

TSEC Corporation and Subsidiaries

Consolidated Financial Statements and Independent Auditors' Review Report

Q3 2025 and 2024

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Independent Auditors' Review Report

To Board of Directors and Shareholders of TSEC Corporation

Introduction

We have reviewed the accompanying consolidated balance sheets of TSEC Corporation (the "Company") and its subsidiaries (collectively, the "Group") as of September 30, 2025 and 2024, the consolidated statements of comprehensive income for the three months and the nine months ended September 30, 2025 and 2024, relevant consolidated statements of changes in equity, cash flows for the nine months then ended, as well as relevant notes, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements"). 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 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

We conducted our reviews in accordance with the Standards on Review Engagements of the Republic of China 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of 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 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.

Conclusion

Based on our reviews and the report of other auditors (please refer to other matters), nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of September 30, 2025 and 2024, the financial performance for the three months ended September 30, 2025 and 2024, and the financial performance and consolidated cash flow for nine months ended September 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.

Other Matter Paragraph

In the consolidated financial statements of the invested company included in the evaluation of equity method by the TSEC Corporation Group, the financial statements of Yuan-Yu Solar Energy Co., Ltd. and NFC III Renewable Power Co., Ltd. were not reviewed by our auditors, but by other auditors. Therefore, the conclusions made by our auditors regarding the amounts presented in the financial statements of investee companies in the aforementioned consolidated financial statements are based on the review results of the other auditors. As of September 30, 2025 and 2024, the investment balance in investee companies in the aforementioned accounted for NT\$422,371 thousand and NT\$558,494 thousand, representing 4.61% and 4.93% of the total consolidated assets. The shares of profit or loss from associates recognized under the equity method for the three months ended September 30, 2025 and 2024, and for the nine months ended September 30, 2025 and 2024 were NT\$(119,700) thousand, NT\$482 thousand, NT\$(121,634) thousand and NT\$7,742 thousand, respectively, accounting for 19.33%, 2.66%, 12.52% and 10.95% of the total consolidated comprehensive income for those periods.

Deloitte & Touche
CPA Cheng-Chuan Yu

CPA Meng-Kuei Yu

Securities and Futures Commission Approval Number
Tai-Cai-Zheng-Liu-Zi No. 0930128050

Financial Supervisory Commission Approval Number
Jin-Guan-Zheng-Shen-Zi No. 1130357402

November 7, 2025

TSEC CORPORATION AND SUBSIDIARIES
Consolidated Balance Sheets
September 30, 2025, December 31, 2024, and September 30, 2024

Unit: NT\$ thousand

Code	Assets	September 30, 2025		December 31, 2024		September 30, 2024	
		Amount	%	Amount	%	Amount	%
1100	Current assets						
1136	Cash and cash equivalents (Notes IV and VI)	\$ 780,051	9	\$ 622,182	6	\$ 634,491	6
1150	Financial assets at amortized cost - current (Notes IV, VIII and XXXII)	46,089	-	128,087	1	99,489	1
1172	Notes receivable (Notes IV, IX and XXV)	530,074	6	507,276	5	115,779	1
1180	Accounts receivable (Notes IV, IX and XXV)	204,346	2	785,407	8	1,468,186	13
1200	Accounts receivable from related parties (Notes IV, IX, XXV and XXXI)	-	-	8	-	55,543	-
1210	Other receivables (Notes IV and IX)	2,562	-	1,375	-	2,023	-
1220	Other receivables from related parties (Notes IV and XXXI)	1,197	-	147	-	1,124	-
130X	Current tax assets (Note IV)	3,949	-	3,535	-	3,143	-
1470	Inventories (Notes IV and X)	1,036,307	11	1,165,372	11	1,130,299	10
11XX	Other current assets (Note XVIII)	54,572	1	25,548	-	42,788	-
	Total current assets	2,659,147	29	3,238,937	31	3,552,865	31
1535	Non-current assets						
1550	Financial assets at amortized cost - non-current (Notes IV, VIII and XXXII)	61,424	1	65,717	1	60,638	1
1600	Investments accounted for using the equity method (Notes IV, XIII and XXXII)	606,966	7	780,621	8	787,246	7
1755	Property, plant and equipment (Notes IV, XIV and XXXII)	5,334,871	58	5,661,295	55	6,073,009	54
1760	Right-of-use assets (Notes IV and XV)	13,445	-	5,780	-	10,242	-
1780	Investment properties (Notes IV and XVI)	3,076	-	4,453	-	-	-
1840	Other intangible assets (Notes IV and XVII)	6,200	-	8,760	-	10,067	-
1930	Deferred tax assets (Note IV)	182,491	2	246,460	2	232,861	2
1990	Long-term notes receivable (Notes IV, IX and XXV)	56,363	1	-	-	-	-
15XX	Other non-current assets (Notes XVIII and XXXI)	233,685	2	310,695	3	601,927	5
	Total non-current assets	6,498,521	71	7,083,781	69	7,775,990	69
1XXX	Total assets	\$ 9,157,668	100	\$ 10,322,718	100	\$ 11,328,855	100
Code	Liabilities and equity						
2100	Current liabilities						
2110	Short-term borrowings (Notes XIX and XXXII)	\$ 300,000	3	\$ 150,204	2	\$ 157,098	2
2120	Short-term bills payable (Notes XIX and XXXII)	379,378	4	129,842	1	139,919	1
2130	Financial liabilities at fair value through profit or loss (Notes IV and VII)	-	-	-	-	72	-
2150	Contract liabilities (Notes IV and XXV)	36,801	1	47,582	1	75,971	1
2170	Notes payable (Note XX)	-	-	10	-	-	-
2219	Accounts payable (Note XX)	71,172	1	213,989	2	319,340	3
2220	Other payables (Notes XXI)	209,637	2	294,690	3	318,495	3
2280	Other receivables from related parties (Notes XXXI)	102	-	-	-	-	-
2320	Lease liabilities - current (Notes IV and XV)	5,770	-	4,781	-	8,395	-
2399	Current portion of long-term borrowings (Notes XIX and XXXII)	391,361	4	446,345	4	604,031	5
21XX	Other current liabilities (Note XXI)	12,677	-	23,500	-	18,428	-
	Total current liabilities	1,406,898	15	1,310,943	13	1,641,749	15
2540	Non-current liabilities						
2550	Long term-term borrowings (Notes XIX and XXXII)	1,553,127	17	1,852,453	18	1,858,536	16
2570	Provision for liabilities (Note IV)	29,336	1	28,604	-	28,543	-
2580	Deferred tax liabilities (Note IV)	9,336	-	7,048	-	5,841	-
2635	Lease liabilities - non-current (Notes IV and XV)	7,714	-	1,060	-	2,073	-
2670	Preferred stock liabilities - non-current (Notes IV and XXIII)	287,949	3	287,949	3	287,949	3
25XX	Other non-current liabilities (Note XXI)	1,560	-	1,080	-	-	-
	Total non-current liabilities	1,889,022	21	2,178,194	21	2,182,942	19
2XXX	Total liabilities	3,295,920	36	3,489,137	34	3,824,691	34
3110	Equity attributable to owners of the Company (Note XXIV)						
3200	Share capital	5,127,967	56	5,127,967	50	5,127,967	45
	Capital surplus	1,702,733	19	1,965,641	19	1,965,641	17
3310	(Cumulative losses) retained earnings						
3320	Legal reserve	-	-	76,100	1	76,100	1
3350	Special reserve	170,510	2	170,900	1	170,900	1
3300	(Losses to be covered) Undistributed earnings	(1,141,003)	(13)	(339,398)	(3)	(331,389)	3
3400	(Losses to be covered) Total retained earnings	(970,493)	(11)	(92,398)	(1)	(578,389)	5
31XX	Other equity	(1,331)	-	(170,510)	(2)	(170,717)	(1)
	Total equity attributable to owners of the Company	5,858,876	64	6,830,700	66	7,501,280	66
36XX	Non-controlling interests (Note XXIV)	2,872	-	2,881	-	2,884	-
3XXX	Total equity	5,861,748	64	6,833,581	66	7,504,164	66
	Total liabilities and equity	\$ 9,157,668	100	\$ 10,322,718	100	\$ 11,328,855	100

The accompanying notes are an integral part of the consolidated financial statements.
(Please refer to the CPA Report by Deloitte Taiwan issued on November 7, 2025)

Chairperson: Wei Jen Investment Co. Ltd.
Representative: Kuo-Jung Liao

Manager: Cheng-Jen Hung

Accounting Manager: Wei-Che Chang

TSEC CORPORATION AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income
For the three months ended September 30, 2025 and 2024, and for the nine months ended September 30, 2025 and 2024
Unit: In NT\$ thousand except earnings (loss) per share, which is in NT\$

Code	Description	For the three months ended September 30, 2025		For the three months ended September 30, 2024		For the nine months ended September 30, 2025		For the nine months ended September 30, 2024	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	Operating Revenue (Notes XXV, XXXI and XXXVII)	\$ 341,338	100	\$ 1,206,292	100	\$ 1,452,395	100	\$ 3,762,732	100
5000	Operating expenses (Notes X, XXII, XXV and XXXI)	678,035	199	1,100,823	91	1,994,988	137	3,404,104	91
5900	Gross (loss) operating profit	(336,697)	(99)	105,469	9	(542,593)	(37)	358,628	9
5920	Realized gross (loss) profit on sales with associates	(107)	-	1,404	-	(1,248)	-	1,883	-
5950	Gross (loss) profit from operations, net	(336,804)	(99)	106,873	9	(543,841)	(37)	360,511	9
	Operating expenses (Notes XXII, XXV and XXXI)								
6100	Selling and marketing	15,809	4	19,073	1	49,504	4	60,402	2
6200	General and administrative	44,981	13	56,425	5	134,185	9	177,367	5
6300	Research and development	20,007	6	22,228	2	48,553	3	58,216	1
6450	Expected credit impairment loss (reversal gain) (Note IX)	-	-	(21,786)	(2)	(4,202)	-	(19,398)	(1)
6000	Total operating expenses	80,797	23	75,940	6	228,040	16	276,587	7
6500	Other Incomes and expenses, net (Note XXV)	-	-	(29)	-	(949)	-	(422)	-
6900	Net operating income (loss)	(417,601)	(122)	30,904	3	(772,830)	(53)	83,502	2
	Non-operating income and expenses								
7010	Other income (Note XXV and XXXI)	3,550	1	5,569	-	24,292	2	24,020	1
7020	Other gain and loss (Note XXV)	(766)	-	551	-	333	-	7,135	-
7050	Finance costs (Note XXV)	(18,426)	(6)	(17,726)	(1)	(51,855)	(4)	(55,131)	(1)
7060	Share of profit or loss of associates	(116,993)	(34)	1,333	-	(114,978)	(8)	11,975	-
7100	Interest income (Note XXV)	1,432	-	4,746	-	5,292	-	13,466	-
7000	Total non-operating income and expenses	(131,203)	(39)	(5,527)	(1)	(136,916)	(10)	1,465	-
7900	Net income (loss) before tax	(548,804)	(161)	25,377	2	(909,746)	(63)	84,967	2
7950	Income tax expense (Notes IV and XXVI)	(71,412)	(21)	(7,050)	-	(66,379)	(4)	(14,448)	-
8200	Net (loss) profit for the period	(620,216)	(182)	18,327	2	(976,125)	(67)	70,519	2
	Other comprehensive income								
8310	Items that will not be reclassified subsequently to profit or loss:								
8316	Unrealized gain on investments in equity instruments measured at fair value through other comprehensive income (Note XXIV)	-	-	-	-	5,717	-	-	-
8320	The share of other comprehensive income of associates recognized under the equity method (Note XXIV)	890	1	(19)	-	(932)	-	(20)	-
8360	Items that may be reclassified subsequently to profit or loss:								
8361	Exchange differences in the translation of the financial statements of foreign operations (Note XXIV)	300	-	(209)	-	(615)	-	250	-
8399	Income tax relating to items that may be reclassified subsequently to profit or loss (Note XXIV and XXVI)	(61)	-	41	-	122	-	(51)	-
8300	Other comprehensive income (loss) for the period, net of income tax	1,129	1	(187)	-	4,292	-	179	-
8500	Total comprehensive income	(\$ 619,087)	(181)	\$ 18,140	2	(\$ 971,833)	(67)	\$ 70,698	2
	Net income (loss) attributable to:								
8610	Owners of the Company	(\$ 620,213)	(182)	\$ 18,338	2	(\$ 976,116)	(67)	\$ 70,534	2
8620	Non-controlling interests	(3)	-	(11)	-	(9)	-	(15)	-
8600		(\$ 620,216)	(182)	\$ 18,327	2	(\$ 976,125)	(67)	\$ 70,519	2
	Total Comprehensive Income Attributable To:								
8710	Owners of the Company	(\$ 619,084)	(181)	\$ 18,151	2	(\$ 971,824)	(67)	\$ 70,713	2
8720	Non-controlling interests	(3)	-	(11)	-	(9)	-	(15)	-
8700		(\$ 619,087)	(181)	\$ 18,140	2	(\$ 971,833)	(67)	\$ 70,698	2
	Earnings (loss) per share (Note XXVII)								
9710	Basic	(\$ 1.21)		\$ 0.04		(\$ 1.90)		\$ 0.14	
9810	Diluted	(\$ 1.21)		\$ 0.04		(\$ 1.90)		\$ 0.14	

The accompanying notes are an integral part of the consolidated financial statements.
(Please refer to the CPA Report by Deloitte Taiwan issued on November 7, 2025)

Chairperson: Wei Jen Investment Co. Ltd.
Representative: Kuo-Jung Liao

Manager: Cheng-Jen Hung

Accounting Manager: Wei-Che Chang

TSEC CORPORATION AND SUBSIDIARIES
Consolidated Statements of Changes in Equity
For the nine months ended September 30, 2025 and 2024

Unit: NT\$ thousand

Equity attributable to owners of the Company (Note XXIV)

