing and trading of silicon wafers	100%	100%	100%	
GWBV	GlobiTech Incorporated (GTI)	Manufacturing and trading of epitaxial wafers and silicon wafers	100%	100%	100%	
GWBV	Topsil GlobalWafers A/S (Topsil A/S)	Manufacturing and trading of silicon wafers	100%	100%	100%	
Crystalwise (HK)	YHTM	Manufacturing and trading of optoelectronic wafers and substrate material	80.31%	80.31%	80.31%	
GTI	MEMC LLC	Research and development, manufacturing and trading of silicon wafers	100%	100%	100%	
GTI	GlobalWafers America, LLC (GWA)	Manufacturing and trading of silicon wafers	100%	100%	100%	
SSKT	Yuan Hong Technical Materials Ltd. (MHTM)	Manufacturing and sales of lithium tantalate and lithium niobate wafers	90%	90%	90%	
Actron	DING-WEI Technology Co., Ltd.	Manufacture of electronic components and motor parts	100%	100%	100%	Note 10
Actron	Smooth International Limited Corporation	Investment activities	100%	100%	100%	Note 10
Smooth International Limited Corporation	Smooth Autocomponent Limited	Investment activities	100%	100%	100%	Note 10
Smooth Autocomponent Limited	Smooth Auto Parts (Qingdao) Co., Ltd.	Manufacture of motor parts	100%	100%	100%	Note 10
Actron	REC Technology Corporation (REC Technology)	Manufacture of motor parts	49%	49%	49%	Notes 7 and 10
Actron	Bigbest solution, Inc.	Manufacture of motors	28%	28%	28%	Notes 7 and 10
Actron	MVI	Semiconductor holding company	29%	29%	29%	Note 8

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

Name of Investor	Name of subsidiary	Business	Percentage of Ownership			Note
			June 30, 2025	December 31, 2024	June 30, 2024	
Actron	Hongwang	Investment activities	30%	30%	30%	Note 4
MVI	Giant Haven Investments Ltd. (B.V.I)	Holding company	100%	100%	100%	
MVI	Mou Fu Investment Consultant Ltd.	Leasing, manpower dispatch and various services	100%	100%	100%	
MVI	Bou-Der Investment, Ltd.	Investment activities	-	47%	47%	Note 3(1)
MVI	DenMOS Technology Inc.	R&D, design, manufacturing and sale of LCD driving ICs and other application-specific Ics	80%	80%	80%	Note 10
Mou Fu Investment Consultant Ltd.	Bou-Der Investment, Ltd.	Investment activities	-	50%	50%	Note 3(1)
Mou Fu Investment Consultant Ltd.	Den MOS Technology Inc.	R&D, design, manufacturing and sale of LCD driving ICs and other application-specific Ics	4%	4%	4%	Note 10

Note 1: The Group can control the financial and operating strategies of Sulu through effective agreements with its other investors, so Sulu is considered as a subsidiary.

Note 2: The Group does not have equity interests in of AMLED. However, the Group controls the financial and operating strategies of AMLED and receives all benefits of its operations and net assets based on terms of the agreement. AMLED is considered a subsidiary.

Note 3: The Group's organizational changes were as follows:

(1) Bou-Der Investment, Ltd has completed liquidation on January 14, 2025.

(2) Aleo Solar Distribuzione Italia S.r.l has completed liquidation in February 2025.

(3) SUN was established in April 2025.

(4) EFC was established in June 2025.

Note 4: The Group via its subsidiaries, namely Actron and GlobalWafers, holds 60.98% of Hongwang's shares. Thus, Hongwang was included in the financial statements.

Note 5: The Group holds 45.01% of the voting shares of Anneal Energy, and it's made the Group the single largest shareholder of the investee. As of December, 2024, the Group obtained four director seats and the support from other shareholders. Considering the Company's power over the investee, exposure or rights to variable returns, and the ability to use its power over the entity to affect the amount of the investee's returns, the Group obtained control over Anneal Energy.

Note 6: The Group obtained 51% shares of Waferchem Technology Corporation on December 31, 2024.

Note 7: The Group is the single largest shareholder holding the largest portion of equity and had the ability to direct the activities by directing and monitoring investee's strategies on finance, operation and human resources. Thus, the investee is deemed as a subsidiary of the Company.

Note 8: The Group acquired de facto control over the said company and had the ability to direct the relevant activities by directing and monitoring investee's strategies on finance, operation and human resources. Thus, the investee is deemed as a subsidiary of the Company.

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

Note 9: Employees of Actron exercised stock options, resulting in the issuance of 286,000 and 600,000 new shares on February 26 and May 26, 2025, respectively. As a result, the merged company's shareholding percentage was relatively diluted.

Note 10: The abovementioned subsidiaries are all non-significant subsidiaries, and the financial statements of which have not been reviewed by independent auditors.

Note 11: Although the Group did not own more than half of the voting rights of the entity, the Group is the single largest shareholder of the entity. Moreover, the remaining ownership was not concentrated within specific shareholders and there was not indication that other shareholders exercised their votes collectively, resulting in the Group to obtain more than half of the voting rights at the entity's shareholder's meeting, and thus, has control over the entity.

B. Subsidiaries excluded from the consolidated financial statements: None.

(c) Provision

Carbon fees

Carbon fees levied in accordance with Taiwan's Climate Change Response Act and Regulations Governing the Collection of Carbon Fees are recognized when the annual greenhouse gas emissions are probably to exceed the threshold, and the amount is estimated based on the proportion of greenhouse gas emissions that have occurred as of the reporting date divided by the total annual greenhouse gas emissions.

(4) Income tax

The income tax expenses have been prepared and disclosed in accordance with paragraph B12 of International Financial Reporting Standards 34, Interim Reporting.

Income tax expenses for the period are measured by multiplying together the pre-tax income for the interim reporting period and the management's best estimate of effective annual tax rate. This should be recognized fully as tax expense for the current period.

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases shall be measured based on the tax rates that have been enacted or substantively enacted at the time of the asset or liability is recovered or settled, and be recognized directly in equity or other comprehensive income as tax expense.

(5) Employee Benefits

The pension cost of defined benefit plans in the interim period was calculated and disclosed on a period-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year.

5. Significant accounting assumptions and judgments, and major sources of estimation uncertainty:

The preparation of the consolidated financial statements in conformity with the Regulations and IFRSs (in accordance with IAS 34 "Interim Financial Reporting" and endorsed by the FSC) requires management to make judgments, and estimates about the future, including climate-related risks and opportunities, that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

The preparation of the consolidated interim financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with the consolidated financial statements for the year ended December 31, 2024. For related information, please refer to note 5 of the consolidated financial statements for the year ended December 31, 2024.

6. Explanation of significant accounts:

Except for the following disclosures, there were no material differences in the disclosures of significant accounts between the interim consolidated financial statements for the current period and the 2024 consolidated financial statements. Please refer to note 6 to the 2024 annual consolidated financial statements.

(1) Cash and cash equivalents

	June 30, 2025	December 31, 2024	June 30, 2024
Cash on hand	\$ 6,030	4,768	4,572
Demand deposits	12,484,659	18,027,226	17,402,271
Time deposits	17,742,187	27,776,865	27,276,672
Bond investments under repurchase agreement	1,824,390	8,327,911	5,676,628
Bills investments under repurchase agreement	4,338,766	-	-
	<u>\$ 36,396,032</u>	<u>54,136,770</u>	<u>50,360,143</u>

As of June 30, 2025, December 31, 2024 and June 30, 2024, the Group considered liquidity and reclassified time deposits to other financial assets— current, amounting to \$5,028,745 thousand, \$6,360,312 thousand and \$24,583,540 thousand, respectively.

On November 28, 2019 and February 21, 2020, The Group applied to the National Taxation Bureau for the application of the Overseas Fund Repatriation Management, Utilization and Taxation Regulations. After approval, the funds were repatriated. 5% of the repatriated funds can be used freely, and the remaining 95% can only be used for special investment plans approved by the Ministry of Economic Affairs. Funds are deposited in a special account and cannot be used randomly for expenditure within five years. GlobalWafers has applied to the Ministry of Economic Affairs for substantial investment, and the funds are expected to be used for capital expenditures on factory expansion and the purchase of machinery, equipment and related assets. As of June 30, 2025, December 31, 2024 and June 30, 2024, the balances of the special accounts were \$1,790,429 thousand, \$3,005,012 thousand and \$2,939,535 thousand recorded in cash and cash equivalents(or other financial assets), respectively.

Please refer to note 6(26) for the interest rate risk and sensitivity analysis of the financial assets and liabilities of the Group.

Sino-American Silicon Products Inc. and subsidiaries
Notes to the Consolidated Financial Statements

(2) Financial Assets and Liabilities at Fair Value through Profit or Loss (“FVTPL”)

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Financial assets measured at fair value through profit or loss — current:			
Forward exchange contracts	\$ <u>34,473</u>	<u>28,751</u>	<u>99</u>
	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Financial assets measured at fair value through profit or loss — non-current:			
Privately offered funds	\$ 296,896	254,686	266,521
Overseas securities held	<u>5,732,813</u>	<u>6,512,300</u>	<u>10,306,978</u>
	\$ <u>6,029,709</u>	<u>6,766,986</u>	<u>10,573,499</u>
Financial liabilities designated at fair value through profit or loss — current:			
Forward exchange contracts	\$ <u>62,829</u>	<u>94,142</u>	<u>32,439</u>
Financial liabilities designated at fair value through profit or loss — non-current:			
Embedded derivatives of exchangeable bonds with warrants	\$ <u>423,317</u>	<u>404,230</u>	<u>667,391</u>

Please refer to note 6(25) for the amount remeasured at fair value through profit or loss.

For the six months ended June 30, 2025 and 2024, the dividends of \$44,205 thousand and \$172,794 thousand were recognized from investments in financial assets measured at fair value through profit or loss, respectively.

The Group issued overseas bonds with warrant the shares of Sliteonic AG in January 2024. When warrants are exercised, shares of Siltronic AG will be delivered to the holders. Please refer to Note 6(15) for details.

The Group holds derivative financial instruments to hedge certain foreign exchange and interest rate risk exposures arising from its operating activities. The following derivative instruments, without the application of hedge accounting, were classified as mandatorily measured at fair value through profit or loss and held-for-trading financial liabilities:

<u>June 30, 2025</u>				
	<u>Contract amount (in thousands)</u>	<u>Currency</u>	<u>Maturity date</u>	
Forward exchange contracts:				
Forward exchange contracts buy	USD 30,000	USD to EUR	October 29, 2025	
Forward exchange contracts sold	USD 43,797	USD to NTD	July 7, 2025~ August 18, 2025	
Forward exchange contracts sold	USD 22,050	USD to EUR	July 25, 2025~ September 25, 2025	

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December 31, 2024				
	Contract amount (in thousands)		Currency	Maturity date
Forward exchange contracts:				
Forward exchange contracts buy	USD	30,000	USD to EUR	October 29, 2025
Forward exchange contracts sold	USD	227,000	USD to NTD	January 9, 2025~ March 24, 2025
Forward exchange contracts sold	USD	20,300	USD to EUR	February 26, 2025~ March 26, 2025
June 30, 2024				
	Contract amount (in thousands)		Currency	Maturity date
Forward exchange contracts:				
Forward exchange contracts buy	USD	1,390	USD to NTD	July 12, 2024~ July 25, 2024
Forward exchange contracts sold	USD	235,000	USD to NTD	July 22, 2024~ July 29, 2024
Forward exchange contracts sold	USD	25,000	USD to EUR	July 26, 2024~ September 27, 2024

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

	June 30, 2025	December 31, 2024	June 30, 2024
Equity investment in foreign entities	\$ 360,665	740,541	950,834
Equity investment in domestic entities	863,981	404,512	2,422,162
	<u>\$ 1,224,646</u>	<u>1,145,053</u>	<u>3,372,996</u>

The Group designated the equity investments shown above as at fair value through other comprehensive income because these equity securities represent those investments that the Group intends to hold for long-term strategic purposes.

For the six months ended June 30, 2025, the dividends of \$6,803 thousand, respectively, were recognized from investments in financial assets at fair value through other comprehensive income.

Due to the changes in investment strategy for the six months ended June 30, 2024, the Group disposed domestic equity investments designated to be measured at fair value through other comprehensive gains and losses, at the fair value of \$223,429 thousand, and the accumulated disposal gains amounted to \$155,514 thousand which were reclassified from other equity to retained earnings.

There were no disposals of strategic investments and transfers of any cumulative gain or loss within equity relating to these investments as of June 30, 2025 and 2024.

For market risk, please refer to note 6(26).

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(4) Financial assets measured at amortized cost

	June 30, 2025	December 31, 2024	June 30, 2024
Foreign bonds	\$ <u>5,830,700</u>	<u>6,524,215</u>	<u>6,457,550</u>

A. The Group invested in foreign bonds, with the face value of US\$199,000 thousand and a coupon rate ranging from 4.71% to 5.15%, as well as the maturity dates from October 8, 2026 to June 13, 2029. The Group has assessed that these financial assets are held to maturity to collect contractual cash flows, which consist solely of payments of principal and interest on principal amount outstanding. Therefore, these investments were classified as financial assets measured at amortized cost.

B. The financial assets mentioned above were not pledged as collateral.

(5) Notes and accounts receivable, net

	June 30, 2025	December 31, 2024	June 30, 2024
Notes receivable	\$ 310,634	305,612	289,029
Accounts receivable	12,065,483	12,303,038	12,250,980
Less: allowance for doubtful accounts	<u>(14,275)</u>	<u>(17,581)</u>	<u>(20,467)</u>
	\$ <u>12,361,842</u>	<u>12,591,069</u>	<u>12,519,542</u>

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

The loss allowance provision of notes and accounts receivable (including related parties) was determined as follows:

	June 30, 2025		
	Gross amount of notes and accounts receivable	Weighted-average loss rate	Credit loss allowance
Current	\$ 11,769,293	0%	-
1 to 30 days past due	429,183	1%	2,084
31 to 60 days past due	50,218	1%	1,178
61 to 90 days past due	116,111	0%	1
91 to 120 days past due	376	0%	-
121 to 150 days past due	364	0%	-
151 to 180 days past due	1,750	90%	1,575
More than 181 days past due	<u>9,437</u>	100%	<u>9,437</u>
Total	\$ <u>12,376,732</u>		<u>14,275</u>

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December 31, 2024			
	Gross amount of notes and accounts receivable	Weighted-average loss rate	Credit loss allowance
Current	\$ 12,035,265	0%	-
1 to 30 days past due	443,171	1%	1,653
31 to 60 days past due	108,429	1%	1,504
61 to 90 days past due	4,129	13%	537
91 to 120 days past due	4,188	21%	893
121 to 150 days past due	1,838	51%	934
151 to 180 days past due	809	83%	675
More than 181 days past due	11,385	100%	11,385
Total	<u><u>\$ 12,609,214</u></u>		<u><u>17,581</u></u>

June 30, 2024			
	Gross amount of notes and accounts receivable	Weighted-average loss rate	Credit loss allowance
Current	\$ 11,573,147	0%	-
1 to 30 days past due	798,990	0%	1,803
31 to 60 days past due	145,379	1%	1,691
61 to 90 days past due	5,372	19%	1,009
91 to 120 days past due	2,004	43%	866
151 to 180 days past due	191	90%	172
More than 181 days past due	14,926	100%	14,926
Total	<u><u>\$ 12,540,009</u></u>		<u><u>20,467</u></u>

The movement in the allowance for notes and accounts receivable (including related parties) were as follows:

For the six months ended June 30,		
	2025	2024
Balance on January 1	\$ 17,581	25,211
Expected credit loss recognized (reversal of gains)	1,909	(5,011)
Amount written off which was considered uncollectible in the current period	(4,644)	(234)
Foreign exchange gains(losses)	(571)	501
Balance on June 30	<u><u>\$ 14,275</u></u>	<u><u>20,467</u></u>

The Group's notes and accounts receivable were not pledged as collateral.

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The Group's accounts receivable factoring was as follows:

(Unit: currency in thousands)

<u>Counterparty</u>	<u>Sale amount</u>	<u>Amount available for advance payment</u>	<u>Amount advanced</u>	<u>Annual interest rate on the amount advanced (%)</u>
June 30, 2025				
Citibank	USD 1,977	USD -	USD 1,977	5.71~6.36
	EUR 4,438	EUR -	EUR 4,438	3.04~3.29
December 31, 2024				
Citibank	USD 3,457	USD -	USD 3,457	5.73~6.38
	EUR 9,609	EUR -	EUR 9,609	3.81~4.06
June 30, 2024				
Citibank	USD 7,543	USD -	USD 7,543	6.62~7.27
	EUR 7,725	EUR -	EUR 7,725	4.74~4.99

The Group derecognizes trade receivables from its consolidated balance sheet upon their transfer to banks without recourse, as substantially all risks and rewards associated with the receivables are transferred at the time of sale. In accordance with the terms of the transfer agreement, the Group bears losses arising from commercial disputes (such as sales returns or discounts), while the banks assume losses resulting from credit risk.

(6) Inventories

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Finished goods	\$ 3,339,577	3,433,548	3,238,553
Work in progress	4,238,506	4,392,908	4,798,577
Raw materials	5,354,049	6,149,733	5,907,748
	<u>\$ 12,932,132</u>	<u>13,976,189</u>	<u>13,944,878</u>

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Components of operating costs were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2025	2024	2025	2024
Cost of goods sold	\$ 14,874,283	13,298,204	29,056,696	26,827,909
Reversal of impairment loss on property, plant and equipment (note 6 (10))	(13,264)	-	(74,278)	-
Write-down of inventories (Reversal of write-downs)	125,823	199,587	168,827	136,236
Unallocated production overheads	182,533	131,197	396,794	249,158
Gain from reversal of provisions	(61,542)	(90,875)	(140,051)	(177,834)
	\$ 15,107,833	13,538,113	29,407,988	27,035,469

The Group's inventories mentioned above were not pledged as collateral.

(7) Investments accounted for using equity method

Names of associates	Relationship with the Group	Main location/ country registered in	Percentage of equity ownership interests and voting rights		
			June 30, 2025	December 31, 2024	June 30, 2024
Accu Solar Corporation (ASC)	The main business is providing solar modules	Taiwan	24.70 %	24.70 %	24.70 %
Excelliance MOS Corporation	Mainly engages in the manufacturing of semiconductor	Taiwan	29 %	29 %	29 %
Sunrise Intelligent Energy CO., LTD. (SIE)	Electricity activities	Taiwan	40 %	40 %	40 %

The Group's financial information for investments accounted for using the equity method that are individually insignificant was as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Carrying amount of individually insignificant associates' equity	\$ 1,511,963	1,567,664	1,573,268

A. Collateral

The Group did not provide any investment accounted for using equity method as collateral.

B. The unreviewed financial statements of equity method investments

Investments were accounted for by using the equity method, and the share of profit or loss and other comprehensive income of those investments were calculated based on the financial statements that have not been reviewed.

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(8) Material non-controlling interests of subsidiaries

The material non-controlling interests of subsidiaries were as follows:

Name of subsidiary	Main business place / company registered country	% of ownership interests under non-controlling interests as well as the voting rights		
		June 30, 2025	December 31, 2024	June 30, 2024
GlobalWafers	Taiwan	53.36 %	53.36 %	53.36 %
Actron	Taiwan	74.52 %	74.44 %	75.42 %
Advanced Wireless	Taiwan	71.54 %	71.54 %	72.20 %
TSC	Taiwan	71.48 %	71.48 %	69.91 %

The following information of the aforementioned subsidiary was prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The financial information included the fair value adjustments made at the acquisition date. Intragroup transactions between the Group were not eliminated in this information.

