EPISIL-PRECISION INC. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS WITH REPORT OF INDEPENDENT AUDITORS

FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2025 AND 2024

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Episil-Precision Inc.

Preface

We have reviewed the accompanying consolidated balance sheets of Episil-Precision Inc. and its subsidiary (the "Group") as of June 30, 2025 and 2024, and the related consolidated statements of comprehensive income, consolidated statements of changes in equity, consolidated statements of cash flows for the six-month periods ended June 30, 2025 and 2024, and notes to the consolidated financial statements (including a summary of significant accounting policies). It is the management's responsibility to prepare fairly presented consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 'Interim Financial Reporting' endorsed by the FSC, and the accountant's responsibility is to draw conclusions on the consolidated financial statements based on the review results.

Scope

Except as stated in the section of basis for qualified conclusion, we conducted our reviews in accordance with the Standard on Review Engagements 2410, "Review of Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. The procedures performed in the review of consolidated financial statements include inquiries (primarily inquiring those responsible for financial and accounting matters), analytical procedures and other review procedures. The scope of the review work is significantly smaller than the scope of the audit work, so the accountant may not be able to identify all the material matters that can be identified by the audit work, and therefore cannot present the audit opinion.

Basis for qualified conclusion

As mentioned in Notes 4(3) to the consolidated financial statements, the financial statements of some unimportant subsidiaries included in the above consolidated financial statements not reviewed by the accountant. As of June 30, 2025 and 2024, the total assets of such subsidiaries were NT$52,150 thousand and NT$85,583 thousand respectively, accounting for 0.77% and 1.22% of the consolidated total assets respectively; the total liabilities were NT$417 thousand and NT$1,323 thousand respectively, accounting for 0.02% and 0.06% of the total consolidated liabilities respectively; the total comprehensive profit and loss for the three-month and six-month periods ended June 30, 2025 and 2024 were (NT$204) thousand，(NT$1,135) thousand，(NT$778) thousand and (NT$1,035) thousand respectively, which represented 0.47%，(0.76%)，1.94% and (0.54%) of the total consolidated comprehensive profit and loss respectively.

Qualified conclusion

According to the review results of the accountants, except for some unimportant subsidiaries included in the consolidated financial statements, which may be adjusted appropriately and the impacts may be disclosed, we did not find any circumstance where the consolidated financial statements referred to in paragraph 1 were not prepared in any material respect in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 'Interim Financial Reporting' endorsed by the FSC, making it impossible to fairly present the consolidated financial position of Episil –Precision Inc. and its subsidiaries as of June 30, 2025 and 2024, and the consolidated financial performance and consolidated cash flow for the six-month periods ended June 30, 2025 and 2024.

Li, Tien-Yi　　　　Hsieh, Chih-Cheng

For and on behalf of PricewaterhouseCoopers, Taiwan
Jul 29 2025

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors'' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

EPISIL-PRECISION INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2025, DECEMBER 31, 2024 and JUNE 30, 2024 (JUNE 30, 2025 and 2024 are unaudited)
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	June 30, 2025		December 31, 2024		June 30, 2024	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
	Current assets							
1100	Cash and cash equivalents	6(1)	$ 2,159,446	32	$ 2,638,148	36	$ 2,641,103	38
1136	Current financial assets at amortised cost	6(2)	-	-	10,000	-	-	-
1170	Accounts receivable, net	6(3)	529,972	8	625,605	9	869,259	12
1180	Accounts receivable - related parties	6(3)and7	287,188	4	233,640	3	100,249	1
1200	Other receivables		13,734	-	19,297	-	23,823	-
1210	Other receivables due from related parties	7	16,400	-	9,978	-	37,218	1
1220	Current income tax assets		1,622	-	-	-	-	-
130X	Inventories	6(4)	649,402	10	783,835	11	878,305	13
1410	Prepayments		69,261	1	96,835	1	68,966	1
1470	Other current assets		3,726	-	7,603	-	6,412	-
11XX	**Current assets**		3,730,751	55	4,424,395	60	4,625,335	66
	Non-current assets							
1517	Non-current financial assets at fair value through other comprehensive income		17	-	17	-	17	-
1535	Non-current financial assets at amortised cost	6(2) and 8	19,490	-	19,490	-	13,583	-
1600	Property, plant and equipment	6(5)	2,461,867	36	2,366,182	32	1,911,297	27
1755	Right-of-use assets	6(6)	339,966	5	358,958	5	232,947	3
1760	Investment property - net	6(8)	148,013	2	150,474	2	152,935	2
1780	Intangible assets	6(9)	56,600	1	58,197	1	55,191	1
1840	Deferred income tax assets		42,178	1	32,224	-	38,067	1
1920	Refundable guarantee deposits		2,167	-	1,278	-	1,258	-
15XX	**Non-current assets**		3,070,298	45	2,986,820	40	2,405,295	34
1XXX	**Total assets**		$ 6,801,049	100	$ 7,411,215	100	$ 7,030,630	100

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EPISIL-PRECISION INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2025, DECEMBER 31, 2024 and JUNE 30, 2024 (JUNE 30, 2025 and 2024 are unaudited)
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	June 30, 2025 AMOUNT	%	December 31, 2024 AMOUNT	%	June 30, 2024 AMOUNT	%
	Current liabilities							
2100	Short-term borrowings	6(10)	$ 160,431	3	$ 45,159	1	$ 223,068	3
2170	Accounts payable	6(11)	250,652	4	306,247	4	343,678	5
2180	Accounts payable - related parties	7	2,488	-	6,469	-	7,752	-
2200	Other payables	6(12)	431,851	6	460,109	5	424,629	6
2220	Other payables - related parties	7	92,287	1	8,216	-	94,490	1
2230	Current income tax liabilities		4,319	-	27,218	1	57,311	1
2280	Current lease liabilities		12,676	-	12,447	-	10,201	-
2320	Long-term borrowings, current portion	6(13)	-	-	497,917	7	494,370	7
2399	Other current liabilities, others		49,103	1	47,636	1	98,075	2
21XX	**Current liabilities**		1,003,807	15	1,411,418	19	1,753,574	25
	Non-current liabilities							
2530	Corporate bonds payable	6(13)	474,738	7	468,867	6	-	-
2570	Deferred income tax liabilities		33,722	-	33,722	1	36,148	1
2580	Non-current lease liabilities		343,323	5	360,940	5	240,212	3
2640	Accrued pension liabilities	6(14)	45,269	1	50,179	1	66,242	1
2645	Guarantee deposits received		8,095	-	8,095	-	8,095	-
2670	Other liabilities, others		18,960	-	20,537	-	52,762	-
25XX	**Non-current liabilities**		924,107	13	942,340	13	334,114	5
2XXX	**Total liabilities**		1,927,914	28	2,353,758	32	2,087,688	30
	Equity							
	Equity attributable to owners of the parent							
	Share capital	6(15)						
3110	Share capital - common stock		2,885,418	43	2,885,418	39	2,885,418	41
	Capital surplus	6(16)						
3200	Capital surplus		1,650,774	24	1,650,774	22	1,615,050	22
	Retained earnings	6(17)						
3310	Legal reserve		214,610	3	187,721	3	187,721	3
3320	Special reserve		2,321	-	1,898	-	1,898	-
3350	Unappropriated retained earnings		122,566	2	333,967	4	255,646	4
	Other equity interest	6(18)						
3400	Other equity interest		(2,554)	-	(2,321)	-	(2,791)	-
3XXX	**Total equity**		4,873,135	72	5,057,457	68	4,942,942	70
	Significant commitments and contingencies	9						
	Significaut events after the reporting period	11						
3X2X	**Total liabilities and equity**		$ 6,801,049	100	$ 7,411,215	100	$ 7,030,630	100

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

EPISIL-PRECISION INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2025 AND 2024 are unaudited
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

			For the three-month periods ended June 30,				For the six-month periods ended June 30,			
			2025		2024		2025		2024	
Items		Notes	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(19) and 7	$ 954,636	100	$ 1,047,959	100	$ 1,851,660	100	$ 2,078,019	100
5000	Operating costs	6(4) and 7	(906,532)	(95)	(964,756)	(92)	(1,746,922)	(94)	(1,875,919)	(90)
5900	Operating margin		48,104	5	83,203	8	104,738	6	202,100	10
	Operating expenses	6(24)(25) and 7								
6100	Selling and marketing expenses		(10,384)	(1)	(13,197)	(1)	(22,279)	(1)	(24,227)	(1)
6200	General and administrative expenses		(48,496)	(5)	(49,189)	(5)	(94,833)	(5)	(95,990)	(5)
6300	Research and development expenses		(15,535)	(2)	(14,543)	(1)	(26,912)	(2)	(39,970)	(2)
6000	Total operating expenses		(74,415)	(8)	(76,929)	(7)	(144,024)	(8)	(160,187)	(8)
6900	Operating (loss) profit		(26,311)	(3)	6,274	1	(39,286)	(2)	41,913	2
	Non-operating income and expenses									
7100	Interest income	6(20)	8,61	1	9,901	1	17,120	1	16,811	1
7010	Other income	6(21)	10,439	1	10,280	1	20,845	1	20,614	1
7020	Other gains and losses	6(22)	(41,694)	(4)	163,454	15	(37,755)	(2)	170,287)	(8
7050	Finance costs	6(23)	(4,710)	(1)	(2,500)	-	(10,695)	(1)	(11,420)	(1)
7000	Total non-operating income and expenses		(27,004)	(3)	181,135	17	(10,485)	(1)	196,292	9
7900	**Profit (Loss) before income tax**		(53,315)	(6)	187,409	18	(49,771)	(3)	238,205	11
7950	Income tax benefit (expense)	6(26)	10,663	1	(37,482)	(4)	47,641	1	(47,641)	(2)
8200	**Profit (Loss) for the year**		($ 42,652)	(5)	$ 149,927	14	($ 39,818)	(2)	$ 190,564	9

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EPISIL-PRECISION INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2025 AND 2024 are unaudited
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