Code		Equity attributable to owners of the Company (Note XXIV)										Non-controlling interests (Notes XII and XXIV)	Total equity			
		Other equity														
		Retained earnings (accumulated losses)				Unappropriated earnings (losses to be covered)			Exchange differences in the translation of the financial statements of foreign operations		Unrealized gain or loss on financial assets measured at fair value through other comprehensive income					
Number of Shares (In Thousands)	Amount	Capital surplus (Note XX)	Legal reserve	Special reserve					(\$)	235)	(\$)	170,665)	Total	\$ 7,649,023		
A1	Balance at January 1, 2024	512,797	\$ 5,127,967	\$ 1,965,635	\$ 23,373	\$ 171,049	\$ 528,910		(\$)	235)	(\$)	170,665)	\$ 7,646,034	\$ 2,989	\$ 7,649,023	
	Allocation and distribution of 2023 earnings															
B1	Legal reserve	-	-	-	52,727	-	(52,727)	-	-	-	-	-	-	-		
B5	Cash dividends	-	-	-	-	-	(215,477)	-	-	-	(215,477)	-	-	(215,477)		
B17	Reversal of special reserve	-	-	-	-	(149)	149	-	-	-	-	-	-	-		
C17	Gain from exercising the Company's call rights	-	-	6	-	-	-	-	-	-	-	6	-	6		
M3	Disposal of subsidiary	-	-	-	-	-	-	-	4	-	4	(90)	(86)			
D1	Net profit (loss) for the nine months ended September 30, 2024	-	-	-	-	-	70,534	-	-	-	70,534	(15)	70,519			
D3	Other comprehensive income after tax for the nine months ended September 30, 2024	-	-	-	-	-	-	-	199	(20)	179	-	179			
D5	Total comprehensive income for the nine months ended September 30, 2024	-	-	-	-	-	70,534	-	199	(20)	70,713	(15)	70,698			
Z1	Balance at September 30, 2024	<u>512,797</u>	<u>\$ 5,127,967</u>	<u>\$ 1,965,641</u>	<u>\$ 76,100</u>	<u>\$ 170,900</u>	<u>\$ 331,389</u>	<u>(\$ 32)</u>	<u>(\$ 170,685)</u>	<u>\$ 7,501,280</u>	<u>\$ 2,884</u>	<u>\$ 7,504,164</u>				
A1	Balance at January 1, 2025	512,797	\$ 5,127,967	\$ 1,965,641	\$ 76,100	\$ 170,900	(\$ 339,398)	\$ 206	(\$)	170,716)	\$ 6,830,700	\$ 2,881	\$ 6,833,581			
	Allocation and distribution of 2024 earnings															
B13	Legal reserve used to offset losses	-	-	-	(76,100)	-	76,100	-	-	-	-	-	-	-		
B17	Reversal of special reserve	-	-	-	-	(390)	390	-	-	-	-	-	-	-		
C11	Deficit compensated through capital surplus	-	-	(262,908)	-	-	262,908	-	-	-	-	-	-	-		
Q1	Disposal of equity instruments at fair value through other comprehensive income (Note XI and XXIV)	-	-	-	-	-	(164,887)	-	-	164,887	-	-	-	-		
D1	Net loss for the nine months ended September 30, 2025	-	-	-	-	-	(976,116)	-	-	-	(976,116)	(9)	(976,125)			
D3	Other comprehensive income after tax for the nine months ended September 30, 2025	-	-	-	-	-	-	(493)	4,785	4,292	-	-	4,292			
D5	Total comprehensive income for the nine months ended September 30, 2025	-	-	-	-	-	(976,116)	(493)	4,785	(971,824)	(9)	(971,833)				
Z1	Balance at September 30, 2025	<u>512,797</u>	<u>\$ 5,127,967</u>	<u>\$ 1,702,733</u>	<u>\$ -</u>	<u>\$ 170,510</u>	<u>(\$ 1,141,003)</u>	<u>(\$ 287)</u>	<u>(\$ 1,044)</u>	<u>\$ 5,858,876</u>	<u>\$ 2,872</u>	<u>\$ 5,861,748</u>				

The accompanying notes are an integral part of the consolidated financial statements.
(Please refer to the CPA Report by Deloitte Taiwan issued on November 7, 2025)

Chairperson: Wei Jen Investment Co. Ltd.
Representative: Kuo-Jung Liao

Manager: Cheng-Jen Hung

Accounting Manager: Wei-Che Chang

TSEC CORPORATION AND SUBSIDIARIES
Consolidated Statements of Cash Flows
For the nine months ended September 30, 2025 and 2024

Unit: NT\$ thousand

Code	Cash Flows from Operating Activities	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
A10000	Net income (loss) before tax	(\$ 909,746)	\$ 84,967
	Income and expenses		
A20100	Depreciation expense	478,558	524,822
A20200	Amortization expense	3,477	3,631
A20300	Expected credit impairment loss (reversal gain)	(4,202)	(19,398)
A20400	Net gain on fair value changes of financial instruments measured at fair value through profit or loss	(1,037)	(1,274)
A20900	Finance costs	51,855	55,131
A21200	Interest income	(5,292)	(13,466)
A22300	Share of profit or loss of associates	114,978	(11,975)
A22500	Loss on disposal of property, plant and equipment	-	25
A23700	Write-down of inventories	90,790	16,140
A24000	Realized losses from associates (gain)	1,248	(1,883)
A24100	Net unrealized (gain) loss on foreign currency exchange	(782)	321
A29900	Loss on disposal of subsidiary	-	4
A29900	Provision for liabilities	1,346	3,522
A29900	Lease modification gain	(28)	(40)
A30000	Net changes in operating assets and liabilities		
A31115	Financial assets mandatorily classified as at fair value through profit or loss	1,037	1,380
A31130	Notes receivable and long-term notes receivable	(79,161)	(31,885)
A31150	Accounts receivable	585,263	38,220
A31160	Accounts receivable from related parties	8	(13,106)
A31180	Other receivables	(600)	442
A31190	Other receivables from related parties	(1,050)	261
A31200	Inventories	37,661	128,427
A31240	Other current assets	(29,024)	54,346
A32110	Financial liabilities held for sell	-	(758)
A32125	Contract liabilities	(10,781)	(14,036)
A32130	Notes payable	(10)	(23)
A32150	Accounts payable	(142,546)	(203,456)
A32180	Other payables	(43,153)	(60,158)
A32190	Other payables from related parties	102	-
A32230	Other current liabilities	(10,823)	566
A33000	Cash from operating activities	128,088	540,747
A33100	Interest received	4,705	13,641

(Continued)

(Continued)

Code		For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
A33300	Finance costs paid	(\$ 42,333)	(\$ 58,946)
A33500	Income tax paid	(414)	(856)
AAAA	Net cash generated from operating activities	<u>90,046</u>	<u>494,586</u>
Cash Flows from Investing Activities			
B00010	Financial assets obtained at fair value through other comprehensive income (FVTOCI)	(97,233)	-
B00020	Disposal of financial assets at fair value through other comprehensive income	102,950	-
B00050	Proceeds from sale of financial assets at amortized cost	86,291	41,864
B02300	Disposal of subsidiary	-	(90)
B02400	Capital reduction refund from investee accounted for under the equity method	45,490	-
B02700	Payments for property, plant and equipment (Note XXVIII)	(129,356)	(573,638)
B02800	Proceeds from disposal of property, plant, and equipment	-	22
B03700	Decrease (increase) in refundable deposits	9,480	(48,584)
B04500	Payments for other intangible assets	(917)	(5,898)
B07600	Dividends received from associate	<u>11,007</u>	<u>7,697</u>
BBBB	Net cash inflow (outflow) in investing activities	<u>27,712</u>	<u>(578,627)</u>
Cash flows from financing activities			
C00100	Increase in short-term borrowings	149,796	-
C00200	Decrease in short-term borrowings	-	(184,738)
C00500	Increase in short-term bills payable	249,536	60,015
C01600	Proceeds from long-term borrowings	705,000	461,000
C01700	Repayments of long-term borrowings	(1,059,310)	(585,650)
C03000	Increase in guarantee deposits received	480	-
C04020	Repayments of the principal portion of lease liabilities	(5,290)	(9,084)
C04500	Cash dividends paid	-	(215,477)
C09900	Exercising disgorgement	-	6
CCCC	Net cash inflow (outflow) in financing activities	<u>40,212</u>	<u>(473,928)</u>
DDDD	Effects of exchange rate changes on the balance of cash held in foreign currencies	(101)	(1,894)
EEEE	Net increase (decrease) in cash and cash equivalents	157,869	(559,863)
E00100	Cash and cash equivalents at the beginning of the period	<u>622,182</u>	<u>1,194,354</u>
E00200	Cash and cash equivalents at the end of the period	<u>\$ 780,051</u>	<u>\$ 634,491</u>

The accompanying notes are an integral part of the consolidated financial statements.
(Please refer to the CPA Report by Deloitte Taiwan issued on November 7, 2025)

Chairperson: Wei Jen Investment Co. Ltd.
Representative: Kuo-Jung Liao

Manager: Cheng-Jen Hung

Accounting Manager: Wei-Che Chang

TSEC CORPORATION AND SUBSIDIARIES
 Notes to Consolidated Financial Statements
 For the nine months ended September 30, 2025 and 2024
 (Unit: In NT\$ thousand, unless specified otherwise)

I. Company History

TSEC Corporation (hereinafter referred to as "the Company", and the entities controlled by the Company, hereinafter collectively referred to as the "consolidated company") was approved to be incorporated on June 24, 2010, and is mainly engaged in the design, manufacturing, establishment, and sales of solar cells, modules, and power plants.

The Company's shares have been listed on the Taiwan Stock Exchange since October 1, 2015.

The consolidated financial statements are presented in the NT\$, the Company's functional currency.

II. Date and Procedure for Approval of Financial Statements

The consolidated financial statements were approved by the Company's Board of Directors on November 7, 2025.

III. Application of Newly Issued, Amended Standards and Interpretations

(I) Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the "IFRS Accounting Standards") endorsed and issued into effect by the FSC

The initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have material impact on the consolidated company's accounting policies.

(II) IFRS Accounting Standards Approved by the FSC Applicable in 2026

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IFRS 9 and IFRS 7 "Classification and Measurement of Financial Instruments"	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"	January 1, 2026
"Annual Improvements to IFRS Standards - Volume 11"	January 1, 2026
IFRS 17 "Insurance Contracts" (including the 2020 and 2021 amendments)	January 1, 2023

As of the date the consolidated financial statements were authorized for issue, the consolidated company is continuously assessing the possible impact of the application will have on the consolidated company's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

(III) IFRS Accounting Standards Issued by the IASB but Not Yet Approved and Effective as Issued by the FSC

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	Undecided
IFRS 18 "Presentation and Disclosures in Financial Statements"	January 1, 2027 (Note 2)
IFRS 19 "Disclosure of Non-Publicly Accountable Subsidiaries" (including the 2025 amendments)	January 1, 2027

Note 1: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: On September 25, 2025, the FSC announced that enterprises in Taiwan shall apply IFRS 18 starting from January 1, 2028, and may choose early adoption after IFRS 18 is approved by the FSC.

IFRS 18 "Presentation and Disclosures in Financial Statements"

IFRS 18 will supersede IAS 1 "Presentation of Financial Statements". The main changes comprise:

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discounted operations categories.
- The income statement shall be reported as operating income, pre-tax income before financing, and the sum and total of profit and loss.
- Provide guidance to strengthen aggregation and segmentation: The consolidated company must identify the assets, liabilities, equity, income, expenses and cash flows generated from individual transactions or other matters, and consolidated company and aggregate them based on common characteristics, so that each line item presented in the financial statements has at least one similar characteristic. Items that are dissimilar from other items should be disaggregated. The consolidated company only labels such items as "other" when it is unable to find a more informative label.
- Increasing the disclosure of the performance measurement defined by management: When the consolidated company has open communication outside the financial statements, and when management's view of the consolidated company's overall financial performance on a certain aspect is disclosed to users of the financial statements, it shall be disclosed in a separate note to the financial statements on performance measurements defined by management, including descriptions of the measurements, how to calculate them, reconciliations between them and any subtotals or totals specified in IFRS, and the impact of relevant adjustments on income tax and non-controlling interests, etc.

Except for the above impact, as of the date the consolidated statements were authorized for issue, the consolidated company is continuously assessing the possible impact the application of all standards and interpretations will have on the consolidated company's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

IV. Summary of Significant Accounting Policies

(I) Statement of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34, "Interim Financial Reporting" as endorsed and issued into effect by the FSC. Disclosure information included in the consolidated financial statements is less than those required in a complete set of annual consolidated financial statements.

(II) Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- 3) Level 3 inputs are unobservable inputs for an asset or liability.

(III) Basis of consolidation

These consolidated financial statements include the financial statements of the Company and the entities controlled by the Company (subsidiaries). In preparing the consolidated financial statements, all intercompany transactions, account balances, income, and expenses have been eliminated in full. The total comprehensive income of subsidiaries is attributed to the owners of the Company and to non-controlling interests, even if this results in non-controlling interests having a deficit balance.

See Notes XII and Table 3 of Note XXXVI for detailed information on subsidiaries.

(IV) Other material accounting policies

Except for the explanations below, other explanations of significant accounting policies are described in the significant accounting policies section of the consolidated financial statement for the year ended December 31, 2024.

Income tax expense

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

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

In the application of the consolidated company's accounting policies, management is required to make judgments, estimations, and assumptions on the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The consolidated company takes into account the impacts of inflation and possible market interest rate fluctuations on the relevant critical accounting estimates of cash flows, growth rates, discount rates, and profitability. The management will continue to review the estimates and the basic assumptions.

Management of the consolidated company evaluated that, there were no critical accounting judgments or estimation uncertainty on the accounting policies, estimates and basic assumptions that were adopted by the consolidated company.

VI. Cash and Cash Equivalents

	September 30, 2025	December 31, 2024	September 30, 2024
Cash on hand	\$ 478	\$ 609	\$ 609
Checking accounts and demand deposits	779,573	491,623	497,036
Cash equivalents			
Time deposits with original maturities of 3 months or less	-	129,950	136,846
	<u>\$ 780,051</u>	<u>\$ 622,182</u>	<u>\$ 634,491</u>

The market interest rate intervals of demand deposits and time deposits with maturities of 3 months or less at the end of reporting period were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Demand deposits	0.01% ~ 0.90%	0% ~ 2.17%	0.001% ~ 1.45%
Time deposits with original maturities of 3 months or less	-	1.45% ~ 4.67%	1% ~ 5%

VII. Financial Instruments at Fair Value Through Profit or Loss

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Financial liabilities - held for trading</u>			
Derivative financial instruments (not under hedge accounting)-Foreign exchange forward contracts	\$ _____ -	\$ _____ -	\$ _____ 72

At the end of the period, outstanding foreign exchange forward contracts not under hedge accounting were as follows:

September 30, 2024

	Currency	Maturity Date	Contract Amount (In NT\$ Thousands)		
			USD	133/NTD	4,213
Purchase of forward exchange agreement	USD to NTD	2024.10.11			
	USD/NTD	2024.10.11	USD	216/NTD	6,838
	USD/NTD	2024.10.25	USD	133/NTD	4,223

The consolidated company entered into foreign exchange forward contracts to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities. The purpose of its financial hedging strategy is to hedge against most of the market price risk.