A. The following summarizes the financial information of GlobalWafers:

	June 30, 2025	December 31, 2024	June 30, 2024
Current assets	\$ 69,540,275	80,491,722	109,193,041
Non-current assets	136,820,930	144,088,849	125,631,751
Current liabilities	(51,611,504)	(65,064,566)	(80,613,871)
Non-current liabilities	(69,868,879)	(68,488,214)	(63,422,254)
Net assets	<u>\$ 84,880,822</u>	<u>91,027,791</u>	<u>90,788,667</u>
Net assets attributable to non-controlling interests	<u>\$ 45,292,407</u>	<u>48,572,429</u>	<u>48,444,833</u>

	For the three months ended June 30,		For the six months ended June 30,	
	2025	2024	2025	2024
Sales revenue	<u>\$ 16,007,909</u>	<u>15,325,629</u>	<u>31,602,431</u>	<u>30,412,692</u>
Net income	\$ 1,681,853	2,878,579	3,137,558	6,411,660
Other comprehensive income	(8,477,823)	(243,547)	(6,415,845)	1,291,199
Total comprehensive income	<u>\$ (6,795,970)</u>	<u>2,635,032</u>	<u>(3,278,287)</u>	<u>7,702,859</u>
Net income, attributable to non-controlling interests	<u>\$ 897,437</u>	<u>1,694,999</u>	<u>1,674,201</u>	<u>3,421,262</u>
Comprehensive income, attributable to non-controlling interests	<u>\$ (3,626,330)</u>	<u>1,634,232</u>	<u>(1,749,294)</u>	<u>4,110,246</u>

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	For the six months ended June 30,	
	2025	2024
Net cash flows from operating activities	\$ 6,335,174	6,325,132
Net cash flows from investing activities	(20,534,244)	(28,802,593)
Net cash flows from financing activities	(852,562)	39,323,272
Effects of changes in foreign exchange rates	(1,657,380)	1,167,428
Net increase (decrease) in cash and cash equivalents	<u><u>\$ (16,709,012)</u></u>	<u><u>18,013,239</u></u>

B. The following summarizes the financial information of Actron

	June 30, 2025	December 31, 2024	June 30, 2024
Current assets	\$ 5,099,378	5,121,345	5,256,670
Non-current assets	10,160,011	10,508,438	10,877,832
Current liabilities	(4,332,135)	(2,964,508)	(3,765,632)
Non-current liabilities	(1,994,071)	(2,730,965)	(2,075,176)
Net assets	<u><u>\$ 8,933,183</u></u>	<u><u>9,934,310</u></u>	<u><u>10,293,694</u></u>
Net assets attributable to non-controlling interests	<u><u>\$ 6,657,008</u></u>	<u><u>7,395,100</u></u>	<u><u>7,763,504</u></u>

	For the three months ended June 30,		For the six months ended June 30,	
	2025	2024	2025	2024
Sales revenue	<u><u>\$ 2,163,470</u></u>	<u><u>1,924,250</u></u>	<u><u>4,279,802</u></u>	<u><u>3,684,374</u></u>
Net income	\$ 7,701	233,721	269,600	448,178
Other comprehensive income	(335,575)	(20,000)	(837,607)	283,228
Total comprehensive income	<u><u>\$ (327,874)</u></u>	<u><u>213,721</u></u>	<u><u>(568,007)</u></u>	<u><u>731,406</u></u>
Net income, attributable to non-controlling interests	<u><u>\$ 5,948</u></u>	<u><u>176,273</u></u>	<u><u>200,906</u></u>	<u><u>338,016</u></u>
Comprehensive income, attributable to non-controlling interests	<u><u>\$ (244,524)</u></u>	<u><u>161,188</u></u>	<u><u>(423,279)</u></u>	<u><u>551,626</u></u>

	For the six months ended June 30,	
	2025	2024
Net cash flows from operating activities	\$ 844,803	563,439
Net cash flows from investing activities	(525,200)	(231,147)
Net cash flows from financing activities	11,570	(233,571)
Effects of changes in foreign exchange rates	(13,201)	2,822
Net increase in cash and cash equivalents	<u><u>\$ 317,972</u></u>	<u><u>101,543</u></u>

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C. The following summarizes the financial information of Advanced Wireless:

	June 30, 2025	December 31, 2024	June 30, 2024
Current assets	\$ 4,799,770	4,222,019	4,185,086
Non-current assets	5,111,170	5,342,115	5,429,051
Current liabilities	(1,166,983)	(774,970)	(1,120,196)
Non-current liabilities	(989,811)	(982,639)	(785,338)
Net assets	<u>\$ 7,754,146</u>	<u>7,806,525</u>	<u>7,708,603</u>
Net assets attributable to non-controlling interests	<u>\$ 5,547,316</u>	<u>5,584,788</u>	<u>5,565,611</u>
	For the three months ended June 30,	For the six months ended June 30,	
	2025	2024	2025
	2024	2025	2024
Sales revenue	<u>\$ 974,422</u>	<u>1,307,332</u>	<u>1,746,180</u>
	<u>2,593,552</u>		
Net income	\$ 98,951	208,982	181,475
	423,002		
Total comprehensive income	<u>\$ 98,951</u>	<u>208,982</u>	<u>181,475</u>
	<u>423,002</u>		
Net income, attributable to non-controlling interests	<u>\$ 70,790</u>	<u>150,499</u>	<u>129,827</u>
	<u>305,407</u>		
Comprehensive income, attributable to non-controlling interests	<u>\$ 70,790</u>	<u>150,499</u>	<u>129,827</u>
	<u>305,407</u>		
		For the six months ended June 30,	
		2025	2024
Net cash flows from operating activities		\$ 563,286	264,357
Net cash flows from investing activities		(100,321)	(497,356)
Net cash flows from financing activities		137,275	369,413
Net increase in cash and cash equivalents		<u>\$ 600,240</u>	<u>136,414</u>

D. The following summarizes the financial information of TSC

	June 30, 2025	December 31, 2024	June 30, 2024
Current assets	\$ 2,260,798	2,034,149	630,432
Non-current assets	1,333,706	1,351,246	1,369,242
Current liabilities	(438,224)	(153,120)	(225,140)
Non-current liabilities	(60)	(107)	(150)
Net assets	<u>\$ 3,156,220</u>	<u>3,232,168</u>	<u>1,774,384</u>
Net assets attributable to non-controlling interests	<u>\$ 2,256,066</u>	<u>2,310,354</u>	<u>1,240,472</u>

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	For the three months ended June 30,		For the six months ended June 30,	
	2025	2024	2025	2024
Sales revenue	\$ <u>262,750</u>	<u>187,728</u>	<u>482,369</u>	<u>404,662</u>
Net income	\$ 116,683	75,012	219,415	156,039
Total comprehensive income	\$ <u>116,683</u>	<u>75,012</u>	<u>219,415</u>	<u>156,039</u>
Net income, attributable to non-controlling interests	\$ <u>83,405</u>	<u>52,441</u>	<u>156,838</u>	<u>109,087</u>
Comprehensive income, attributable to non-controlling interests	\$ <u>83,405</u>	<u>52,441</u>	<u>156,838</u>	<u>109,087</u>
			For the six months ended June 30,	
			2025	2024
Net cash flows from operating activities			\$ 209,004	258,016
Net cash flows from investing activities			(43,155)	(25,997)
Net cash flows from financing activities			(47)	(142)
Net increase in cash and cash equivalents			\$ <u>165,802</u>	<u>231,877</u>

(9) Property, plant and equipment

A. The movements of cost, depreciation and impairment of the property, plant and equipment of the Group were as follows:

	Land	Buildings	Machinery and equipment	Other equipment	Construction in progress and equipment awaiting inspection	Total
Cost or deemed cost:						
Balance at January 1, 2025	\$ 5,845,320	41,109,241	84,757,538	13,179,245	69,731,433	214,622,777
Additions	-	47,720	213,994	114,725	9,110,558	9,486,997
Disposals	-	(22,606)	(325,366)	(61,047)	(1,016)	(410,035)
Reclassification and transfer	-	2,954,558	11,650,085	117,025	(14,676,922)	44,746
Others	-	(215,223)	(138,755)	(1,166)	-	(355,144)
Effect of changes in exchange rates	(96,692)	(1,855,107)	(2,849,124)	(549,205)	(5,693,890)	(11,044,018)
Balance at June 30, 2025	\$ <u>5,748,628</u>	<u>42,018,583</u>	<u>93,308,372</u>	<u>12,799,577</u>	<u>58,470,163</u>	<u>212,345,323</u>
Balance at January 1, 2024	\$ 5,804,320	32,112,614	77,638,895	13,008,662	34,760,600	163,325,091
Additions	-	57,516	243,574	186,442	25,891,861	26,379,393
Disposals	-	(8,067)	(2,727,427)	(209,291)	(27,129)	(2,971,914)
Reclassification and transfer	-	673,613	5,459,951	29,647	(6,426,139)	(262,928)
Effect of changes in exchange rates	(10,473)	(526,036)	(1,643,916)	138,983	1,418,978	(622,464)
Balance at June 30, 2024	\$ <u>5,793,847</u>	<u>32,309,640</u>	<u>78,971,077</u>	<u>13,154,443</u>	<u>55,618,171</u>	<u>185,847,178</u>

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					Construction in progress and equipment awaiting inspection	
	Land	Buildings	Machinery and equipment	Other equipment		Total
Depreciation and impairment loss:						
Balance at January 1, 2025	\$ 24,476	15,766,324	54,117,393	7,311,271	41,492	77,260,956
Depreciation for the period	-	710,598	4,388,427	436,757	-	5,535,782
Reversal of impairment loss	-	-	(67,238)	(7,040)	-	(74,278)
Disposals	-	(21,850)	(325,268)	(61,035)	-	(408,153)
Reclassification and transfer	-	11,348	3,107	(19,776)	-	(5,321)
Others	-	-	5,225	-	-	5,225
Effect of changes in exchange rates	-	(517,793)	(1,690,027)	(269,462)	(4,411)	(2,481,693)
Balance at June 30, 2025	<u>\$ 24,476</u>	<u>15,948,627</u>	<u>56,431,619</u>	<u>7,390,715</u>	<u>37,081</u>	<u>79,832,518</u>
Balance at January 1, 2024	\$ 24,476	14,839,645	52,048,814	6,703,633	40,834	73,657,402
Depreciation for the period	-	575,631	3,561,981	463,404	-	4,601,016
Disposals	-	(8,004)	(2,683,513)	(207,956)	-	(2,899,473)
Reclassification and transfer	-	5,438	500,144	(1,630)	-	503,952
Effect of changes in exchange rates	-	(254,858)	(1,235,284)	34,438	234	(1,455,470)
Balance at June 30, 2024	<u>\$ 24,476</u>	<u>15,157,852</u>	<u>52,192,142</u>	<u>6,991,889</u>	<u>41,068</u>	<u>74,407,427</u>
Carrying amounts:						
Balance at January 1, 2025	\$ 5,820,844	25,342,917	30,640,145	5,867,974	69,689,941	137,361,821
Balance at June 30, 2025	<u>\$ 5,724,152</u>	<u>26,069,956</u>	<u>36,876,753</u>	<u>5,408,862</u>	<u>58,433,082</u>	<u>132,512,805</u>
Balance at January 1, 2024	\$ 5,779,844	17,272,969	25,590,081	6,305,029	34,719,766	89,667,689
Balance at June 30, 2024	<u>\$ 5,769,371</u>	<u>17,151,788</u>	<u>26,778,935</u>	<u>6,162,554</u>	<u>55,577,103</u>	<u>111,439,751</u>

B. Collateral

The property, plant and equipment of the Group had been pledged as collateral for credit lines. Please refer to note 8.

C. Property, plant and equipment in construction

For the Group's capital expenditure plan, the total amounts of expenditures incurred but the construction has not yet been completed for the six months ended June 30, 2025 and 2024, were \$58,433,082 thousand and \$55,577,103 thousand, including the capitalized borrowing costs related to the acquisition of the construction of the property, plant and equipment of \$958,734 thousand and \$656,137 thousand, calculated using a capitalization interest rate of 1.22%-5.45% and 1.08%-6.17%, respectively.

(10) Right-of-use assets

			Machinery and equipment	Other equipment	
	Land	Buildings			Total
Carrying amount:					
Balance at January 1, 2025	\$ 846,623	80,677	-	417,179	1,344,479
Balance at June 30, 2025	<u>\$ 770,001</u>	<u>77,483</u>	<u>-</u>	<u>445,095</u>	<u>1,292,579</u>
Balance at January 1, 2024	\$ 895,985	116,828	-	446,861	1,459,674
Balance at June 30, 2024	<u>\$ 875,806</u>	<u>127,116</u>	<u>739</u>	<u>434,557</u>	<u>1,438,218</u>

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For the leased assets recognized by the Group, such as land, buildings machinery and equipment, there were no significant additions, impairment or reversals for the six months ended June 30, 2025 and 2024. For further information, please refer to note 6(11) of the consolidated financial statements for the year ended 2024.

(11) Other assets — current and non-current

	June 30, 2025	December 31, 2024	June 30, 2024
Prepayment of materials	\$ 732,825	850,058	1,025,742
Tax refunds and credits	1,689,434	1,659,724	1,247,794
Prepayment of equipment — non-current	2,404,887	2,906,806	5,431,832
Others	978,201	933,313	952,886
	<u><u>\$ 5,805,347</u></u>	<u><u>6,349,901</u></u>	<u><u>8,658,254</u></u>
Current	<u><u>\$ 2,720,019</u></u>	<u><u>2,723,908</u></u>	<u><u>2,320,016</u></u>
Non-current	<u><u>\$ 3,085,328</u></u>	<u><u>3,625,993</u></u>	<u><u>6,338,238</u></u>

(12) Short-term notes and bills payable

	June 30, 2025	December 31, 2024	June 30, 2024
Commercial paper payable	<u><u>\$ 3,499,849</u></u>	<u><u>3,999,248</u></u>	<u><u>-</u></u>

The Group issued short-term notes and bills payable were NT\$3,499,849 thousand and repaid \$3,999,248 thousand for the six months ended June 30, 2025. There were no issues, repurchases and repayments of short-term notes and bills payable for the six months ended June 30, 2024. Information on interest expense for the period is discussed in note 6(25).

(13) Short-term borrowings

	June 30, 2025	December 31, 2024	June 30, 2024
Unsecured bank loans	\$ 18,712,615	28,466,380	27,147,801
Secured bank loans	325,000	396,900	15,428,953
Total	<u><u>\$ 19,037,615</u></u>	<u><u>28,863,280</u></u>	<u><u>42,576,754</u></u>
Range of interest rates at the end of period	<u><u>1.6%~5.21%</u></u>	<u><u>0.5%~5.3%</u></u>	<u><u>0.4%~6.02%</u></u>

Please refer to note 8 for details of the related assets pledged as collateral.

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(14) Long-term borrowings

The details of long-term borrowings were as follows:

June 30, 2025			
	Interest	Maturity	Amount
Unsecured borrowings	0.10%~2.44%	2026.01~2029.08	\$ 6,728,065
Secured borrowings	4.69%	2027.06	13,038,500
Less: current portion			(2,135,237)
Total			<u><u>\$ 17,631,328</u></u>

December 31, 2024			
	Interest	Maturity	Amount
Unsecured borrowings	0.10%~5.23%	2026.05~2029.12	\$ 7,311,499
Secured borrowings	1.73%~5.1551%	2025.05~2029.01	10,095,789
Less: current portion			(2,413,766)
Total			<u><u>\$ 14,993,522</u></u>

June 30, 2024			
	Interest	Maturity	Amount
Unsecured borrowings	0.10%~6.0076%	2026.1~2029.12	\$ 7,066,352
Less: current portion			(2,111,065)
Total			<u><u>\$ 4,955,287</u></u>

Please refer to note 8 for details of the related assets pledged as collateral.

(15) Bonds payable

The details of bonds payable were as follow:

	June 30, 2025	December 31, 2024	June 30, 2024
Unsecured ordinary bonds payable— GlobalWafers	\$ 24,384,256	16,890,669	23,988,416
Exchangeable bonds with warrants— GlobalWafers	10,497,769	10,256,704	10,251,158
Unsecured convertible bonds—Actron	783,450	776,258	769,099
Less: current portion	(6,498,599)	-	(7,099,666)
Total	<u><u>\$ 29,166,876</u></u>	<u><u>27,923,631</u></u>	<u><u>27,909,007</u></u>

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A. The details of GlobalWafers' issued unsecured bonds as follows:

	First issued of	Second issued of 2021		First issued of 2024		First issued of 2025		
	2021	Bonds A	Bonds B	Bonds A	Bonds B	Bonds A	Bonds B	Bonds C
Date	May 11, 2021	August 19, 2021	August 19, 2021	March 19, 2024	March 19, 2024	March 28, 2025	May 28, 2025	May 28, 2025
Total amount	\$ 6,500,000	7,100,000	5,400,000	2,500,000	2,500,000	3,300,000	2,800,000	1,400,000
Rate	0.62 %	0.50 %	0.60 %	1.70 %	1.75 %	2.01 %	2.08 %	2.18 %
Period	Five years	Three years	Five years	Five years	Seven years	Three years	Five years	Ten years
Due date	May 11, 2026	August 19, 2024	August 19, 2026	March 19, 2029	March 19, 2031	May 28, 2028	May 28, 2030	May 28, 2035

On August 19, 2024, GlobalWafers redeemed all of the unsecured ordinary bonds of Bonds A, which were second issued in 2021.

B. On April 21, 2021, GlobalWafers' Board of Directors resolved to issue the first unsecured overseas convertible bonds on the Singapore Exchange Limited, which had been approved by the Financial Supervisory Commission with approval No.1100342091 on May 19, 2021. The GlobalWafers issued the five-year unsecured convertible bond, amounting to US\$1,000,000 thousand at zero coupon rate, with the maturity date on June 1, 2026.

The details of unsecured convertible bonds were as follows:

	For the three months ended June 30, 2024	For the six months ended June 30, 2024
Embedded derivatives – gain and losses of re-measurement of calls and put options based on fair value (recorded under other gains and losses)	\$ (45,546)	(55,393)
Interest expense	\$ 5,626	24,548

The convertible bonds may be redeemed in advance by GlobalWafers from the day following the third anniversary of the issuance until the maturity date. If the closing price of GlobalWafers' common stock reaches 130% of the amount obtained by multiplying the amount of early redemption by the conversion price and dividing it by the face value for twenty trading days out of thirty consecutive business days, or if the outstanding balance of the convertible bonds is less than 10% of the original total issuance, the GlobalWafers may redeem the amount in advance and redeem all or part of the convertible bonds.

Except for the early redemption, repurchase and cancellation or conversion of the convertible bonds, the holders may request GlobalWafers to redeem entire or part of the convertible bonds according to the early redemption amount on the day of June 1, 2024. So, on June 1, 2023, the unsecured convertible bonds were reclassified to current liabilities. It does not mean that the holders will definitely demand repayment of the debt from GlobalWafers within the next year.

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Except for early redemptions, repurchases and cancellations, exercise of conversion rights by the bondholders, statutory requirements and the cessation of transfer period as otherwise provided in the Trust Deed, from the day following the three months after the issuance of the bonds to (1) ten days before the maturity date or (2) the fifth business day prior to the date of early redemption of the bonds (hereinafter referred to as the "conversion period"), the bondholders may request the issuing company to convert the bonds into shares of common stock newly issued by the issuing company in accordance with the provisions of the relevant laws and the Trust Deed.

GlobalWafers redeemed the first unsecured overseas convertible bonds of US\$248,200 thousand, respectively, during the six months period ended June 30, 2024, resulting in the invalid conversion right of \$422,801 thousand to be reclassified from capital surplus – share options to capital surplus – others.

As of May 31, 2024, the above-mentioned unsecured convertible bonds had been fully redeemed.