			For the three-month periods ended June 30,				For the six-month periods ended June 30,			
			2025		2024		2025		2024	
	Items	Notes	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
	Other comprehensive income (loss), net									
	Components of other comprehensive income that may be subsequently reclassified to profit or loss									
8361	Exchange differences on translation of foreign operations	6(18)	($ 888)	-	($ 549)	-	($ 233)	-	($ 893)	-
8300	**Other comprehensive income (loss), net**		($ 888)	-	($ 549)	-	($ 233)	-	($ 893)	-
8500	**Total other comprehensive income (loss) for the year**		($ 43,540)	(5)	$ 149,378	14	($ 40,051)	(2)	$ 189,671	9
	Profit, attributable to:									
8610	Owners of the parent		($ 42,652)	(5)	$ 149,927	14	($ 39,818)	(2)	$ 190,564	9
	Comprehensive income attributable to:									
8710	Owners of the parent		($ 43,540)	(5)	$ 149,378	14	($ 40,051)	(2)	$ 189,671	9
	Basic (loss) earnings per share	6(27)								
9750	Basic (loss) earnings per share (in dollars)		($ 0.15)		$ 0.52		($ 0.14)		$ 0.66	
	Diluted (loss) earnings per share	6(27)								
9850	Diluted (loss) earnings per share (in dollars)		($ 0.15)		$ 0.52		($ 0.14)		$ 066	

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

EPISIL-PRECISION INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE SIXE-MONTH PERIODS ENDED JUNE 30, 2025 AND 2024 are unaudited
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent									
			Capital Reserves				Retained Earnings				
	Notes	Share capital - common stock	Additional paid-in capital	Warrants	Restricted stocks	Others	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Total equity
Balance at January 1, 2024		$ 2,885,394	$ 1,581,843	$ 21,757	$ 670	$ 10,508	$ 170,583	$ 1,155	$ 227,233	($ 1,898)	$ 4,897,245
Profit for the six-month ended June 30,2024		-	-	-	-	-	-	-	190,564	-	190,564
Other comprehensive income (loss)	6(18)	-	-	-	-	-	-	-	-	(893)	(893)
Total comprehensive income (loss)		-	-	-	-	-	-	-	190,564	(893)	189,671
Appropriation of 2023 earnings	6(17)										
Legal reserve		-	-	-	-	-	17,138	-	(17,138)	-	-
Special reserve reversed		-	-	-	-	-	-	743	(743)	-	-
Cash dividends		-	-	-	-	-	-	-	(144,270)	-	(144,270)
Conversion of convertible bonds	6(13)(15)	24	285	(13)	-	-	-	-	-	-	296
Balance at June 30, 2024		$ 2,885,418	$ 1,582,128	$ 21,744	$ 670	$ 10,508	$ 187,721	$ 1,898	$ 255,646	($ 2,791)	$ 4,942,942
Balance at January 1, 2025		$ 2,885,418	$ 1,582,128	$ 57,468	$ 670	$ 10,508	$ 187,721	$ 1,898	$ 333,967	($ 2,321)	$ 5,057,457
Loss for the six-month ended June 30,2025		-	-	-	-	-	-	-	(39,818)	-	(39,818)
Other comprehensive income (loss)	6(18)	-	-	-	-	-	-	-	-	(233)	(233)
Total comprehensive income (loss)		-	-	-	-	-	-	-	(39,818)	(233)	(40,051)
Appropriation of 2024 earnings	6(17)										
Legal reserve		-	-	-	-	-	26,889	-	(26,889)	-	-
Special reserve reversed		-	-	-	-	-	-	423	(423)	-	-
Cash dividends		-	-	-	-	-	-	-	(144,271)	-	(144,271)
Balance at June 30, 2025		$ 2,885,418	$ 1,582,128	$ 57,468	$ 670	$ 10,508	$ 214,610	$ 2,321	$ 122,566	($ 2,554)	$ 4,873,135

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

EPISIL-PRECISION INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2025 AND 2024 are unaudited
(Expressed in thousands of New Taiwan dollars)

CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss)Profit before tax		($ 49,771)	$ 238,205
Adjustments			
Adjustments to reconcile (profit) loss			
Depreciation expense	6(5)(6)(8)(24)	198,443	233,160
Amortisation expense	6(9)(24)	2,726	1,757
Finance costs	6(23)	10,695	11,420
Interest income	6(20)	(17,120)	(16,811)
Gain on disposal of property, plant and euipment	6(22)	(1,388)	(158,789)
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable		95,633	11,387
Accounts receivable - related parties		(53,548)	2,709
Other receivables		4,986	4,059
Other receivables - related parties		(6,422)	(26,766)
Inventories		134,433	41,413
Prepayments		27,028	7,707
Other current assets		3,877	(2,031)
Changes in operating liabilities			
Accounts payable		(55,595)	86,673
Accounts payable - related parties		(3,981)	1,777
Other payables		(75,814)	17,337
Other payables - related parties		590	(21,570)
Other current liabilities		(112)	(8,316)
Accrued pension liabilities		(4,910)	(2,426)
Cash inflow generated from operations		209,750	420,895
Interest received		17,697	16,445
Interest paid		(3,625)	(10,425)
Income taxes paid		(24,522)	(48,609)
Net cash flows from operating activities		199,300	378,306

EPISIL-PRECISION INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2025 AND 2024 are unaudited
(Expressed in thousands of New Taiwan dollars)

CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of financial assets at amortised cost	6(2)	$ 10,000	$ -
Acquisition of property, plant and equipment	6(28)	(297,236)	(191,011)
Proceeds from disposal of property, plant and equipment	6(22)	1,550	200,951
Acquisition of intangible assets	6(9)	(405)	(1,300)
Decrease in refundable deposits		(889)	(185)
Net cash flows used in investing activities		(286,980)	28,455)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from short-term borrowings	6(29)	204,103	756,204
Repayments of short-term borrowings	6(29)	(88,831)	(800,086)
Payments of lease liabilities	6(29)	(6,361)	(4,972)
Bonds Redeemed	6(13)(29)	(499,700)	-
Net cash flows from financing activities		(390,789)	(48,854)
Effect of exchange rate changes		(233)	(893)
Net (decrease) increase in cash and cash equivalents		(478,702	357,014
Cash and cash equivalents at beginning of year	6(1)	2,638,148	2,284,089
Cash and cash equivalents at end of year	6(1)	$ 2,159,446	$ 2,641,103

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

EPISIL-PRECISION INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2025 AND 2024

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. History and Organisation

Episil-Precision Inc. (the “Company”) was incorporated as a company limited by shares on October 15, 1998 and was approved by the regulatory authority on November 9, 1998. The primary business activities have been started since December 1999.

The Company merged with Episil Semiconductor Wafer, Inc. on January 11, 2016 in accordance with the Business Mergers and Acquisitions Act and other related regulations. The Company issued new shares to Episil Semiconductor Wafer, Inc. as consideration for assuming all rights and obligations of Episil Semiconductor Wafer, Inc. The conversion ratio for this merger was one common share of Episil Semiconductor Wafer, Inc. converting to 1.867876 common shares of the Company, totalling 149,523,473 shares, and the Company was the surviving company. This merger was a reverse takeover under comprehensive assessment. Therefore, the consolidated financial statements were issued under the name of the Company, which was an extension of the subject of Episil Semiconductor Wafer, Inc.

The Company and its subsidiary (collectively referred herein as the “Group”) are primarily engaged in development, manufacture and sales of silicon epitaxy wafers and compound semiconductor epitaxial wafers.

Episil Technologies Inc. (former name: Episil Holding Inc.) holds 57.86% of the Company’s outstanding shares. Episil Technologies Inc. is the Company’s ultimate parent company.

2. The Date of and Procedures for Authorisation for Issuance of the Financial Statements

These consolidated financial statements were authorised for issuance by the Board of Directors on July 29, 2025.

3. Application of New Standards, Amendments and Interpretations

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS”) that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments endorsed by the FSC and became effective from 2025 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board ("IASB")
Amendments to IAS 21, ‘Lack of exchangeability’	January 1, 2025

The above standards and interpretations have no significant impact to the Group’s financial position and financial performance based on the Group’s assessment.

(2) Effect of new, revised or amended IFRSs endorsed by the FSC but not yet adopted by the Group

New standards, interpretations and amendments endorsed by the FSC effective from 2025 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board ("IASB")
Amendments to IFRS 9 and IFRS 7, ‘Amendments to the classificationand measurement of financial instruments’	January 1, 2026

The above standards and interpretations have no significant impact to the Group’s financial position and financial performance based on the Group’s assessment.

(3) IFRSs issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRSs as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by IASB
BoardAmendments to IFRS 9 and IFRS 7, ‘Amendments to the classificationand measurement of financial Instruments’January	January 1, 2026
Amendments to IFRS 9 and IFRS 7, ‘Contracts referencing nature dependent electricity’	January 1, 2026
Amendments to IFRS 10 and IAS 28, ‘Sale or contribution of assets between an investor and its associate or joint venture’	To be determined by IASB
IFRS 17, ‘Insurance contracts’	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
IFRS 18 ‘Presentation and disclosure in financial statement’	January 1, 2027
IFRS 19 ‘Subsidiaries without public accountability: disclosures′	January 1, 2027
Annual Improvements to IFRS Accounting Standards—Volume 11	January 1, 2026

Except for the following, the above standards and interpretations have no significant impact to the Group’s financial condition and financial performance based on the Group’s assessment.

IFRS 18, ‘Presentation and disclosure in financial statements’ replaces IAS 1. The standard introduces a defined structure of the statement of profit or loss, disclosure requirements related to management-defined performance measures, and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes.

4. Summary of Significant Accounting Policies

The principal accounting policies adopted are consistent with Note 4 in the consolidated financial statements for the year ended December 31, 2024, except for the compliance statement, basis of preparations, basis of consolidation and additional policies as set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

A. The consolidated financial statements of the Group have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Accounting Standard 34, 'Interim financial reporting' that came into effect as endorsed by the FSC.

B. These consolidated financial statements are to be read in conjunction with the consolidated financial statements for the year ended December 31, 2024.

(2) Basis of preparation

A. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:

(a) Financial assets at fair value through other comprehensive income.

(b) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.

B. The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. The same principles of consolidation have been applied in the consolidated financial statements as those applied in the consolidated financial statements for the year ended December 31, 2024.

B. Subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business activities	Ownership (%) June 30, 2025	Ownership (%) December 31, 2024	Ownership (%) June 30, 2024	Note
Episil-Precision Inc.	Precision SILICON JAPAN Co., Ltd.	Sales of epitaxial and silicon wafer	100	100	100	1

Note: Because it does not meet the definition of an important subsidiary, its financial statements on June 30, 2025 and 2024 have not been reviewed by accountants.

C. Subsidiaries not included in the consolidated financial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group: None.

(4) Employee benefits

Pensions

Pension cost for the interim period is calculated on a year-to-date basis by using the pension cost rate derived from the actuarial valuation at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events. Also, the related information is disclosed accordingly.