VIII. Financial Assets at Amortized Cost

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Current</u>			
Time deposits with original maturities of more than 3 months	\$ 11,541	\$ 85,302	\$ 57,839
Restricted assets - cash in banks	<u>34,548</u>	<u>42,785</u>	<u>41,650</u>
	<u>\$ 46,089</u>	<u>\$ 128,087</u>	<u>\$ 99,489</u>

Non-current

Restricted assets - time deposits with original maturities of more than 3 months	\$ 61,424	\$ 65,717	\$ 60,638
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As of September 30, 2025, December 31, 2024, and September 30, 2024, the range of interest rates of financial assets mentioned above were 0.67%-1.69%, 0.66%-4.55%, and 0.54%-4.95%, respectively.

For the pledge and collateral conditions of the above restricted assets, please refer to Note XXXII.

IX. Notes Receivable, Long-term Notes Receivables, Accounts Receivable (including related parties) and Other Receivables

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Notes receivable</u>			
At amortized cost			
Gross carrying amount	\$ 530,074	\$ 507,276	\$ 115,779
Less: Allowance for impairment loss	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 530,074</u>	<u>\$ 507,276</u>	<u>\$ 115,779</u>
<u>Long-term notes receivable</u>			
At amortized cost			
Gross carrying amount	\$ 56,363	\$ -	\$ -
Less: Allowance for impairment loss	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 56,363</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Accounts receivable</u>			
At amortized cost			
Gross carrying amount	\$ 204,346	\$ 789,609	\$ 1,468,848
Less: Allowance for impairment loss	<u>-</u>	(<u>4,202</u>)	(<u>662</u>)
	<u>\$ 204,346</u>	<u>\$ 785,407</u>	<u>\$ 1,468,186</u>
<u>Accounts receivable from related parties</u>			
At amortized cost			
Gross carrying amount	\$ -	\$ 8	\$ 55,543
Less: Allowance for impairment loss	<u>-</u>	<u>\$ 8</u>	<u>\$ 55,543</u>
<u>Other receivables</u>			
Interest receivable	\$ 1,898	\$ 1,311	\$ 1,974
Others	<u>664</u>	<u>64</u>	<u>49</u>
	<u>\$ 2,562</u>	<u>\$ 1,375</u>	<u>\$ 2,023</u>

(I) Notes receivable and long-term notes receivable

The consolidated company reviews the recoverable amount of the notes receivable and long-term notes receivable on the balance sheet date to ensure that appropriate impairment losses have been recorded for uncollectible notes receivable and long-term notes receivable. As of September 30, 2025, December 31, 2024 and September 30, the consolidated company assessed that notes receivable and long-term notes receivable did not require a provision for expected credit losses.

To accelerate cash flow and enhance payment efficiency, the consolidated company agreed that payment from a certain customer would be made directly by the project owner to the consolidated company. However, this does not affect the original procurement contract terms or the responsibilities between the two parties. The consolidated company classifies notes receivable as current based on the agreed collection dates.

The aging analysis of notes receivable and long-term notes receivable based on the account journal date is as follows:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
1-60 days	\$ 586,437	\$ 312,017	\$ 115,779
61-90 days	-	195,259	-
91-180 days	-	-	-
180 days and above	-	-	-
	<u><u>\$ 586,437</u></u>	<u><u>\$ 507,276</u></u>	<u><u>\$ 115,779</u></u>

(II) Accounts receivable/accounts receivable from related parties

The average credit period of accounts receivable is 30-75 days. No interest is charged on accounts receivable. In addition, the consolidated company reviews the recoverable amount of each individual trade debt at the end of the year to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, management believes the consolidated company's credit risk was significantly reduced. The consolidated company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The consolidated company measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The ECLs on trade receivables are estimated using a provision matrix prepared by reference to the past default experience of the customer, the customer's current financial position, the economic condition of the industry in which the customer operates, as well as the GDP forecast and industry outlook. As the consolidated company's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the consolidated company's different customer base.

The consolidated company writes off a trade receivable when there is evidence indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. For trade receivables that have been written off, the consolidated company continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The following table details the loss allowance of trade receivables (including related parties) based on the consolidated company's provision matrix:

September 30, 2025

	Not Past Due	Up to 60 Days	61 to 120 Days	Over 121 Days	Individual Assessment	Total
Expected credit loss rate	0.00%	0.00%	-	-	-	-
Gross carrying amount	\$ 97,063	\$ 2,686	\$ -	\$ -	\$ 104,597	\$ 204,346
Loss allowance (Lifetime ECLs)	-	-	-	-	-	-
Amortized cost	<u>\$ 97,063</u>	<u>\$ 2,686</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 104,597</u>	<u>\$ 204,346</u>

December 31, 2024

	Not Past Due	Up to 60 Days	61 to 120 Days	Over 121 Days	Individual Assessment	Total
Expected credit loss rate	0.02%	3.71%	4.55%	-	-	-
Gross carrying amount	\$ 216,334	\$ 12,403	\$ 81,297	\$ -	\$ 479,583	\$ 789,617
Loss allowance (Lifetime ECLs)	(43)	(460)	(3,699)	-	-	(4,202)
Amortized cost	<u>\$ 216,291</u>	<u>\$ 11,943</u>	<u>\$ 77,598</u>	<u>\$ -</u>	<u>\$ 479,583</u>	<u>\$ 785,415</u>

September 30, 2024

	Not Past Due	Up to 60 Days	61 to 120 Days	Over 121 Days	Individual Assessment	Total
Expected credit loss rate	0.02%	3.90%	-	-	-	
Gross carrying amount	\$ 446,451	\$ 14,688	\$ -	\$ -	\$ 1,063,252	\$ 1,524,391
Loss allowance (Lifetime ECLs)	(89)	(573)	-	-	-	(662)
Amortized cost	<u>\$ 446,362</u>	<u>\$ 14,115</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,063,252</u>	<u>\$ 1,523,729</u>

The movements of the loss allowance of accounts receivable were as follows:

	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Balance at January 1	\$ 4,202	\$ 20,060
Less: Reversal of impairment loss for the period	(4,202)	(19,398)
Closing balance	<u>\$ -</u>	<u>\$ 662</u>

Refer to Note XXX(IV) for details of the consolidated company's concentration of credit risk of receivables as of September 30, 2025, December 31 and September 30, 2024.

(III) Other receivables

The consolidated company's account of other receivables is major interest receivable. The consolidated company adopted a policy of dealing only with credit worthy counterparties. The consolidated company determines whether credit risk has increased significantly since initial recognition and measures the loss allowance for other receivables by continuous monitoring of the debtor, with reference to the past default experience of the debtor and an analysis of the debtor's current financial position. As of September 30, 2025, December 31 and September 30, 2024, the consolidated company assessed that the expected credit loss rate of other receivables was 0%.

X. Inventories

	September 30, 2025	December 31, 2024	September 30, 2024
Raw materials	\$ 709,989	\$ 953,812	\$ 863,488
Finished goods	306,654	196,138	225,434
Construction in progress	13,184	8,554	11,202
Work in progress	<u>6,480</u>	<u>6,868</u>	<u>30,175</u>
	<u>\$ 1,036,307</u>	<u>\$ 1,165,372</u>	<u>\$ 1,130,299</u>

The nature of the cost of goods sold is as follows:

	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Cost of inventories sold	\$ 449,794	\$ 1,067,450	\$ 1,684,876	\$ 3,339,860
Inventory write-downs	57,302	11,851	90,790	16,140
Unallocated manufacturing expenses	146,830	-	146,830	-
Others	<u>24,109</u>	<u>21,522</u>	<u>72,492</u>	<u>48,104</u>
	<u>\$ 678,035</u>	<u>\$ 1,100,823</u>	<u>\$ 1,994,988</u>	<u>\$ 3,404,104</u>

XI. Financial Assets at Fair Value Through Other Comprehensive Income

Investments in Equity Instruments at FVTOCI

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Non-current</u>			
Domestic investments Unlisted shares			
Ordinary shares - Eversol Corporation	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The consolidated company invests in the above-mentioned common shares for medium and long-term strategic purposes, and expects to make profits through long-term investments. The consolidated company's management believes that if the fluctuations of the short-term fair value of these investments are recognized in profit or loss, it will be inconsistent with the aforementioned long-term investment strategy, so it has elected to designate such investments as at fair value through other comprehensive income.

As Eversol Corporation was discontinued on January 2, 2025, the consolidated company therefore derecognized its shares in the company, and transferred the related other equity - unrealized loss of valuation of financial assets measured at fair value through other comprehensive income of NT\$170,604 thousand to retained earnings.

For the nine months ended September 30, 2025, the consolidated company acquired listed shares for NT\$97,233 thousand, recognized as equity instrument investments measured at fair value through other comprehensive income. Subsequently, the shares were disposed of for NT\$102,950 thousand, and the related unrealized valuation gain of NT\$5,717 thousand under other equity – financial assets measured at fair value through other comprehensive income was transferred to retained earnings.

XII. Subsidiaries

Subsidiaries included in the consolidated financial statements

The entity responsible for preparing this consolidated financial report is as follows:

Investor Company	Investee	Nature of Activities	Percentage of Ownership (%)		
			September 30, 2025	December 31, 2024	September 30, 2024
TSEC Corporation	TSEC America, Inc. (Note 1)	Sales of solar related products; main operating risk is exchange rate.	100%	100%	100%
	Houchang Energy Corporation (Hou Chang Energy) (Note 2)	Energy storage system operations; main operating risks are government regulations and natural disasters.	100%	100%	100%
	Changyang Optoelectronics Corporation (Changyang Optoelectronics) (Note 3)	Rental of solar power generating equipment, sale of self-generated electricity, and provision of energy technology services; main operating risks are government regulations and natural disasters	-	-	-
	Yunsheng Optoelectronics Corporation (Yunsheng Optoelectronics)	Rental of solar power generating equipment, sale of self-generated electricity, and provision of energy technology services; main operating risks are government regulations and natural disasters	100%	100%	100%
	Yu Jing Geothermal Development Co., Ltd. (formerly Yunxing Optoelectronics Co., Ltd.) (Yu Jing Geothermal) (Note 4)	Rental of geothermal power generating equipment, sale of self-generated electricity, and provision of energy technology services; main operating risks are government regulations and natural disasters	100%	100%	100%
	TSECPV (HK) LIMITED (Note 5)	Rental of solar power generating equipment, sale of self-generated electricity, and provision of energy technology services; main operating risks are government regulations and natural disasters	-	-	-
	Hengli Energy Corporation (Hengli Energy) (Note 6)	Rental of solar power generating equipment, sale of self-generated electricity, and provision of energy technology services; main operating risks are government regulations and natural disasters	100%	100%	100%
Hou Chang Energy Corporation	Yuan Jin Energy Co., Ltd. (Yuan Jin Energy)	Rental of solar power generating equipment, sale of self-generated electricity, and provision of energy technology services; main operating risks are government regulations and natural disasters	90%	90%	90%
	Hengyong Energy Corporation (Hengyong Energy)	Rental of solar power generating equipment, sale of self-generated electricity, and provision of energy technology services; main operating risks are government regulations and natural disasters	100%	100%	100%
	Yongli Energy Corporation (Yongli Energy)	Rental of solar power generating equipment, sale of self-generated electricity, and provision of energy technology services; main operating risks are government regulations and natural disasters	100%	100%	100%
	Jinjing Electric Power Co., Ltd. (Jinjing Electric Power)	Rental of solar power generating equipment, sale of self-generated electricity, and provision of energy technology services; main operating risks are government regulations and natural disasters	100%	100%	100%

Note 1: On September 11, 2018, the Group resolved to liquidate and dissolve its subsidiary TSEC America, Inc. as of November 7, 2025, TSEC America, Inc. has yet to execute its liquidation process.

Note 2: In July 2024, the Company increased its investment in its subsidiary, Hou Chang Energy Corporation, by NT\$40,000 thousand, with the shareholding ratio remaining unchanged.

Note 3: Changyang Optoelectronics completed the liquidation process in September 2024.

Note 4: Yunxing Optoelectronics Co., Ltd. changed its company name to Yu Jing Geothermal Development Co., Ltd. in July 2025.

Note 5: TSECPV(HK) LIMITED completed the liquidation process in August 2024.

Note 6: In May 2024, the Company increased its investment in its subsidiary, W ENERGY INVESTMENT CORPORATION, by NT\$4,900 thousand, with the ownership ratio remaining unchanged.

For the nature of business, primary business premise, and the information on the registered country of the above subsidiary, please refer to Table 3 in Note XXXVI.

XIII. Investments Accounted for Using the Equity Method

Investments in Associates

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Material associates			
Holdgood Energy Development Corporation (Holdgood)	\$ 184,595	\$ 227,896	\$ 228,752
Yuan-Yu Solar Energy Co., Ltd. (Yuan-Yu)	8,756	131,472	135,709
NFC III Renewable Power Co., Ltd. (NFC III)	<u>413,615</u>	<u>421,253</u>	<u>422,785</u>
	<u><u>\$ 606,966</u></u>	<u><u>\$ 780,621</u></u>	<u><u>\$ 787,246</u></u>

Material associates

Name of Associate	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Holdgood	45.49%	45.49%	45.49%
Yuan-Yu	20%	20%	20%
NFC III	24%	24%	24%

Please refer to Table 3 in Note XXXVI for the business nature, main business location, and country of registration of the associate above.

The consolidated company adopted the equity method to measure all the above-mentioned associates.

Refer to Note XXXII for the merged company issued the equity of Yuan-Yu to the financial bank as collateral for Yuan-Yu financing. For the nine months ended September 30, 2025 and 2024, the consolidated company received cash dividends of NT\$7,800 thousand and NT\$0 thousand from the Company, respectively.

In April 2025, Holdgood reduced its capital and refunded NT\$45,490 thousand, with the shareholding ratio remaining unchanged. For the nine months ended September 30, 2025 and 2024, the

consolidated company received cash dividends of NT\$3,207 thousand and NT\$7,697 thousand from the Company, respectively.

The share of profit or loss and other comprehensive income of investments accounted for using the equity method in 2024 and 2023 were calculated based on their financial statements which have been reviewed by the auditors for the same periods.