- C. GlobalWafers' subsidiary, GW GmbH issued a bond with 1.5% coupon rate, with interest payable annually on January 23, 2024. At the time of issuance of the bond, GlobalWafers separated the warrant, call and put options (collectively referred to as the "options") from the host contract in accordance with IFRS 9 and accounted for "financial liabilities at fair value through profit or loss". Financial liabilities at fair value through profit or loss (FVTPL) as of June 30, 2025 are summarized below:

The details of the GlobalWafers' exchangeable bonds with warrants are as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Total exchangeable bonds with warrants	\$ 11,857,620	11,785,128	11,981,892
Unamortized discount	<u>(1,359,851)</u>	<u>(1,528,424)</u>	<u>(1,730,734)</u>
Total exchangeable bonds with warrants period-end	<u>\$ 10,497,769</u>	<u>10,256,704</u>	<u>10,251,158</u>
Embedded derivatives options, included in financial liabilities at fair value through profit or loss	<u>\$ 423,317</u>	<u>404,230</u>	<u>667,391</u>
	For the three months ended June 30, 2025	For the three months ended June 30, 2024	For the six months ended June 30, 2025
	2025	2024	2025
Embedded derivatives - gain and losses of re-measurement of options based on fair value (recorded under other gains and losses)	<u>\$ (3,669)</u>	<u>282,247</u>	<u>(16,820)</u>
Interest expense	<u>\$ 136,253</u>	<u>132,396</u>	<u>270,429</u>
	<u>230,353</u>		

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The principal terms of the above exchangeable bonds with warrants are set out below:

- (a) Total amount issued: EUR 345,200 thousand (EUR 100 thousand per sheet).
- (b) Issue period: five years
- (c) Maturity date: January 23, 2029
- (d) Important terms and conditions:
 - i After three years from the issuance date, holders of exchangeable bonds with warrants may exercise the put right to sell back the bonds at par value.
 - ii Warrants are to be exercised for 3,100,413 ordinary shares of Siltronic AG held by GW GmbH at a price of EUR 111.34 per share, which will be adjusted in subsequent years in accordance with the terms of the contract and the dividend payment of Siltronic AG. The exercise price was EUR 111.34 per share as of June 30, 2025. The warrants are exercisable immediately from the date of issuance of the exchangeable bonds with warrants.
 - iii GlobalWafers is the guarantor of the exchangeable bonds with warrants.
 - iv In the event of changes of control over the guarantor or stock-delisting in the market of Siltronic AG, the holders may request to redeem entire of the bonds by book value.

D. The details of Actron's bonds payable were as follow:

	June 30, 2025	December 31, 2024	June 30, 2024
Unsecured convertible bonds— Actron	\$ 799,900	799,900	799,900
Less: unamortised discount	(16,450)	(23,642)	(30,801)
Total	<u>\$ 783,450</u>	<u>776,258</u>	<u>769,099</u>

On August 9, 2023, Actron issued 8 thousand NTD-denominated unsecured convertible bonds with a face value of NT\$100 thousand each and an interest rate of 0% at 100.5% of the face value. The principal amount totaled NT\$800,000 thousand. The issuance period is three years, starting on August 9, 2023 and ending on August 9, 2026. Yuanta Commercial Bank Co., Ltd. is the trustee of the bondholders of the convertible corporate bonds.

Unless the bondholders of the convertible bonds apply for conversion to the ordinary shares of Actron or the Actron repurchases the convertible bonds from securities agents for cancellation, Actron will repay the convertible bonds in cash on a lump sum basis within ten days after the maturity date thereof.

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From the day following the expiration of three months after the date of issuance of the convertible bonds (November 10, 2023) to the maturity date (August 9, 2026), the bondholders may request Actron to convert the convertible bonds to the ordinary shares at any time except (1) when the transfer of ordinary shares is suspended in accordance with the law; (2) during the period from 15th business day prior to the book closure date for stock grants, the book closure date for cash dividends, or the book closure date for cash capital increase subscription to the rights distribution record date; (3) from the record date for capital reduction to the day prior to the start date of the trading of new shares issued to replace old shares for the capital reduction; (4) from the start date of the cessation of conversion for the change of the face value of shares to the day prior to the start date of the trading of newly-issued shares.

The conversion price of these convertible bonds was determined based on August 1, 2023, as the base date for setting the conversion price. The base price was selected as the simple arithmetic average of the closing prices of Actron's common stock on the trading day before the base date (exclusive), the three trading days before the base date, and the five trading days before the base date. The conversion premium of 115.7% was then applied to the base price to calculate the conversion price (rounded to the nearest tenth of a New Taiwan Dollar). If there were any ex-rights or ex-dividends before the base date, the closing prices used for calculating the conversion price should be adjusted to reflect the ex-rights or ex-dividends. If there were any ex-rights or ex-dividends between the determination of the conversion price and the actual issuance date, the conversion price should be adjusted according to the conversion price adjustment formula. Based on the above method, the conversion price at the time of issuance was set at NT\$210 per share.

Due to Actron's issuance of new common shares, the conversion price of the first domestic unsecured convertible bonds was adjusted from NT\$210 to NT\$196.2 per share, effective from June 30, 2025, in accordance with the regulations governing the issuance and conversion of the first domestic unsecured convertible bonds.

The convertible bonds included liability and equity components. The equity components are reported as capital surplus - share options. The effective interest rate initially recognized for the liability components was 1.8659%.

Proceeds from issuance (less the transaction cost and the adjustments related to income tax effects)	\$ 800,740
Equity components (less the transaction cost allocated to equity and the adjustments related to income tax effects)	(43,937)
Deferred tax assets	<u>36</u>
Liability components on the issuance date (less the transaction cost allocated to liabilities)	756,839
Interest calculated based on effective interest rate of 1.8659%	5,296
Conversion into ordinary shares	<u>(96)</u>
Components of liabilities as of December 31, 2023	762,039
Interest calculated based on effective interest rate of 1.8659%	<u>14,219</u>
Components of liabilities as of December 31, 2024	776,258
Interest calculated based on effective interest rate of 1.8659%	<u>7,192</u>
Components of liabilities as of June 30, 2025	<u><u>\$ 783,450</u></u>

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(16) Lease liabilities

The carrying amounts of lease liabilities of the Group were as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Current	\$ <u>181,720</u>	<u>161,756</u>	<u>193,448</u>
Non-current	\$ <u>1,117,568</u>	<u>1,192,943</u>	<u>1,247,426</u>

For the maturity analysis, please refer to note 6(26) “Financial instruments”.

The amounts recognized in profit or loss were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2025	2024	2025	2024
Interest on lease liabilities	\$ <u>6,966</u>	<u>6,909</u>	<u>14,617</u>	<u>13,840</u>
Variable lease payments not included in the measurement of lease liabilities	\$ <u>2,986</u>	<u>2,340</u>	<u>5,157</u>	<u>4,576</u>
Expenses relating to short-term leases	\$ <u>10,808</u>	<u>9,706</u>	<u>21,275</u>	<u>16,280</u>
Expenses relating to leases of low value assets, excluding short term leases of low value assets	\$ <u>9,268</u>	<u>3,304</u>	<u>13,160</u>	<u>6,411</u>

The amounts recognized in the statements of cash flows were as follows:

	For the six months ended June 30,	
	2025	2024
Total cash outflow for leases	\$ <u>150,843</u>	<u>153,092</u>

A. Land and Buildings lease

The Group leases land and buildings for its facility and office space. The leases of office space typically run for a period of 20 years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

Additional rent payments of land leases are calculated based on changes in local price indices and the public facilities construction costs re invested annually in each science park. Incremental payment will be adjusted after being assessed.

B. Other leases

The Group leases vehicles and other equipment, with lease terms of two to five years. In some cases, the Group has options to purchase the assets at the end of the contract term; in other cases, it guarantees the residual value of the leased assets at the end of the contract term.

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(17) Provisions

The movements of the Group's provisions — current and non-current were as follows:

	<u>Site restoration</u>	<u>Onerous contracts</u>	<u>Others</u>	<u>Total</u>
Balance of January 1, 2025	\$ <u>62,610</u>	<u>2,912,561</u>	<u>135,238</u>	<u>3,110,409</u>
Balance of June 30, 2025	\$ <u>58,430</u>	<u>2,772,511</u>	<u>76,752</u>	<u>2,907,693</u>
Balance of January 1, 2024	\$ <u>60,580</u>	<u>3,299,865</u>	<u>135,537</u>	<u>3,495,982</u>
Balance of June 30, 2024	\$ <u>60,187</u>	<u>3,122,032</u>	<u>95,980</u>	<u>3,278,199</u>

There were not significant changes in Group's provision for liabilities during the six months ended June 30, 2025 and 2024. For relevant information, please refer to notes 6(19) of the consolidated financial statements for the fiscal year 2024.

(18) Employee benefits

A. Defined benefit plans

Management believes that there was no material volatility of the market, no material reimbursement and settlement or other material one time events since prior fiscal year. As a result, the pension cost in the accompanying interim period was measured and disclosed according to the actuarial report as of December 31, 2024 and 2023.

The expenses recognized in profit or loss for the Group were \$74,696 thousand, \$72,933 thousand, \$151,960 and \$151,606 thousand for the three months and six months ended June 30, 2025 and 2024, respectively.

B. Defined contribution plans

Domestic subsidiaries' pension costs incurred from contributions to the defined contribution plan were \$43,481 thousand, \$47,604 thousand, \$88,511 thousand and \$87,862 thousand for the three months and six months ended June 30, 2025 and 2024, respectively. Such contributions were made to the Bureau of the Labor Insurance.

The total periodic pension costs of other subsidiaries were recognized as current expenses in accordance with the local regulations of their respective jurisdictions where they are domiciled. The overseas subsidiaries of the Group recognized the pension costs of \$84,262 thousand, \$87,170 thousand, \$168,275 thousand and \$172,843 thousand for the three months and six months ended June 30, 2025 and 2024, respectively.

(19) Income tax

The income tax expense of the Group is calculated by the profit before tax of interim reporting period multiplied by the best estimated measurement of the expected effective tax rate by the management in all year.

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A. Tax expense

The detailed income tax expenses of the Group is as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2025	2024	2025	2024
Current tax expense	<u>\$ 682,398</u>	<u>1,030,501</u>	<u>1,435,543</u>	<u>2,140,003</u>

The detailed income tax expense (benefit) recognized in other comprehensive income of the Group is as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2025	2024	2025	2024
Items not reclassified subsequently to profit or loss:				
Unrealized gains or losses on equity investments measured at fair value through other comprehensive income	<u>\$ 332</u>	<u>(61,350)</u>	<u>(341)</u>	<u>(19,111)</u>
Items that may be reclassified Subsequently to profit or loss:				
Exchange differences on the translation of financial statements of foreign operations	<u>\$ (2,111,878)</u>	<u>(58,849)</u>	<u>(1,547,167)</u>	<u>282,143</u>

B. Income tax assessment status

As of June 30, 2025, income tax returns of the Company for the years through 2023 were assessed by the tax authority.

The operations of the Group encompass tax matters in multiple countries. The tax treatment of each country shall be determined by the country in which the operation is situated. The tax laws of each country shall prevail, and all declarations shall be made on time in accordance with the regulations of the countries where subsidiaries are located. There may be adjustments arising from tax inspections conducted by various regions, and the Group has taken appropriate measures to address these matters.

C. Global minimum top-up tax

The Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

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The Group is subject to the Pillar Two Global tax legislations, as certain jurisdictions in which it operates have already implemented rules such as the Qualified Domestic Minimum Top up Tax, the Income Inclusion Rule, and the Undertaxed Payments Rule. Upon reviewing the effective tax rates in the relevant tax jurisdictions where these rules apply, the Group has appropriately assessed the anticipated top-up taxes payable under the minimum tax regime, amounting to \$67,657 thousand.

(20) Capital and other equity

Except for the following disclosure, there was no significant change in capital and other equity for the periods from January 1 to June 30, 2025 and 2024. For the related information, please refer to note 6(22) to the consolidated financial statements for the year ended December 31, 2024.

A. Issuance of common stock

On August 27, 2024, the Board of Directors resolved to issue 55,000 thousand shares of Global Depository Receipts (GDRs), with September 26, 2024, as the capital increase base date. All issued share funds totaling NT\$8,962,995 thousand have been received. The relevant legal registration procedures have been completed.

B. Capital surplus

The balances of capital surplus were as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Additional paid in capital	\$ 15,608,208	15,608,208	7,195,673
Difference between the consideration and the carrying amount of subsidiaries' and associates' share acquired or disposed	1,135,415	1,446,590	1,276,962
Capital surplus recognized under the equity method	15,071,496	14,835,394	14,815,131
Treasury stock transactions	219,365	172,064	88,499
Employee stock options and others	609,423	609,510	608,952
	<u><u>\$ 32,643,907</u></u>	<u><u>32,671,766</u></u>	<u><u>23,985,217</u></u>

According to the R.O.C. Company Act Section 241, the legal reserve and capital surplus may be distributed as cash dividends or stock dividends to the shareholders in proportion to the number of shares held. Distribution of legal reserve and capital surplus, by way of cash dividends, should be approved by the Board of Directors in a meeting attended by two thirds of the total number of directors, with half of the directors' agreement; thereafter, the Board resolution is to be reported in the shareholders' meeting. The distribution of legal reserve and capital surplus through issuance of new shares shall be resolved during the shareholders' meeting.

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C. Earnings distribution and dividend policy

The proposal of earnings distribution or loss off-setting for the first half fiscal year, together with the business report and financial statements, shall be forwarded to the audit committee for auditing before the end of the second half of the fiscal year; thereafter, it is to be submitted to the Board of Directors for approval.

Distribution of earnings, by way of cash, shall be approved in the Board of Directors meeting. The distribution of earnings through issuance of new shares shall be resolved in the stockholders' meeting.

The Company's Article of Incorporation stipulates that Company's net earnings should first be used to offset the prior years' deficits, if any, before paying any income taxes. Of the remaining balance, 10% is to be appropriated as a legal reserve, and subsequently any remaining profit together with any undistributed retained earnings shall be distributed, in form of cash dividends, according to the distribution plan approved by the Board of Directors with two-thirds of directors present and approved by one-half of the present directors and further submitted to the shareholders' meeting, in accordance with the R.O.C. Company Act Section 240(5). The distribution plan to issue new shares should be proposed by the Board of Directors and submitted to the shareholders' meeting for approval.

After considering both the long-term development of the business and the goal of stable growth of earnings per share, the distribution of dividends to shareholders should not be less than 50% of the distributable earnings, which is calculated using the net income of the current year, minus, legal reserve and special reserve. The distribution of cash dividends should not be less than 50% of the total dividends.

The distribution of cash dividends for 2024 and the first half of 2024, were approved by the Board of Directors on February 27, 2025, and December 13, 2024, as follows:

2024		
	Dividends per share (NT dollar)	Amount
Dividends distributed to ordinary shareholders:		
Earnings distribution for the first half of the year	\$ 3.00	1,923,665
Earnings distribution for the second half of the year	3.50	2,244,276
Total	\$ 6.50	4,167,941

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The distribution of cash dividends for 2023 and the first half of 2023, were approved by the Board of Directors on May 10, 2024, and December 15, 2023, as follows:

	2023	
	Dividends per share (NT dollar)	Amount
Dividends distributed to ordinary shareholders:		
Earnings distribution for the first half of the year	\$ 3.50	2,051,776
Earnings distribution for the second half of the year	5.30	3,106,975
Total	<u><u>\$ 8.80</u></u>	<u><u>5,158,751</u></u>

The difference between the relevant earnings distribution amount for 2023 and the Company's Board of Directors resolution are \$14 thousand due to rounding of less than \$1, respectively. The above-mentioned relevant information can be obtained through Market Observation Post System.

D. Non-controlling interests

	For the six months ended June 30,	
	2025	2024
Balance at beginning of the period	\$ 66,988,591	50,251,836
Equity attributable to non-controlling interests:		
Net income	2,072,562	3,948,332
Unrealized loss on financial assets at fair value through other comprehensive income	(1,189,225)	530,515
Foreign currency translation differences	(3,267,672)	515,643
Capital increase in cash by subsidiaries	-	14,899,583
Cash dividends from subsidiaries	(2,334,568)	(3,503,817)
Share-based payment from subsidiaries	13,017	25,839
Adjustments for changes in capital surplus of subsidiaries accounted for under the equity method and others	53,708	2,992
Balance at the end of the period	<u><u>\$ 62,336,413</u></u>	<u><u>66,670,923</u></u>

E. Treasury shares

Hongwang and Actron acquired 25,050 thousand and 2,000 thousand shares of the Company, respectively, based on their investment strategies. On October 2, 2023, the Group obtained control over Actron, therefore, the Company directly and indirectly holds more than half of the shares of Hongwang. The Company allocated or reversed special reserve in accordance with Financial Supervisory Commission with approval No. 1090150022. Therefore, the Company recognized treasury stocks amounting to NT\$4,382,100 thousand which was measured at the market price of NT\$162 per share on October 2, 2023. On June 30, 2025, the market price of the Company was NT\$91.3 per share, while Hongwang and Actron owned 27,050 thousand shares of the Company.

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For details regarding related pledged and collateralized guarantees, please refer to note 8.

(21) Share-based payment

A. The effective share-based payment agreement of MVI is as follows:

Type of agreement	Grant date	Fair value (NT\$)	Grant quantity	Strike price	Contract period	Vesting condition
Restricted share plan (Note1)	December 11, 2023	\$ 34.65	1,000 thousand shares	10	3 years	(Note 2)
Restricted share plan (Note1)	June 12, 2024	32.25	295 thousand shares	10	3 years	(Note 2)
Restricted share plan (Note1)	June 18, 2025	22.50	205 thousand shares	10	3 years	(Note 2)

Note 1: Restricted shares issued by MVI shall not be transferred during the vesting period. However, their voting rights are not restricted. If an employee resigns or passes away not due to an occupational disaster before the vested conditions are met, MVI will buy back his or her shares at the issue price and cancel them.

Note 2: 30% of the restricted shares will be vested immediately after one year and two years of service following the grant date, respectively, and the remaining 40% will be vested after three years of service. If an employee's performance in any of the three years from the grant date fails to meet MVI's performance conditions, MVI will buy back the unvested shares from the employee at the issue price in the current year.

The Board of Directors of MVI approved the issuance of 205 thousand and 295 thousand restricted employee shares on May 6, 2025, and June 20, 2024, respectively. The base dates for the issuance were set as June 18, 2025, and June 20, 2024. Each share was issued at a subscription price of NT\$10. Before the vesting conditions are met, the rights and obligations of these newly issued ordinary shares are the same as those of other outstanding ordinary shares, except that the restricted shares are subject to transfer restrictions and do not carry rights to dividends or stock distributions.

B. Employee stock warrant plan of Actron (subsidiary Rec Technology)

The Board of Directors of Rec Technology approved the issuance of 1,000 thousand units of employee stock warrants on November 4, 2024. Each unit entitles the holder to subscribe for one common share of Rec Technology. The warrants are granted to employees of Rec Technology who meet specific eligibility criteria. The holder of the stocks option certificate may exercise a specified portion of the granted options upon the completion of the one year from the grant date. The warrants have a term of five years from the grant date, with an exercise price of NT\$10 per share. In the event of any changes in Rec Technology's ordinary shares after the issuance, the exercise price will be adjusted in accordance with the prescribed formula.

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Information on employee stock warrants is as follows:

	For the six months ended June 30,			
	2025		2024	
	Unit (thousand)	Weighted average exercise price (NT\$)	Unit (thousand)	Weighted average exercise price (NT\$)
Outstanding at January 1	1,000	\$ 10	-	\$ -
Current grant	-	-	-	-
Forfeited for the period	-	-	-	-
Exercised for the period	-	-	-	-
Expired for the period	-	-	-	-
Outstanding at June 30	<u>1,000</u>		<u>-</u>	
Exercisable at June 30	<u>-</u>		<u>-</u>	

C. Employee stock warrant plan of Actron

In December 2022, Actron approved the issuance of 3,000,000 units of employee stock warrants, each entitling the holder to subscribe for one common share of Actron. The warrants were granted to employees of Actron. Each warrant has a term of six years. Starting from the second anniversary of the issuance date, the warrant holders may exercise a specified portion of their granted warrants in accordance with the vesting schedule. The exercise price was set at 75% of the closing price of Actron's common shares on the issuance date. In the event of any changes in Actron's common shares after the issuance, the exercise price will be adjusted in accordance with the prescribed formula.