(5) Income taxes

The interim period income tax expense is recognised based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of theinterim period, and the related information is disclosed accordingly.

5. Critical Accounting Judgements, Estimates and Key Sources of Assumption Uncertainty

There have been no significant changes as of June 30, 2025. Please refer to Note 5 in the consolidated financial statements for the year ended December 31, 2024.

6. Details of Significant Accounts

(1) Cash and cash equivalents

	June 30, 2025	December 31, 2024	June 30, 2024
Cash on hand and revolving funds	$ 356	$ 370	$ 365
Checking accounts and demand deposits	185,090	324,806	511,405
Time deposits	700,000	1,165,972	1,305,333
Cash equivalents	1,274,000	1,147,000	824,000
	$ 2,159,446	$ 2,6,38,148	$ 2,641,103

A. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. The Company's cash and cash equivalents pledged to others as collateral for customs guarantee were classified as non-current financial assets at amortised cost. Refer to Note 8.

C. The Group's cash and cash equivalents with restricted use due to customers guarantes, etc. For details of non-current financial assets, please reference to Notes 8.

(2) Financial assets at amortised cost

Items	June 30, 2025	December 31, 2024	June 30, 2024
Current items:			
Time deposits-maturing in over three months	$ -	$ 10,000	$ -
Non-current items:			
Pledged time deposits	19,490	19,490	13,583
	$ 19,490	$ 29,490	$ 13,583

A. The Group has elected to classify equity investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income. The fair value of such investments amounted to $19,490，$29,490 and $13,583 as at June 30, 2025, December 31, 2024 and June 30, 2024, respectively.

B. The counterparties of the Group's investments have good credit risk.

(3) Notes and accounts receivable

	June 30, 2025	December 31, 2024	June 30, 2024
Accounts receivable	$ 530,124	$ 625,757	$ 869,411
Accounts receivable due from related parties	287,188	233,640	100,249
Less: Loss allowance	(152)	(152)	(152)
	$ 817,160	$ 859,245	$ 969,508

A. The ageing analysis of accounts receivable and notes receivable is as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
	Accounts Receivable (including related parties)	Accounts Receivable (including related parties)	Accounts Receivable (including related parties)
Not past due	$ 762,117	$ 791,118	$ 856,493
Up to 30 days	55,077	68,014	108,393
31 to 90 days	118	265	4,774
	$ 817,312	$ 859,397	$ 969,660

The above ageing analysis was based on past due date.

B. As of June 30, 2025, December 31, 2024 and June 30, 2024, notes and accounts receivable were all from contracts with customers. As of January 1, 2024, the balance of receivables from contracts with customers amounted to $983,756.

C. As of June 30, 2025, December 31, 2024 and June 30, 2024, collaterals held by the Group as security for accounts receivable was $1,000，respectively.

D. As of June 30, 2025, December 31, 2024 and June 30, 2024, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's notes and accounts receivable was $817,160，$859,245 and $969,508, respectively.

E. Information relating to credit risk of accounts receivable is provided in Note 12(2).

(4) Inventories

	June 30, 2025		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 221,580	($ 51,121)	$ 170,459
Supplies	459,249	(69,961)	389,288
Work in progress	24,051	(228)	23,823
Finished goods	67,005	(1,173)	65,832
	$ 771,885	($ 122,483)	$ 649,402

	December 31, 2024		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 293,620	($ 66,006)	$ 227,614
Supplies	499,463	(34,139)	465,324
Work in progress	34,996	(1,004)	33,992
Finished goods	58,056	(1,151)	56,905
	$ 886,135	($ 102,300)	$ 783,835

	June 30, 2024		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 383,770	($ 59,483)	$ 324,287
Supplies	484,402	(35,249)	449,153
Work in progress	47,355	(2,031)	45,324
Finished goods	63,215	(3,674)	59,541
	$ 978,742	($ 100,437)	$ 878,305

The cost of inventories recognised as expense for the year:

	For the three-month periods ended June 30,	
	2025	2024
Cost of goods sold	$ 718,786	$ 786,693
Unamortised manufacturing expenses	182,112	180,982
Reversal (Pick-up benefits) of inventory valuation loss	5,623	(2,919)
Inventory scrapped	11	-
	$ 906,532	$ 964,756

	For the six-month periods ended June 30,	
	2024	2024
Cost of goods sold	$ 1,365,284	$ 1,545,667
Unamortised manufacturing expenses	361,204	333,638
Reversal (Pick-up benefits) of inventory valuation loss	20,184	(7,807)
Inventory scrapped	250	1,421
	$ 1,746,922	$ 1,875,919

The Group was responsible for the period from April 1 to June 30, 2024 and from January 1 to June 30, 2024.The net realised value of inventories has recovered and been written off due to the removal of inventories that have been provided for depreciation and sluggish losses reduced cost of goods.

(5) Property, plant and equipment

	2025				
	Buildings and structures	Machiney and equipment	Other equipment	Construction in process and equipment to be inspected	Total
At January 1					
Cost	$ 3,007,016	$ 4,188,698	$ 99,597	$ 268,687	$ 7,626,998
Accumulated depreciation and impairment	(1,657,565)	(3,528,447)	(74,804)	-	(5,260,816)
	$ 1,412,451	$ 660,251	$ 24,793	$ 268,687	$ 2,366,182
At January 1	$ 1,412,451	$ 660,251	$ 24,793.	$ 268,687	$ 2,366,182
Additions	38,970	21,751	2,530	221,334	284,585
Reclassifications	152,398	73,210	3,840	(230,172)	(724)
Disposals	-	(161)	-	-	(161)
Depreciation expenses	(88,821)	(93,462)	(5,732)	-	(188,015)
At June 30	$ 1,514,998	$ 661,589	$ 25,431	$ 259,849	$ 2,461,867
At June 30					
Cost	$ 3,260,358	$ 4,262,190	$ 105,218	$ 259,849	$ 7,887,615
Accumulated depreciation and impairment	(1,745,360)	(3,600,601)	(79,787)	-	(5,425,748)
	$ 1,514,998	$ 661,589	$ 25,431	$ 259,849	$ 2,461,867

	2024				
	Buildings and structures	Machiney and equipment	Other equipment	Construction in process and equipment to be inspected	Total
At January 1					
Cost	$ 2,428,011	$ 4,490,365	$ 91,369	$ 303,784	$ 7,313,529
Accumulated depreciation and impairment	(1,524,473)	(3,702,380)	(65,901)	-	(5,292,754)
	$ 903,538	$ 787,985	$ 25,468	$ 303,784	$ 2,020,775
At January 1	$ 903,538	$ 787,985	$ 25,468	$ 303,784	$ 2,020,775
Additions	14,779	22,833	3,599	136,182	177,393
Reclassifications	70,542	166,748	-	(237,290)	-
Disposals	-	(62,162)	-	-	(62,162)
Depreciation expenses	(61,656)	(158,840)	(4,213)	-	(224,709)
At June 30	$ 927,203	$ 756,564	$ 24,854	$ 202,676	$ 1,911,297
At June 30					
Cost	$ 2,513,332	$ 4,254,736	$ 94,604	$ 202,676	$ 7,065,348
Accumulated depreciation and impairment	(1,586,129)	(3,498,172)	(69,750)	-	(5,154,051)
	$ 927,203	$ 756,564	$ 24,854	$ 202,676	$ 1,911,297

A. The Group has capitalization of interest attributable to the property, plant and equipment for the three-month and six-month periods ended June 30, 2025 and 2024 were $972，$4,257， $2,095 and $4,257, respectively. The capitalized interest rates ranged from 0.21% ，0.42%~0.52%% ，0.21% and 0.42%~0.57% respectively.

B. As of June 30, 2025, December 31, 2024 and June 30, 2024, the Group has no property, plant and equipment pledged to others as collateral.

(6) Lease transaction – lessee

A. The Group leases various assets, including land, buildings and structures and machinery and equipment. Lease agreements are typically made for periods of 3 to 50 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes.

B. Short-term leases with a lease term of 12 months or less comprise other equipment.

C. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
	Book value	Book value	Book value
Land	$ 323,913	$ 343,319	$ 215,140
Buildings and structures	17,807	15,639	17,807
Transport equipment	2,581	-	-
	$ 339,996	$ 358,958	$ 232,947

	For the three-month periods ended June 30,	
	2025	2024
	Depreciation expenses	Depreciation expenses
Land	$ 2,783	$ 1,945
Buildings and structures	1,083	1,084
Transport equipment	176	-
	$ 3,029	$ 3,029

	For the six-month periods ended June 30,	
	2025	2024
	Depreciation expenses	Depreciation expenses
Land	$ 5,565	$ 3,890
Buildings and structures	2,167	2,099
Transport equipment	235	-
	$ 7,967	$ 5,989

D. For the three-month and six-month periods ended June 30, 2025 and 2024, the additions to right-of-use assets were $0，$0，$2,815 and $17,943, respectively.

E. Information on profit or loss in relation to lease agreements is as follows:

	For the three-month periods ended June 30,	
	2025	2024
Items affecting profit or loss		
Interest expense on lease liabilities	$ 2,176	$ 1,415
Expense on short-term lease agreements	469	580

	For the six-month periods ended June 30,	
	2025	2024
Items affecting profit or loss		
Interest expense on lease liabilities	$ 4,359	$ 2,810
Expense on short-term lease agreements	930	1,059

F. For the six-month periods ended June 30, 2025 and 2024, the Group's total cash outflow for leases were $11,650 and $8,841, respectively.

G. Extension and termination options

In determining the lease term, the Group takes into consideration all facts and circumstances that create an economic incentive to exercise an extension option or not to exercise a termination option. The assessment of lease period is reviewed if a significant event occurs which affects the assessment.

(7) Lease arrangements – lessor

A. The Group leases various assets, including buildings and structures. Lease agreements are typically made for periods of 1 and 20 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. To protect the lessor's ownership rights on the leased assets, leased assets may not be used as security for borrowing purposes, or a residual value guarantee was required from leasees.

B. For the three-month and six-month periods ended June 30, 2025 and 2024, the Group recognised rental revenue in the amounts of $10,432，$10,276，$20,838 and $20, 580, respectively, based on the operating lease agreements, which do not include variable lease payments.