XIV. Property, Plant and Equipment

For self-use

	Land	Buildings	Machinery	Office equipment	Other equipment	Construction in progress	Total
<u>Cost</u>							
Balance at January 1, 2025	\$ 1,071,526	\$ 4,693,236	\$ 2,962,082	\$ 24,738	\$ 329,999	\$ 109,295	\$ 9,190,876
Additions	-	14,383	113,285	-	8,645	9,148	145,461
Disposal	-	-	-	-	(415)	-	(415)
Reclassification	-	92,365	-	-	-	(92,365)	-
Balance at September 30, 2025	<u>1,071,526</u>	<u>4,799,984</u>	<u>3,075,367</u>	<u>24,738</u>	<u>338,229</u>	<u>26,078</u>	<u>9,335,922</u>
<u>Accumulated depreciation and impairment</u>							
Balance at January 1, 2025	-	2,045,712	1,227,248	24,674	231,947	-	3,529,581
Depreciation expense	-	102,844	341,084	30	27,927	-	471,885
Disposal	-	-	-	-	(415)	-	(415)
Balance at September 30, 2025	-	2,148,556	1,568,332	24,704	259,459	-	4,001,051
Net amount at September 30, 2025	<u>\$ 1,071,526</u>	<u>\$ 2,651,428</u>	<u>\$ 1,507,035</u>	<u>\$ 34</u>	<u>\$ 78,770</u>	<u>\$ 26,078</u>	<u>\$ 5,334,871</u>
Net as of December 31, 2024 and January 1, 2025	<u>\$ 1,071,526</u>	<u>\$ 2,647,524</u>	<u>\$ 1,734,834</u>	<u>\$ 64</u>	<u>\$ 98,052</u>	<u>\$ 109,295</u>	<u>\$ 5,661,295</u>
<u>Cost</u>							
Balance at January 1, 2024	\$ 1,071,526	\$ 4,533,409	\$ 2,576,222	\$ 24,738	\$ 298,321	\$ 27,614	\$ 8,531,830
Additions	-	68,664	65,773	-	32,488	192,229	359,154
Disposal	-	-	-	-	(55)	-	(55)
Reclassification	-	78,597	-	-	-	(78,597)	-
Balance at September 30, 2024	<u>1,071,526</u>	<u>4,680,670</u>	<u>2,641,995</u>	<u>24,738</u>	<u>330,754</u>	<u>141,246</u>	<u>8,890,929</u>
<u>Accumulated depreciation and impairment</u>							
Balance at January 1, 2024	-	1,555,349	531,597	24,634	190,672	-	2,302,252
Depreciation expense	-	151,711	337,245	30	26,690	-	515,676
Disposal	-	-	-	-	(8)	-	(8)
Balance at September 30, 2024	-	1,707,060	868,842	24,664	217,354	-	2,817,920
Net as of September 30, 2024	<u>\$ 1,071,526</u>	<u>\$ 2,973,610</u>	<u>\$ 1,773,153</u>	<u>\$ 74</u>	<u>\$ 113,400</u>	<u>\$ 141,246</u>	<u>\$ 6,073,009</u>

No impairment loss or reversal gain was recognized for the three months ended September 30, 2025 and 2024.

The above items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	
Plant and buildings	50 years
Building improvement	5-20 years
Machinery	3-20 years
Office equipment	3 years
Other equipment	3 to 15 years

Refer to Note XXXIII for the details on the purchases of machines required for production and the significant commitments stated in the construction contracts.

As of September 30, 2025, and December 31 and September 30, 2024, for the financing collateral conditions of property, plant, and equipment, please refer to Note XXXII.

Please refer to Note XXV (XI) for information on the consolidated company's interest capitalization for the three months ended September 30, 2025 and 2024, and the nine months ended September 30, 2025 and 2024.

XV. Lease Agreement

(I) Right-of-use assets

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Carrying amount			
Buildings	\$ 13,402	\$ 5,348	\$ 9,681
Transportation equipment	<u>43</u>	<u>432</u>	<u>561</u>
	<u>\$ 13,445</u>	<u>\$ 5,780</u>	<u>\$ 10,242</u>
	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025
Additions to right-of-use assets			<u>\$ 17,692</u>
Derecognition of the right-of-use assets			(<u>\$ 4,731</u>)
Depreciation charge for right-of-use assets			(<u>\$ 3,333</u>)
Buildings	\$ 1,583	\$ 3,108	\$ 4,907
Transportation equipment	<u>130</u>	<u>130</u>	<u>389</u>
	<u>\$ 1,713</u>	<u>\$ 3,238</u>	<u>\$ 5,296</u>
			<u>\$ 9,146</u>

(II) Lease liabilities

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Carrying amount			
Current	<u>\$ 5,770</u>	<u>\$ 4,781</u>	<u>\$ 8,395</u>
Non-current	<u>\$ 7,714</u>	<u>\$ 1,060</u>	<u>\$ 2,073</u>

Ranges of discount rates for lease liabilities were as follows:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Buildings	2.13%~2.23%	2.13%~3.06%	2.13%~3.06%
Transportation equipment	3.06%	3.06%	3.06%

(III) Material leasing activities and terms

The consolidated company leases certain buildings and cars, for the use of offices, office car and employee dormitories with lease terms of 1 to 4 years. The consolidated company does not have bargain purchase options to acquire the buildings at the end of the lease terms.

Some of the lease contracts entered into by the consolidated company for the use of rooftops for solar photovoltaic equipment stipulate that the rent is calculated based on an agreed proportion of the electricity sales revenue generated under the power purchase and sale agreements entered into between the consolidated company and Taipower.

(IV) Other lease information

	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Expenses relating to short-term leases and low-value asset leases	\$ 1,089	\$ 1,020	\$ 3,575	\$ 2,794
Total cash outflow for leases			(\$ 9,038)	(\$ 12,151)

The consolidated company's leases of certain parking spaces and staff dorms qualify as short-term leases, and leases of certain photocopiers qualify as low-value asset leases. The consolidated company has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

XVI. Investment Properties

	Buildings
<u>Cost</u>	
Balance at January 1 and September 30, 2025	<u>\$ 39,762</u>
<u>Accumulated depreciation</u>	
Balance at January 1, 2025	35,309
Depreciation expense	1,377
Balance at September 30, 2025	<u>36,686</u>
Net amount at September 30, 2025	<u>\$ 3,076</u>
Net as of December 31, 2024 and January 1, 2025	<u>\$ 4,453</u>

The investment properties are depreciated using the straight-line method over their estimated useful lives as follows:

Buildings	
Main building of plant	50 years
Building improvement	3-20 years

The investment properties are leased out for 1 year 6 months.

and the lessees do not have bargain purchase options to acquire the investment properties at the expiry of the lease periods.

The maturity analysis of lease payments receivable under operating leases of investment properties was as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Year 1	\$ 5,460	\$ 6,480	\$ -
Year 2	-	2,160	-
	<u>\$ 5,460</u>	<u>\$ 8,640</u>	<u>\$ -</u>

The fair value of the investment properties as of December 31, 2024, in the amount of NT\$58,417 thousand, was measured using Level 3 inputs by an independent appraisal firm, Grand Elite Property Appraisal Co., Ltd., on each balance sheet date. The appraisal was conducted using the cost approach and the market comparison approach, and management reviewed the report and concluded that it remained valid as of September 30, 2025.

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Fair value	<u>\$ 58,417</u>	<u>\$ 58,417</u>	<u>\$ -</u>

The interest on the consolidated company's investment property was not capitalized without interest for the three months ended September 30, 2025 and the nine months ended September 30, 2025.

XVII. Other Intangible Assets

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Computer software	<u>\$ 6,200</u>	<u>\$ 8,760</u>	<u>\$ 10,067</u>
		<u>For the nine months ended September 30, 2025</u>	<u>For the nine months ended September 30, 2024</u>
Cost			
Balance at January 1	\$ 66,489		\$ 60,591
Additions	917		5,898
Disposal	(80)		(80)
Balance, end of period	<u>67,326</u>		<u>66,409</u>
Accumulated amortization			
Balance at January 1	57,729		52,791
Amortization	3,477		3,631
Disposal	(80)		(80)
Balance, end of period	<u>61,126</u>		<u>56,342</u>
Carrying amount, end of period	<u>\$ 6,200</u>		<u>\$ 10,067</u>

Computer software is amortized on a straight-line basis over 1-4 years.

Summary of amortization by function:

	<u>For the three months ended September 30, 2025</u>	<u>For the three months ended September 30, 2024</u>	<u>For the nine months ended September 30, 2025</u>	<u>For the nine months ended September 30, 2024</u>
Operating cost	\$ 1,029	\$ 732	\$ 3,070	\$ 1,876
Selling and marketing	18	566	54	1,411
General and administrative	135	116	313	311
Research and development	13	13	40	33
	<u>\$ 1,195</u>	<u>\$ 1,427</u>	<u>\$ 3,477</u>	<u>\$ 3,631</u>

XVIII. Other Assets - current and non-current

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Current</u>			
Prepayment expenses	\$ 33,898	\$ 3,822	\$ 28,536
Prepayments for goods	16,781	18,451	8,118
Utilized tax credits	-	-	2,608
Others	3,893	3,275	3,526
	<u>\$ 54,572</u>	<u>\$ 25,548</u>	<u>\$ 42,788</u>
<u>Non-current</u>			
Prepayments for equipment (capitalized interest included)	\$ 68,109	\$ 135,639	\$ 377,957
Refundable deposits	165,576	175,056	223,970
	<u>\$ 233,685</u>	<u>\$ 310,695</u>	<u>\$ 601,927</u>

XIX. Borrowings

(I) Short-term borrowings

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Secured borrowings</u>			
Bank guarantee loans	\$ 150,000	\$ 60,000	\$ -
<u>Unsecured borrowings</u>			
Credit facility loans	150,000	90,204	157,098
	<u>\$ 300,000</u>	<u>\$ 150,204</u>	<u>\$ 157,098</u>
Interest rate range	2.29%~2.33%	2.29%~2.34%	2.29%~2.33%

For guarantees provided by the consolidated company for short-term borrowings, refer to Note XXXII.

(II) Short-term bills payable

Outstanding short-term bills payable were as follows:

September 30, 2025						
Promissory Institution	Face value	Discount amount	Carrying amount	Interest rate range	Name of collateral	
<u>Commercial paper</u>						
Mega Bills Finance Co., Ltd.	\$ 100,000	\$ 56	\$ 99,944	2.278%	None	
Taiwan Cooperative Bills Finance Corporation	60,000	219	59,781	2.558%	None	
China Bills Finance Corporation	80,000	83	79,917	2.228%	None	
China Bills Finance Corporation	60,000	219	59,781	2.558%	None	
International Bills Finance Corporation	80,000	45	79,955	2.298%	None	
	<u>\$ 380,000</u>	<u>\$ 622</u>	<u>\$ 379,378</u>			

December 31, 2024

Promissory Institution <u>Commercial paper</u>	Face value	Discount amount	Carrying amount	Interest rate range	Name of collateral
Mega Bills Finance Co., Ltd.	\$ 30,000	\$ 39	\$ 29,961	2.268%	None
Taiwan Cooperative Bills Finance Corporation	30,000	39	29,961	2.268%	None
China Bills Finance Corporation	60,000	78	59,922	2.248%	None
International Bills Finance Corporation	10,000	2	9,998	2.248%	None
	<u>\$ 130,000</u>	<u>\$ 158</u>	<u>\$ 129,842</u>		

September 30, 2024

Promissory Institution <u>Commercial paper</u>	Face value	Discount amount	Carrying amount	Interest rate range	Name of collateral
China Bills Finance Corporation	\$ 50,000	\$ 46	\$ 49,954	2.248%	None
Taiwan Cooperative Bills Finance Corporation	30,000	7	29,993	2.248%	None
Mega Bills Finance Co., Ltd.	30,000	7	29,993	2.248%	None
China Bills Finance Corporation	20,000	14	19,986	2.248%	None
International Bills Finance Corporation	10,000	7	9,993	2.248%	None
	<u>\$ 140,000</u>	<u>\$ 81</u>	<u>\$ 139,919</u>		

(III) Long-term borrowings

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Secured borrowings</u>			
Syndicated loans (administration fee for syndicated loans)	\$ 819,174	\$ 1,023,890	\$ 1,126,840
Bank mortgage loans	498,666	512,978	934,109
<u>Unsecured borrowings</u>			
Bank borrowings	<u>626,648</u>	<u>761,930</u>	<u>401,618</u>
Total	1,944,488	2,298,798	2,462,567
Less: Current portion	(391,361)	(446,345)	(604,031)
Long-term borrowings	<u>\$ 1,553,127</u>	<u>\$ 1,852,453</u>	<u>\$ 1,858,536</u>
Interest rate	1.72%~3.22%	1.72%~3.02%	1.72%~2.95%

1. Syndicated loans

(1) In December 2024, the consolidated company signed a syndicated credit agreement with a syndicate of banks led by Taiwan Cooperative Bank, with a total credit limit of NT\$2,400,000 thousand (including NT\$500,000 thousand for Type A financing, NT\$1,500,000 thousand for Type B financing, and Type C financing NT\$400,000), all of which are revolving facilities, and the loan period is five years from the date when the loan is first utilized. The first installment shall be paid upon three months after the first drawdown, and the consolidated company shall pay the following installments every three months in a total of 20 installments to pay off the principal of the loan. During the first 16 quarters, 4% of the principal must be repaid each quarter; in the 17th and 19th quarters, 8% of the principal must be repaid each quarter; and the remaining principal must be repaid in the final quarter. As of September 30, 2025, and December 31 and September 30, 2024, the outstanding balances of Facility A financing borrowings were NT\$0 thousand, NT\$500,000 thousand, and NT\$0 thousand, respectively, and were fully repaid early in July 2025.

In the course of the duration of the above-mentioned borrowings, the consolidated company's financial statements are required to be in compliance with certain financial ratios. In the event of a non-conformity with any of the financial ratios, the consolidated company shall conduct capital increase in cash or make improvements by other means while paying compensation to the consolidated company of banks in a lump sum at 0.20% of the outstanding balance of the loan drawn down. Also, the consolidated company shall make improvements to meet the requirements of the agreement between the provision of the financial statements to the provision of the next first-half or annual financial statements. If the consolidated company completes the improvement within said improvement period and meets the requirements of the agreement, the non-conformity shall not be deemed as a breach of the consolidated company's financial commitment.