Information on employee stock warrants is as follows:

	For the six months ended June 30,			
	2025		2024	
	Unit (thousand)	Weighted average exercise price (NT\$)	Unit (thousand)	Weighted average exercise price (NT\$)
Outstanding at January 1	2,594	\$ 109.9	2,950	\$ 115.10
Current grant	-	-	-	-
Forfeited for the period	(126)	-	(30)	-
Exercised for the period	(60)	109.9	-	-
Expired for the period	-	-	-	-
Outstanding at June 30	<u>2,408</u>		<u>2,920</u>	
Exercisable at June 30	<u>205</u>		<u>-</u>	

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D. Cash capital increase reserved for employee subscription of TSC

On July 8, 2024, TSC's Board of Directors resolved to issue 9,445 thousand new shares through a cash capital increase, reserving 10% of the shares for preferential subscription by employees according to Article 267 of the Company Act. If employees waive or under-subscribe their shares, the chairman is authorized to negotiate with specific persons to subscribe at the issue price.

Of the shares reserved for employees under Article 267 of the Company Act, it is also actually subscribed for 412 thousand shares at the third quarter of 2024. According to IFRS 2 'Share-based Payment', the fair value of equity instruments granted must be measured at the grant date and a remuneration cost of \$1,978 thousand should be recognized on that grant date.

TSC uses the Black-Scholes option valuation model to estimate the fair value of share-based payments at the grant date. The input values for the model are as follows:

	Cash Capital Increase Reserved for Employee Subscription 2024
Fair value at grant date	4.80
Stock price at grant date	113.95
Number of Grants	412 thousand shares
Issue price	110
Option term (Years)	0.019 Years
Risk-free interest rate (%)	1.2443 %

The amount of compensation cost recognized for the three months and six months ended June 30, 2025 and 2024, were \$9,495 thousand, \$16,112 thousand, \$16,195 thousand and \$31,905 thousand, respectively.

(22) Earnings per Share

A. Basic earnings per share

	For the three months ended June 30,		For the six months ended June 30,	
	2025	2024	2025	2024
Net income attributable to the shareholders of the Company	<u>\$ 720,929</u>	<u>1,646,281</u>	<u>1,453,138</u>	<u>3,548,291</u>
Weighted average number of ordinary shares outstanding (in thousands of shares)	641,222	586,222	641,222	586,222
Effect of treasury stock	<u>(27,050)</u>	<u>(27,050)</u>	<u>(27,050)</u>	<u>(27,050)</u>
Weighted average number of ordinary shares outstanding (in thousands of shares)	<u>614,172</u>	<u>559,172</u>	<u>614,172</u>	<u>559,172</u>
Basic earnings per share (NT dollar)	<u>\$ 1.17</u>	<u>2.94</u>	<u>2.37</u>	<u>6.35</u>

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B. Diluted earnings per share

	For the three months ended June 30,		For the six months ended June 30,	
	2025	2024	2025	2024
Net income attributable to the shareholders of the Company (diluted)	<u>\$ 720,929</u>	<u>1,646,281</u>	<u>1,453,138</u>	<u>3,548,291</u>
Weighted average number of ordinary shares outstanding (in thousands of shares) (basic)	614,172	559,172	614,172	559,172
Effect of dilutive potential ordinary shares (in thousand of shares)	<u>668</u>	<u>269</u>	<u>1,214</u>	<u>1,510</u>
Weighted average number of ordinary shares outstanding (in thousands of shares) (diluted)	<u>614,840</u>	<u>559,441</u>	<u>615,386</u>	<u>560,682</u>
Diluted earnings per share (NT dollar) \$	<u>1.17</u>	<u>2.94</u>	<u>2.36</u>	<u>6.33</u>

(23) Revenue from contracts with customers

A. Details of revenues

	For the three months ended June 30,		For the six months ended June 30,	
	2025	2024	2025	2024
Primary geographical market:				
Taiwan	\$ 4,554,908	4,120,628	8,684,380	8,569,002
Northeast Asia (Japan and Korea)	3,600,502	3,991,866	7,257,670	8,194,133
Asia-other	4,643,053	4,246,326	8,990,589	8,378,710
America	3,223,039	3,060,877	6,142,835	6,035,835
Europe	3,749,483	4,044,407	7,667,377	7,596,925
Other areas	<u>460,168</u>	<u>432,278</u>	<u>861,550</u>	<u>813,932</u>
	<u>\$ 20,231,153</u>	<u>19,896,382</u>	<u>39,604,401</u>	<u>39,588,537</u>
Major Product Categories:				
Renewable energy	\$ 922,314	942,063	1,665,475	1,814,275
Semiconductor wafers	16,544,405	16,050,317	32,480,048	31,856,834
Semiconductor ingot	304,611	329,712	617,525	720,419
Automotive components	2,163,470	1,924,250	4,279,802	3,684,374
Others	<u>296,353</u>	<u>650,040</u>	<u>561,551</u>	<u>1,512,635</u>
	<u>\$ 20,231,153</u>	<u>19,896,382</u>	<u>39,604,401</u>	<u>39,588,537</u>

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B. Contract balances

	June 30, 2025	December 31, 2024	June 30, 2024
Contract liabilities	<u>\$ 27,139,080</u>	<u>31,690,825</u>	<u>34,821,089</u>

For disclosures regarding notes and accounts receivable and their impairment, please refer to note 6(5).

The major change in the balance of contract liabilities is the advance consideration received from customers for the contracts, in which revenue is recognized when products are delivered to customers. Please refer to note 9 for guarantee letters issued for the customer. The amount of revenue recognized for the six months ended June 30, 2025 and 2024, which was included in the contract liability balance at the beginning of the period, was \$3,331,421 thousand and \$2,954,345 thousand, respectively.

(24) Remuneration to employees and directors

On May 27, 2025, the Company resolved at the shareholders' meeting to amend its Articles of Incorporation. According to the amended Articles, if the Company has surplus at the end of each fiscal year, 3~15% of the profit shall be appropriated for the employees' remuneration (At least 60% of the aforementioned appropriated employees' remuneration shall be allocated to grassroots employees.) and no more than 3% shall be appropriated for directors' remuneration. However, if there are accumulated losses, certain profits shall be reserved to cover first. The entitled employees of the aforementioned employee remuneration include the employees of parents or subsidiaries of the company who meet the conditions set by the Board. The Company will distribute cash for directors' remuneration, and share or cash for employee remuneration. The distribution shall be resolved with a consent of a majority of the directors present at a meeting attended by more than two thirds of the total directors and reported to the shareholder's meeting by the Board. Prior to the amendment, the Articles of Incorporation stipulated that if the Company had earnings in a given fiscal year, it shall allocate 3% to 15% of such earnings as employee compensation and up to 3% as director compensation. However, if the Company had accumulated losses, the amount required to cover such losses shall be retained in advance. The recipients of employee compensation may include employees of controlled or affiliated companies who meet certain criteria, as determined by the Board of Directors. Director compensation shall be distributed in cash, while employee compensation may be distributed in the form of shares or cash. Such distribution shall be approved by a resolution of the Board of Directors with the attendance of at least two-thirds of the directors and the consent of a majority of the attending directors, and shall be reported to the shareholders' meeting.

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For the three months and six months ended June 30, 2025 and 2024, the Company accrued and recognized its employee remuneration amounting to \$27,460 thousand, (including remuneration for grassroots employees) \$58,590 thousand, \$61,000 thousand (including remuneration for grassroots employees) and \$119,880 thousand and directors remuneration amounting to \$0 thousand, \$15,000 thousand, \$6,510 thousand and \$30,000 thousand, respectively. These amounts were calculated by using the Company's pre-tax net profit for the period before deducting the amounts of the remuneration to employees and directors, multiplied by the distribution ratio of the remuneration to employees and directors based on the Company's Articles of Incorporation, and expensed under operating costs or expenses. If, however, the shareholders determine that the employee remuneration is to be distributed through issuance of shares, the calculation of distributable shares shall be calculated using the stock price on the day before a resolution was made by the Board of Directors. If there would be any changes in accounting estimates the changes shall be accounted for as profit or loss in the following year.

The remuneration of the company for employees in 2024 and 2023 were \$215,360 thousand and \$550,000 thousand, respectively. Remuneration for directors were \$21,500 thousand and \$55,000 thousand, respectively, and were not significantly different from actual distribution.

(25) Interest income and financial costs

A. Interest Income

	For the three months ended June 30,		For the six months ended June 30,	
	2025	2024	2025	2024
Interest income from bank deposits	\$ 473,943	1,109,945	1,022,105	1,867,409
Interest income from financial assets measured at amortized cost	71,158	42,658	152,065	42,658
	<u>\$ 545,101</u>	<u>1,152,603</u>	<u>1,174,170</u>	<u>1,910,067</u>

B. Other gains and losses

	For the three months ended June 30,		For the six months ended June 30,	
	2025	2024	2025	2024
Foreign exchange gains, net	\$ (920,822)	213,732	(889,086)	393,628
Valuation gains (losses) on financial assets (liabilities) measured at fair value through profit or loss	116,086	(1,139,208)	(774,030)	(1,180,125)
Gain on disposal of property, plant and equipment	8,036	14,417	11,387	38,657
Dividend income	42,755	170,215	51,008	172,794
Others	81,095	57,831	167,178	66,248
	<u>\$ (672,850)</u>	<u>(683,013)</u>	<u>(1,433,543)</u>	<u>(508,798)</u>

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C. Financial costs

	For the three months ended June 30,		For the six months ended June 30,	
	2025	2024	2025	2024
Interest expense — borrowings	\$ (71,536)	(64,941)	(154,206)	(163,586)
Interest expense — bonds	(195,071)	(191,624)	(372,996)	(343,155)
Interest expense — lease liabilities	(6,966)	(6,909)	(14,617)	(13,840)
	<u>\$ (273,573)</u>	<u>(263,474)</u>	<u>(541,819)</u>	<u>(520,581)</u>

(26) Financial instruments

Except for the contention mentioned below, there was no significant change in the fair value of the Group's financial instruments and degree of exposure to credit risk, liquidity risk and market risk arising from financial instruments. For related information, please refer to note 6(30) to the consolidated financial statements for the year ended December 31, 2024.

A. Credit risk

(a) Credit risk exposure

The carrying amount of financial assets represents the maximum amount exposed to credit risk.

(b) Concentration of credit risk

The main customers of the Group are from the renewable energy, semiconductor and automotive components industries. The Group generally sets credit limits to its customers according to their credit evaluations. Therefore, the credit risk of the Group is mainly influenced by the renewable energy, semiconductor and automotive components industries. As of June 30, 2025, December 31, 2024 and June 30, 2024, 38%, 37% and 34%, respectively, of the Group's accounts receivable (including related parties) were from the top 10 customers. Although there is a potential for concentration of credit risk, the Group routinely assesses the collectability of the accounts receivable and makes a corresponding allowance for doubtful accounts.

(c) Credit risks of receivables and debt securities

For credit risk exposure of notes and trade receivables, please refer to note 6(5).

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B. Liquidity risk

The following table shows the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

	<u>Carrying amount</u>	<u>Contractual cash flows</u>	<u>Within 6 months</u>	<u>6-12 months</u>	<u>1-2 years</u>	<u>2-5 years or more</u>	<u>Over 5 years</u>
June 30, 2025							
Non-derivative financial liabilities							
Short-term borrowings	\$ 19,037,615	(19,089,610)	(18,087,382)	(1,002,228)	-	-	-
Short-term notes and bills payable	3,499,849	(3,501,277)	(3,501,277)	-	-	-	-
Notes and accounts payable (including related parties)	4,959,314	(4,959,314)	(4,946,722)	(12,592)	-	-	-
Payroll and bonus payable	4,911,201	(4,911,201)	(3,857,950)	(1,053,251)	-	-	-
Dividends payable	4,636,236	(4,636,236)	(4,636,224)	(12)	-	-	-
Accrued remuneration of directors (other current liabilities)	125,997	(125,997)	(102,923)	(23,074)	-	-	-
Long-term borrowings(including current portion)	19,766,565	(19,967,286)	(1,130,910)	(1,053,574)	(15,346,082)	(2,417,030)	(19,690)
Lease liabilities-current and noncurrent	1,299,288	(1,468,597)	(103,105)	(96,921)	(160,761)	(341,396)	(766,414)
Convertible bonds	783,450	(799,900)	-	-	(799,900)	-	-
Ordinary bonds payable(including current portion)	24,384,256	(25,732,990)	(32,400)	(6,781,640)	(5,673,740)	(9,148,860)	(4,096,350)
Exchangeable bonds with warrants	10,497,769	(13,249,460)	(181,044)	(184,167)	(377,917)	(12,506,332)	-
Derivative financial							
Forward exchange contracts:							
Outflows	62,829	(2,008,009)	(1,066,855)	(941,154)	-	-	-
Inflows	(34,473)	(1,979,653)	(1,099,151)	(880,502)	-	-	-
	<u>\$ 93,929,896</u>	<u>(102,429,530)</u>	<u>(38,745,943)</u>	<u>(12,029,115)</u>	<u>(22,358,400)</u>	<u>(24,413,618)</u>	<u>(4,882,454)</u>

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	<u>Carrying amount</u>	<u>Contractual cash flows</u>	<u>Within 6 months</u>	<u>6-12 months</u>	<u>1-2 years</u>	<u>2-5 years or more</u>	<u>Over 5 years</u>
December 31, 2024							
Non-derivative financial liabilities							
Short-term borrowings	\$ 28,863,280	(29,000,570)	(27,029,804)	(1,970,766)	-	-	-
Short-term notes and bills payable	3,999,248	(4,001,293)	(4,001,293)	-	-	-	-
Notes and accounts payable (including related parties)	6,069,284	(6,069,284)	(6,049,464)	(19,820)	-	-	-
Payroll and bonus payable	4,737,526	(4,737,526)	(3,469,933)	(1,267,593)	-	-	-
Dividends payable	3,199,272	(3,199,272)	(3,199,272)	-	-	-	-
Accrued remuneration of directors (other current liabilities)	120,639	(120,639)	(56,263)	(64,376)	-	-	-
Long-term borrowings(including current portion)	17,407,288	(18,825,968)	(1,316,308)	(1,207,743)	(12,582,110)	(3,719,807)	-
Lease liabilities-current and noncurrent	1,354,699	(1,535,128)	(96,942)	(88,337)	(167,087)	(345,713)	(837,049)
Convertible bonds	776,258	(799,900)	-	-	-	(799,900)	-
Ordinary bonds payable(including current portion)	16,890,669	(17,384,150)	(126,550)	(32,400)	(12,058,950)	(2,578,750)	(2,587,500)
Exchangeable bonds with warrants	10,256,704	(13,313,552)	(176,887)	(179,938)	(369,238)	(12,587,489)	-
Derivative financial							
Forward exchange contracts:							
Outflows	94,142	(1,643,967)	(753,898)	(890,069)	-	-	-
Inflows	(28,751)	1,578,576	659,756	918,820	-	-	-
	<u>\$ 93,740,258</u>	<u>(99,052,673)</u>	<u>(45,616,858)</u>	<u>(4,802,222)</u>	<u>(25,177,385)</u>	<u>(20,031,659)</u>	<u>(3,424,549)</u>

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	<u>Carrying amount</u>	<u>Contractual cash flows</u>	<u>Within 6 months</u>	<u>6-12 months</u>	<u>1-2 years</u>	<u>2-5 years or more</u>	<u>Over 5 years</u>
June 30, 2024							
Non-derivative financial liabilities							
Short-term borrowings	\$ 42,576,754	(42,647,234)	(42,382,012)	(265,222)	-	-	-
Notes and accounts payable (including related parties)	5,248,996	(5,248,996)	(5,224,361)	(24,635)	-	-	-
Payroll and bonus payable	5,071,636	(5,071,636)	(3,853,570)	(1,144,755)	(73,311)	-	-
Dividends payable	6,610,811	(6,610,811)	(6,610,811)	-	-	-	-
Accrued remuneration of directors (other current liabilities)	233,590	(230,590)	(141,195)	(72,250)	(17,145)	-	-
Long-term borrowings(including current portion)	7,066,352	(7,471,545)	(1,066,348)	(1,147,941)	(2,490,189)	(2,152,977)	(614,090)
Lease liabilities-current and noncurrent	1,440,874	(1,632,564)	(117,464)	(99,622)	(162,558)	(362,337)	(890,583)
Convertible bonds	769,099	(799,900)	-	-	-	(799,900)	-
Ordinary bonds payable(including current portion)	23,988,416	(24,732,050)	(7,167,900)	(126,550)	(6,658,950)	(8,191,150)	(2,587,500)
Exchangeable bonds with warrants	10,251,158	(13,712,626)	(176,791)	(179,840)	(750,916)	(12,605,079)	-
Derivative financial							
Outflows	32,439	(8,449,633)	(3,449,633)	-	-	-	-
Inflows	(99)	8,417,293	8,417,293	-	-	-	-
Forward exchange contracts:							
	<u>\$ 103,290,026</u>	<u>(108,190,292)</u>	<u>(61,772,792)</u>	<u>(3,060,815)</u>	<u>(10,153,069)</u>	<u>(24,111,443)</u>	<u>(4,092,173)</u>

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

C. Currency risk

(a) Exposure to foreign currency risk

The Group's significant exposure to foreign currency risk was as follows:

	<u>June 30, 2025</u>		
	<u>Foreign currency</u>	<u>Exchange rate</u>	<u>NTD</u>
<u>Financial assets</u>			
<u>Monetary Items</u>			
USD	\$ 474,461	29.3	13,901,698
JPY	10,882,965	0.2034	2,213,595
EUR	260,111	34.35	8,934,803
CNY	166,383	4.091	680,674

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June 30, 2025			
	Foreign currency	Exchange rate	NTD
<u>Non-monetary items</u>			
USD	54,322	29.3	Note
<u>Financial liabilities</u>			
<u>Monetary Items</u>			
USD	234,355	29.3	6,866,602
JPY	13,603,140	0.2034	2,766,879
EUR	44,927	34.35	1,543,234
CNY	39,875	4.091	163,130
<u>Non-monetary items</u>			
USD	43,797	29.300	Note
December 31, 2024			
	Foreign currency	Exchange rate	NTD
<u>Financial assets</u>			
<u>Monetary Items</u>			
USD	\$ 705,830	32.785	23,140,637
JPY	11,590,529	0.2099	2,432,852
EUR	203,021	34.14	6,931,137
CNY	79,768	4.478	357,201
<u>Non-monetary items</u>			
USD	12,048	32.785	Note
<u>Financial liabilities</u>			
<u>Monetary Items</u>			
USD	402,477	32.785	13,195,208
JPY	14,282,181	0.2099	2,997,830
EUR	115,997	34.14	3,960,138
CNY	33,145	4.478	148,423
<u>Non-monetary items</u>			
USD	227,000	32.785	Note
June 30, 2024			
	Foreign currency	Exchange rate	NTD
<u>Financial assets</u>			
<u>Monetary Items</u>			
USD	\$ 813,657	32.45	26,403,170
JPY	11,786,205	0.2017	2,377,278
EUR	198,128	34.71	6,877,023

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June 30, 2024			
	<u>Foreign currency</u>	<u>Exchange rate</u>	<u>NTD</u>
CNY	59,281	4.445	263,504
<u>Non-monetary items</u>			
USD	2,100	32.45	Note
<u>Financial liabilities</u>			
<u>Monetary Items</u>			
USD	422,794	32.45	13,719,665
JPY	14,914,563	0.2017	3,008,267
EUR	67,711	34.71	2,350,249
CNY	44,285	4.445	196,847
<u>Non-monetary items</u>			
USD	259,290	32.45	Note

Note: The fair value of forward exchange contracts was measured at the reporting date. For related information, please refer to note 6(2).