C. The maturity analysis of the lease payments under the operating leases is as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
2024	$ -	$ -	$ 20,102
2025	11,939	39,870	39,620
2026	15,278	30,472	30,220
2027	7,260	7,260	7,008
2028	7,260	7,260	7,008
2029	7,155	7,155	7,008
2030	7,008	7,008	7,008
Over 2031	42,051	42,051	42,051
	$ 97,951	$ 141,076	$ 160,025

(8) Investment property

	2025	2024
	Buildings and structures	Buildings and structures
At January 1		
Cost	$ 206,227	$ 206,227
Accumulated depreciation and impairment	(55,753)	(50,830)
	$ 150,474	$ 155,397
At January 1	$ 150,474	$ 155,397
Depreciation expenses	(2,461)	(2,462)
At June 30	$ 148,013	$ 152,935
At June 30		
Cost	$ 206,227	$ 206,227
Accumulated depreciation and impairment	(58,214)	(53,292)
	$ 148,013	$ 152,935

A. Rental revenue from investment property.

	For the three-month periods ended June 30,	
	2025	2024
Rental revenue from investment property	$ 10,066	$ 10,056
Direct operating expenses arising from the investment property that generated rental revenue during the period	$ 2,465	$ 2,486

	For the six-month periods ended June 30,	
	2025	2024
Rental revenue from investment property	$ 20,130	$ 20,103
Direct operating expenses arising from the investment property that generated rental revenue during the period	$ 4,930	$ 4,976

B. The fair value of the investment property held by the Group as of June 30, 2025, December 31, 2024 and June 30, 2024, was $210,990，$201,351 and $206,224, respectively. Valuations were made using the income approach which is categorised within Level 3 in the fair value hierarchy. Key assumptions are as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Discount rate	10.72%	11.76%	11.18%
Annual rent (net income)	$ 35,405	$ 35,284	$ 35,278
Duration	10 years	10 years	10 years

C. The Group has no interest capitalisation for the three-month and six-month periods ended June 30, 2025 and 2024.

D. The significant components of investment property include buildings and renovation, which are depreciated over 51 years and 46 years, respectively.

E. As of June 30, 2025, December 31, 2024 and June 30, 2024, the Group has no investment property pledged to others as collateral.

(9) Intangible assets

	2025			
	Computer software	Goodwill	Others	Total
At January 1				
Cost	$ 16,738	$ 48,369	$ 39,898	$ 105,005
Accumulated amortisation	(7,937)	-	(38,871)	(46,808)
	$ 8,801	$ 48,369	$ 1,027	$ 58,197
At January 1	$ 8,801	$ 48,369	$ 1,027	$ 58,197
Additions	1,129	-	-	1,129
Amortisation expenses	(2,480)	-	(246)	(2,726)
At June 30	$ 7,450	$ 48,369	$ 781	$ 56,600
At June 30				
Cost	$ 17,867	$ 48,369	$ 39,899	$ 106,134
Accumulated amortisation	(10,417)	-	(39,117)	(49,534)
	$ 7,450	$ 48,369	$ 781	$ 56,600

	2024			
	Computer software	Goodwill	Others	Total
At January 1				
Cost	$ 10,638	$ 48,369	$ 39,898	$ 98,905
Accumulated amortisation	(4,878)	-	(38,379)	(43,257)
	$ 5,760	$ 48,369	$ 1,519	$ 55,648
At January 1	$ 5,760	$ 48,369	$ 1,519	$ 55,648
Additions	1,300	-	-	1,300
Amortisation expenses	(1,511)	-	(246)	(1,757)
At June 30	$ 5,549	$ 48,369	$ 1,273	$ 55,191
At June 30				
Cost	$ 11,938	$ 48,369	$ 39,899	$ 100,205
Accumulated amortisation	(6,389)	-	(38,625)	(45,014)
	$ 5,549	$ 48,369	$ 1,273	$ 55,191

A. Details of amortisation on intangible assets are as follows:

	For the three-month periods ended June 30,	
	2025	2024
Operating costs	$ 682	$ 281
General and administrative expenses	697	616
	$ 1,379	$ 897

	For the six-month periods ended June 30,	
	2025	2024
Operating costs	$ 1,364	$ 563
General and administrative expenses	1,362	1,194
	$ 2,726	$ 1,757

B. The Group has no interest capitalisation for the three-month and the six-month June 30, 2025and 2024.

C. As of June 30, 2025 , December 31, 2024 and June 30, 2024, the Group has no intangible assets pledged to others as collateral.

(10) Short-term borrowings

Type of borrowings	June 30, 2025	Interest rate range	Collateral
Bank borrowings			
Unscured borrowings	$ 160,431	4.884%～5.000%	None

Type of borrowings	December 31, 2024	Interest rate range	Collateral
Bank borrowings			
Unscured borrowings	$ 45,159	5.180%～5.430%	None

Type of borrowings	June 30, 2024	Interest rate range	Collateral
Bank borrowings			
Unscured borrowings	$ 223,068	5.880%～6.090%	None

For the three-month and six-month periods ended June 30, 2024 and 2023, interest expenses arising from short-term borrowings that were recognised in profit or loss amounted to $3,545,$4,537,$9,129 and $7,807, respectively.

(11) Accounts payable

	June 30, 2025	December 31, 2024	June 30, 2024
Accounts payable	$ 231,517	$ 275,002	$ 278,231
Estimated accounts payable	19,135	31,245	65,447
	$ 250,652	$ 306,247	$ 343,678

(12) Other payable

	June 30, 2025	December 31, 2024	June 30, 2024
Accrued expenses-expendables	$ 116,946	$ 156,721	$ 112,627
Payables for equipment	89,943	104,689	69,216
Dividends payable	60,790	-	60,789
Employees' compensation and directors’ remuneration payable	31,440	31,440	43,838
Accrued expenses-bonus	24,362	73,671	40,797
Accrued expenses-others	108,370	93,588	97,362
	$ 431,851	$ 460,109	$ 424,629

(13) Bonds payable

	June 30, 2024	December 31, 2023	June 30, 2023
The Croup's fourth secured convertible bonds	$ -	$ 500,000	$ 500,000
The Croup's fifth secured convertible bonds	500,000	500,000	-
	500,000	1,000,000	500,000
Less: Bonds payable converted	-	(300)	(300
Less: Discount on bonds payable	(25,262)	(32,916)	(5,330)
	474,738	966,784	494,370
Less: Current portion	-	(497,917)	(494,370
	$ 474,738	$ 468,867	$ -

A. The issuance terms of the Company's third domestic unsecured convertible bonds are as follows:

(a) The regulatory authority has approved the fourth domestic unsecured convertible corporate bonds issued by the Company. The bonds are with a total issuance amount of $500,000 and a coupon rate of 0%, covering a 3-year period of issuance and a circulation period from March 29, 2022 to March 29, 2025, and will be redeemed in cash at face value at the maturity date. The bonds were listed on the Taipei Exchange on March 29, 2022.

(b) The bondholders have the right to ask for conversion of the bonds into common shares of the Company during the period from the date after three months of the bonds issue to the maturity date, except for the stop transfer period as specified in the terms of the bonds or the laws/regulations. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding common shares.

(c) The effective date for the conversion price of the convertible was set on March 21, 2022. The conversion price was set up based on multiplying a benchmark price which was the closing price of the Company's common share calculated at simple arithmetic mean in 1, 3 or 5 business day(s) before the effective date (effective date is excluded) by convertible premium rate of 109.22% (round to the nearest tenth). If there is an ex-right or ex-dividend before the pricing effective date, the closing price adopted to calculate conversion price shall be imputed with ex-right or ex-dividend; if there is an ex-right or ex-dividend during the period that the conversion price was set up but prior to share issuance, the conversion price shall be adjusted based on the conversion price adjustment formula. The conversion price was NT$128 (in dollars) per share based on the aforementioned method. Starting from July 12, 2024, the conversion price of the bonds was adjusted to NT$121.5 (in dollars) per share due to the Company's cash dividend distribution.

(d) All convertible bonds repurchased, redeemed or converted by the Company from securities trading markets shall be retired, which are not allowed to resell or reissue, and conversion rights attached to the bonds are also extinguished.

(e)Regarding the issuance of convertible bonds, the equity conversion options were separated from the liability component and were recognised in “Capital surplus-warrants” in accordance with IAS 32. As of March 31,2025, December 31, 2024 and March 31,2024, the carrying amounts were $21,744, respectively.

(f) This convertible bond will mature on March 29, 2025, and trading will be terminated on March 31, 2025, at the over-the-counter trading center. The face value of this convertible bond is $300 and it has been converted into 3,000 shares of common stock. The amount of $499,700 for this convertible bond will be repaid to the creditors on April 15, 2025.

B. The issuance terms of the Company’s fifth domestic unsecured convertible bonds are as follows:

(a) The regulatory authority has approved the fourth domestic unsecured convertible corporate bonds issued by the Company. The bonds are with a total issuance amount of $500,000 and a coupon rate of 0%, covering a 3-year period of issuance and a circulation period from July 26, 2024 to July 26, 2027, and will be redeemed in cash at face value at the maturity date. The bonds were listed on the Taipei Exchange on July 26, 2024.

(b) The bondholders have the right to ask for conversion of the bonds into common shares of the Company during the period from the date after three months of the bonds issue to the maturity date, except for the stop transfer period as specified in the terms of the bonds or the laws/regulations. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding common shares.

(c) The effective date for the conversion price of the convertible was set on July 18, 2024. The conversion price was set up based on multiplying a benchmark price which was the closing price of the Company’s common share calculated at simple arithmetic mean in 1, 3 or 5 business day(s) before the effective date (effective date is excluded) by convertible premium rate of 105.68% (round to the nearest tenth). If there is an ex-right or ex-dividend before the pricing effective date, the closing price adopted to calculate conversion price shall be imputed with ex-right or ex-dividend; if there is an ex-right or ex-dividend during the period that the conversion price was set up but prior to share issuance, the conversion price shall be adjusted based on the conversion price adjustment formula. The conversion price was NT$72.6 (in dollars) per share based on the aforementioned method.

(d) All convertible bonds repurchased, redeemed or converted by the Company from securities trading markets shall be retired, which are not allowed to resell or reissue, and conversion rights attached to the bonds are also extinguished.

(e)Regarding the issuance of convertible bonds, the equity conversion options were separated from the liability component and were recognised in “Capital surplus-warrants” in accordance with IAS 32. As of June 30,2025 and December 31,2024 the carrying amounts were $35,724, respectively.