(2) In March 2023, the consolidated company signed a syndicated loan agreement with a bank syndicate with Mega International Commercial Bank as the lead bank. The credit line is \$1,909,600 thousand (including \$1,573,600 thousand for the limit of Type A loan and \$336,000 thousand for Type B loan), and the loan period is five years from the date the loan is first utilized. The principal of Type A loan should be paid off before the date the credit period expires. As for Type B loans, the 12-month period after the loan is first utilized is considered period 1, and the subsequent period is one month; the principal is divided into 48 installments, with the remaining principal being paid off in the last period. As of September 30, 2025, and December 31, 2024, and September 30, 2024, the balance of Item A financing borrowings was NT\$600,000 thousand, NT\$250,000 thousand, and NT\$250,000 thousand, respectively. As of September 30, 2025, and December 31, 2024, and September 30, 2024, the balance of Item B financing

borrowings were NT\$224,000, NT\$287,000 thousand, and NT\$308,000 thousand, respectively.

During the course of above-mentioned borrowings, the consolidated company's financial statements are required to be in compliance with certain financial ratios. If any non-conformity with the agreed financial ratios occurs, the consolidated company should make improvements to the agreement through cash capital increase or other means. Financial commitments are not deemed to have been breached if completed within the specified time period.

(3) In November 2020, the consolidated company signed a syndicated credit agreement with a syndicate of banks led by Taiwan Cooperative Bank, with a total credit limit of NT\$2,000,000 thousand (including NT\$1,600,000 thousand for Item A financing and NT\$400,000 thousand for Item B financing). The borrowing period extends to November 2025. The repayment schedule is as follows: from the date of the first drawdown, the repayment period is divided into 20 quarters, with the first quarter being the initial 3 months. During the first 12 quarters, 2% of the principal must be repaid each quarter; in the 13th and 19th quarters, 4% of the principal must be repaid each quarter; and the remaining principal must be repaid in the final quarter. As of September 30, 2025, and December 31 and September 30, 2024, the outstanding balances of Facility A financing borrowings were NT\$0 thousand, NT\$0 thousand, and NT\$579,000 thousand, respectively. This syndicated loan was fully repaid early in December 2024.

In the course of the duration of the above-mentioned borrowings, the consolidated company's financial statements are required to be in compliance with certain financial ratios. In the event of a non-conformity with any of the financial ratios, the consolidated company shall conduct capital increase in cash or make improvements by other means while paying compensation to the group of banks in a lump sum at 0.20% of the outstanding balance of the loan drawn down. Also, the consolidated company shall make improvements to meet the requirements of the agreement between the provision of the financial statements to the provision of the next first-half or annual financial statements. If the consolidated company completes the improvement within said improvement period and meets the requirements of the agreement, the non-conformity shall not be deemed as a breach of the consolidated company's financial commitment.

2. The bank's unsecured and secured loan contract period is 3 years and 9 months to 7 years, and the principal and interest are paid monthly.

For guarantees provided by the consolidated company for long-term borrowings, refer to Note XXXII.

XX. Notes Payable and Accounts Payable

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Notes payable - operating	\$ _____ -	\$ _____ 10	\$ _____ -
Accounts payable - operating	\$ _____ 71,172	\$ _____ 213,989	\$ _____ 319,340

The average credit period for purchases was 30 to 90 days. The consolidated company has established financial risk management policies to ensure that all payables are repaid within the pre-agreed credit periods.

XXI. Other Liabilities

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
<u>Current</u>			
Other payables			
Payables for salaries or bonuses	\$ 92,330	\$ 107,718	\$ 122,547
Payables for transportation and customs clearance	32,811	61,876	39,169
Payables for interests	23,640	14,118	11,526
Payables for labor and health insurance	10,404	14,664	15,689
Payables for purchases of equipment	2,397	53,822	37,752
Payables for environmental cost	1,041	4,514	4,163
Payables for business tax	3,930	10,026	6,865
Others	<u>43,084</u>	<u>27,952</u>	<u>80,784</u>
	<u><u>\$ 209,637</u></u>	<u><u>\$ 294,690</u></u>	<u><u>\$ 318,495</u></u>
Other liabilities			
Deferred revenue-government grants	\$ 6,450	\$ 14,000	\$ 7,000
Others	<u>6,227</u>	<u>9,500</u>	<u>11,428</u>
	<u><u>\$ 12,677</u></u>	<u><u>\$ 23,500</u></u>	<u><u>\$ 18,428</u></u>

Non-current

Other liabilities

Guarantee deposits received	<u><u>\$ 1,560</u></u>	<u><u>\$ 1,080</u></u>	<u><u>\$ -</u></u>
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XXII. Post-Employment Benefit Plans

The consolidated company adopted a pension plan under the Labor Pension Act, which is a state-managed defined contribution plan. Under the Labor Pension Act, an entity makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

Pension expenses for these defined contribution plans are classified under the following accounts:

	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Operating cost	\$ 5,204	\$ 8,001	\$ 17,840	\$ 24,712
Operating expenses	<u>1,372</u>	<u>1,424</u>	<u>4,118</u>	<u>4,306</u>
	<u><u>\$ 6,576</u></u>	<u><u>\$ 9,425</u></u>	<u><u>\$ 21,958</u></u>	<u><u>\$ 29,018</u></u>

XXIII. Preferred Stock Liabilities

On April 7, 2021, the Company's shareholders approved to issue 75,000 thousand shares of convertible preferred stock (Preferred A) with a par value of NT\$10 through private placement. On November 18, 2021, the Company's Board of Directors approved the issuance of 25,895 thousand shares of the Preferred A stock at a price of NT\$23.75 per share. The Company collected the total amount of NT\$615,000 thousand on December 2, 2021, and completed the registration of the share issuance. Subject to the conditions of the issuance, the preferred shares were split into preferred stock liability of NT\$287,949 thousand and conversion options of NT\$327,051 thousand. The rights and obligations of the preferred stock in this issuance are as follows:

- (1) The distribution of earnings was based on the Company's Articles of Incorporation, current year or current quarter and accumulated unappropriated dividend shall be appropriated to class A preferred shares in the first priority. If there were no earnings or earnings that were not sufficient to be appropriated to class A preferred shares, the distributable earnings shall be appropriated to class A preferred shares. The dividend deficiency shall be made up in a profitable year or quarter subsequently in the first priority.
- (2) The annual dividend rate of class A preferred shares was 2%, which was calculated at the issuance price per share and paid in cash; the ex-dividend date of the preferred dividend was authorized to be determined by the Board of Directors. The issuance number in issuance year or quarter and recovered year or quarter were calculated at the actual issuance number of days.
- (3) If the expected dividend distribution amount of common shares exceeds the dividend amount of class A preferred shares in the current year, the shareholders of class A preferred shares can participate in the distribution.
- (4) Except for the aforementioned dividend, the shareholders of class A preferred shares can participate in the appropriation of earnings and reserves to shareholders of common shares of preference shares.
- (5) Class B preferred shares were promised to be transferred to common shares on the day following the third anniversary of the issue.
- (6) Class A preferred stock is non-voting, except during the preferred shareholders' meetings and on matters regarding the shareholders' rights and obligations.
- (7) When it comes to appropriate over common shares residual assets of the Company, class A preferred shares have priority preferred shares. However, the amount was limited to the issuance price plus the total amount of unpaid dividends.
- (8) The issuance period of class A preferred shares was no period, the shareholders of class A preferred shares did not have the right to demand the Company call back class A preferred shares. However, after years of the issuance date, the Company can call back all or some of class A preferred shares at the actual issuance price in cash or other ways permitted by regulations. The rights and obligations of class A preferred shares that have not been called will continue until the Company calls back. In the current year of calling back the class A preferred shares, if the Company's shareholders resolve to appropriate dividends, the amounts of dividends, which have to

be the number of actual distributed as of the date of call back, will be calculated according to issuance days in the current year.

- (9) The preemptive rights for stockholders of class A preferred stocks are the same as those of common stocks when the Company increases its capital by issuing shares.
- (10) When class A preferred shares meet the condition of call back or mature in the issuance period, if the Company cannot call back all or some class A preferred shares due to force majeure or inscrutable fault of the Company, the rights of class A preferred shares which have not been called back will continue according to aforementioned issuance conditions until the Company calls back all the class A preferred shares. The dividends will be calculated according to the original annual rate and actual extension period, and the rights of class A preferred shares shall not be diminished according to the Company's articles of incorporation.

On March 7, 2022, the Board of Directors resolved that the offering of the remaining 49,105 thousand shares will not be continued.

XXIV. Equity

(I) Share capital - ordinary shares

	September 30, 2025	December 31, 2024	September 30, 2024
Shares authorized (in thousands of shares)	<u>700,000</u>	<u>700,000</u>	<u>700,000</u>
Shares authorized	<u>\$ 7,000,000</u>	<u>\$ 7,000,000</u>	<u>\$ 7,000,000</u>
Shares issued and fully paid (in thousands of shares)	<u>512,797</u>	<u>512,797</u>	<u>512,797</u>
Shares issued and fully paid	<u>\$ 5,127,967</u>	<u>\$ 5,127,967</u>	<u>\$ 5,127,967</u>

The par value of the issued ordinary shares is NT\$10. Each share entitles its holder to the right to vote and to receive dividends. And released convertible preferred stock (Preferred A) through private placement 25,895 thousand shares, please refer to Note XXIII.

The Company's total capital retains NT\$50,000 thousand in a total of 5,000 thousand shares, with a par value of NT\$10 per share, for the issue of employee stock options, which may be issued in tranches in accordance with the resolution of the Board of Directors.

(II) Capital surplus

	September 30, 2025	December 31, 2024	September 30, 2024
<u>May be used to offset a deficit, distributed as cash dividends, or transferred to share capital</u>			
Issuance of ordinary shares			
Premium from issuance of ordinary shares	\$ 1,361,293	\$ 1,624,201	\$ 1,624,201
Expired employee share options	14,372	14,372	14,372
<u>May be used to offset a deficit only</u>			
Changes in the percentage of ownership interest in invested company accounted for using the equity method	11	11	11
Gain from exercising call rights	6	6	6
<u>May not be used for any purpose</u>			
Preferred stock conversion rights (Note XXIII)	<u>327,051</u>	<u>327,051</u>	<u>327,051</u>

<u>\$ 1,702,733</u>	<u>\$ 1,965,641</u>	<u>\$ 1,965,641</u>
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The capital surplus from shares issued in excess of par and donations could be used to offset deficits; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to capital (limited to a certain percentage of the Company's paid-in capital and once a year).

(III) Retained earnings and dividend policy

Under the dividend policy as set forth in the Company's amended Articles of Incorporation, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's Board of Directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. The policies on the distribution of employees' compensation and remuneration of directors after the amendment refer to employees' compensation and remuneration of directors in Note XXV (IX).

In addition, in accordance with the dividend policy as stated in the Company's Articles, dividends shall be distributed in an appropriate manner based on the Company's future capital budget and funding needs. Dividends shall be distributed in the form of cash or shares, with the percentage of cash dividends not less than 10% of the total dividends distributed.

Appropriation of earnings to the legal reserve shall be made until the legal reserve equals the Company's paid-in capital. The legal reserve may be used to offset deficits. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

The Company held the shareholders' meeting on May 23, 2025 and May 24, 2024, which resolved to approve the 2024 and 2023 profit distribution shown as follows:

	2024	2023
Provision of legal reserve	\$ _____	\$ 52,727
Legal reserve used to offset losses	(\$ 76,100)	\$ _____ -
Deficit compensated through capital surplus	(\$ 262,908)	\$ _____ -
Reversal of special reserve	(\$ 390)	(\$ 149)
Cash dividends	\$ _____ -	\$ 215,477
Cash dividend per dollar (NT\$)	\$ _____ -	\$ 0.4

(IV) Other equity items

1. Exchange differences on the translation of the financial statements of foreign operations

	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Balance at January 1	\$ 206	(\$ 235)
Incurred in the current period		
Exchange differences on foreign operations	(615)	250
Income tax relating to items that may be reclassified	122	(51)

subsequently to profit or loss		
Reclassification adjustment		
Disposal of subsidiary	<u>-</u>	<u>4</u>
Balance, end of period	(<u>\$ 287</u>)	(<u>\$ 32</u>)

2. Unrealized gain on financial assets at FVTOCI

	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Balance at January 1	(\$ 170,716)	(\$ 170,665)
Incurred in the current period		
Unrealized gains or losses		
Equity instruments	5,717	-
Share of profit or loss of associates accounted for using the equity method	(932)	(20)
Gain or loss on disposal of equity instrument is transferred to retained earnings.	164,887	-
Closing balance	(\$ 1,044)	(\$ 170,685)

(V) Non-controlling interests

	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Balance at January 1	\$ 2,881	\$ 2,989
Attributable to non-controlling interests		
Net loss for the period	(9)	(15)
Disposal of subsidiary	<u>-</u>	<u>(90)</u>
Balance, end of period	<u>\$ 2,872</u>	<u>\$ 2,884</u>

XXV. Net profit (loss)

(I) Operating revenue

1. Contract balance	September 30, 2025	December 31, 2024	September 30, 2024	For the nine months ended
Notes receivable (Note IX)	<u>\$ 530,074</u>	<u>\$ 507,276</u>	<u>\$ 115,779</u>	<u>\$ 83,894</u>
Long-term notes receivable (Note IX)	<u>\$ 56,363</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Accounts receivable (Note IX)	<u>\$ 204,346</u>	<u>\$ 785,407</u>	<u>\$ 1,468,186</u>	<u>\$ 1,487,008</u>
Accounts receivable from related parties (Notes IX and XXXI)	<u>\$ -</u>	<u>\$ 8</u>	<u>\$ 55,543</u>	<u>\$ 42,437</u>
Contract liabilities				
Sale of goods	<u>\$ 36,801</u>	<u>\$ 47,582</u>	<u>\$ 75,971</u>	<u>\$ 90,007</u>

Refer to Note IX for the explanation of accounts receivable generated from contracts.

The changes in the balance of contract liabilities primarily resulted from the timing difference between the Group's satisfaction of performance obligations and the respective customer's payment.

2. Details of revenue from contracts with customers

Please refer to Note XXXVII(I) for further information about the details of revenue.

3. Partially completed contracts

The timing of revenue recognition for performance obligations that have not been completely.