(b) Sensitivity analysis

The Group's exposure to foreign currency risk arises from the translation of foreign exchange gains and losses on cash and cash equivalents, notes and accounts receivable, borrowings, and notes and accounts payable denominated in foreign currencies. A 1% weakening (or strengthening) of the NTD against the USD, JPY, EUR, and CNY as of June 30, 2025 and 2024 would have increased or decreased net income before income tax by \$143,909 thousand and \$166,459 thousand, respectively, for the six months ended June 30, 2025 and 2024. This analysis is based on reasonably possible changes in foreign exchange rates as of the reporting date. It assumes that all other variables remain constant and has been performed on the same basis for both periods.

(c) Foreign exchange gain and losses on monetary exchange

Since the Group has many kinds of functional currencies, the information on foreign exchange gain (losses) on monetary items is disclosed by an aggregate amount. For the three months and six months ended June 30, 2025 and 2024, foreign exchange gains (including realized and unrealized portions) amounted to \$(920,822) thousand, \$213,732 thousand, \$(889,086) thousand and \$393,628 thousand, respectively.

D. Interest rate analysis

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

The following sensitivity analysis is based on the exposure to interest rates. Regarding liabilities with variable interest rates, the analysis is based on the assumption that the amount of liabilities outstanding at the reporting date was outstanding throughout the period.

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If the interest rate had increased or decreased by 0.25%, the Group's net income before income tax would have decreased or increased by \$32,892 thousand and increased or decreased \$40,296 thousand, for the six months ended June 30, 2025 and 2024, respectively, assuming all other variable factors remain constant. This is mainly due to the Group's bank deposits and borrowings with variable rates.

E. Other price risk

For the six months ended June 30, 2025 and 2024, the sensitivity analyses for the changes in the securities price at the reporting date were performed using the same basis for the profit and loss as illustrated below:

	For the six months ended June 30,			
	2025		2024	
	Other comprehensive income before tax	Net income before income tax	Other comprehensive income before tax	Net income before income tax
Prices of securities at the reporting date				
Increasing 5%	\$ 61,232	286,641	168,650	515,349
Decreasing 5%	(61,232)	(286,641)	(168,650)	(515,349)

F. Fair value of financial instruments

(a) Fair value hierarchy

The fair value of financial assets and liabilities at fair value through profit or loss and financial assets at fair value through other comprehensive income is measured on a recurring basis. The carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and lease liabilities, disclosure of fair value information is not required:

	Carrying amount	June 30, 2025			
		Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss					
Forward exchange contract	\$ 34,473	-	34,473	-	34,473
Privately offered funds	296,896	-	-	296,896	296,896
Overseas securities held	5,732,813	5,732,813	-	-	5,732,813
Subtotal	<u>\$ 6,064,182</u>	<u>5,732,813</u>	<u>34,473</u>	<u>296,896</u>	<u>6,064,182</u>
Financial assets at fair value through other comprehensive income					
Domestic and international listed (OTC) stocks	697,006	697,006	-	-	697,006
Non-public offer equity instrument measured at fair value	527,640	-	-	527,640	527,640
Subtotal	<u>\$ 1,224,646</u>	<u>697,006</u>	<u>-</u>	<u>527,640</u>	<u>1,224,646</u>

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June 30, 2025					
	Carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets measured at amortized cost					
Cash and cash equivalents	\$ 36,396,032				
Notes and accounts receivable (including related parties)	12,424,724				
Other financial assets - current and non-current	26,153,859				
Foreign bonds	5,830,700				
Subtotal	\$ 80,805,315				
Financial liabilities at fair value through profit or loss					
Forward exchange contract	\$ 62,829	-	62,829	-	62,829
Embedded derivatives of exchangeable bonds with warrants	423,317	-	423,317	-	423,317
Subtotal	\$ 486,146	-	486,146	-	486,146
Financial liabilities measured at amortized cost					
Short-term borrowings	\$ 19,037,615				
Short-term notes and bills payable	3,499,849				
Notes and accounts payable (including related parties)	4,959,314				
Long-term borrowings (including current portion)	19,766,565				
Payroll and bonus payable	4,911,201				
Accrued remuneration of directors (other current liabilities)	125,997				
Dividends payable	4,636,236				
Lease liabilities - current and noncurrent	1,299,288				
Ordinary bonds payable (including current portion)	24,384,256				
Convertible bonds	783,450				
Exchangeable bonds with warrants	10,497,769				
Subtotal	\$ 93,901,540				
December 31, 2024					
	Carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss					
Forward exchange contract	\$ 28,751	-	28,751	-	28,751
Privately offered funds	254,686	-	-	254,686	254,686
Overseas securities held	6,512,300	6,512,300	-	-	6,512,300
Subtotal	\$ 6,795,737	6,512,300	28,751	254,686	6,795,737

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December 31, 2024					
	Carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through other comprehensive income					
Domestic and international listed (OTC) stocks	428,308	428,308	-	-	428,308
Overseas securities held	716,745	716,745	-	-	716,745
Subtotal	<u>\$ 1,145,053</u>	<u>1,145,053</u>	<u>-</u>	<u>-</u>	<u>1,145,053</u>
Financial assets measured at amortized cost					
Cash and cash equivalents	54,136,770				
Notes and accounts receivable (including related parties)	12,591,633				
Other financial assets - current and non-current	19,578,258				
Foreign bonds	6,524,215				
Subtotal	<u>\$ 92,830,876</u>				
Financial liabilities at fair value through profit or loss					
Forward exchange contract	\$ 94,142	-	94,142	-	94,142
Embedded derivatives of exchangeable bonds with warrants	404,230	-	404,230	-	404,230
Subtotal	<u>\$ 498,372</u>	<u>-</u>	<u>498,372</u>	<u>-</u>	<u>498,372</u>
Financial liabilities measured at amortized cost					
Short-term borrowings	\$ 28,863,280				
Short-term notes and bills payable	3,999,248				
Notes and accounts payable (including related parties)	6,069,284				
Long-term borrowing (including current portion)	17,407,288				
Payroll and bonus payable	4,737,526				
Accrued remuneration of directors (other current liabilities)	120,639				
Dividends payable	3,199,272				
Lease liabilities - current and noncurrent	1,354,699				
Ordinary bonds payable (including current portion)	16,890,669				
Convertible bonds	776,258				
Exchangeable bonds with warrants	10,256,704				
Subtotal	<u>\$ 93,674,867</u>				

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		June 30, 2024			
		Carrying amount	Fair value		
			Level 1	Level 2	Level 3
					Total
Financial assets at fair value through profit or loss					
Forward exchange contract	\$	<u>99</u>	-	<u>99</u>	-
Privately offered fund	\$	266,521	-	-	266,521
Overseas securities held		10,306,978	10,306,978	-	-
Subtotal	\$	<u>10,573,499</u>	<u>10,306,978</u>	<u>-</u>	<u>266,521</u>
Financial assets at fair value through other comprehensive income					
Domestic and international listed (OTC) stocks		2,076,823	2,076,823	-	-
Overseas securities held		3,334	3,334	-	-
Emerging stock		221,344	-	221,344	-
Non-public offer equity instrument measured at fair value		1,071,495	-	-	1,071,495
Subtotal	\$	<u>3,372,996</u>	<u>2,080,157</u>	<u>221,344</u>	<u>1,071,495</u>
Financial assets measured at amortized cost					
Cash and cash equivalents		50,360,143			
Notes and accounts receivable (including related parties)		12,519,542			
Other financial assets - current and non-current		43,642,894			
Subtotal	\$	<u>106,522,579</u>			
Financial liabilities at fair value through profit or loss					
Forward exchange contract	\$	32,439	-	32,439	-
Embedded derivatives of exchangeable bonds with warrants		667,391	-	337,391	-
Subtotal	\$	<u>699,830</u>	<u>-</u>	<u>369,830</u>	<u>-</u>
Financial liabilities measured at amortized cost					
Short-term borrowings	\$	42,576,754			
Notes and accounts payable (including related parties)		5,248,996			
Long-term borrowing (including current portion)		7,066,352			
Payroll and bonus payable		5,071,636			
Accrued remuneration of directors (other current liabilities)		233,590			
Dividends payable		6,610,811			
Lease liabilities - current and noncurrent		1,440,874			
Ordinary bonds payable (including current portion)		23,988,416			
Convertible bonds		769,099			
Exchangeable bonds with warrants		10,251,158			
Subtotal	\$	<u>103,257,686</u>			

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(b) Valuation technique for financial instruments not measured at fair value

The management of the Group deems that the carrying amount of financial assets and liabilities measured at amortized cost in the consolidated financial statements approximate their fair value.

(c) Valuation technique for financial instruments measured at fair value

i. Non-derivative financial instruments

A financial instrument is regarded as being quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. Whether transactions are taking place 'regularly' is a matter of judgment and depends on the facts and circumstances of the market for the instrument.

Quoted market prices may not be indicative of the fair value of an instrument if the activity in the market is infrequent, the market is not well established, only small volumes are traded, or bid ask spreads are very wide. Determining whether a market is active involves judgment.

Measurements of fair value of financial instruments in an active market are based on a valuation technique or quoted price from a competitor. Fair value measured by a valuation technique can be extrapolated from similar financial instruments, the discounted cash flow method, or other valuation technique, including a model using observable market data at the reporting date.

ii. Derivative financial instruments

Measurement of the fair value of derivative instruments are based on the valuation techniques generally accepted by market participants, such as the discounted cash flow or option pricing models. The fair value of forward currency is usually determined based on the forward currency exchange rate.

(d) Transfers between Level 1 and Level 2: None

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(e) Reconciliation of Level 3 fair value

	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income
Balance at January 1, 2025	\$ 254,686	830,400
Addition in investment	46,999	105,250
Recognized in profit or loss	3,748	-
Recognized in other comprehensive income	-	(374,574)
Capital reduction of investment	(8,537)	(2,908)
Effect of changes in exchange rate	-	(30,528)
Balance at June 30, 2025	<u><u>\$ 296,896</u></u>	<u><u>527,640</u></u>
Balance at January 1, 2024	\$ 242,864	1,202,498
Addition in investment	19,687	-
Recognized in profit or loss	11,678	-
Recognized in other comprehensive income	-	69,547
Capital reduction of investment	(7,708)	20,794
Reclassification	-	(221,344)
Balance at June 30, 2024	<u><u>\$ 266,521</u></u>	<u><u>1,071,495</u></u>

(f) The fair value of the Group's financial instruments that use Level 3 inputs to measure fair value was based on the price of the third party. The Group did not disclose quantified information and sensitivity analysis on significant unobservable inputs because the unobservable inputs used in fair value measurement were not established by the Group.

(g) The valuation technique of privately offered funds is based on net asset value method. For the six months ended June 30, 2025 and 2024, there was no transfer at fair value level.

(27) Financial risk management

There have been no significant changes in the Group's financial risk management objectives and policies compared to those disclosed in note 6(31) of the consolidated financial statements for the year ended December 31, 2024.

(28) Capital management

The objectives, policies, and procedures of the Group's capital management are consistent with those disclosed in the consolidated financial statements for the year ended December 31, 2024. In addition, the quantitative summary of items included in capital management has not significantly changed from the disclosures in the same financial statements. For further details, please refer to note 6(32) of the consolidated financial statements for the year ended December 31, 2024.

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(29) Cash flow information

A. For acquiring right of use assets by leasing, please refer to note 6(16).

B. Reconciliations of liabilities arising from financing activities were as follows:

	January 1, 2025	Cash flows	Foreign exchange movement and others	June 30, 2025
Short-term borrowings	\$ 28,863,280	(9,816,165)	(9,500)	19,037,615
Short-term notes and bills payable	3,999,248	(499,399)	-	3,499,849
Long-term borrowings (including current portion)	17,407,288	3,833,200	(1,473,923)	19,766,565
Lease liabilities	1,354,699	(111,251)	55,840	1,299,288
Bonds payable (including current portion)	27,923,631	7,502,334	239,510	35,665,475
Guarantee deposit received	<u>1,468,537</u>	<u>(231,732)</u>	<u>235,313</u>	<u>1,472,118</u>
Total liabilities from financing activities	<u>\$ 81,016,683</u>	<u>676,987</u>	<u>(952,760)</u>	<u>80,740,910</u>

	January 1, 2024	Cash flows	Foreign exchange movement and others	June 30, 2024
Short-term borrowings	\$ 31,811,162	10,765,592	-	42,576,754
Long-term borrowings (including current portion)	6,384,827	619,563	61,962	7,066,352
Lease liabilities	1,463,632	(125,825)	103,067	1,440,874
Bonds payable (including current portion)	26,400,540	9,966,362	(1,358,229)	35,008,673
Guarantee deposit received	<u>1,598,473</u>	<u>(25,567)</u>	<u>-</u>	<u>1,572,906</u>
Total liabilities from financing activities	<u>\$ 67,658,634</u>	<u>21,200,125</u>	<u>(1,193,200)</u>	<u>87,665,559</u>

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7. Related-party transactions:

(1) Names and relationships of related parties

The followings are entities that have had transactions with the Group during the periods covered in the consolidated financial statements:

<u>Names of related parties</u>	<u>Relationship with the Group</u>
Applichem Technology Corp. (Applichem Technology)	Other related parties (Note 1)
SIE	Associate
ATC Capital Co., Ltd.	Other related parties (Note 2)
Pacific Green Energy Ltd.	Other related parties (Note 3)
Billion EVC Technologies Co., Ltd	Other related parties (Note 4)
Excelliance MOS Corporation	Associate

Note 1: The chairman of Applichem Technology and the key management personnel of Waferchem are the spousal relationship.

Note 2: The board seat of ATC Capital Co., Ltd. and Anneal Energy are the same person.

Note 3: The board seat of Pacific Green Energy Ltd. and Anneal Energy are the same person.

Note 4: The presiden of SAS and the chairman of Billion Electric Co., Ltd are the same person. Its subsidiary Billion EVC Technologies Co., Ltd has became a associate.

(2) Significant transactions with related parties

A. Sales

The amounts of significant sales transactions and contruction contract revenue between the Group and related parties were as follows:

	<u>For the three months ended June 30,</u>		<u>For the six months ended June 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Associates	\$ 41,738	-	41,738	-
Other related parties	338	-	512	-
	<u>\$ 42,076</u>	<u>-</u>	<u>42,250</u>	<u>-</u>

The sales price for sales to the related parties was determined by market price and adjusted according to the sales area and sales volume.

As of June 30, 2025 and 2024, the credit terms for third parties were 0 to 120 days after month-end, while those of related parties were 30 to 90 days after month-end.

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B. Purchase and process outsourcing

The amounts of purchases and process outsourcing by the Group from related parties were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2025	2024	2025	2024
Other related parties	\$ <u>595</u>	<u>-</u>	<u>2,813</u>	<u>-</u>

The prices of purchases and process outsourcing were determined by market rates.

The payment terms to third parties were 0 to 150 days after month-end both in the years ended June 30, 2025 and 2024, while those of related parties were 30 to 90 days after the following month-end both in the years ended ended June 30, 2025 and 2024.

C. Receivables from related parties

The receivables from related parties were as follows:

Items	Categories	June 30, 2025	December 31, 2024	June 30, 2024
Receivable from related parties	Associate	\$ 258	377	-
Receivable from related parties	Other related parties	<u>357</u>	<u>187</u>	<u>-</u>
		\$ <u>615</u>	<u>564</u>	<u>-</u>

D. Payables to related parties

The payables to related parties were as follows:

Items	Categories	June 30, 2025	December 31, 2024	June 30, 2024
Payable to related parties	Other related parties	\$ <u>606</u>	<u>9</u>	<u>-</u>

E. Dividends income

The cash dividends of \$62,250 thousand from related parties to be distributed to the Group had been received as of June 30, 2025.

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F. Other transactions

- (a) The Group provides other services to related parties, including human resources, with the details of other income and receivables from related parties as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2025	2024	2025	2024
Associates	\$ 235	-	896	-
Other related parties	56	-	56	-
	<u>\$ 291</u>	<u>-</u>	<u>952</u>	<u>-</u>

Items	Categories	June 30, 2025	December 31, 2024	June 30, 2024
Receivable from related parties	Other related parties	\$ <u>17</u>	<u>-</u>	<u>-</u>

- (b) Related parties provides other services to the Group, including services fee, with the details of other expense and payables from related parties as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2025	2024	2025	2024
Other related parties	\$ <u>202</u>	<u>-</u>	<u>432</u>	<u>-</u>

Items	Categories	June 30, 2025	December 31, 2024	June 30, 2024
Payable from related parties	Other related parties	\$ <u>195</u>	<u>-</u>	<u>-</u>

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(3) Key management personnel compensation

Key management personnel compensation comprised of:

	For the three months ended June 30,		For the six months ended June 30,	
	2025	2024	2025	2024
Short-term employee benefits	\$ 95,786	137,857	210,625	290,534
Post-employment benefits	536	515	1,109	1,045
Share-based payments	2,730	6,640	4,888	13,280
	<u>\$ 99,052</u>	<u>145,012</u>	<u>216,622</u>	<u>304,859</u>

8. Pledged assets:

The carrying values of pledged assets were as follows:

Asset name	Pledge or Mortgage underlying subject	June 30, 2025	December 31, 2024	June 30, 2024
Property, plant and equipment	Long-term and short-term borrowings and credit lines	\$ 1,779,080	2,126,785	3,117,192
Time deposits (recognized in other financial assets — current)	Pledged certificates of deposit, etc.	18,910,067	10,009,356	16,305,194
Time deposits (recognized in other financial assets — non-current)	Guarantee for the lease contract with the Hsinchu Science Park Bureau	86,675	79,805	86,272
Financial assets at fair value through profit or loss-non-current	Provision of Siltronic AG share to the trustee for security pledge	4,334,857	4,922,322	7,791,961
Equity instrument investments and treasury shares measured at fair value through other comprehensive income	Long-term and short-term borrowing	2,287,065	3,369,225	-
		<u>\$ 27,397,744</u>	<u>20,507,493</u>	<u>27,300,619</u>

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9. Commitments and contingencies:

The significant contingent liabilities and unrecognized contractual commitments were as follows:

(1) Significant unrecognized contractual commitments

- A. As of June 30, 2025, December 31, 2024 and June 30, 2024, the purchase amounts for future procurement from suppliers under the existing agreements were \$27,383,133 thousand, \$33,027,439 thousand and \$33,710,837 thousand, respectively.
- B. The Group has silicon wafer long-term sales contracts signed with the customers since the year 2005. These companies agree to pay the non-refundable funds to the Group. The two parties agreed to have silicon wafers sold in accordance with the agreed quantity and price. If the delivery has not been made in compliance with the contract signed, a sales discount or an amount equivalent to 1.5-4 times of the advance sales receipts from customers as remuneration should be granted. If the delay of shipment has not been resolved for more than three months, the outstanding pre-payment should be refunded. In addition, in response to the price decline arising from the falling demand, solar energy battery customers and the Group will negotiate the selling price and adjusting the average selling price in accordance with market conditions.

The amount of delivery according to the existing contracts and current market conditions is as follows:

(Unit: currency in thousands)

	June 30, 2025	December 31, 2024	June 30, 2024
USD	\$ <u>17,289</u>	<u>21,377</u>	<u>18,916</u>
EUR	\$ <u>12,085</u>	<u>12,505</u>	<u>12,545</u>

- C. As of June 30, 2025, December 31, 2024 and June 30, 2024, the significant outstanding commitments for construction and purchase of property, plant and equipment amounted to \$10,203,260 thousand, \$28,591,837 thousand and \$61,266,732 thousand, respectively.
- D. As of June 30, 2025, December 31, 2024 and June 30, 2024, the total amount of promissory notes deposited by the Group at the bank for acquiring bank financing is \$119,588,147 thousand, \$120,372,001 thousand and \$106,666,275 thousand, respectively.
- E. As of June 30, 2025, December 31, 2024 and June 30, 2024, a guarantee letter for the Customs Administration and Research and Development which the Group requested a bank to issue amounted to \$81,610 thousand, \$76,183 thousand and \$114,484 thousand, respectively.
- F. As of June 30, 2025, December 31, 2024 and June 30, 2024, the Group's outstanding standby letters of credit that were issued amounted to \$252,565 thousand, \$304,157 thousand and \$323,969 thousand, respectively.