(14) Pensions

A. (a) The Group (excluding overseas subsidiary) has a defined benefit pension plan in accordance with the Labor Standards Act, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Labor Standards Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last month prior to retirement. The Group contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the pension fund deposited with Bank of Taiwan, the trustee, under the name of the independent pension fund committee. Also, the Group would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Group (excluding overseas subsidiary) will make contributions for the deficit by next March.

(b) The pension costs recognized by the Group according to the above pension regulations for the three-month and six-month periods ended June 30, 2025 and 2024 were $188，$188，$376 and $388, respectively.

(c) Expected contributions to the defined benefit pension plans of the Company for the year ending December 31, 2025 amount to $3,084.

B. (a) Effective July 1, 2005, the Group has established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Group contributes monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

(b) The pension costs under the defined contribution pension plans of the Group for the three-month and six-month periods ended June 30, 2025 and 2024 were $7,355，$7,142，$20,741 and $14,064, respectively.

(15) Share capital

As of June 30, 2025, the Group's authorised capital was $5,000,000, consisting of 500,000 thousand shares of ordinary stock, and the paid-in capital was $2,885,418 with a par value of $10 (in dollars) per share. All proceeds from shares issued have been collected.

Movements in the number of the Company's ordinary shares outstanding are as follows: (Unit: thousand shares)

Unit: thousand shares	2025	2024
At Juanary 1	288,542	288,539
Conersion of convertible bonds	-	3
At June 30	288,542	288,542

(16) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. However, capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

(17) Retained earnings

A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve, and setting aside or reversal for special reserve in accordance with related laws, if any. The Board of Directors should propose the distribution of the remaining earnings based on the Company's dividend policy for the approval of the shareholders.

A company may, by a resolution adopted by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of directors, have the dividends and bonus all or partially distributed in the form of cash; and in addition thereto a report of such distribution shall be submitted to the shareholders during their meeting, which is not subject to the rules in relation to the resolution of shareholders' meeting.

B. The Company's dividend policy is summarised below: as the Company operates in high-tech industries and is in the stable growth stage, to take into consideration the business environment and growing stage of the Company and meet future capital requirements, long-term financial plan and fulfil shareholders' requirement for cash flows. The current year's earnings, if any, shall be distributed in the form of cash dividends not lower than 10% of total cash and stock dividends and bonus to be distributed.

C. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

D. On June 13, 2025 and May 31,2023，the Company's shareholders resolved the distribution of 2024 and 2023 earnings as follows:

	Year ended December 31, 2024	
	Amount	Dividend per share (in dollars)
Legal reserve	$ 26,889	
Special reserve	423	
Cash dividends	144,271	$ 0.5
	$ 171,583	

	Year ended December 31, 2023	
	Amount	Dividend per share (in dollars)
Legal reserve	$ 17,138	
Special reserve	743	
Cash dividends	144,270	$ 0.5
	$ 162,151	

(18) Other equity items

	2025	2024
	Financial statements translation difference of foreign operations	Financial statements translation difference of foreign operations
At January 1	($ 2,321)	($ 1,898)
–Group	(233)	(893)
At June 30	($ 2,554)	($ 2,791)

(19) Operating revenue

	For the three-month periods ended June 30,	
	2025	2024
Revenue from contracts with customers	$ 954,636	$ 1,047,959
	For the six-month periods ended June 30,	
	2025	2024
Revenue from contracts with customers	$ 1,851,660	$ 2,078,019

Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods at a point in time in the following major product lines:

For the three-month periods ended June 30, 2025	Silicon epitaxy wafers	Others	Total
Revenue from external customer contracts	$ 950,592	$ 4,044	$ 954,636
Timing of revenue recognition			
At a point in time	$ 950,592	$ 4,044	$ 954,636

For the three-month periods ended June 30, 2024	Silicon epitaxy wafers		Others		Total	
Revenue from external customer contracts	$	1,039,306	$	8,653	$	1,047,959
Timing of revenue recognition						
At a point in time	$	1,039,306	$	8,653	$	1,047,959

For the six-month periods ended June 30, 2025	Silicon epitaxy wafers		Others		Total	
Revenue from external customer contracts	$	1,843,873	$	7,787	$	1,851,660
Timing of revenue recognition						
At a point in time	$	1,843,873	$	7,787	$	1,851,660

For the six-month periods ended June 30, 2024	Silicon epitaxy wafers		Others		Total	
Revenue from external customer contracts	$	2,066,189	$	11,830	$	2,078,019
Timing of revenue recognition						
At a point in time	$	2,066,189	$	11,830	$	2,078,019

(20) Interest income

	For the three-month periods ended June 30,			
	2025		2024	
Interest income from bank deposits	$	8,961	$	9,901

	For the six-month periods ended June 30,			
	2025		2024	
Interest income from bank deposits	$	17,120	$	16,811

(21) Other income

	For the three-month periods ended June 30,			
	2025		2024	
Rental revenue	$	10,432	$	10,276
Other income, others		7		4
	$	10,439	$	10,280

	For the six-month periods ended June 30,			
	2025		2024	
Rental revenue	$	20,838	$	20,580
Other income, others		7		34
	$	20,845	$	20,614

(22) Other gains and losses

	For the three-month periods ended June 30,	
	2025	2024
Gains on disposals of property, plant and equipment	$ -	$ 158,789
Net currency exchange (losses) gains	(38,765)	7,585
Depreciation on investment property	(1,230)	(1,231)
Other losses	(1,699)	(1,689)
	($ 41,694)	$ 163,454

	For the six-month periods ended June 30,	
	2025	2024
Gains on disposals of property, plant and equipment	$ 1,388	$ 158,789
Net currency exchange (losses) gains	(33,287)	17,331
Depreciation on investment property	(2,461)	(2,462)
Other losses	(3,395)	(3,371)
	($ 37,755	(170,287)

(23) Finance costs

	For the three-month periods ended June 30,	
	2025	2024
Interest expense:		
Bonds payable	$ 2,944	1,764
Lease liabilites	2,176	$ 1,415
Banking borrowings	489	3,545
Other	36	33
Less: Assets that meet the requirements Capitalized amount	(972)	(4.257)
Other finance expenses	37)	-
	$ 4,710	$ 2,500

	For the six-month periods ended June 30,	
	2025	2024
Interest expense:		
Bonds payable	$ 7,654	$ 3,523
Lease liabilites	4,359	2,810
Banking borrowings	595	9,129
Other	70	65
Less: Assets that meet the requirements Capitalized amount	(2,095)	(4,257)
Other finance expenses	112	150
	$ 10,695	$ 11,420

(24) Expenses by nature

	For the three-month periods ended June 30,	
	2025	2024
Employee benefit expense	$ 193,798	$ 212,496
Depreciation expenses	101,305	110,370
Amortisation expenses on intangible assets	1,379	897

	For the six-month periods ended June 30,	
	2025	2024
Employee benefit expense	$ 391,749	$ 404,005
Depreciation expenses	198,443	233,160
Amortisation expenses on intangible assets	2,726	1,757

(25) Employee benefit expense

	For the three-month periods ended June 30,	
	2025	2024
Wages and salaries	$ 158,743	$ 176,337
Labour and health insurance fees	14,685	14,029
Pension costs	7,543	7,330
Other personnel expenses	12,827	14,800
	$ 193,798	$ 212,496

	For the six-month periods ended June 30,	
	2025	2024
Wages and salaries	$ 310,308	$ 329,328
Labour and health insurance fees	30,933	29,034
Pension costs	21,117	14,452
Other personnel expenses	29,391	31,191
	$ 391,749	$ 404,005

A. According to the Articles of Incorporation of the Company, employees’ compensation and directors’ remuneration shall be calculated based on current year’s earnings, which should first be used to cover accumulated deficits, if any, and then, not less than 5% for employees’ compensation and not more than 2% for directors’ remuneration.

Employees’ compensation can be distributed by stock or dividends, including distributions to certain qualifying employees within the Group.

B. For the three-month and six-month periods ended June 30, 2025 and 2024, employees’ compensation was accrued at $0，$16,475，$0 and $20,941, respectively; while directors’ remuneration was accrued at $0，$2,060，$0 and $2,618, respectively. The aforementioned amounts were recognised in salary expenses and other expenses.

The employees’ compensation and directors’ remuneration were estimated and accrued based on

0%, 8%, 0% and 1% of earnings for the six-month periods ended June 30, 2024 and 2023, respectively.

Employees' compensation of $27,947 and directors' remuneration of $3,493 for the year ended December 31, 2024 as resolved by the Board of Directors were in agreement with those amounts recognised in the 2024 financial statements. Abovementioned employees' compensation of 2024 will be distributed in the form of cash.

Information about employees' compensation and directors' remuneration of the Company as resolved at the meeting of Board of Directors and approved by the shareholders will be posted in the "Market Observation Post System".

(26) Income tax

A. Income tax expense

Components of income tax expense:

	For the three-month periods ended June 30, 2025	For the three-month periods ended June 30, 2024
Current tax:		
Current tax on (losses) profits for the year	($ 708)	$ 37,482
Prior year income tax under estimation	-	-
Total current tax	(708)	37,482
Deferred tax:		
Origination and reversal of temporary differences	(9,955)	-
Total deferred tax	(9,955)	-
Income tax expense	($ 10,663)	$ 37,482

	For the six-month periods ended June 30, 2025	For the six-month periods ended June 30, 2024
Current tax:		
Current tax on (losses) profits for the year	$ 2	$ 47,641
Prior year income tax under estimation	-	-
Total current tax	2	47,641
Deferred tax:		
Origination and reversal of temporary differences	(9,955)	-
Total deferred tax	(9,955)	-
Income tax expense	($ 9,953)	$ 47,641

B. The Company's income tax returns through 2022 have been assessed and approved by the Tax Authority.

(27) Earning earnings per share

	For the three-month periods ended June 30,2025		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic loss per share			
Loss attributable to ordinary shareholders of the parent	($ 42,652)	288,542	($ 0.15)
Diluted earnings per share			
Loss attributable to ordinary shareholders of the parent	(42,652)	288,542	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	($ 42,652)	$ 288,542	($ 0.15)

	For the three-month periods ended June 30,2024		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic loss per share			
Profit attributable to ordinary shareholders of the parent	$ 149,927	288,542	$ 0.52
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	149,927	288,542	
Employees' compensation	-	329	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 149,927	$ 288,871	$ 0.52

	For the six-month periods ended June 30,2025		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic loss per share			
Loss fit attributable to ordinary shareholders of the parent	($ 39,818)	288,542	($ 0.14)
Diluted earnings per share			
Loss attributable to ordinary shareholders of the parent	(39,818)	288,542	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	($ 39,818	$ 288,542	($ 0.14)

	For the six-month periods ended June 30,2024		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic loss per share			
Profit attributable to ordinary shareholders of the parent	$ 190,564	288,541	$ 0.66
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 190,564	288,541	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	433	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 190,564	$ 288,974	$ 0.66

For the three-month periods ended June 30, 2025 and for the six-month periods ended June 30, 2025, the Company's employees' compensation had anti-dilutive effect, thus, they were not included in the calculation of diluted earnings per share.