	September 30, 2025	December 31, 2024	September 30, 2024	
Sale of goods				
- Obligations satisfied in 2024	\$ -	\$ -	\$ 75,971	
- Obligations satisfied in 2025	<u>36,801</u>	<u>47,582</u>	<u>-</u>	
	<u>\$ 36,801</u>	<u>\$ 47,582</u>	<u>\$ 75,971</u>	
(II) Other incomes and expenses, net				
	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Net loss on disposal of property, plant and equipment	\$ -	\$ -	\$ -	(\$ 25)
Others	<u>-</u>	<u>(29)</u>	<u>(949)</u>	<u>(397)</u>
Total	<u>\$ -</u>	<u>(\$ 29)</u>	<u>(\$ 949)</u>	<u>(\$ 422)</u>
(III) Interest income				
	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Cash in banks	\$ 1,300	\$ 1,269	\$ 2,949	\$ 8,645
Financial assets at amortized cost	87	1,746	2,252	3,072
Others	<u>45</u>	<u>1,731</u>	<u>91</u>	<u>1,749</u>
Total	<u>\$ 1,432</u>	<u>\$ 4,746</u>	<u>\$ 5,292</u>	<u>\$ 13,466</u>
(IV) Other revenue				
	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Revenue from government grants	\$ -	\$ 4,567	\$ 14,060	\$ 18,481
Lease revenue	2,446	131	6,880	364
Others	<u>1,104</u>	<u>871</u>	<u>3,352</u>	<u>5,175</u>
Total	<u>\$ 3,550</u>	<u>\$ 5,569</u>	<u>\$ 24,292</u>	<u>\$ 24,020</u>

(V) Other gains and losses

	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Gains (losses) on financial assets and financial liabilities				
Financial assets mandatorily classified as at fair value through profit or loss	\$ 25	\$ 450	\$ 1,037	\$ 1,380
Financial liabilities held for sell	-	(72)	-	(106)
Loss on disposal of subsidiary	-	(4)	-	(4)
Foreign currency exchange gains, net	(784)	177	(720)	6,303
Others	(7)	-	16	(438)
Total	(\$ 766)	\$ 551	\$ 333	\$ 7,135

(VI) Depreciation and amortization expenses

	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Property, plant and equipment	\$ 159,578	\$ 174,493	\$ 471,885	\$ 515,676
Right-of-use assets	1,713	3,238	5,296	9,146
Investment properties	459	-	1,377	-
Intangible assets	1,195	1,427	3,477	3,631
Total	\$ 162,945	\$ 179,158	\$ 482,035	\$ 528,453

An analysis of depreciation by function

Operating cost	\$ 156,151	\$ 171,362	\$ 462,212	\$ 506,104
Operating expenses	5,599	6,369	16,346	18,718
	<u>\$ 161,750</u>	<u>\$ 177,731</u>	<u>\$ 478,558</u>	<u>\$ 524,822</u>

An analysis of amortization by function

Operating cost	\$ 1,029	\$ 732	\$ 3,070	\$ 1,876
Operating expenses	166	695	407	1,755
	<u>\$ 1,195</u>	<u>\$ 1,427</u>	<u>\$ 3,477</u>	<u>\$ 3,631</u>

(VII) Operating expenses directly related to investment properties

	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Rent revenue generated				
Depreciation expense	\$ 459	\$ -	\$ 1,377	\$ -
Tax	158	-	465	-
	<u>\$ 617</u>	<u>\$ -</u>	<u>\$ 1,842</u>	<u>\$ -</u>

(VIII) Employee benefit expenses

	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Post-employment benefits				
Defined contribution plans (Note 22)	\$ 6,576	\$ 9,425	\$ 21,958	\$ 29,018
Salary expenses	156,050	214,222	526,911	684,584
Labor and health insurance expenses	16,279	24,733	55,266	75,151
Other employee benefits	16,739	27,069	55,353	82,470
Total employee benefit expenses	<u>\$ 195,644</u>	<u>\$ 275,449</u>	<u>\$ 659,488</u>	<u>\$ 871,223</u>
An analysis of employee benefit expense by function				
Operating cost	\$ 157,471	\$ 229,104	\$ 541,653	\$ 717,622
Operating expenses	38,173	46,345	117,835	153,601
	<u>\$ 195,644</u>	<u>\$ 275,449</u>	<u>\$ 659,488</u>	<u>\$ 871,223</u>

(IX) Compensation of employees and remuneration of directors

The Company accrued compensation of employees and remuneration of directors at rates of no less than 5% and no higher than 5%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors, after offsetting accumulated deficits, if any. The Company recorded a net loss before tax for the nine months ended September 30, 2025, and thus did not provide remuneration to employees and directors. According to the amendment to the Securities and Exchange Act in August 2024, the Company has amended the Articles of Incorporation at the 2025 shareholders' meeting, stipulating that if the Company makes a profit in a year, no less than 1% of the profit of the year shall be appropriated as the salary adjustment or remuneration to the entry-level employees. However, if there is a loss, the profit shall be retrained in advance to cover the loss.

The remuneration of employees and directors for the nine months ended September 30, 2024 is as follows:

Accrual rate

	For the nine months ended September 30, 2024
Remuneration of employees	9.0%
Remuneration to directors	4.6%

Amount

	For the three months ended September 30, 2024	For the nine months ended September 30, 2024
Remuneration of employees	<u>\$ 3,343</u>	<u>\$ 8,528</u>
Remuneration to directors	<u>\$ 1,395</u>	<u>\$ 4,311</u>

If there is a change in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate.

The Company recorded a net loss before tax for 2024, and thus did not provide remuneration to employees and directors.

The remuneration to employees and directors for 2023, was approved at the Board of Directors' meeting held on March 6, 2024, as follows:

Amount

	2023
	Cash
Remuneration of employees	\$ 31,800
Remuneration to directors	18,000

There is no difference between the amount of remuneration for employees and directors for 2024 and 2023 resolved to be distributed and the amount recognized in the 2024 and 2023 consolidated financial reports.

Information on the remuneration of employees and remuneration of directors resolved by the Company's Board of Directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

(X) Net gains (losses) on foreign currency exchange

	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Foreign currency exchange gains	\$ 2,915	\$ 5,338	\$ 15,667	\$ 31,492
Foreign currency exchange losses	(3,699)	(5,161)	(16,387)	(25,189)
Profit (loss) gain	<u>\$ 784</u>	<u>\$ 177</u>	<u>(\$ 720)</u>	<u>\$ 6,303</u>

(XI) Finance costs

	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Interest expense	\$ 14,361	\$ 16,245	\$ 41,249	\$ 49,884
Dividend on preferred stocks	3,075	3,075	9,225	9,225
Finance costs	1,508	1,494	3,311	4,910
Interest on lease liabilities	82	81	173	273
Others	35	50	199	207
Less: Capitalized interest	(635)	(3,219)	(2,302)	(9,368)
	<u>\$ 18,426</u>	<u>\$ 17,726</u>	<u>\$ 51,855</u>	<u>\$ 55,131</u>

Information about capitalized interest is as follows:

	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Capitalized interest	<u>\$ 635</u>	<u>\$ 3,219</u>	<u>\$ 2,302</u>	<u>\$ 9,368</u>
Capitalization rate	2.57%	2.40%	2.34%	2.41%

XXVI. Income Tax

(I) Income tax recognized in profit or loss

The main components of income tax benefits expenses are as follows:

	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Current tax				
Adjusted from previous years	\$ -	\$ -	\$ -	\$ 53
Deferred income tax				
In respect of the current period	<u>\$ 71,412</u>	<u>\$ 7,050</u>	<u>\$ 66,379</u>	<u>\$ 14,395</u>
Income tax benefit recognized in profit or loss	<u>\$ 71,412</u>	<u>\$ 7,050</u>	<u>\$ 66,379</u>	<u>\$ 14,448</u>

(II) Income tax recognized in other comprehensive income

	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Deferred income tax				
Incurred in the current period				
- Exchange differences in the translation of the financial statements of foreign operations	(\$ 61)	\$ 41	\$ 122	(\$ 51)

(III) Income tax assessments

The income tax returns of the Group through 2022 has been assessed by the tax authorities, and there is no significant difference between the number of cases assessed and declared.

The income tax returns of Yunsheng Optoelectronics Corporation and Yu Jing Geothermal Development Co., Ltd., Houchang Energy Corporation, Hengyong Energy Corporation, Hengli Energy Corporation, Yongli Energy Corporation and Yuan Jin Energy Co., Ltd. and through 2023, have been assessed by the tax authorities, and there is no significant difference between the number of cases assessed and declared.

XXVII. Earnings (Losses) per Share

	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Basic earnings (loss) per share	(\$ 1.21)	\$ 0.04	(\$ 1.90)	\$ 0.14
Diluted earnings per share	(\$ 1.21)	\$ 0.04	(\$ 1.90)	\$ 0.14

The net income (loss) and the weighted average number of ordinary shares used to calculate the earnings per share (loss) are as follows:

Net (loss) profit for the period

	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Net income used to calculate basic and diluted earnings per share				
Net income (loss) attributable to the owners of the Company	(\$ 620,213)	\$ 18,338	(\$ 976,116)	\$ 70,534

Shares

	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Weighted average number of ordinary shares used to calculate basic earnings (losses) per share	512,797	512,797	512,797	512,797
Effect of potentially dilutive ordinary shares:				
Remuneration of employees	-	346	-	638
Weighted average number of ordinary shares used in the computation of diluted earnings per share	512,797	513,143	512,797	513,435

The Group may settle the compensation of employees in cash or shares; therefore, the Group assumes that the entire amount of the compensation will be settled in shares, and the resulting potential shares are included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. When calculating diluted earnings per share before resolving the number of shares to distribute employee remuneration in the following year, the dilutive effect of these potential common shares will also continue to be considered. The Company recorded a net loss after tax for the three and nine months ended September 30, 2025. As the effect is anti-dilutive, the diluted earnings per share is not calculated. For the nine months ended September 30, 2024, the conversion of outstanding preferred shares is also excluded as the effect is anti-dilutive.

XXVIII. Cash Flow Information

(I) Non-cash transactions

For the nine months ended September 30, 2025 and 2024, the consolidated company entered into the following non-cash investing activities:

	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Acquisition of property, plant and equipment	\$ 145,461	\$ 359,154
Net increase in prepayments for equipment	(67,530)	155,059
Net increase in payables for purchase of equipment	51,425	59,540
Effect of foreign currency exchange differences	-	(115)
Cash paid	<u>\$ 129,356</u>	<u>\$ 573,638</u>

(II) Changes in liabilities arising from financing activities

For the nine months ended September 30, 2025

	January 1, 2025	Cash flow	New lease	Non-cash changes			September 30, 2025
				Long-term borrowings due within one year	Amortization of interest expenses	Others	
Short-term borrowings	\$ 150,204	\$ 149,796	\$ -	\$ -	\$ -	\$ -	\$ 300,000
Short-term bills payable	129,842	249,536	-	-	2,405	(2,405)	379,378
Long-term borrowings - current portion	446,345	(1,059,310)	-	1,004,326	-	-	391,361
Long-term borrowings	1,852,453	705,000	-	(1,004,326)	-	-	1,553,127
Guarantee deposits received	1,080	480	-	-	-	-	1,560
Lease liabilities	5,841	(5,290)	17,692	-	173	(4,932)	13,484
Preferred stock liabilities	<u>\$ 287,949</u>	<u>\$ 40,212</u>	<u>\$ 17,692</u>	<u>\$ -</u>	<u>\$ 2,578</u>	<u>(\$ 7,337)</u>	<u>\$ 287,949</u>
	<u><u>\$ 2,873,714</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>(\$ -)</u></u>	<u><u>\$ 2,926,859</u></u>

For the nine months ended September 30, 2024

	January 1, 2024	Cash flow	New lease	Non-cash changes			September 30, 2024
				Long-term borrowings due within one year	Amortization of interest expenses	Others	
Short-term borrowings	\$ 341,836	(\$ 184,738)	\$ -	\$ -	\$ -	\$ -	\$ 157,098
Short-term bills payable	79,904	60,015	-	-	1,474	(1,474)	139,919
Long-term borrowings due within one year	518,933	(585,650)	-	670,748	-	-	604,031
Long-term borrowings	2,068,284	461,000	-	(670,748)	-	-	1,858,536
Lease liabilities	16,420	(9,084)	6,505	-	273	(3,646)	10,468
Preferred stock liabilities	<u>\$ 287,949</u>	<u>(\$ 258,457)</u>	<u>\$ 6,505</u>	<u>\$ -</u>	<u>\$ 1,747</u>	<u>(\$ 5,120)</u>	<u>\$ 287,949</u>
	<u><u>\$ 3,313,326</u></u>	<u><u>(\$ -)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>(\$ -)</u></u>	<u><u>\$ 3,058,001</u></u>

XXIX. Capital Risk Management

The consolidated company manages its capital to ensure that entities in the consolidated company will be able to continue as going concerns while maximizing the return to shareholders through the optimization of the debt and equity balance.

The consolidated company will review the capital structure occasionally according to the economic environment and business considerations. Based on the management's recommendations, the consolidated company will adjust the number of new shares issued or the amount of new debt issued in order to balance the overall capital structure.

XXX. Financial Instruments

(I) Fair value of financial instruments that are not measured at fair value

The management believes the carrying amounts of financial assets and financial liabilities recognized in the consolidated financial statements approximate their fair values (or their fair values cannot be reliably measured).

(II) Fair value of financial instruments that are measured at fair value on a recurring basis

1. Fair value hierarchy

September 30, 2024

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial liabilities at FVTPL				
Derivatives	\$ ____ -	\$ ____ 72	\$ ____ -	\$ ____ 72

There were no transfers between Levels 1 and 2 for the nine months ended September 30, 2024.

2. Valuation techniques and inputs applied for Level 2 fair value measurement

<u>Financial Instrument</u>	<u>Valuation Technique and Inputs</u>
Derivatives - foreign exchange forward contracts	Discounted cash flow. Future cash flows are estimated based on observable forward exchange rates at the end of the year and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.

(III) Categories of financial instruments

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
<u>Financial assets</u>			
Financial liabilities at amortized cost (Note 1)	\$ 1,847,482	\$ 2,285,255	\$ 2,661,243
<u>Financial liabilities</u>			
Financial liabilities at FVTPL			72
Held for sell	-	-	
Financial liabilities at amortized cost (Note 2)	3,083,259	3,238,199	3,534,037

Note 1: The balances include financial assets at amortized cost, which comprise cash and cash equivalents, financial assets at amortized cost, notes receivable, long-term notes receivable, accounts receivable, accounts receivable from related parties, other accounts receivable (excluding value added tax rebate), other accounts receivable - related parties and refundable deposits (recognized as other non-current assets).