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- G. The Group signed a long-term sales contract with some customers and received the advance payment. The customer is required to order minimum quantity according to the contract. As of June 30, 2025, December 31, 2024 and June 30, 2024, a guarantee letter for the customer issued by the bank amounted to \$3,925,973 thousand, \$4,300,840 thousand and \$4,469,860 thousand, respectively.
- H. The Group entered into an offshore wind power contract with a customer under the sustainable Green Energy Performance plan and received a guarantee deposit of \$101,800 thousand, \$131,200 thousand and \$131,200 thousand. As of June 30, 2025, December 31, 2024 and June 30, 2024, the above-mentioned guarantee deposit were recorded as other liabilities — non-current.
- I. The Group signed an agreement with its associates and other suppliers to purchase installed capacity amounted to 553MW with a fixed price. The contract period is 1-20 years from the date of power generation, and the minimum wattage consumption must be fulfilled according to the agreement.
- J. The subsidiary of the Group, GWA entered into a plant construction subsidy agreement with the local government of Sherman, Texas. Under certain specified conditions outlined in the agreement, GWA is entitled to receive land and cash subsidies. From January 1 to March 31, 2025, GWA has received a plant construction subsidy of USD 5,500 thousand from the local government.
- K. The subsidiary of the Group, GWA entered into a agreement with the U.S. Department of Commerce under the CHIPS and Science Act. From January 1 to June 30, 2025, GWA completed the first milestone as stipulated in the agreement and received a subsidy of USD 200,000 thousand.
- L. The subsidiary of the Group, MVI entered into wafer foundry capacity guarantee agreements with certain customers. In accordance with the terms of these agreements, specific production capacity is reserved for those customers.

10. Losses due to major disasters: None.

11. Subsequent Events:

- (1) As of August 4, 2025, the Group resolved to acquire a 65.22% equity interest in Hung Jie Technology Co., Ltd. to support future development. To meet funding requirements, the Group also approved the issuance of its first unsecured domestic convertible bonds, with a planned maximum total face value of \$2,000,000 thousand.
- (2) To enhance the Group's overall competitiveness and operational performance through organizational restructuring and professional specialization, the Group's Board of Directors resolved on May 9, 2025 to spin off its solar power plant business to SPV3 July 1, 2025. SPV3 will issue 6,561 thousand new shares at \$11.22 per share, equivalent to the business value of \$73,619 thousand in related assets and liabilities transferred.

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12. Other:

- (1) A summary of the employee benefits, depreciation, and amortization expenses, by function were as follows:

By function By item	For the three months ended June 30,					
	2025			2024		
	Cost of goods sold	Operating expenses	Total	Cost of goods sold	Operating expenses	Total
Employee benefits						
Salary	2,335,159	907,884	3,243,043	2,412,176	761,095	3,173,271
Labor and health insurance	326,401	89,954	416,355	292,115	95,761	387,876
Pension	163,551	38,888	202,439	167,504	40,203	207,707
Others employee benefits expenses	87,199	46,806	134,005	51,107	51,867	102,974
Depreciation	2,750,174	154,191	2,904,365	2,277,213	147,046	2,424,259
Amortization	49,803	7,724	57,527	41,055	5,179	46,234

By function By item	For the six months ended June 30,					
	2025			2024		
	Cost of goods sold	Operating expenses	Total	Cost of goods sold	Operating expenses	Total
Employee benefits						
Salary	4,822,469	1,767,573	6,590,042	4,827,406	1,449,466	6,276,872
Labor and health insurance	681,202	194,153	875,355	623,868	190,605	814,473
Pension	331,132	77,614	408,746	333,409	78,902	412,311
Others employee benefits expenses	176,151	104,026	280,177	143,383	105,966	249,349
Depreciation	5,320,388	318,069	5,638,457	4,407,682	307,770	4,715,452
Amortization	90,964	12,959	103,923	82,011	10,815	92,826

- (2) To expand its business scope and enhance operational performance and competitiveness, the Group's Board of Directors resolved on June 27, 2025 to acquire a 65.22% equity interest in Hung Jie Technology Co., Ltd. for a cash consideration of \$2,995,697 thousand. The transaction is tentatively scheduled to be settled on August 5, 2025.

13. Other disclosures:

- (1) Information on significant transactions:

The followings were the information on significant transactions required by the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” for the Group:

- A. Loans to other parties: Please refer to Table 1.
- B. Guarantees and endorsements for other parties: Please refer to Table 2.
- C. Securities held as of June 30, 2025 (excluding investment in subsidiaries, associates and joint ventures): Please refer to Table 3.

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- D. Related-party transactions for purchases and sales with amounts exceeding the lower of NT\$100 million or 20% of the capital stock: Please refer to Table 4.
- E. Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20% of the capital stock: Please refer to Table 5.
- F. Business relationships and significant intercompany transactions: Please refer to Table 6.
- (2) Information on investees: Please refer to Table 7.
- (3) Information on investment in mainland China:
- A. The names of investees in Mainland China, the main businesses and products and other information: Please refer to Table 8(1).
- B. Limitation on investment in Mainland China: Please refer to Table 8(2).
- C. Significant transactions:

The significant inter-company transactions with the subsidiary in Mainland China, which were eliminated in the preparation of consolidated financial statements, are disclosed in the "Information on significant transactions".

14. Segment information:

The Group's operating segment information and reconciliations were as follows:

	For the three months ended June 30, 2025				
	Semiconductor segment	Renewable energy segment	Automotive components Segment	Reconciliation and elimination	Total
Revenues:					
External customers	\$ 17,124,756	942,927	2,163,470	-	20,231,153
Intersegment	74,154	33,345	-	(107,499)	-
Total revenue	<u>\$ 17,198,910</u>	<u>976,272</u>	<u>2,163,470</u>	<u>(107,499)</u>	<u>20,231,153</u>
Reportable segment profit or loss	<u>\$ 1,844,803</u>	<u>(113,942)</u>	<u>13,637</u>	<u>-</u>	1,744,498
Share of profit (loss) of associates accounted for using equity method					(16,388)
					<u>\$ 1,728,110</u>

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For the three months ended June 30, 2024					
	Semiconductor segment	Renewable energy segment	Automotive components Segment	Reconciliation and elimination	Total
Revenues:					
External customers	\$ 16,610,289	1,361,843	1,924,250	-	19,896,382
Intersegment	168,380	425,212	-	(593,592)	-
Total revenue	<u>\$ 16,778,669</u>	<u>1,787,055</u>	<u>1,924,250</u>	<u>(593,592)</u>	<u>19,896,382</u>
Reportable segment profit or loss	<u>\$ 3,120,274</u>	<u>191,731</u>	<u>202,072</u>	<u>-</u>	3,514,077
Share of profit (loss) of associates accounted for using equity method					26,033
					<u>\$ 3,540,110</u>

For the six months ended June 30, 2025					
	Semiconductor segment	Renewable energy segment	Automotive components Segment	Reconciliation and elimination	Total
Revenues:					
External customers	\$ 33,613,091	1,711,508	4,279,802	-	39,604,401
Intersegment	145,323	91,052	-	(236,375)	-
Total revenue	<u>\$ 33,758,414</u>	<u>1,802,560</u>	<u>4,279,802</u>	<u>(236,375)</u>	<u>39,604,401</u>
Reportable segment profit or loss	<u>\$ 3,423,345</u>	<u>(121,529)</u>	<u>218,292</u>	<u>-</u>	3,520,108
Share of profit (loss) of associates accounted for using equity method					5,592
					<u>\$ 3,525,700</u>

For the six months ended June 30, 2024					
	Semiconductor segment	Renewable energy segment	Automotive components Segment	Reconciliation and elimination	Total
Revenues:					
External customers	\$ 33,080,777	2,823,386	3,684,374	-	39,588,537
Intersegment	259,574	738,741	-	(998,315)	-
Total revenue	<u>\$ 33,340,351</u>	<u>3,562,127</u>	<u>3,684,374</u>	<u>(998,315)</u>	<u>39,588,537</u>
Reportable segment profit or loss	<u>\$ 6,883,554</u>	<u>199,938</u>	<u>351,134</u>	<u>-</u>	7,434,626
Share of profit (loss) of associates accounted for using equity method					61,997
					<u>\$ 7,496,623</u>

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	Semiconductor segment	Renewable energy segment	Automotive components Segment	Reconciliation and elimination	Total
Reportable segment assets:					
Balance at June 30, 2025	<u>\$ 219,611,696</u>	<u>15,336,647</u>	<u>15,537,923</u>	<u>(242,368)</u>	250,243,898
Investments accounted for using equity method					<u>1,511,963</u>
					<u>\$ 251,755,861</u>
Balance at December 31, 2024	<u>\$ 237,097,966</u>	<u>17,268,930</u>	<u>15,508,102</u>	<u>(111,363)</u>	269,763,635
Investments accounted for using equity method					<u>1,567,664</u>
					<u>\$ 271,331,299</u>
Balance at June 30, 2024	<u>\$ 245,569,293</u>	<u>10,792,513</u>	<u>15,593,624</u>	<u>(307,709)</u>	271,647,721
Investments accounted for using equity method					<u>1,573,268</u>
					<u>\$ 273,220,989</u>
Reportable segment liabilities:					
Balance at June 30, 2025	<u>\$ 123,397,823</u>	<u>15,367,309</u>	<u>6,206,493</u>	<u>(242,368)</u>	<u>144,729,257</u>
Balance at December 31, 2024	<u>\$ 134,897,928</u>	<u>15,394,357</u>	<u>5,595,852</u>	<u>(111,363)</u>	<u>155,776,774</u>
Balance at June 30, 2024	<u>\$ 145,942,127</u>	<u>14,839,240</u>	<u>5,899,544</u>	<u>(307,709)</u>	<u>166,373,202</u>

Sino-American Silicon Products Inc. and Subsidiaries

Loans to other parties

For the period ended June 30, 2025

Table 1

(In Thousands of New Taiwan Dollars)

Number	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period	Ending balance	Actual usage amount during the period	Range of interest rates during the period	Purposes of fund financing for the borrower (Note 1)	Transaction amount for business between two parties	Reasons for short-term financing	Loss allowance	Collateral		Individual funding loan limits (Note 2, 3)	Maximum limit of fund financing (Note 2, 3)
													Item	Value		
0	SAS	SPV3	Receivable from related parties	Yes	100,000	100,000	-	-	2	-	Operating capital	-	-	-	17,876,076	17,876,076
0	SAS	SSR	Receivable from related parties	Yes	664,100	586,000	-	-	2	-	Operating capital	-	-	-	17,876,076	17,876,076
0	SAS	SSH	Receivable from related parties	Yes	600,000	600,000	76,005	1.8 %	2	-	Operating capital	-	-	-	17,876,076	17,876,076
0	SAS	Sulu	Receivable from related parties	Yes	653,700	-	-	-	2	-	Operating capital	-	-	-	17,876,076	17,876,076
0	SAS	SPV4	Receivable from related parties	Yes	340,000	-	-	-	2	-	Operating capital	-	-	-	17,876,076	17,876,076
1	SSTI	Sulu	Receivable from related parties	Yes	487,449	430,124	430,124	-	2	-	Operating capital	-	-	-	2,078,334	2,078,334
1	SSTI	AMLED	Receivable from related parties	Yes	379,002	334,430	334,430	-	2	-	Operating capital	-	-	-	2,078,334	2,078,334
2	SSR	Sulu	Receivable from related parties	Yes	353,633	312,045	312,045	-	2	-	Operating capital	-	-	-	360,320	360,320
3	GlobalWafers	SPV5	Receivable from related parties	Yes	100,000	100,000	-	-	2	-	Operating capital	-	-	-	33,953,645	33,953,645
3	GlobalWafers	SPV4	Receivable from related parties	Yes	500,000	500,000	-	-	2	-	Operating capital	-	-	-	33,953,645	33,953,645
3	GlobalWafers	CWT	Receivable from related parties	Yes	200,000	200,000	-	-	2	-	Operating capital	-	-	-	33,953,645	33,953,645
4	GWJ	MEMC Japan	Receivable from related parties	Yes	14,886,880	13,505,760	10,881,900	1.10364 %	2	-	Operating capital	-	-	-	18,741,543	18,741,543
5	GWS	GWBV	Receivable from related parties	Yes	3,486,525	3,076,500	2,851,927	4.60%~6.04%	2	-	Operating capital	-	-	-	36,597,837	36,597,837
5	GWS	GW GmbH	Receivable from related parties	Yes	4,550,000	4,293,750	4,293,750	2.70 %	2	-	Operating capital	-	-	-	36,597,837	36,597,837
5	GWS	GlobalWafers	Receivable from related parties	Yes	9,961,500	6,768,300	4,072,700	4.621%~5.00%	2	-	Operating capital	-	-	-	36,597,837	36,597,837

Number	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period	Ending balance	Actual usage amount during the period	Range of interest rates during the period	Purposes of fund financing for the borrower (Note 1)	Transaction amount for business between two parties	Reasons for short-term financing	Loss allowance	Collateral		Individual funding loan limits (Note 2, 3)	Maximum limit of fund financing (Note 2, 3)
													Item	Value		
5	GWS	MEMC SpA	Receivable from related parties	Yes	996,150	879,000	879,000	4.922 %	2	-	Operating capital	-	-	-	36,597,837	36,597,837
5	GWS	GWA	Receivable from related parties	Yes	4,980,750	4,395,000	-	-	2	-	Operating capital	-	-	-	36,597,837	36,597,837
6	GTI	MEMC LLC	Receivable from related parties	Yes	1,660,250	1,465,000	919,583	4.73434 %	2	-	Operating capital	-	-	-	20,764,109	20,764,109
6	GTI	GWA	Receivable from related parties	Yes	3,320,500	2,930,000	-	-	2	-	Operating capital	-	-	-	20,764,109	20,764,109
7	GWBV	GW GmbH	Receivable from related parties	Yes	2,184,000	2,061,000	274,800	2.70 %	2	-	Operating capital	-	-	-	56,688,406	56,688,406
7	GWBV	Topsil A/S	Receivable from related parties	Yes	647,460	-	-	-	2	-	Operating capital	-	-	-	56,688,406	56,688,406
7	GWBV	MEMC SpA	Receivable from related parties	Yes	3,640,000	3,435,000	3,435,000	2.447%~3.502%	2	-	Operating capital	-	-	-	56,688,406	56,688,406
8	SST	SSKT	Receivable from related parties	Yes	66,309	-	-	-	2	-	Operating capital	-	-	-	3,004,350	3,004,350
9	SSKT	MHTM	Receivable from related parties	Yes	94,626	38,865	36,819	3.00 %	2	-	Operating capital	-	-	-	101,712	101,712
10	GWCC	GlobalWafers	Receivable from related parties	Yes	3,235,815	-	-	-	2	-	Operating capital	-	-	-	2,984,562	2,984,562
10	GWCC	GWA	Receivable from related parties	Yes	3,154,475	2,783,500	-	-	2	-	Operating capital	-	-	-	2,984,562	2,984,562

Note 1: The nature of financing purposes:

- (1) Code 1 represents entities with business transaction with the Company.
- (2) Code 2 represents where an inter-company or inter firm short-term financing facility is necessary.

Note 2: (1) For the Company's loan of funds to those having business transactions, the individual loan is limited to the trade amount between the two parties in the most recent year; for the loan of funds to companies necessary for short-term financing, the individual loan is limited to 40% of the net worth of the company that lends loan; for loan of funds among foreign companies that the Company directly and indirectly holds 100% of the voting shares, the individual loan is limited to 40% of the net worth of the company that lends loan.

- (2) For GlobalWafers and its subsidiaries' loan of funds to those having business transactions with GlobalWafers, the amount of financing shall not exceed the amount of business transaction for the current year; for capital loans to companies that need short-term financing, individual loans shall not exceed 40% of GlobalWafers' net worth; for GlobalWafers directly and indirectly holds 100% of the voting shares of domestic companies engaged in capital lending, or GlobalWafers directly and indirectly holds 100% of the voting rights of domestic companies to engage in capital lending to GlobalWafers, and the amount does not exceed the net worth of the company that lent funds up to 40 percent; for GlobalWafers directly and indirectly holds 100% of the voting shares of foreign companies engaged in capital lending, or GlobalWafers directly and indirectly holds 100% of the voting shares of foreign companies engaged in capital lending to GlobalWafers, not subject to the provisions of the preceding paragraph. The restriction on net worth is not subject to the one-year term of capital loan in Paragraph 1 of Article 4, but the capital loan limit and time limit should still be determined in its internal operating procedures.

- Note 3: (1) For the Company's loan of funds to those having business transactions, the total loan is limited to 40% of the company that lends loan; for the loan of funds to companies necessary for short-term financing, the total loan is limited to 40% of the net worth of the company that lends loan; the fund lending between the foreign companies whose voting shares are 100% owned, directly or indirectly, by the Company, or from the foreign companies whose voting shares are 100% owned, directly or indirectly, by the Company to the Company are not subject to the previous provision of net worth and not subject to the one year limit of the term of funds in Article 4, Paragraph 1, but should still specify in its internal operating procedures for fund-lending limit and period.
- (2) For GlobalWafers and its subsidiaries lend funds to companies with business contacts, the total amount of the loan shall not exceed 40% of the net worth of the company that lent the funds; for fund loans to companies that need short-term financing, the total amount of the loan shall not exceed 40% of the company's net worth; for GlobalWafers directly and indirectly holds 100% of the voting shares in domestic companies engaged in inter-company capital lending, or GlobalWafers directly and indirectly holds 100% of the voting rights in domestic companies, the company's capital lending to GlobalWafers shall not exceed 40% of the company's net worth; for foreign companies that directly and indirectly hold 100% of the voting rights to engage in capital loans to GlobalWafers are not subject to the restrictions on net worth in the preceding paragraph and are not subject to the one-year limitation of the capital loan period in Paragraph 1 of Article 4, but they should still be The internal operating procedures set the limits and deadlines for capital loans.
- (3) For loan of funds of SSTI to those having business transactions, the total loan is limited to 2 times of the company that lends loan; for the loan of funds to companies necessary for short-term financing, the total loan is limited to 2 times of the net worth of the company that lends loan; for loan of funds among foreign companies that the company that lends loan directly and indirectly holds 100% of the voting shares, the total loan is limited to 100% of the net worth of the company that lends loan.
- (4) For loan of funds of SSR to those having business transactions, the total loan is limited to 10 times of the company that lends loan; for the loan of funds to companies necessary for short-term financing, the total loan is limited to 10 times of the net worth of the company that lends loan; for loan of funds among foreign companies that the company that lends loan directly and indirectly holds 100% of the voting shares, the total loan is limited to 100% of the net worth of the company that lends loan.

Note 4: The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.