For the three-month periods ended June 30, 2025 and for the six-month periods ended June 30, 2025, the Company's issued convertible bonds had anti-dilutive effect, thus, they were not included in the calculation of diluted earnings per share.

(28) Supplemental cash flow information

A. Investing activities with partial cash payments

	For the six-month periods ended June 30,	
	2025	2024
Acquisition of property, plant and equipment	$ 284,585	$ 177,393
Add: Beginning balance of payables on equipment	104,689	87,091
Less: Ending balance of payables on equipment	(89,943)	(69,216)
Less: Interest capitalization	(2,095)	(4,257)
Cash paid during the year	$ 297,236	$ 191,011

B. Financing activities with no cash flow effects:

	For the six-month periods ended June 30,	
	2025	2024
Convertible bonds being converted to capital stocks	$ -	$ 300
Dividend paid	$ 144,271	$ 144,270

(29) Changes in liabilities from financing activities

	2025					
	Short-term borrowings	Lease liabilities	Guarantee deposits-received	Bonds payable	Dividend paid	Liabilities from financing activities
At January 1	$ 45,159	$ 373,386	$ 8,095	$ 966,784	$ -	$ 1,393,424
Changes in cash flow from financing activities	115,272	(6,361)	-	-	-	108,911
Interest paid	-	(4,359)	-	-	-	(4,359)
Interest expense	-	4,359	-	7,654	-	12,023
Changes in other non-cash items	-	(11,026)	-	-	-	(11,026)
Conversion option exercised	-			(499,700)		(499,700)
Cash dividends claimed	-	-	-	-	144,271	144,271
At June 30	$ 160,431	$ 355,999	$ 8,095	$ 494, 738	$ 144,271	$ 1,143,534

	2024					
	Short-term borrowings	Lease liabilities	Guarantee deposits-received	Bonds payable	Dividend paid	Liabilities from financing activities
At January 1	$ 266,950	$ 252,494	$ 8,095	$ 491,143	$ -	$ 999,033
Changes in cash flow from financing activities	(43,882)	(4,972)	-	-	-	(48,854)
Interest paid	-	(2,810)	-	-	-	(2,810)
Interest expense	-	2,810	-	3,523	-	6,333
Redemption of corporate bonds				(300)		(300)
Conversion option exercised				4		4
Changes in other non-cash items	-	17,943	-	-	-	17,943
Cash dividends claimed	-	-	-	-	144,270	144,270
At June 30	$ 223,068	$ 245,816	$ 8,095	$ 494,370	$ 144,270	$ 1,115,619

7. Related Party Transactions

(1) Parent and ultimate controlling party

The Company's ultimate parent company is Episil Technologies Inc. (former name: Episil Holding Inc.) holds 57.86% of the Company's outstanding shares.

(2) Names of related parties and relationship

Names of related parties	Relationship with the Company
Episil Technologies Inc.	The parent company
Episil Technologies Inc.(Shanghai)	The parent company's indirect wholly-owned sbusidiary
Hermes-Epitek Corp.	The parent company's director is Hermes-Epitek Corp.'s director
Taiwan Hi-Tech Corp.	Investee of the parent company accounted for using equity method(Note 1)
Vanguard International Semiconductor Corporation	Individuals with significant influence on the Group (Note 2)

Note 1: The Company completed the dissolution procedure on January 8, 2015.

Note 2: The Company implemented a capital increase through private placement, in which Vanguard International Semiconductor Corporation subscribed 50,000 thousand shares and acquired a 13% equity interest in the Company (the effective date of the capital increase was September 24,2024) Therefore, Vanguard International Semiconductor Corporation is listed as a related party since it has significant influence over the Company from that date.

(3) Significant related party transactions

A. Operating revenue

	For the three-month periods ended June 30,	
	2025	2024
Sales of goods:		
-Individuals with significant influence on the Group-Vanguard International Semiconductor Corporation	$ 192,198	$ -
-The parent company	92,497	65,386
-Affiliate company	2,273	2,691
	$ 286,968	$ 68,077

	For the six-month periods ended June 30,	
	2025	2024
Sales of goods:		
-Individuals with significant influence on the Group-Vanguard International Semiconductor Corporation	$ 360,402	$ -
-The parent company	169,446	151,983
-Affiliate company	4,678	3,886
	$ 534,526	$ 155,869

The price and terms on sales are available to third parties and the credit term is 30 to 90 days after monthly billings

B. Purchases

	For the three-month periods ended June 30,	
	2025	2024
Purchases of goods:		
-The parent company	$ 1,656	$ 22,266
-Affiliate company	306	2,261
-Individuals with significant influence on the Group	194	-
	$ 2,156	$ 24,527
Purchases of services:		
-The parent company	$ 2,719	$ 2,707

	For the six-month periods ended June 30,	
	2025	2024
Purchases of goods:		
-The parent company	$ 11,993	$ 46,342
-Affiliate company	1,517	5,430
-Individuals with significant influence on the Group	371	-
	$ 13,881	$ 51,772
Purchases of services:		
-The parent company	$ 5,723	$ 6,079

The price and terms on purchase are available to third parties and the payment term is 30 to 90 days after monthly billings.

C. Receivables from related parties

	June 30, 2025	December 31, 2024	June 30, 2024
Accounts receivable:			
-Individuals with significant influence on the Group -Vanguard International Semiconductor Corporation	$ 153,859	$ 136,702	$ -
-The parent company	132,152	96,358	98,691
-Affiliate company	1,177	580	1,558
	$ 287,188	$ 233,640	$ 100,249
Other receivables:			
-The parent company - Episil Technologies Inc.	$ 10,280	$ 9,978	$ 37,218
-Affiliate company - Hermes -Epitek Corp.	6,120	-	-
	$ 37,218	$ 9,978	$ 37,218

The receivables from related parties arise mainly from sales of goods and service provision transactions. The receivables are due 3 months after the date of sale.

D. Payables to related parties

	June 30, 2025	December 31, 2024	June 30, 2024
Accounts payable:			
-The parent company	$ 1,739	$ 6,183	$ 5,586
-Affiliate company	552	83	2166
-Individuals with significant influence on the Group	198	203	-
	$ 2,488	6,469	$ 7,752

	June 30, 2025	December 31, 2024	June 30, 2024
Other payable:			
-The parent company - Episil Technologies Inc.	$ 92,287	$ 4,196	$ 90,033
- Affiliate company	-	4,020	4,457
	$ 92,287	$ 8,216	$ 94,490

Other payables mainly refer to payables for equipment，divided paid，service fees and processing fees.

E. Property transactions

Disposal of property, plant and equipment:

	For the three-month periods ended June 30, 2025		For the three-month periods ended June 30, 2024	
	Disposal proceeds	Gain (loss) on disposal	Disposal proceeds	Gain (loss) on disposal
-The parent company	$ -	$ -	$ 26,568	$ -

	For the six-month periods ended June 30, 2025		For the six-month periods ended June 30, 2023	
	Disposal proceeds	Gain (loss) on disposal	Disposal proceeds	Gain (loss) on disposal
-Affiliate company - Hermes -Epitek Corp.	$ 1,550	$ 1,388	$ -	$ -
-The parent company	-	-	26,568	-
	$ 1,550	$ 1,388	$ 26,568	$ -

F. Lease transactions

(a) For the three-month periods and six-month periods ended June 30, 2025 and 2024, rental revenue arising from leasing certain buildings and structures to affiliate companies amounted to $1,950，$1,873， $3,898 and $3,736, respectively, which is collected monthly.

(b) For the three-month periods and six-month periods end June 30, 2025 and 2024, rental expense due to leasing certain buildings and structures from affiliate companies amounted to $32， $26，$50 and $149, respectively, which is paid monthly.

G. Others (Shown as “Operating costs” and “Operating expenses”)

	For the three-month periods ended June 30,	
	2025	2024
Testing fee:		
-Associates	$ -	$ 11,045

	For the six-month periods ended June 30,	
	2025	2024
Testing fee:		
-Associates	$ -	$ 61,384

(4) Key management personnel compensation

	For the three-month periods ended June 30,	
	2025	2024
Salaries and other short-term employee benefits	$ 6,469	$ 11,057
Post-employment benefits	173	201
	$ 6,642	$ 11,258

	For the six-month periods ended June 30,	
	2025	2024
Salaries and other short-term employee benefits	$ 16,401	$ 18,523
Post-employment benefits	345	343
	$ 16,746	$ 18,866

8. Pledged Assets

The Group’s assets pledged as collateral are as follows:

	Book value			
Pledged asset	June 30, 2024	December 31, 2024	June 30, 2024	Purpose
Pledged time deposits (shown as “Non-Current financial assets at amortised cost”)	$ 19,490	$ 19,490	$ 13,583	Customs deposits and guarantee deposits for leases

9. Significant Contingent Liabilities and Unrecognised Contract Commitments

(1) Contingencies

None.

(2) Commitments

Capital expenditures contracted for at the balance sheet date but not yet incurred are as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Property, plant and equipment	$ 59,586	$ 307,689	$ 488,333

10. Significant Disaster Loss

None.

11. Significant Events after the Reporting Period

None.

12. Others

(1) Capital management

Th ere are no material changes in the current period. Please refer to Note 12 to the 2024 year end Consolidated Financial Statements of the Republic of China.