Note 2: The balances include financial liabilities measured at amortized cost, such as short-term borrowings, commercial paper payable, notes payable, accounts payable, other payables (excluding salaries and bonuses payable, labor and health insurance, pension, and business tax), other payables to related parties, long-term borrowings (including current portions), guarantee deposits received, and preferred stock liabilities.

(IV) Financial risk management objectives and policies

The consolidated company's main financial instruments include financial liabilities measured at fair value through profit or loss, accounts receivable, accounts payable, short-term borrowings, short-term notes payable, long-term borrowings, and lease liabilities. The consolidated company's corporate treasury function coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the consolidated company, and analyzes exposures by degree and magnitude of risks. These risks include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

The consolidated company seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the consolidated company's policies approved by the Board of Directors. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The consolidated company did not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

1. Market risk

The main market risk faced by the consolidated company is the risk of changes in foreign currency exchange rates (see (1) below) and the risk of changes in interest rates (see (2) below).

There had been no change to the consolidated company's exposure to market risks or the manner in which these risks were managed and measured.

(1) Foreign currency risk

For the carrying amounts of monetary assets and monetary liabilities denominated in the non-functional currency at the balance sheet date (including monetary items denominated in non-functional currencies in the consolidated financial statements), refer to Note XXXV.

Sensitivity analysis

The consolidated company is mainly exposed to the U.S. dollar.

The following table shows the consolidated company's sensitivity analysis when the functional currency increases and decreases by 5% against each relevant foreign currency. 5% is the sensitivity rate used for reporting exchange rate risk to key management within the Group, and represents management's assessment of the reasonably possible range of changes in foreign currency exchange rates. The positive numbers in the following table indicate the changes in net profit (loss) before tax when the functional currency appreciates 5% against each relevant foreign currency. When the

functional currency depreciates 5% against each relevant foreign currency, the net profit (loss) before tax will be the negative number of the same amount.

	USD impact	
	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Gain (loss)	\$ 766	(\$ 8,210)

This was mainly attributable to the exposure on outstanding bank deposits, financial assets at amortized cost, and payables denominated in U.S. dollars, which were not hedged at the end of the reporting period.

The consolidated company's sensitivity to the USD exchange rate decreased during the current period, mainly due to a reduction in net assets denominated in USD.

(2) Interest rate risk

The carrying amounts of the consolidated company's financial assets and financial liabilities with exposure to interest rate risk at the end of the reporting period were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Fair value interest rate risk			
- Financial liabilities	\$ 680,811	\$ 423,632	\$ 438,336
Cash flow interest rate risk			
- Financial assets	886,405	814,812	793,216
- Financial liabilities	2,244,488	2,449,002	2,619,665

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for non-derivative instruments at the end of the reporting period. A 25 basis point increase or decrease was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates increased/decreased by 25 basis points, with all other variables held constant, the consolidated company's net loss before tax for the nine months ended September 30, 2025, would increase/decrease by NT\$2,546 thousand, and the net income before tax for the nine months ended September 30, 2024, would decrease/increase by NT\$3,425 thousand, mainly due to the exposure to interest rate risk on the consolidated company's long-term borrowings.

The consolidated company's interest rate sensitivity decreased during the period, mainly due to the decrease in net liabilities for variable interest rates.

2. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the consolidated company. As of the end of the reporting period, the consolidated company's maximum exposure to credit risk, which will cause a financial loss to the consolidated company due to the failure of the counterparty to discharge its obligation, is primarily equal to the carrying amount of the respective recognized financial assets as stated in the balance sheets.

The consolidated company uses available financial information and mutual transaction records to rate major customers. The consolidated company continues to monitor the credit risk exposures and the credit ratings of their counterparties.

The consolidated company's concentration of credit risk of 91.76%, 94.87% and 97.3% in total trade receivables as of September 30, 2025, December 31 and September 30, 2024, respectively, was related to the consolidated company's ten largest customers.

3. Liquidity risk

The consolidated company managed and maintained sufficient cash and cash equivalents to support the operations of the consolidated company and mitigate the impact of fluctuations in cash flows with long-term borrowings. The consolidated company's management supervised the use of bank financing quotas and ensures compliance with the terms of the loan contract.

(1) Liquidity and interest rate risk tables for non-derivative financial liabilities

The following tables detail the consolidated company's remaining contractual maturities for its borrowings with agreed-upon repayment periods. The tables had been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the consolidated company can be required to pay.

September 30, 2025

	On demand or less than 1 Month				3 months to 1 year	Over 1 year
	1 to 3 months	3 months to 1 year	Over 1 year			
<u>Non-derivative financial liabilities</u>						
Variable interest rate liabilities	\$ 86,265	\$ 222,081	\$ 472,742	\$ 1,617,038		
Fixed interest rate liabilities	379,378	-	-	287,949		
Non-interest bearing liabilities	68,913	83,697	18,835	-		
Lease liabilities	589	1,087	4,331	7,859		
	<u>\$ 535,145</u>	<u>\$ 306,865</u>	<u>\$ 495,908</u>	<u>\$ 1,912,846</u>		

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years
	\$ 6,007	\$ 7,859	\$ -	\$ -	\$ -
Lease liabilities					

December 31, 2024

	On demand or less than 1 Month				3 months to 1 year	Over 1 year
	1 to 3 months	3 months to 1 year	Over 1 year			
<u>Non-derivative financial liabilities</u>						
Variable interest rate liabilities	\$ 71,068	\$ 181,814	\$ 393,877	\$ 2,019,804		
Fixed interest rate liabilities	129,842	-	-	287,949		
Non-interest bearing liabilities	236,833	103,225	31,348	-		
Lease liabilities	728	1,457	2,670	1,072		
	<u>\$ 438,471</u>	<u>\$ 286,496</u>	<u>\$ 427,895</u>	<u>\$ 2,308,825</u>		

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years
Lease liabilities	\$ 4,855	\$ 1,072	\$ -	\$ -	\$ -

September 30, 2024

	On demand or less than 1 Month	1 to 3 months	3 months to 1 year	Over 1 year
<u>Non-derivative financial liabilities</u>				
Variable interest rate liabilities	\$ 32,274	\$ 266,276	\$ 517,154	\$ 1,962,289
Fixed interest rate liabilities	139,919	-	-	287,949
Non-interest bearing liabilities	239,553	206,245	40,706	-
Lease liabilities	<u>1,217</u>	<u>2,222</u>	<u>5,096</u>	<u>2,109</u>
	<u>\$ 412,963</u>	<u>\$ 474,743</u>	<u>\$ 562,956</u>	<u>\$ 2,252,347</u>

Additional information about the maturity analysis for lease liabilities:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years
Lease liabilities	<u>\$ 8,535</u>	<u>\$ 2,109</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(2) Liquidity and interest rate risk table for derivative financial liabilities

For the liquidity analysis of derivative instruments, the information on the derivatives settled on a gross basis is compiled based on undiscounted gross cash inflows and outflows.

September 30, 2024

	On demand or less than 1 Month	1 to 3 months	3 months to 1 year	Over 1 year
<u>Gross settled</u>				
Foreign exchange forward contracts				
- Inflow	\$ 15,275	\$ -	\$ -	\$ -
- Outflow	(<u>15,347</u>)	<u>-</u>	<u>-</u>	<u>-</u>
	<u>(\$ 72)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(3) Financing facilities

	September 30, 2025	December 31, 2024	September 30, 2024
Unsecured bank overdraft facilities			
- Amount used	\$ 1,003,177	\$ 697,677	\$ 1,041,279
- Amount unused	<u>1,427,403</u>	<u>1,880,240</u>	<u>1,360,868</u>
	<u>\$ 2,430,580</u>	<u>\$ 2,577,917</u>	<u>\$ 2,402,147</u>
Secured bank overdraft facilities:			
- Amount used	\$ 2,829,184	\$ 2,274,387	\$ 3,848,281
- Amount unused	<u>2,913,239</u>	<u>3,762,081</u>	<u>2,211,877</u>
	<u>\$ 5,742,423</u>	<u>\$ 6,036,468</u>	<u>\$ 6,060,158</u>

XXXI. Transactions with Related Parties

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

(I) Related parties and relationship

Related Party		Relationship with the consolidated company
Holdgood		Associate
Yuan-Yu		Associate
KWE CORPORATION (KWE)		Substantive related party

(II) Operating revenue

Line Item	Related Party Category/Name	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
		2025	2024	2025	2024
Sales	Associate Holdgood	\$ 44	\$ 58,803	\$ 100	\$ 58,811

The prices and collection period of sales transactions are based on the contract, which are similar to those of other companies in general.

(III) Operating cost

Recognition Item	Related Party Category/Name	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
		2025	2024	2025	2024
Cost of goods sold	Associate Holdgood	\$ 225	\$ -	\$ 302	\$ -

These are electricity purchase transactions, with transaction terms determined by contract, including pricing and collection period.

(IV) Lease revenue

Related Party Category/Name	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
	2025	2024	2025	2024
Associate Holdgood	\$ 100	\$ 131	\$ 319	\$ 364

The rent is determined according to the bargaining method, and the rent is charged on a monthly basis.

(V) Other revenue

Related Party Category/Name	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
	2025	2024	2025	2024
Associate Holdgood	\$ 387	\$ 375	\$ 1,470	\$ 1,578

Other revenue refers to amounts charged to associates and power plant maintenance cleaning costs, transaction contents are made based on the price and collection period stated in the contract.

(VI) Accounts receivable from related parties

Recognition Item	Related Party Category/Name	September 30, 2025	December 31, 2024	September 30, 2024
Accounts receivable from related parties	Associate Holdgood	\$ -	\$ 8	\$ 55,543

The outstanding accounts receivable from related parties are unsecured and are not overdue. As of December 31, 2024, and September 30, 2024, accounts receivable from related parties have been assessed and determined to not require an allowance for doubtful accounts.

(VII) Other receivables from related parties

Recognition Item	Related Party Category/Name	September 30, 2025	December 31, 2024	September 30, 2024
Other receivables from related parties	Associate Holdgood	\$ 1,197	\$ 147	\$ 1,124

Amounts representing power plant maintenance fees and rent. Other receivables from related parties outstanding are unsecured and not past due, and it has been assessed that no allowance for impairment is necessary.

(VIII) Other payables from related parties

Recognition Item	Related Party Category/Name	September 30, 2025	December 31, 2024	September 30, 2024
Other payables from related parties	Associate Holdgood	\$ 102	\$ -	\$ -

These are payments for electricity purchase transactions.

(IX) Endorsements/Guarantees

Endorsements and guarantees provided by the groups.

Related Party	Category/Name	September 30, 2025	December 31, 2024	September 30, 2024
Associate				

Yuan-Yu \$ 120,000 \$ 120,000 \$ 120,000

As of September 30, 2025, December 31 and September 30, 2024, the amount of the consolidated company's collateral provided for the above endorsements and guarantees were NT\$8,759 thousand, NT\$131,472 thousand and NT\$135,709 thousand, respectively.

(X) Prepayment for equipment purchase

Line Item	Related Party Category/Name	September 30, 2025	December 31, 2024	September 30, 2024
Prepayment for equipment purchase	Substantive related party KWE	\$ 14,327	\$ 14,327	\$ 14,327

The price of the equipment for the prepayment of the construction contract for the solar power generation system equipment of Jinjing Electric Power was determined by the Board of Directors of Jinjing Electric Power with reference to the materials and construction cost and the market rate of return.

(XI) Remuneration to key management

	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Short-term employee benefits	\$ 7,893	\$ 10,537	\$ 26,680	\$ 33,574
Post-employment benefits	\$ 162	\$ 162	\$ 486	\$ 486
	<u>\$ 8,055</u>	<u>\$ 10,699</u>	<u>\$ 27,166</u>	<u>\$ 34,060</u>

The remuneration of directors and key executives was determined by the remuneration committee based on the performance of individuals and market trends.

XXXII. Pledged Assets

The following assets were provided as collateral for import duties, bank borrowings, borrowings for the purchase of material, power plant business and other credit facilities:

	September 30, 2025	December 31, 2024	September 30, 2024
Land	\$ 1,071,526	\$ 1,071,526	\$ 1,071,526
Buildings	1,707,291	1,762,090	1,780,356
Machinery	571,453	628,664	892,494
Other equipment	517	762	-
Investments accounted for using equity method	8,756	131,472	135,709
Financial assets at amortized cost	<u>95,972</u>	<u>108,502</u>	<u>102,288</u>
	<u>\$ 3,455,515</u>	<u>\$ 3,703,016</u>	<u>\$ 3,982,373</u>

XXXIII. Material Contingent Liabilities and Unrecognized Contractual Commitments

As of September 30, 2025, December 31 and September 30, 2024, the consolidated company's material commitments at the balance sheet date are as follows:

(I) Commitments for construction contracts

	September 30, 2025	December 31, 2024	September 30, 2024
Purchased	\$ 9,017	\$ 105,836	\$ 254,782
To be purchased in the future	<u>33,991</u>	<u>52,376</u>	<u>83,404</u>
Total Notional Amount	<u>\$ 43,008</u>	<u>\$ 158,212</u>	<u>\$ 338,186</u>

(II) Commitments for material purchasing contracts

	September 30, 2025	December 31, 2024	September 30, 2024
Purchased	\$ 38,352	\$ 258,279	\$ 433,579
To be purchased in the future	<u>203,335</u>	<u>349,459</u>	<u>588,263</u>
Total Notional Amount	<u>\$ 241,687</u>	<u>\$ 607,738</u>	<u>\$ 1,021,842</u>

(III) Commitments for equipment purchasing contracts

	September 30, 2025	December 31, 2024	September 30, 2024
Purchased	\$ 66,314	\$ 76,883	\$ 362,373
To be purchased in the future	<u>21,146</u>	<u>23,556</u>	<u>63,789</u>
Total Notional Amount	<u>\$ 87,460</u>	<u>\$ 100,439</u>	<u>\$ 426,162</u>

XXXIV. Material Events After the Reporting Period

On November 7, 2025, the Company resolved at a Board of Directors meeting to repurchase the privately placed Type A preferred shares issued on December 2, 2021, at the original issue price for a total amount of NT\$615,000 thousand. The Chairman was authorized to complete the repurchase procedures in one or multiple tranches based on the Company's operational needs and to determine the capital reduction reference date for conducting the cancellation of shares and refund of share payments. For details on the issuance of the privately placed Type A preferred shares mentioned above, please refer to Note XXIII.