Sino-American Silicon Products Inc. and Subsidiaries

Guarantees and endorsements for other parties

For the period ended June 30, 2025

Table 2

(In Thousands of New Taiwan Dollars)

No.	Name of guarantor	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a specific enterprise	Highest balance for guarantees and endorsements during the period (Note 3)	Balance of guarantees and endorsements as of reporting date (Note 5)	Actual usage amount during the period (Note 5)	Property pledged for guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements	Parent company endorsements/ guarantees to third parties on behalf of subsidiary (Note 3)	Subsidiary endorsements/ guarantees to third parties on behalf of parent company	Endorsements/ guarantees to third parties on behalf of companies in Mainland China
		Name	Relationship with the Company (Note 2)										
0	SAS	Sulu	1	1,545,758 (Note 6)	1,527,430 (Note 5)	- (Note 5)	- (Note 5)	-	- %	1,545,758 (Note 6)	Y (Note 4)	N	N
0	SAS	SPV3	2	44,690,191	35,421	35,421	34,707	-	0.08 %	44,690,191	Y	N	N
0	SAS	SSH	2	44,690,191	1,300,000	1,300,000	-	-	2.91 %	44,690,191	Y	N	N
0	SAS	SES	2	44,690,191	165,446	44,288	44,288	-	0.10 %	44,690,191	Y	N	N
1	GlobalWafers	GW GmbH	2	254,652,339	16,380,000	15,457,500	11,857,620	-	18.21 %	254,652,339	N	N	N
1	GlobalWafers	GWH	2	254,652,339	800,000	800,000	-	-	0.94 %	254,652,339	N	N	N
1	GlobalWafers	SPV4	2	254,652,339	535,067	535,067	406,524	-	0.63 %	254,652,339	N	N	N
1	GlobalWafers	SPV5	2	254,652,339	114,800	114,800	114,086	-	0.14 %	254,652,339	N	N	N
1	GlobalWafers	GWS	2	254,652,339	5,659,156	5,098,030	5,010,130	-	6.01 %	254,652,339	N	N	N
1	GlobalWafers	MEMC SpA	2	254,652,339	3,203,200	3,022,800	2,610,600	-	3.56 %	254,652,339	N	N	N
1	GlobalWafers	GWA	2	254,652,339	16,137,630	14,239,800	11,309,800	-	16.78 %	254,652,339	N	N	N
1	GlobalWafers	CWT	2	254,652,339	1,084,028	629,300	-	-	0.74 %	254,652,339	N	N	N
1	GlobalWafers	MEMC LLC	2	254,652,339	664,100	586,000	586,000	-	0.69 %	254,652,339	N	N	N
2	GTI	MEMC LLC	4	103,820,545	3,268,500	-	-	-	- %	103,820,545	N	N	N
2	GTI	GWA	4	103,820,545	6,398,000	5,860,000	-	-	28.22 %	103,820,545	N	N	N

No.	Name of guarantor	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a specific enterprise	Highest balance for guarantees and endorsements during the period (Note 3)	Balance of guarantees and endorsements as of reporting date	Actual usage amount during the period	Property pledged for guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements	Parent company endorsements/ guarantees to third parties on behalf of subsidiary (Note 3)	Subsidiary endorsements/ guarantees to third parties on behalf of parent company	Endorsements/ guarantees to third parties on behalf of companies in Mainland China
		Name	Relationship with the Company (Note 2)										
3	SST	KST	4	15,021,750	1,456,138	1,302,659	1,302,659	-	43.36 %	15,021,750	N	N	Y
4	GWS	GWA	4	182,989,185	29,884,500	26,370,000	7,431,150	-	72.05 %	182,989,185	N	N	N
5	GWCC	GWA	4	37,307,025	9,961,500	8,790,000	7,471,613	-	117.81 %	37,307,025	N	N	N

Note 1: The characters of guarantees and endorsements are coded as follows:

- (1) The issuer is coded "0".
- (2) The investee is coded consecutively beginning from "1" in the order presented in the table above.

Note 2: The relation between guarantor and guarantee and their endorsement should be disclosed as one of the following:

- (1) Ordinary business relationship.
- (2) Subsidiary which owned more than 50 percent by the guarantor.
- (3) An investee owned more than 50 percent in total by both the guarantor and its subsidiary.
- (4) An investee owned more than 90 percent by the guarantor or its subsidiary.
- (5) Fulfillment of contractual obligations by providing mutual endorsements and guarantor for peer or joint builders in order to undertake a construction project.
- (6) An entity that is guaranteed and endorsed by all capital contributing shareholders in proportion to their shareholding percentages.
- (7) The companies in the same industry provide among themselves joint and several securities for a performance guarantee of a sales contract for per construction homes pursuant to the Consumer Protection Act for each other.

Note 3: The amount of endorsements/guarantees provided by the endorsement guarantor company for a single enterprise is limited to 10% of the net worth of the company providing the endorsements/guarantees, but for the subsidiary company, limited to one time of the net worth of the company providing the endorsements/guarantees. The total amount of accumulated endorsements/guarantees shall not exceed the net worth of the Company. The total amount of the Company's endorsements/guarantees and that for a single enterprise shall not exceed five times the net worth of the company providing endorsements/guarantees. The aforesaid net worth is based on the financial statements recently audited or reviewed by an accountant. For endorsements/guarantees due to business transactions, except subject to the provisions of the preceding item, the endorsement guarantee amount should be equal to the higher of the purchase or sales amount.

Note 4: The Group controls the financial and operating strategies of Sulu through effective agreements with other investors of Sulu, so Sulu is considered as a subsidiary.

Note 5: Sulu shares with the company a quota of USD 10,000 thousand and Sulu's individual quota is USD 36,000 thousand. The Company resolved on October 14, 2016 by the Board of Directors to repay part of the loan, and reduce the endorsements/guarantees quota to USD 46,000 thousand. The actual disbursement amount was reduced to USD 0 thousand.

Note 6: The endorsements/guarantees quota for Sulu is calculated as the amount of sales at the time of endorsements/guarantees.

Sino-American Silicon Products Inc. and Subsidiaries
Securities held as of June 30, 2025 (excluding investment in subsidiaries, associates and joint ventures)
June 30, 2025

Table 3

(In Thousands of New Taiwan Dollars)

Name of holder	Category and name of security	Relationship with the Company	Account title	Ending balance				Note
				Shares/Units (thousand)	Carrying value	Percentage of ownership (%)	Fair value	
SAS	Billion Electric Co., Ltd.	None	Financial assets at fair value through other comprehensive income	15,000	456,000	12.93 %	456,000	Note 3
SSTI	Stock of SILFAB SPA	None	Financial assets at fair value through other comprehensive income	300	276,174	15.00 %	276,174	
SSH	Nextdrive	None	Financial assets at fair value through other comprehensive income	1,020	12,236	5.39 %	12,236	
SSH	TAISC Materials Corp	None	Financial assets at fair value through other comprehensive income	200	20,000	0.29 %	20,000	
SSH	Ancora Semiconductors Inc.	None	Financial assets at fair value through other comprehensive income	3,400	40,766	6.16 %	40,766	
SSH	ANJET	None	Financial assets at fair value through other comprehensive income	600	1,582	4.33 %	1,582	
SSH	YESIANG ENTERPRISE CO., LTD	None	Financial assets at fair value through other comprehensive income	231	11,551	0.33 %	11,551	
SSH	Silican	None	Financial assets at fair value through other comprehensive income	500	29,300	14.49 %	29,300	
GlobalWafers	CDIB Capital Growth Partners L.P.	None	Financial assets at fair value through profit or loss — non-current	-	119,381	3.85 %	119,381	
GlobalWafers	Siltronic AG	None	Financial assets at fair value through profit or loss — non-current	650	908,729	2.17 %	908,729	
GW GmbH	Siltronic AG	None	Financial assets at fair value through profit or loss — non-current	3,101	4,334,857	10.34 %	4,334,857	
GWBV	Siltronic AG	None	Financial assets at fair value through profit or loss — non-current	350	489,227	1.17 %	489,227	
GlobalWafers	WT Microelectronics Co., Ltd.	None	Financial assets at fair value through other comprehensive income	621	79,784	0.05 %	79,784	

Name of holder	Category and name of security	Relationship with the Company	Account title	Ending balance				Note
				Shares/Units (thousand)	Carrying value	Percentage of ownership (%)	Fair value	
GWH	Foreign Privately Securities	None	Financial assets at fair value through profit or loss — non-current	-	177,515	1.93 %	177,515	
GWH	Yongquan wafers CO., LTD.	None	Financial assets at fair value through other comprehensive income-non current	500	50,000	4.55 %	50,000	
GWS	Citigroup Global Markets Holdings Inc. USD Fixed rate Bond	None	Financial assets at measured at amortized cost — non-current	-	5,830,700	- %	-	
Hongwang	SAS	Parent company	Financial assets at fair value through other comprehensive income — non-current	25,050	2,287,065	3.91 %	2,287,065	Note 1
Actron	SAS	Parent company	Financial assets at fair value through other comprehensive income — non-current	2,000	182,600	0.31 %	182,600	Note 1
Actron	Phoenix Pioneer technology Co., Ltd.	None	Financial assets at fair value through other comprehensive income — non-current	10,380	155,174	5.01 %	155,174	
Actron	ANJET	None	Financial assets at fair value through other comprehensive income — non-current	3,108	8,195	22.41 %	8,195	Note 2
Actron	AMED VENTURES I, L.P.	None	Financial assets at fair value through other comprehensive income — non-current	-	58,370	- %	58,370	

Note1: Refer to Note 6(20) for the disclosure of treasury stock.

Note2: The Board of Directors of Actron approved a resolution to participate in ANJET's capital increase on June 27, 2025. The investment will be made in tranches, with a total amount not exceeding USD 6,600 thousand, at a subscription price of USD 2.5 per share.

Note3: SSH participated in ANJET's capital increase, subscribing to 200,000 shares at a price of USD 2.5 per share on June 30, 2025. As of June 30, 2025, the change in shareholding registration for this investment had not yet been completed.

Sino-American Silicon Products Inc. and Subsidiaries

Related-party transactions for purchases and sales with amounts exceeding the lower than NT\$300 million or 20% of the capital stock

For the period ended June 30, 2025

Table 4

(In Thousands of New Taiwan Dollars)

Name of company	Related party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/Accounts receivable (payable)		Note
			Purchase/Sale	Amount	Percentage of total purchases/sales	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total notes/accounts receivable (payable)	
GlobalWafers	GTI	Indirectly held associate	Purchase	555,981	2 %	Net 60 days from the end of the next month upon issuance of invoice	-	-	(164,556)	(2)%	
GlobalWafers	SST	Indirectly held associate	Purchase	672,478	2 %	Net 60 days from the end of the month upon issuance of invoice	-	-	(213,409)	(2)%	
GlobalWafers	GWJ	Indirectly held associate	Purchase	3,939,477	12 %	Net 60 to 90 days from the end of the month upon issuance of invoice	-	-	(1,554,770)	(15)%	
GlobalWafers	Topsil A/S	Indirectly held subsidiaries	Purchase	1,097,796	3 %	Net 30 to 60 days from the end of the next month upon issuance of invoice	-	-	(361,835)	(4)%	
GlobalWafers	GWS	Indirectly held subsidiaries	Purchase	375,352	1 %	Net 60 days from the end of the month upon issuance of invoice	-	-	(118,637)	(1)%	
GWS	GlobalWafers	Indirectly held subsidiaries	Purchase	3,802,866	12 %	Net 60 days from the end of the month upon issuance of invoice	-	-	(185,424)	(2)%	
GTI	GlobalWafers	Indirectly held subsidiaries	Purchase	1,505,001	5 %	Net 90 days from the end of the next month upon issuance of invoice	-	-	(186,164)	(2)%	
SST	GlobalWafers	Indirectly held subsidiaries	Purchase	392,808	1 %	Net 30 days from the end of the month upon issuance of invoice	-	-	(66,392)	(1)%	
KST	GlobalWafers	Indirectly held subsidiaries	Purchase	448,560	1 %	Net 60 days from the end of the month upon issuance of invoice	-	-	(495,159)	(5)%	
GWJ	GlobalWafers	Indirectly held subsidiaries	Purchase	1,027,812	3 %	Net 60 to 90 days from the end of the month upon issuance of invoice	-	-	(365,599)	(4)%	
Topsil A/S	GlobalWafers	Indirectly held subsidiaries	Purchase	163,796	1 %	Net 30 to 60 days from the end of the month upon issuance of invoice	-	-	(97,233)	(1)%	
MEMC SpA	CWT	Indirectly held subsidiaries	Purchase	497,744	2 %	Net 60 days from the end of the month upon issuance of invoice	-	-	(146,182)	(1)%	
MEMC Korea	CWT	Indirectly held subsidiaries	Purchase	447,692	1 %	Net 60 days from the end of the month upon issuance of invoice	-	-	(77,660)	(1)%	
GWJ	CWT	Indirectly held subsidiaries	Purchase	182,796	1 %	Net 60 days from the end of the month upon issuance of invoice	-	-	(114,630)	(1)%	
GWA	CWT	Indirectly held subsidiaries	Purchase	139,242	- %	Net 60 days from the end of the month upon issuance of invoice	-	-	(113,918)	(1)%	

Name of company	Related party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/Accounts receivable (payable)		Note
			Purchase/Sale	Amount	Percentage of total purchases/sales	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total notes/accounts receivable (payable)	
GWS	MEMC LLC	Indirectly held subsidiaries	Purchase	1,146,249	4 %	Net 60 days from the end of the month upon issuance of invoice	-	-	(363,069)	(4)%	
GWS	MEMC LLC	Indirectly held subsidiaries	Sale	(496,320)	(2) %	Net 60 days from the end of the month upon issuance of invoice	-	-	184,502	2%	
GWS	MEMC Sdn Bhd	Indirectly held subsidiaries	Purchase	666,004	2 %	Net 60 days from the end of the month upon issuance of invoice	-	-	(224,029)	(2)%	
GWS	MEMC Sdn Bhd	Indirectly held subsidiaries	Sale	(200,441)	(1) %	Net 60 days from the end of the month upon issuance of invoice	-	-	64,718	1%	
GWS	MEMC SpA	Indirectly held subsidiaries	Purchase	1,797,102	6 %	Net 60 days from the end of the month upon issuance of invoice	-	-	(579,742)	(6)%	
GWS	MEMC SpA	Indirectly held subsidiaries	Sale	(4,281,690)	(14) %	Net 60 days from the end of the month upon issuance of invoice	-	-	1,311,710	13%	
GWS	MEMC Korea	Indirectly held subsidiaries	Purchase	1,375,429	4 %	Net 60 days from the end of the month upon issuance of invoice	-	-	(485,423)	(5)%	
GWS	MEMC Japan	Indirectly held subsidiaries	Purchase	3,889,980	12 %	Net 60 days from the end of the month upon issuance of invoice	-	-	(781,893)	(8)%	
GWS	MEMC Japan	Indirectly held subsidiaries	Sale	(1,269,552)	(4) %	Net 60 days from the end of the month upon issuance of invoice	-	-	185,212	2%	
Actron	Global Wafers	Indirectly held subsidiaries	Purchase	30,718	2 %	Net 60 days from the end of the month upon issuance of invoice	-	-	(10,986)	2%	
Actron	MVI	Indirectly held subsidiaries	Purchase	410,793	22 %	Net 30 days from the end of the month upon issuance of invoice	-	-	(79,669)	13%	
Actron	DING-WEI Technology Co., Ltd.	Indirectly held subsidiaries	Purchase	373,182	20 %	Net 90 days from the end of the month upon issuance of invoice	-	-	(123,110)	20%	
MVI	GlobalWafers	Indirectly held subsidiaries	Purchase	90,070	5 %	Net 60 days from the end of the month upon issuance of invoice	-	-	(34,097)	6%	

Note 1: The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.

Sino-American Silicon Products Inc. and Subsidiaries

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

June 30, 2025

Table 5

(In Thousands of New Taiwan Dollars)

Name of company	Counter-party	Nature of relationship	Ending balance	Turnover rate	Overdue		Amounts received in subsequent period	Allowance for bad debts
					Amount	Action taken		
SSTI	AMLED	Indirectly held subsidiaries	334,430	(Note 3)	-	-	-	-
SSTI	Sulu	Indirectly held subsidiaries	430,124	(Note 3)	-	-	-	-
SSR	Sulu	Indirectly held subsidiaries	312,045	(Note 3)	-	-	-	-
GlobalWafers	GTI	Indirectly held subsidiaries	186,164	7.03	-	-	280	-
GlobalWafers	GWJ	Indirectly held subsidiaries	365,599	1.75	-	-	5,346	-
GlobalWafers	GWS	Indirectly held subsidiaries	185,424	8.86	-	-	376,460	-
GlobalWafers	KST	Indirectly held subsidiaries	495,159	1.33	-	-	446,698	-
GTI	GlobalWafers	Indirectly held subsidiaries	164,556	2.80	-	-	-	-
SST	GlobalWafers	Indirectly held subsidiaries	213,409	3.42	-	-	24,137	-
GWJ	GlobalWafers	Indirectly held subsidiaries	1,554,770	2.23	-	-	38,001	-
Topsil A/S	GlobalWafers	Indirectly held subsidiaries	361,835	3.82	-	-	-	-
CWT	MEMC SpA	Indirectly held subsidiaries	146,182	3.91	-	-	29	-
CWT	GWJ	Indirectly held subsidiaries	114,630	1.55	-	-	-	-
CWT	GWA	Indirectly held subsidiaries	113,918	2.44	-	-	114,346	-
GWS	MEMC Japan	Indirectly held subsidiaries	185,212	4.45	-	-	6,223	-
GWS	MEMC SpA	Indirectly held subsidiaries	1,311,710	2.80	-	-	634,068	-
GWS	MEMC LLC	Indirectly held subsidiaries	184,502	3.18	-	-	53,300	-
MEMC Sdn Bhd	GWS	Indirectly held subsidiaries	224,029	3.53	-	-	72,319	-
MEMC SpA	GWS	Indirectly held subsidiaries	579,742	3.40	-	-	263,240	-
MEMC Korea	GWS	Indirectly held subsidiaries	485,423	2.79	-	-	199,411	-

Name of company	Counter-party	Nature of relationship	Ending balance	Turnover rate	Overdue		Amounts received in subsequent period	Allowance for bad debts
					Amount	Action taken		
MEMC Japan	GWS	Indirectly held subsidiaries	781,893	4.83	-	-	-	-
MEMC LLC	GWS	Indirectly held subsidiaries	363,069	4.29	-	-	53,300	-
GWS	GlobalWafers	Indirectly held subsidiaries	118,637	6.33	-	-	-	-
GWS	GlobalWafers	Indirectly held subsidiaries	4,133,453	(Note 3)	-	-	-	-
GWJ	MEMC Japan	Indirectly held subsidiaries	10,881,900	(Note 3)	-	-	-	-
GWS	GWBV	Indirectly held subsidiaries	2,915,429	(Note 3)	-	-	-	-
GWS	GW GmbH	Indirectly held subsidiaries	4,343,983	(Note 3)	-	-	-	-
GWBV	GW GmbH	Indirectly held subsidiaries	278,015	(Note 3)	-	-	-	-
GTI	MEMC LLC	Indirectly held subsidiaries	928,668	(Note 3)	-	-	-	-
GWS	MEMC SpA	Indirectly held subsidiaries	907,363	(Note 3)	-	-	-	-
GWBV	MEMC SpA	Indirectly held subsidiaries	3,468,834	(Note 3)	-	-	-	-
DING-WEI Technology Co., Ltd.	Actron	Indirectly held subsidiaries	123,110	5.10	-	-	-	-

Note 1: The amount receivable as of July 23, 2025.

Note 2: The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.

Note 3: Receivables from related party for financing purpose.