(2) Financial instruments

A. Financial instruments by category

	June 30, 2025	December 31, 2024	June 30, 2024
Financial assets			
Financial assets at fair value through other comprehensive income	$ 17	$ 17	$ 17
Financial assets at amortised cost			
Financial assets at amortised cost	19,490	29,490	13,583
Cash and cash equivalents	2,159,446	2,638,148	2,641,103
Accounts receivable	529,972	625,605	869,259
Accounts receivable due from related parties	287,188	233,640	100,249
Other receivables	13,734	19,297	23,823
Other receivables due from related parties	16,400	9,978	37,218
Refundable guarantee deposits	2,167	1,278	1,258
	$ 3,028,397	$ 3,557,436	$ 3,686,493

	June 30, 2025	December 31, 2024	June 30, 2024
Financial liabilities			
Financial liabilities at amortised cost			
Short-term borrowings	$ 160,431	$ 45,159	$ 223,068
Accounts payable	250,652	306,247	343,678
Accounts payable to related parties	2,488	6,469	7,752
Other payables	431,851	460,109	424,629
Other payables to related parties	92,287	8,216	94,490
Bonds payable (including current portion)	474,738	966,784	494,370
Guarantee deposits received	8,095	8,095	8,095
	$ 1,420,542	$ 1,801,079	$ 1,596,082
Lease liabilities	$ 355,999	$ 373,387	$ 245,816

B. Policy of risk management

There are no material changes in the current period. Please refer to Note 12 to the 2024 year end Consolidated Financial Statements of the Republic of China.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Exchange rate risk

i. The Group operates internationally and is exposed to exchange rate risk arising from the transactions of the Company and its subsidiary using various functional currencies, primarily with respect to the USD and RMB. Foreign exchange rate risk arises from future commercial transactions and recognised assets and liabilities.

ii. Management has set up policies to require group companies to manage their foreign exchange risk against their functional currencies. The companies are required to hedge their entire foreign exchange risk exposure through coordination with the Group treasury. Exchange rate risk is measured through a forecast of highly probable USD and JPY expenditures. Borrowing liabilities denominated in foreign currencies that are adopted to minimise the volatility of the foreign exchange.

iii. The Group's businesses involve some non-functional currency operations (the Company's functional currency: NTD and the subsidiary's functional currency: JPY). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	June 30, 2025		
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 12,197	29.588	$ 360,885
JPY:NTD	160,368	0.206	33,036
RMB:NTD	5,674	4.130	23,434
USD: JPY	1,104	143.981	32,665
Non-monetary items: None.			
Financial liabilities			
Monetary items			
USD:NTD	$ 10,031	29.588	$ 296,797
JPY:NTD	8,171	0.206	1,683
RMB:NTD	10,450	4.130	43,159

	December 31, 2024		
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 12,827	32.794	$ 420,649
JPY:NTD	67,154	0.210	14,102
RMB:NTD	5,884	4.478	26,349
USD: JPY	789	156.013	25,874
Non-monetary items: None.			
Financial liabilities			
Monetary items			
USD:NTD	$ 5,154	32.794	$ 169,020
JPY:NTD	78,291	0.210	16,441
RMB:NTD	15,866	4.478	71,048
USD: JPY	992	156.013	32,532

	June 30, 2024		
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 18,826	32.439	$ 610,697
JPY:NTD	314	0.202	63
RMB:NTD	1,235	4.444	5,488
USD: JPY	1,679	160.748	54,465
Non-monetary items: None.			
Financial liabilities			
Monetary items			
USD:NTD	$ 12,943	32.439	$ 419,858
JPY:NTD	17,736	0.202	3,583
RMB:NTD	14,044	4.444	62,412
USD: JPY	143	160.748	4,639
Non-monetary items: None.			

iv. The total exchange (loss) gain, including realised and unrealised, arising from significant foreign exchange variations on the monetary items held by the Group for the three-month and six-month periods ended June 30, 2025 and 2024, amounted to ($38,765)、$7,585、($33,287) and $17,331, respectively.

v. Analysis of foreign currency market risk arising from significant foreign exchange variations:

	Year ended June 30, 2025		
	Change in exchange rate	Effect on profit (loss)	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	1%	$ 3,609	$ -
JPY:NTD	1%	330	-
RMB:NTD	1%	234	-
USD: JPY	1%	327	-
Financial liabilities			
Monetary items			
USD:NTD	1%	($ 2,968)	$ -
JPY:NTD	1%	(17)	-
RMB:NTD	1%	(432)	-

	Year ended June 30, 2024		
	Change in exchange rate	Effect on profit (loss)	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	1%	$ 6,107	$ -
JPY:NTD	1%	1	-
RMB:NTD	1%	55	-
USD: JPY	1%	545	-
Financial liabilities			
Monetary items			
USD:NTD	1%	($ 4,199)	$ -
JPY:NTD	1%	(36)	-
RMB:NTD	1%	(624)	-
USD: JPY	1%	(46)	-

Price risk

i. The Group's investments in equity securities, which are exposed to price risk, are the held financial assets at fair value through other comprehensive income.

ii. The The Group's investments in equity securities comprise shares issued by a domestic company. The prices of equity securities would change due to the change of the future value of investee company. If the prices of these equity securities had increased /decreased by 10% with all other variables held constant, fair value adjustment would have increased/decreased both by $2, as a result of the price change on equity investment at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

i. The Group's main interest rate risk arises from short-term borrowings with floating rates, which expose the Group to cash flow interest rate risk. For the six-month periods ended June 30, 2025 and 2024, the Group's borrowings at floating rates were mainly denominated in New Taiwan dollars, US dollars and Japanese yen.

ii. If the borrowing interest rate of New Taiwan dollars and US dollars had increased/decreased by 0.25% with all other variables held constant, loss after tax For the six-month periods ended June 30, 2025 and 2024, would have increased/decreased by $160 and $223, respectively. Changes in interest expense mainly due from floating-rate borrowings.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of debt instruments stated at amortised cost.

ii. The Group manages their credit risk taking into consideration the entire group's perspective. Only rated banks with an optimal rating and financial institutes with investment grade are accepted. According to the Group's credit policy, each entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual credit limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.

iii. The Group adopts the assumptions under IFRS 9, and the default occurs when the contract payments are past due over 90 days.

iv. The Group adopts following assumptions under IFRS 9 to assess whether there has been a significant increase in credit risk on that instrument since initial recognition:

(i) If the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition.

(ii) For investments in bonds that are traded over the counter, if any external credit rating agency rates these bonds as investment grade, the credit risk of these financial assets is treated low.

v. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:

(i) It becomes probable that the issuer will enter into bankruptcy or other financial reorganisation due to financial difficulties;

(ii) The disappearance of an active market for that financial asset because of financial difficulties of the issuer;

(iii) Default or delinquency in interest or principal repayments;

(iv) Adverse changes in national or regional economic conditions that are expected to cause a default.

vi. The Group categorised accounts receivable in accordance with credit risk and applied the modified approach using a provision matrix to estimate the expected credit loss.

vii. The Group wrote-off the financial assets, which cannot be reasonably expected to be recovered, after initiating recourse procedures. However, the Group will continue executing the recourse procedures to secure their rights.

viii. The Group used the forecastability to adjust historical and timely information to assess the default possibility of accounts receivable. As of June 30, 2025, December 31, 2024, June 30 2024, the provision matrix is as follows:

	Not past due	Up to 30 days past due	31~90 days past due	91~180 days past due	over 180 days past due	Individual	Total
At June 30, 2025							
Expected loss rate	0.01%	0.01%	0.11%	0.66%	0.12%	0.12%~4.15%	
Total book value	$ 758,411	$ 53,567	$ 1184	$ -	$ -	$ 5,216	817,312
Loss allowance	$ -	$ -	$ -	$ -	$ -	(152)	(152)
At December 31, 2023							
Expected loss rate	0.01%	0.01%	0.11%	0.63%	0.12%	0.12%~4.32%	
Total book value	$ 781,658	$ 66,849	$ 265	$ -	$ -	$ 10,625	859,397
Loss allowance	$ -	$ -	$ -	$ -	$ -	(152)	(152)
At June 30, 2024							
Expected loss rate	0.01%	0.01%	0.11%	0.66%	0.12%	0.12%~4.51%	
Total book value	$ 850,312	$ 96,669	$ 4,774	$ -	$ -	$ 17,905	969,660
Loss allowance	$ -	$ -	$ -	$ -	$ -	(152)	(152)

ix. Movements in relation to the Group applying the modified approach to provide loss allowance for accounts receivable are as follows:

	2025
	Accounts receivable
At January 1 / June 30,	$ 152

	2024
	Accounts receivable
At January 1 / June 30,	$ 152

(c) Liquidity risk

i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group’s liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group’s debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets and, if applicable, external regulatory or legal requirements, for example, currency restrictions.

ii. Surplus cash held by the operating entities over and above balance required for working capital management will be appropriately used and invested. The chosen instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom as determined by the above-mentioned forecasts. As at June 30, 2025，December 31,2024 and June 30,2024, the Group held money market position of $2,159,090，$2,637,778 and $2,640,738, respectively, that are expected to readily generate cash inflows for managing liquidity risk.

iii. The Group has the following undrawn borrowing facilities:

	June 30, 2025	December 31, 2024	June 30, 2024
Floating rate:			
Expiring within one year	$ -	$ 51,683	$ -
Fixed rate:			
Expiring within one year	$ 1,720,431	$ 1,463,158	$ 1,516,933

iv. The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date.

Non-derivative financial liabilities	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
June 30, 2025				
Short-term borrowings	$ 160,431	$ -	$ -	$ -
Accounts payable (including related parties)	253,140	-	-	-
Other payables (including related parties)	524,138	-	-	-
Lease liabilities	21,193	21,148	56,471	399,046
Bonds payable	-	-	500,000	-
Guarantee deposits received	-	-	8,095	-

Non-derivative financial liabilities	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
December 31, 2024				
Short-term borrowings	$ 45,159	$ -	$ -	$ -
Accounts payable (including related parties)	312,716	-	-	-
Other payables (including related parties)	468,325	-	-	-
Lease liabilities	21,382	21,067	59,235	423,479
Bonds payable	499,700	-	500,000	-
Guarantee deposits received	-	-	8,095	-

Non-derivative financial liabilities	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5years
June 30, 2024				
Short-term borrowings	$ 223,067	$ -	$ -	$ -
Accounts payable (including related parties)	351,430	-	-	-
Other payables (including related parties)	519,119	-	-	-
Lease liabilities	15,720	15,225	43,595	255,045
Bonds payable	499,700	-	-	-
Guarantee deposits received	-	-	8,095	-

(3) Fair value information

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

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

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

Level 3: Unobservable inputs for the asset or liability. The fair value of the Group's investment in unlisted stocks is included in Level 3.

B. Fair value information of investment property at cost is provided in Note 6(8).

C. Financial instruments not measured at fair value

(a) Except for those listed in the table below, the carrying amounts of cash and cash equivalents, notes receivable, accounts receivable, other receivables, short-term borrowings, notes payable, accounts payable and other payables are approximate to their fair values.