XXXV. Foreign Currency Assets and Liabilities with Significantly Impact

The consolidated company's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies (including monetary items that have been written off in a non-functional currency in the consolidated financial statements). Foreign currency assets and liabilities with significant impact:

Unit: foreign currency in NT\$ thousand/NT\$

September 30, 2025

	Foreign currency	Exchange rate	Carrying amount
<u>Financial assets</u>			
<u>Monetary items</u>			
USD	\$ 146	30.445 (USD: NTD)	\$ 4,445
<u>Non-monetary items</u>			
USD	262	30.445 (USD: NTD)	7,989

Financial liabilities

	Foreign currency	Exchange rate	Carrying amount
<u>Monetary items</u>			
USD			
USD	649	30.445 (USD: NTD)	19,759

December 31, 2024

	Foreign currency	Exchange rate	Carrying amount
<u>Financial assets</u>			
<u>Monetary items</u>			
USD	\$ 7,726	32.785 (USD: NTD)	\$ 253,297
<u>Non-monetary items</u>			
USD	263	32.785 (USD: NTD)	8,631

Financial liabilities

	Foreign currency	Exchange rate	Carrying amount
<u>Monetary items</u>			
USD			
USD	3,787	32.785 (USD: NTD)	124,157

September 30, 2024

	Foreign currency	Exchange rate	Carrying amount
<u>Financial assets</u>			
<u>Monetary items</u>			
USD	\$ 10,728	31.65 (USD: NTD)	\$ 339,541
<u>Non-monetary items</u>			
USD	263	31.65 (USD: NTD)	8,310
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD	5,540	31.65 (USD: NTD)	175,341

The significant unrealized foreign exchange gains (losses) were as follows:

Foreign currency	For the Three Months Ended September 30, 2025		For the Three Months Ended September 30, 2024	
	Exchange rate	Unrealized exchange losses, net	Exchange rate	Unrealized exchange losses, net
USD	29.95 (USD:NTD)	(\$ 1,526)	32.301 (USD:NTD)	(\$ 771)
<u>For the Nine Months Ended September 30, 2025</u>				
Foreign currency	Exchange rate	Unrealized exchange gains, net	Exchange rate	Unrealized exchange losses, net
USD	31.222 (USD:NTD)	\$ 58	32.034 (USD:NTD)	(\$ 284)

XXVI. Additional Disclosures

(I) Information about significant transactions:

1. Financing provided to others: (Table 1).
2. Endorsements/guarantees provided: (Table 2).

3. Major securities held at the end of the period (excluding investments in subsidiaries and associates): (None).
4. Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: (None).
5. Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: (None).
6. Others: Business relationships and significant transaction details and amounts between the parent and subsidiaries, and among the subsidiaries. (None)

(II) Information on investees: Table 3.

(III) Information on investments in mainland China: (None).

XXXVII. Segment Information

Financial Information for Operating Segments

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the type of products delivered or services provided. The reportable segments of the consolidated company are the solar module segment and other segments.

Solar module segment: Provides manufacturing and after-sales services of solar module products.

(I) Segment revenue and results

	Solar modules	Others	Elimination of intersegment revenue and gains or losses	Total
<u>For the Nine Months Ended September 30, 2025</u>				
Revenue from external customers	\$ 1,401,893	\$ 50,502	\$ -	\$ 1,452,395
Intersegment revenue	\$ -	\$ 325	(\$ 325)	\$ -
Segment income (loss)	(\$ 758,291)	(\$ 15,295)	\$ 756	(\$ 772,830)
<u>For the Nine Months Ended September 30, 2024</u>				
Revenue from external customers	\$ 3,642,000	\$ 120,732	\$ -	\$ 3,762,732
Intersegment revenue	\$ -	\$ -	\$ -	\$ -
Segment income (loss)	\$ 117,735	(\$ 35,449)	\$ 1,216	\$ 83,502

Segment gains (losses) refer to the profits earned by each segment, excluding non-operating income and expenses, and income tax benefits (expenses). The measurement amount is provided to the chief operating decision maker for allocating resources to departments and assessing their performance.

(II) Total segment assets and liabilities

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Segment total assets</u>			
Solar modules	\$ 8,743,914	\$ 9,867,049	\$ 10,904,052
Others	\$ 413,754	\$ 455,669	\$ 424,803
Consolidated total assets	\$ 9,157,668	\$ 10,322,718	\$ 11,328,855
<u>Segment liabilities</u>			
Solar Module Segment	\$ 3,188,963	\$ 3,312,193	\$ 3,595,073
Other segment	\$ 106,957	\$ 176,944	\$ 229,618
Total consolidated liabilities	\$ 3,295,920	\$ 3,489,137	\$ 3,824,691

TSEC CORPORATION AND SUBSIDIARIES
 Financing provided to others
 January 1 to September 30, 2025

Table 1

Unit: NT\$ thousand

No. (Note 1)	Companies to which funds were loaned	Loan counterparties	Transaction item	Whether a related party	Maximum balance during the period	Closing balance	Actual amount drawn	Interest rate range	Nature of fund lending (Note 2)	Amount of business transactions	Reason for the need for short-term financing	Allowance for doubtful accounts amount	Collateral		Lending limit to individual counterparties (Note 3)	Total lending limit (Note 3)	Note
													Name	Value			
0	TSEC Corporation	Houchang Energy Corporation	Other receivables from related parties	Yes	\$ 150,000	\$ 150,000	\$ 50,000	2.30%	2	\$ -	Operating turnover	\$ -	None	\$ -	\$ 585,888	\$ 1,171,775	—

Note 1: The description of the numbering column is as follows:

(1) The issuer fills in 0.

(2) The investee companies are numbered sequentially by company, starting from Arabic numeral 1.

Note 2: The description of the nature of fund lending is as follows:

(1) Fill in 1 for counterparties with business transactions.

(2) Fill in 2 for counterparties with a need for short-term financing.

Note 3: The Company's total lending limit and the limit to individual counterparties:

I. The Company's total amount of fund lending shall not exceed 40% of the Company's net worth in the most recent financial statements, and the amount to any single borrower shall not exceed 25% of the aforementioned total lending limit.

II. For lending to companies with business transactions, the total lending amount shall not exceed 20% of the Company's net worth in the most recent financial statements; the lending amount to any individual counterparty shall be limited to the total transaction amount between the two parties in the 12 months prior to the fund lending, with the transaction amount referring to the higher of purchases from or sales to the counterparty.

III. For fund lending due to the need for short-term financing, the total lending amount shall not exceed 20% of the Company's net worth in the most recent financial statements, and the amount to any individual counterparty shall not exceed 10% of the Company's net worth in the most recent financial statements.

IV. For fund lending between foreign companies in which the Company directly and indirectly holds 100% of the voting shares, the lending amount shall not exceed 10% of the lending company's net worth in the most recent financial statements, and the term shall not exceed one year.

TSEC CORPORATION AND SUBSIDIARIES
Endorsements and guarantees provided by the groups.
January 1 to September 30, 2025

Table 2

(Unit: In NT\$ thousand, unless specified otherwise)

No.	Guarantor	Guarantee		Limit on Guarantee Given on Behalf of Each Party (Note 2)	Maximum amount guaranteed during the period (Note 4)	Outstanding guarantee at the end of the period (Note 4)	Actual amount borrowed	Ratio of accumulated	Guarantee to net equity in latest financial statements (%) (Note 3)	Aggregate guarantee limit (Note 2)	Guarantee given by parent on behalf of subsidiaries (Note 5)	Guarantee given by subsidiaries on behalf of parent (Note 5)	Endorsement/guarantee by entity in China (Note 5)	Note
		Company name	Relationship (Note 1)											
0	TSEC Corporation	Yuan-Yu Solar Energy Co., Ltd.	6	\$ 1,171,775	\$ 120,000	\$ 120,000	\$ 120,000	\$ 8,756	2.05	\$ 2,636,494	N	N	N	
0	TSEC Corporation	Houchang Energy Corporation	2	1,171,775	245,000	245,000	98,133	-	4.18	2,636,494	Y	N	N	
0	TSEC Corporation	Jinjing Electric Power Co., Ltd.	2	1,171,775	80,000	80,000	-	-	1.37	2,636,494	Y	N	N	

Note 1: The relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following five categories; fill in the number of categories each case belongs to:

1. A company with which it has business dealings.
2. The Company directly or indirectly holds more than 50% of the voting shares of the other company.
3. The other company directly or indirectly holds more than 50% of the voting shares of the Company.
4. Companies in which the Company holds, directly or indirectly, 90% or more of the voting shares may make endorsements/guarantees for each other, and the amount of endorsements/guarantees may not exceed 10% of the net worth of the Company. However, the restriction does not apply to endorsements/guarantees made between companies in which the Company holds, directly or indirectly, 100% of the voting shares.
5. The company provides mutual guarantees with other companies in the same industry or joint contractors as required by contract for construction projects.
6. The company provides guarantees for the investee company based on a joint investment relationship, with all contributing shareholders endorsing the guarantee in proportion to their shareholdings.

Note 2: The total amount of the Company's external endorsement guarantees shall not exceed 45% of the current net worth. The ceiling amount of endorsement guarantees to a single company is no more than 20% of the Company's net worth, and no more than 30% of the Company's net worth if it is to a single overseas affiliated company. The net value is based on the financial statements recently verified or audited by independent auditors.

Note 3: It is calculated according to the financial data of the company providing the endorsements/guarantees.

Note 4: The maximum balance of endorsements/guarantees for the current period and the balance of endorsement/guarantee, end of period, are the amounts approved by the Board of Directors.

Note 5: "Y" shall be entered only in the cases of endorsement/guarantee by the publicly listed parent to subsidiary; endorsement/guarantee by subsidiary to the publicly listed parent; endorsement/guarantee to entity in mainland China.

TSEC CORPORATION AND SUBSIDIARIES
 Names, locations, and other information of investees over which the company exercises significant influence
 January 1 to September 30, 2025

Table 3

(Unit: In NT\$ thousand, unless specified otherwise)

Name of the investment company	Investee company	Location	Main business and products	Investment Amount		Held at the end of the period			Net income (loss) of the investee	Share of profit	Note
				End of the period	End of the last period	Number of shares (in thousands)	%	Carrying amount			
TSEC Corporation	TSEC AMERICA, INC.	1235 N Harbor Blvd Ste 240, Fullerton, CA 92832, U.S.A.	Sales of solar related products	\$ 31,129 (USD 1,000,000)	\$ 31,129 (USD 1,000,000)	100	100	\$ 7,989	(\$ 27)	(\$ 27)	Notes 1, 4 and 6
	Houchang Energy Corporation	No. 335-12, Daxi Rd., Pingtung City, Pingtung County 900053, Taiwan	Energy Storage System Operations	160,500	160,500	16,050	100	110,708	(23,010)	(23,010)	Notes 1 and 6
	Yunsheng Optoelectronics Corporation	No. 335-12, Daxi Rd., Pingtung City, Pingtung County 900053, Taiwan	Self-usage power generation equipment utilizing renewable energy industry	500	500	50	100	486	2	2	Notes 1 and 6
	Yu Jing Geothermal Development Co., Ltd. (formerly Yunxing Optoelectronics Co., Ltd.)	No. 335-12, Daxi Rd., Pingtung City, Pingtung County 900053, Taiwan	Self-usage power generation equipment utilizing renewable energy industry	500	500	50	100	475	(9)	(9)	Notes 1, 6 and 8
	Hengli Energy Corporation	No. 335-12, Daxi Rd., Pingtung City, Pingtung County 900053, Taiwan	Self-usage power generation equipment utilizing renewable energy industry	4,989	4,989	500	100	4,948	24	24	Notes 1 and 6
	Yuan Jin Energy Co., Ltd.	8F, No. 225, Sec. 3, Beixin Rd., Xindian Dist., New Taipei City 231, Taiwan	Self-usage power generation equipment utilizing renewable energy industry	26,100	26,100	2,610	90	25,842	(89)	(81)	Notes 1 and 6
	Yuan-Yu Solar Energy Co., Ltd.	No. 335-12, Daxi Rd., Pingtung City, Pingtung County 900053, Taiwan	Self-usage power generation equipment utilizing renewable energy industry	120,000	120,000	12,000	20	8,756	(574,689)	(114,916)	Notes 3, 5 and 7
	Holdgood Energy Corporation	8F, No. 225, Sec. 3, Beixin Rd., Xindian Dist., New Taipei City 231, Taiwan	Self-usage power generation equipment utilizing renewable energy industry	168,314	213,804	16,831	45.49	184,595	14,634	6,656	Notes 2 and 5
	NFC III Renewable Power Co., Ltd.	12F-4, No. 89, Songren Road, Xinyi District, Taipei City 110413, Taiwan	Self-usage power generation equipment utilizing renewable energy industry	432,000	432,000	43,200	24	413,615	(27,996)	(6,718)	Notes 3
Houchang Energy Corporation	Hengyong Energy Corporation	No. 335-12, Daxi Rd., Pingtung City, Pingtung County 900053, Taiwan	Self-usage power generation equipment utilizing renewable energy industry	100	100	10	100	90	-	-	Notes 1 and 6
	Yongli Energy Corporation	No. 335-12, Daxi Rd., Pingtung City, Pingtung County 900053, Taiwan	Self-usage power generation equipment utilizing renewable energy industry	100	100	10	100	90	-	-	Notes 1 and 6
Yuan Jin Energy Co., Ltd.	Jinjing Electric Power Co., Ltd.	No. 85, Guangfu N. Rd., Hukou Township, Hsinchu County 303036, Taiwan	Self-usage power generation equipment utilizing renewable energy industry	28,024	28,024	2,810	100	27,727	(57)	(57)	Notes 1 and 6

Note 1: The investment gains and losses of the subsidiaries accounted for using the equity method are calculated based on the financial statements that have been reviewed.

Note 2: The investment gains and losses of the associates accounted for using the equity method are calculated based on the financial statements that have been reviewed.

Note 3: The investment gains and losses of the associates accounted for using the equity method are calculated based on the financial statements that have been audited by the other CPAs.

Note 4: The Company's board of directors resolved to liquidate and dissolve the subsidiary, TSEC AMERICA, INC. on September 11, 2018. As of November 7, 2025, TSEC AMERICA, INC. had not completed the liquidation process.

Note 5: Carrying amount includes unrealized gross margin.

Note 6: Eliminated from the consolidated financial statements.

Note 7: The Company issued the equity of Yuan Yu Company to the bank lender as collateral for Yuan Yu Company's financing in Note XXXII.

Note 8: Yunxing Optoelectronics Co., Ltd. changed its company name to Yu Jing Geothermal Development Co., Ltd. in July 2025.