Sino-American Silicon Products Inc. and Subsidiaries
Business relationships and significant intercompany transactions
For the period ended June 30, 2025

Table 6

(In Thousands of New Taiwan Dollars)

No. (Note 1)	Name of company	Name of counter-party	Nature of relationship (Note 2)	Intercompany transactions			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets (Note 3,4)
0	GlobalWafers	GTI	3	Purchase	555,981	Net 60 days from the end of the month upon issuance of invoice	1.40%
0	GlobalWafers	SST	3	Purchase	672,478	Net 60 days from the end of the month upon issuance of invoice	1.70%
0	GlobalWafers	GWJ	3	Purchase	3,939,477	Net 60 to 90 days from the end of the month upon issuance of invoice	9.95%
0	GlobalWafers	Topsil A/S	3	Purchase	1,097,796	Net 30 to 60 days from the end of the month upon issuance of invoice	2.77%
0	GlobalWafers	GTI	3	Sale	1,505,001	Net 90 days from the end of the next month upon issuance of invoice	3.80%
0	GlobalWafers	GWJ	3	Sale	1,027,812	Net 60 to 90 days from the end of the next month upon issuance of invoice	2.60%
0	GlobalWafers	GWS	3	Sale	3,802,866	Net 60 days from the end of the month upon issuance of invoice	9.60%
0	GlobalWafers	KST	3	Sale	448,560	Net 60 to 90 days from the end of the month upon issuance of invoice	1.13%
1	CWT	MEMC Korea	3	Sale	447,692	Net 60 days from the end of the month upon issuance of invoice	1.13%
1	CWT	MEMC SpA	3	Sale	497,744	Net 60 days from the end of the month upon issuance of invoice	1.26%
2	GWS	MEMC LLC	3	Purchase	1,146,249	Net 60 days from the end of the month upon issuance of invoice	2.89%
2	GWS	MEMC LLC	3	Sale	496,320	Net 60 days from the end of the month upon issuance of invoice	1.25%
2	GWS	MEMC SpA	3	Purchase	1,797,102	Net 60 days from the end of the month upon issuance of invoice	4.54%
2	GWS	MEMC SpA	3	Sale	4,281,690	Net 60 days from the end of the month upon issuance of invoice	10.81%
2	GWS	MEMC Korea	3	Purchase	1,393,679	Net 60 days from the end of the month upon issuance of invoice	3.52%
2	GWS	MEMC Japan	3	Sale	1,269,552	Net 60 days from the end of the month upon issuance of invoice	3.21%
2	GWS	MEMC Japan	3	Purchase	3,889,980	Net 60 days from the end of the month upon issuance of invoice	9.82%
2	GWS	MEMC Sdn Bhd	3	Purchase	666,004	Net 60 days from the end of the month upon issuance of invoice	1.68%
2	GWS	GlobalWafers	3	Intercompany loan	4,133,453	-	1.64%
2	GWS	GWBV	3	Intercompany loan	2,915,429	-	1.16%
2	GWS	GWA	3	Prepayments on purchases	7,032,000	-	2.79%
2	GWS	GmbH	3	Intercompany loan	4,343,983	-	1.73%

No. (Note 1)	Name of company	Name of counter-party	Nature of relationship (Note 2)	Intercompany transactions			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets (Note 3,4)
3	GWJ	MEMC Japan	3	Intercompany loan	10,881,900	-	4.32%
4	GWBV	MEMC SpA	3	Intercompany loan	3,468,834	-	1.38%
5	Actron	MVI	3	Cost of goods sold	410,793	Net 30 days from the end of the month upon issuance of invoice	1.04%

Note 1: The characters of business transactions between parent company and its subsidiaries are coded as follows:

(1) The parent company is coded "0".

(2) The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

Note 2: The relationships with transactions are as follows:

(1) Parent company to its subsidiaries.

(2) Subsidiaries to the parent company.

(3) Transactions between subsidiaries.

Note 3: The ratio of the transaction amount of the consolidated total sales revenue and consolidated total assets are calculated as follows:

(1) For transaction amount accounted for as asset or liability, the ratio is calculated based on the closing balance amount of the consolidated total assets.

(2) For transaction amount accounted for as profit or loss, the ratio is calculated based on the accumulated amount at the end of the financial period of the consolidated total sales revenue.

Note 4: The table represented the amount of significant transaction exceeding 1 percent of the consolidated operating revenue or total assets.

Sino-American Silicon Products Inc. and Subsidiaries
Information on investees (Excluding Information on Investees in Mainland China)
For the period ended June 30, 2025

Table 7

(In Thousands of New Taiwan Dollars)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of June 30, 2025			Net income (losses) of investee	Share of profits/losses of investee	Note
				June 30, 2025	December 31, 2024	Shares (thousand)	Percentage of Ownership	Carrying value			
SAS	SSTI	British Virgin Islands	Investment and triangular trade center with subsidiaries in China	1,425,603 (USD45,255)	1,425,603 (USD45,255)	48,526	100.00 %	1,039,167	351	351	Subsidiary
SAS	GlobalWafers	Taiwan	Semiconductor silicon wafer materials and components manufacturing and trade	8,957,524	8,957,524	223,008	46.64 %	39,193,795	3,278,287	1,440,294	Subsidiary
SAS	Aleo Solar	Prenzlau	Solar module manufacturing and sale and wholesale of electronic materials	558,139 (EUR13,500)	558,139 (EUR13,500)	(Note 1)	100.00 %	104,197	(101,924)	(101,924)	Subsidiary
SAS	SSR	Cayman	Investment activities	794,373 (USD24,500)	794,373 (USD24,500)	24,500	100.00 %	36,032	(51,630)	(51,630)	Subsidiary
SAS	SPV3	Taiwan	Electricity activities	15,000	15,000	1,500	100.00 %	15,399	(359)	(359)	Subsidiary
SAS	SSH	Taiwan	Investment activities	650,000	650,000	65,000	100.00 %	296,928	(11,629)	(5,417)	Subsidiary
SAS	SES	Taiwan	Energy technology service business	150,000	20,000	15,000	100.00 %	150,909	5,746	5,746	Subsidiary
SAS	Accu Solar Corporation	Taiwan	Solar energy system provider	112,193	112,193	7,452	24.70 %	41,607	(5,232)	(1,292)	Associate
SAS	TSC	Taiwan	Semiconductor special gas and chemical material manufacturer	1,021,586	1,021,586	42,123	28.52 %	1,256,018	219,415	56,160	Subsidiary Note 2
SAS	Actron	Taiwan	Manufacturing and trading of automotive semiconductors	2,558,359	2,558,359	25,933	25.48 %	2,170,620	269,600	45,087	Subsidiary Note 2
SAS	Advanced Wireless	Taiwan	Gallium arsenide wafer manufacturing and trade	4,512,879	4,512,879	55,923	28.46 %	2,686,422	181,475	35,318	Subsidiary Note 2
SAS	MVI	Taiwan	Semiconductors	97	97	3	-	97	-	-	Subsidiary
SAS	Anneal Energy	Taiwan	Electricity activities	141,565	141,565	15,960	45.01 %	140,886	7,101	(679)	Subsidiary Note 2

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of June 30, 2025			Net income (losses) of investee	Share of profits/losses of investee	Note
				June 30, 2025	December 31, 2024	Shares (thousand)	Percentage of Ownership	Carrying value			
SAS	SUN	Taiwan	Battery Manufacturing Industry	100	-	10	100.00 %	100	-	-	Subsidiary Note 10
SAS	EFC	Taiwan	General and Venture Capital Investment Industry	1,000	-	100	100.00 %	1,000	-	-	Subsidiary Note 11
SSH	SHE	Taiwan	Energy technology service business	3,825	3,825	383	51.00 %	3,188	(184)	-	Notes 4 and 9
SSH	SIE	Taiwan	Energy technology service business	44,000	44,000	4,400	40.00 %	43,677	560	-	Associate Note 4
SSH	Waferchem	Taiwan	Semiconductors	143,633	143,633	14,363	51.00 %	137,260	(12,495)	-	Notes 4 and 9
SSR	Sulu	Philippines	Electricity activities	113,920 (USD4,000)	113,920 (USD4,000)	420,000	40.00 %	27,644	(60,889)	-	Notes 4 and 9
SSR	AMLED	Philippines	Investment activities	-	-	(Note 1)	-	-	-	-	Notes 3, 4 and 9
AMLED	Sulu	Philippines	Electricity activities	297,229 (USD9,065)	297,229 (USD9,065)	472,500	45.00 %	31,099	(60,889)	-	Notes 4 and 9
Aleo Solar	Aleo Solar Distribuzione Italia S.r.l	Italy	Solar module sale and wholesale of electronic materials	-	4,078 (EUR100)	-	-	-	-	-	Notes 7 and 9
GlobalWafers	GSI	Cayman	Investment in various businesses and triangular trade centers with subsidiaries in Mainland China	698,419 (USD24,555)	698,419 (USD24,555)	23,000	100.00 %	3,032,124	134,244	-	Notes 4 and 9
GlobalWafers	GWJ	Japan	Manufacturing and trading of silicon wafers	5,448,015	5,448,015	128	100.00 %	18,699,783	616,961	-	Notes 4 and 9
GlobalWafers	GWS	Singapore	Investment activities	2,207,377	2,207,377	41,674	100.00 %	35,025,790	1,170,323	-	Notes 4 and 9
GlobalWafers	GW GmbH	Germany	Trading	1,952,235 (EUR 62,525)	1,952,235 (EUR 62,525)	48,025	100.00 %	(9,373,114)	(938,979)	-	Notes 4 and 9
GlobalWafers	GWBV	Netherlands	Investment activities	49,927,599 (USD 1,642,476)	40,367,464 (USD 1,321,076)	0.1	100.00 %	56,688,406	(1,255,444)	-	Notes 4 and 9
GlobalWafers	Hongwang	Taiwan	Investment activities	309,760	309,760	30,976	30.98 %	548,497	71,403	-	Notes 4 ,6 and 9
GlobalWafers	SPV4	Taiwan	Electricity activities	1,045,000	1,045,000	104,500	100.00 %	1,048,579	(119)	-	Notes 4 and 9

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of June 30, 2025			Net income (losses) of investee	Share of profits/losses of investee	Note
				June 30, 2025	December 31, 2024	Shares (thousand)	Percentage of Ownership	Carrying value			
GlobalWafers	SPV5	Taiwan	Electricity activities	141,340	141,340	14,134	100.00 %	137,500	731	-	Notes 4 and 9
GlobalWafers	GWH	Taiwan	Investment activities	250,000	250,000	25,000	100.00 %	252,840	(541)	-	Notes 4 and 9
GlobalWafers	CWT	Taiwan	Manufacturing and trading of optoelectronic wafers and substrate material	437,924	437,924	43,836	100.00 %	627,515	343,554	-	Notes 4 and 9
GlobalWafers	GWCC	Taiwan	Investment activities	8,132,250 (USD 250,000)	8,132,250 (USD 250,000)	32,529	100.00 %	7,461,405	123,764	-	Notes 4 and 9
GWJ	MEMC Japan	Japan	Manufacturing and trading of silicon wafers	373,413 (JPY 100,000)	373,413 (JPY 100,000)	750	100.00 %	2,416,077	61,793	-	Notes 4 and 9
GWBV	MEMC SpA	Italy	Manufacturing and trading of silicon wafers	6,732,641 (USD204,788)	6,732,641 (USD204,788)	65,000	100.00 %	11,182,151	(510,202)	-	Notes 4 and 9
MEMC SpA	MEMC SarL	Franch	Trading	1,316 (USD40)	1,316 (USD40)	0.5	100.00 %	4,529	320	-	Notes 4 and 9
GWBV	MEMC Korea	Korean	Manufacturing and trading of silicon wafers	11,851,262 (USD384,605)	11,851,262 (USD384,605)	25,200	100.00 %	22,115,052	295,583	-	Notes 4 and 9
GWBV	GTI	United states	Manufacturing and trading of epitaxial wafers	12,339,984 (USD412,662)	2,779,849 (USD91,262)	1	100.00 %	21,970,154	(1,062,861)	-	Notes 4 and 9
GWBV	MEMC Ipoh	Malaysia	Manufacturing and trading of silicon wafers	93,907 (USD1,323)	93,907 (USD1,323)	612,300	100.00 %	5,032	300	-	Notes 4 and 9
GWBV	Topsil A/S	Denmark	Manufacturing and trading of silicon wafers	1,843,604 (USD60,996)	1,843,604 (USD60,996)	1,000	100.00 %	2,672,750	45,782	-	Notes 4 and 9
CWT	Crytalwise HK	Hong Kong	Investment activities	- (USD47,650)	- (USD47,650)	47,650	100.00 %	31,133	(186)	-	Notes 4 and 9
GTI	MEMC LLC	United states	Research and development, manufacturing and trading of silicon wafers	543,384 (USD17,839)	543,384 (USD17,839)	-	100.00 %	4,140,564	(717,673)	-	Notes 4 and 9
SST	MEMC Sdn Bhd	Malaysia	Research and development, manufacturing and trading of silicon wafers	1,553,716 (USD 47,315)	1,553,716 (USD 47,315)	89,586	100.00 %	1,865,870	41,099	-	Notes 4 and 9
GTI	GWA	United states	Manufacturing and trading of silicon wafers	12,877,135 (USD 428,400)	31 (USD 1)	1	100.00 %	11,974,102	(262,512)	-	Notes 4 and 9

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of June 30, 2025			Net income (losses) of investee	Share of profits/losses of investee	Note
				June 30, 2025	December 31, 2024	Shares (thousand)	Percentage of Ownership	Carrying value			
Actron	DING-WEI Technology Co., Ltd.	Taiwan	Manufacture of electronic components and motor parts	306,900	306,900	15,000	100.00 %	229,975	24,765	-	Notes 4 and 9
Actron	Smooth International Limited Corporation	Samoa	Investment	453,440	363,260	12,000	100.00 %	430,149	7,299	-	Notes 4 and 9
Smooth International Limited Corporation	Smooth Autocomponent Limited	Hong Kong	Investment	363,260	363,260	12,000	100.00 %	342,249	7,299	-	Note 4 and 9
Actron	REC Technology	Taiwan	Manufacture of electronic components and motor parts	208,102	208,102	8,488	49.00 %	103,102	4,851	-	Notes 4 and 9
Actron	Hongwang	Taiwan	Investment	300,000	300,000	30,000 (Note 8)	30.00 %	531,181	71,403	-	Notes 4 ,6 and 9
Actron	MVI	Taiwan	Semiconductors	1,180,191	1,180,191	46,925	29.00 %	1,836,358	(30,943)	-	Notes 4 and 9
Actron	Bigbest solution, Inc.	Taiwan	Manufacture of motor parts	245,143	245,143	19,314	28.00 %	72,290	(4,355)	-	Notes 4 and 9
Actron	Excelliance MOS Corporation	Taiwan	Semiconductors	1,491,750	1,491,750	15,000	29.00 %	1,426,678	63,118	-	Associate Notes 4
MVI	DenMOS Technology Inc.	Taiwan	R&D, design, manufacturing and sale of LCD driving ICs and other applicationspecific ICs	291,820	291,820	9,114	80.00 %	106,038	(175)	-	Notes 4 and 9
MVI	Mou Fu Investment Consultant Ltd.	Taiwan	Leasing, manpower dispatch and various services	2,313,124	2,313,124	12,012	100.00 %	111,683	471	-	Notes 4 and 9
MVI	Giant Haven Investments Ltd. (BVI)	British Virgin Islands	General investment	664,061	664,061	2	100.00 %	72,726	(7,190)	-	Notes 4 and 9
MVI	Integrated Memory Technologies, Inc.	United states	Flash memory design house	44,753	44,753	2,500	23.00 %	-	-	-	Associate Note 4
Mou Fu Investment Consultant Ltd.	DenMOS Technology Inc.	Taiwan	R&D, design, manufacturing and sale of LCD driving ICs and other application-specific ICs	25,863	25,863	471	4.00 %	5,556	(175)	-	Notes 4 and 9

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of June 30, 2025			Net income (losses) of investee	Share of profits/losses of investee	Note
				June 30, 2025	December 31, 2024	Shares (thousand)	Percentage of Ownership	Carrying value			
Giant Haven Investments Ltd. (BVI)	Third Dimension Semiconductor Inc.	United states	Design of Power IC	314,640	314,640	49,183	43.00 %	-	1,077	-	Associate Note 4

Note:1 A limited company.

Note 2: The investment gain or loss recognition includes the investment cost and the amortization of the net equity acquired.

Note 3: The Company does not hold the ownership interests of AMLED, but the Company can control the financial and operating strategies of AMLED and obtain all the benefits of its operations and net assets in accordance with the terms of the agreements with such standalone, so AMLED is considered as a subsidiary.

Note 4: The investor's profits and losses included the profits and losses of the investees; therefore, the investee's profits and losses need not be disclosed.

Note 5: The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.

Note 6: Hong Wang investment was involved in consolidation because of the company owned 60.98% of its shares through Actron and GlobalWafers.

Note 7: Aleo solar Distribuzione Italia S.r.l. has completed its liquidation proceedings in February 2025.

Note 8: Among them are 468 thousand shares of ordinary stock and 29,532 thousand shares of preterred stock.

Note 9: All of which are subsidiaries held through indirect ownership.

Note10: SUN was established in April 2025.

Note11: EFC was established in June 2025.

Sino-American Silicon Products Inc. and Subsidiaries
Information on investment in mainland China
For the period ended June 30, 2025

Table 8

(In Thousands of New Taiwan Dollars)

(1) The names of investees in Mainland China, the main businesses and products, and other information

Name of investee	Main businesses and products	Total amount of paid-in capital	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2025	Investment flows		Accumulated outflow of investment from Taiwan as of June 30, 2025	Net income (losses) of the investee	Percentage of ownership	Investment income (losses)	Book value	Accumulated remittance of earnings in current period
					Outflow	Inflow						
SST	Processing and trading of ingots and wafers	1,429,778 (Note 5)	(Note 1)	713,300 (USD21,729)	-	-	713,300 (USD21,729)	134,090	100.00%	134,090 (Note 2)	3,001,058	-
KST	Trading and marketing business	26,587	(Note 6)	-	-	-	-	8,076	100.00%	8,076 (Note 2)	95,150	-
SSKT	Manufacturing and distributing lithium tantalate and lithium niobate wafers	102,776	(Note 7)	-	-	-	-	(8,451)	100.00%	(8,451) (Note 2)	254,281	-
MHTM	Manufacturing and distributing lithium tantalate and lithium niobate wafers	159,588	(Note 8)	-	-	-	-	(4,673)	90.00%	(4,206) (Note 2)	(29,622)	-
YHTM	Manufacturing and sales of optoelectronic and communication materials	1,787,164	(Notes 9 and 10)	1,786,779 (USD57,450)	-	-	1,786,779 (USD57,450)	(106)	100.00%	(106) (Note 2)	37,880	-
Smooth Auto Parts (Qingdao) Co., Ltd.	Auto parts manufacturing, etc.	(USD12,000)	(Note 12)	351,600 (USD12,000)	-	-	351,600 (USD12,000)	7,299	100.00%	7,299 (Note 13)	430,149	-

(2) Limitation on investment in Mainland China

Company Name	Accumulated Investment in Mainland China as of June 30, 2025	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
GlobalWafers	2,479,138(USD79,337) (Note 11)	3,476,061(USD114,002) (Notes 3 and 11)	50,930,468 (Note 4)
Actron	351,600 (USD12,000)	351,600(USD12,000)	4,181,166 (Note 14)

Note 1: Investments through GSI.

Note 2: The basis for investment income (loss) recognition is from the reviewed financial statements.

Note 3: Initial investment amounts denominated in foreign currencies are translated into New Taiwan Dollars using the Historical Foreign Exchange Rate.

Note 4: Pursuant to the Guidelines Governing the Review of Investment or Technical Cooperation in the Mainland Area' dated on August 29, 2008, the total amount of investment shall not exceed 60% of the GlobalWafers' net equity on June 30, 2025.

Note 5: Retained earnings transferred to capital was included.

Note 6: KST was funded by using the capital of SST, which cannot be considered as investment limit because there was no remittance from Taiwan.

Note 7: SSKT was funded by using the capital of SST, which cannot be considered as investment limit because there was no remittance from Taiwan.

Note 8: MHTM is China-based company invested by SSKT.

Note 9: YHTM is China based company invested by Crystalwise HK. Capital reduction of \$59,438 thousand (USD\$1,900 thousand) remitted back to crystal wise HK in March 2024. And Capital reduction of \$59,823 thousand (USD\$1,850 thousand) remitted back to CWT in June 2024.

Note 10: Investment made directly by Taiwan-based investment company.

Note 11: Includes the investment amount on November 1, 2023 for the merger of YHTM, a subsidiary of CWT. The cumulative investment amount is US\$57,608 thousand in the Mainland China and an amount approved by the Department of Investment Review is US\$57,838 thousand.

Note 12: Investing in China through a third-party company.

Note 13: Recognized based on unreviewed financial statements.

Note 14: The investment amounts authorized by Investment Commission, MOEA:6,968,610 (net equity of Actron) ×60%=4,181,166.