	June 30, 2025			
		Fair value		
	Book value	Level 1	Level 2	Level 3
Financial liabilities:				
Bonds payable	$ 474,738	$ -	$ 480,250	$ -

	December 31, 2024			
		Fair value		
	Book value	Level 1	Level 2	Level 3
Financial liabilities:				
Bonds payable	$ 966,784	$ -	$ 972,051	$ -

	June 30, 2024			
		Fair value		
	Book value	Level 1	Level 2	Level 3
Financial liabilities:				
Bonds payable	$ 494,370	$ -	$ 496,302	$ -

(b) The methods and assumptions of fair value estimate are as follows:

Bonds payable: The fair value of the convertible bonds issued by the Group was estimated by the Binomial-Tree approach to convertible bonds.

D. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities are as follows:

(a) The related information of natures of the assets and liabilities is as follows:

June 30, 2025	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through other comprehensive income				
Unlisted stocks	$ -	$ -	$ 17	$ 17

December 31, 2024	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through other comprehensive income				
Unlisted stocks	$ -	$ -	$ 17	$ 17

June 30, 2024	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through other comprehensive income				
Unlisted stocks	$ -	$ -	$ 17	$ 17

(b)The methods and assumptions the Group used to measure fair value are as follows:

i. The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	Listed shares	Closing-end fund
Maket quoted price	Closing price	Closing price

ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date (i.e. yield curves on the Taipei Exchange, average commercial paper interest rates quoted from Reuters).

iii. When assessing non-standard and low-complexity financial instruments, for example, debt instruments without active market, interest rate swap contracts, foreign exchange swap contracts and options, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.

iv. The valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques and option pricing models. Foreign exchange forward contracts are usually valued based on the current forward exchange rate.

v. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group’s financial and non-financial instruments. As a result, the estimate generated by valuation model will be slightly adjusted based on additional inputs, such as model risk and liquidity risk. In accordance with the Group’s management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

vi. The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Group’s credit quality.

E. For the six-month periods ended June 30, 2025and 2024, there was no transfer between Level 1 and Level 2.

F. The following chart is the movement of Level 3 For the six-month periods ended June 30, 2024 and 2023:

	2025	2024
	Equity instruments	Equity instruments
At January1/June 30	$ 17	$ 17

G. For the six-month periods ended June 30, 2024 and 2023, there was no transfer into or out from Level 3.

H. Group treasury is in charge of valuation procedures for fair value measurements being categorised within Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the resource of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model and making any other necessary adjustments to the fair value.

I. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at June 30, 2025		Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:						
Unlisted shares	$	17	Market comparable companies	Price to book ratio multiple;	1.	The higher the multiple, the higher the fair value.

	Fair value at December 31, 2024		Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:						
Unlisted shares	$	17	Market comparable companies	Price to book ratio multiple;	1.	The higher the multiple, the higher the fair value.

	Fair value at June 30, 2024		Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:						
Unlisted shares	$	17	Market comparable companies	Price to book ratio multiple;	1.	The higher the multiple, the higher the fair value.

J. The Group has assessed the valuation models and assumptions carefully used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. The following is the effect of profit or loss or of other comprehensive income from financial assets and liabilities categorised within Level 3 if the inputs used to valuation models have changed:

			June 30, 2025			
			Recognised in profit or loss		Recognised in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Price to book ratio multiple	±1%	$ -	$ -	$ 2	($ 2)

			December 31, 2024			
			Recognised in profit or loss		Recognised in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Price to book ratio multiple	±1%	$ -	$ -	$ 2	($ 2)

			June 30, 2024			
			Recognised in profit or loss		Recognised in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Price to book ratio multiple	±1%	$ -	$ -	$ 2	($ 2)

13. Supplementary Disclosures

(1) Significant transactions information

A. Loans to others: None.

B. Provision of endorsements and guarantees to others: None.

C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 1.

D. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 2.

E. Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more: Please refer to table 3.

I. Significant inter-company transactions during the reporting period: Please refer to table 4.

(2) Information on investees

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

(3) Information on investments in Mainland China: None.

14. Segment Information

(1) General information

The Group operates business only in a single industry. The chief operating decision-maker, who assesses performance and allocates resources of the Group as a whole, has identified that the Group has only one reportable operating segment.

(2) Segment Information

The segment information provided to the chief operating decision-maker for the reportable segments is as follows:

	For the six-month periods ended June 30,	
	2025	2024
Revenue from external customers	$ 1,851,660	$ 2,078,019
Inter-company revenue	$ 61,555	$ 132,235
Segment (loss) income	($ 49,771)	$ 238,205
Segment assets	$ 6,801,049	$ 7,030,630
Segment liabilities	$ 1,927,914	$ 2,087,688

(3) Reconciliation for segment income (loss)

None.

Episil-Precision Inc. and Subsidiaries

Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

June 30, 2025

Table 1

Expressed in thousands of NTD

(Except as otherwise indicated)

Securities held by	Marketable securities （Note 1）	Relationship with the securities issuer（Note 2）	General ledger account	As of June 30, 2025 Number of shares (in thousands)	Book value（Note	Ownership (%)	Fair value	Footnote （Note 4)
Episil-Precision Inc.	Dah Chung Bills Fiance Corp.-common shares	None	Financial assets at fair value through other comprehensive income-non-current	1,164	$ 17	0	$ 17	

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities within the scope of IFRS9. "Financial instruments".
Note 2: Leave the column blank if the issuer of marketable securities is non-related party.
Note 3: Fill in the amount after adjusted at fair value and deducted by accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortised cost deducted by accumulated impairment for the marketable securities not measured at fair value.
Note 4: The number of shares of securities and their amounts pledged as security or pledged for loans and their restrictions on use under some agreements should be stated in the footnote if the securities presented herein have such conditions.

Episil-Precision Inc. (Formerly Episil Holding Inc.) and Subsidiaries

Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more

For the three-month period ended June 30, 2025

Table 2

Expressed in thousands of NTD

(Except as otherwise indicated)

			Transaction				Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of notes/accounts receivable (payable	Footnote
Episil-Precision Inc.	Vanguard International Semiconductor Corporation	Individuals withsignificant influence on the Group	(Sales)	$ 360,402	19.46%	60 days after monthly billings	-	Gerneral terms	$ 153,859	18.83%	
Episil-Precision Inc.	Episil Technologies Inc	Parent company	(Sales)	169,446	9.15%	30-90 days after monthly billings	-	Gerneral terms	132,152	16.17%	

Note 1 : Processing and returning materials provided by customers (related parties) were excluded from purchase/sales.

Episil-Precision Inc. and Subsidiaries

Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more

June 30, 2025

Table 3

Expressed in thousands of NTD

(Except as otherwise indicated)

Creditor	Counterparty	Relationship	Balance of accounts receivables of related parties（Note1）	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
Episil-Precision Inc.	Vanguard International Semiconductor Corporation	Individuals withsignificant influence on the Group	153,859	4.96	-	Amountcollected subsequent to the balance sheet date	-	-
Episil-Precision Inc.	Episil Technologies Inc.	Parent company	132,152	2.97	30,811	Amountcollected subsequent to the balance sheet date	36,055	-

Note 1: Please rely on the accounts receivable, bills, other receivables... etc.

Episil-Precision Inc. and Subsidiaries

Significant inter-company transactions during the reporting period

For the three-month period ended June 30, 2025

Table 4

Expressed in thousands of NTD

(Except as otherwise indicated)

				Transaction			
Number (Note 1)	Company name	Counterparty	Relationship	General ledger account	Amount	Transaction terms	consolidated total operating revenues or total assets (Note 3)
1	Episil-Precision Inc.	Precision Silicon Japan Co., Ltd.	1	Operating revenue	61,555	Gerneral terms	3.32%
1	Episil-Precision Inc.	Precision Silicon Japan Co., Ltd.	1	Accounts receivable	41,347	90~180 days after monthly billings	0.61%

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:
(1) Parent company is ‘0’.
(2) The subsidiaries are numbered in order starting from ‘1’.

Note 2: Relationship between transaction company and counterparty is classified into the following three categories; fill in the number of category each case belongs to (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.):
(1) Parent company to subsidiary.
(2) Subsidiary to parent company.
(3) Subsidiary to subsidiary.

Note 3: Percentage of total consolidated revenues or total assets is calculated using the total consolidated assets at the end of the year when the subject of transaction is an asset/liability, and is calculated by total consolidated revenues during the year when the subject of transaction is a revenue/expense.

Note 4: Only transaction amount that exceeds $1 million will be disclosed, otherwise will not be disclosed.

Episil-Precision Inc. and Subsidiaries

Information on investees

For the three-month period ended June 30, 2025

Table 5

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Investee (Note 1 and 2)	Location	Main business activities	Initial investment amount: Balance as of June 30, 2025	Initial investment amount: Balance as of December 31, 2024	Shares held as at March 31, 2025: Number of shares	Shares held as at March 31, 2025: Ownership (%)	Shares held as at March 31, 2025: Book value	Net profit (loss) for the three-month period ended June 30, 2025 (Note 2(2))	Investment income (loss) recognized by the Company for the three-month period ended June 30, 2025 (Note 2(3))	Footnote
Episil-Precision Inc.	Precision Silicon Japan Co., Ltd.	Japan	Sales of epitaxy and silicon wafers	$2,740	2,740	200	100.00%	10,385	(778)	(778)	

Note 1: If a public company is equipped with an overseas holding company and takes consolidated financial report as the main financial report according to the local law rules, it can only disclose the information of the overseas holding company about the disclosure of related overseas investee information.

Note 2: If situation does not belong to Note 1, fill in the columns according to the following regulations:

(1) The columns of ‘Investee’, ‘Location’, ‘Main business activities’, Initial investment amount’ and ‘Shares held as at March 31, 2025’ should fill orderly in the Company’s (public company’s) information on investees and every directly or indirectly controlled investee’s investment information, and note the relationship between the Company (public company) and its investee each (ex. direct subsidiary or indirect subsidiary) in the ‘footnote’ column.

(2) The ‘Net profit (loss) of the investee for the three-month period ended March 31, 2025’ column should fill in amount of net profit (loss) of the investee for this period.

(3) The ‘Investment income (loss) recognised by the Company for the year ended March 31, 2025’ column should fill in the Company (public company) recognised investment income (loss) of its direct subsidiary and recognised investment income (loss) of its investee accounted for under the equity method for this period. When filling in recognised investment income (loss) of its direct subsidiary, the Company (public company) should confirm that direct subsidiary’s net profit (loss) for this period has included its investment income (loss) which shall be recognised by regulations.