

**Wah Lee Industrial Corporation and
Subsidiaries**

**Consolidated Financial Statements with
Independent Auditors' Report
2025 and 2024 Q1**

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Independent Auditors' Report

Wah Lee Industrial Corporation:

Introduction

We have audited the accompanying consolidated financial statements of Wah Lee Industrial Corporation and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of March 31, 2025 and 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for January 1 to March 31, 2025 and 2024, and the notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the “consolidated financial statements”). The preparation of fairly expressed consolidated financial reports in accordance with the Financial Reporting Standards of the Securities Issuer and IAS 34 “Interim Financial Reporting” as approved by the Financial Supervisory Commission and issued for effect is the responsibility of management, and the responsibility of the accountant is to draw conclusions on the consolidated financial reports based on the results of the review.

Scope of Review

Except as set out in the following paragraph we performed the review in accordance with the Review of Financial Statements, Standard 2410. The procedures performed in reviewing the consolidated financial statements include inquiries (primarily of persons responsible for financial and accounting matters), analytical procedures and other review procedures. A review is significantly less in scope than an audit and, accordingly, we may not be able to aware all significant matters that might be identified by an audit. Accordingly, we do not express an audit opinion.

Basis for the Qualified Conclusion

As described in note 13 to the consolidated financial report, the financial statements of the non-material subsidiaries included in the first consolidated financial report for the same period have not been reviewed by the accountants. Its total assets as of March 31, 2025 and 2024 were NT \$7,890,548 thousand and NT \$7,470,750 thousand, respectively, accounting for 15% of the total consolidated assets, respectively. Total liabilities amounted to NT\$3,197,799 thousand and NT\$3,121,962 thousand, respectively, accounting for 11% of the total consolidated liabilities. The comprehensive profit and loss from January 1 to March 31, 2025 and 2024 were NT\$53,392 thousand and NT\$10,201 thousand respectively, accounting for 11% and 1% of the consolidated comprehensive profit and loss, respectively. In addition, as described in note 14 of the consolidated financial report, the investment balance of Wah Lee Industrial Corporation and its subsidiaries under the equity method as of March 31, 2025 and 2024 was NT\$2,394,244

thousand and NT\$2,137,433 thousand, respectively, and from January 1 to March 31, 2025 and 2024, the shares of related party enterprises and joint venture profits and losses recognized under the equity method were NTS64,212 thousand and NTS27,427 thousand, respectively, which are recognized and disclosed on the basis of the financial statements of the invested companies that have not been reviewed by the accountants during the same period.

Qualified Conclusion

Based on the results of this auditor's review, apart from the non-critical subsidiaries mentioned in the foundation paragraph of the retention conclusions and the financial statements of the investee companies that partially adopt the equity method, which have been reviewed by the accountants and may have an impact on the consolidated financial reports, it has not been found that the consolidated financial statements have not been prepared in accordance with the financial reporting standards of securities issuers in all material aspects and the International Accounting Standard No. 34 "Interim Financial Report" approved by the Financial Supervisory Commission and issued for effect, which makes it impossible to express the consolidated financial situation of Warwick Enterprises and its subsidiaries as of March 31, 2025 and 2024, and the consolidated financial performance and consolidated cash flow of January 1 to March 31, 2025 and 2024.

Deloitte & Touche

CPA Chiu-Yen Wu

CPA Jui-Hsuan Hsu

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Tai-Cai-Zheng-Liu-Tzu No. 0920123784

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May 8, 2025

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally applied in the Republic of China.

The English version of independent auditors' report and the accompanying financial statements are not reviewed nor audited by independent auditors.

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

WAH LEE INDUSTRIAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
March 31, 2025, December 31, 2024 and March 31, 2024
Unit: NT\$ thousand

Code	Assets	March 31, 2025		December 31, 2024		March 31, 2024	
		Amount	%	Amount	%	Amount	%
	Current Assets						
1100	Cash and cash equivalents (Note 6)	\$ 5,856,061	11	\$ 4,666,206	9	\$ 5,240,384	11
1110	Financial assets at fair value through profit or loss - current (Note 7)	700,861	1	651,731	1	441,677	1
1120	Financial assets at fair value through other comprehensive income - current (Note 8)	175,000	-	167,000	-	170,000	-
1150	Notes receivable (Note 9 and 30)	3,016,300	6	3,052,721	6	2,675,120	6
1160	Notes receivable- net from related parties (Note 9)	1,070	-	-	-	-	-
1170	Accounts receivable, net (Note 9)	16,938,205	33	18,282,520	35	15,776,165	32
1180	Accounts receivable - related parties (Notes 9 and 29)	109,465	-	140,852	-	149,234	-
1197	Finance lease receivables - current (Notes 4 and 10)	11,623	-	6,722	-	-	-
1200	Other receivables	90,053	-	79,957	-	111,726	-
1210	Other receivables - related parties (Notes 14 and 29)	11,490	-	149,095	-	4,309	-
1220	Current tax assets	4,132	-	2,818	-	9,098	-
130X	Merchandise (Notes 10)	5,633,509	11	5,717,740	11	4,798,026	10
1421	Prepayments for purchases	1,506,431	3	2,092,020	4	2,004,476	4
1476	Other financial assets - current (Notes 12 and 30)	919,083	2	734,779	2	1,430,699	3
1479	Other current assets	190,365	1	181,964	1	165,254	-
11XX	Total current assets	35,163,648	68	35,926,125	69	32,976,168	67
	Non-current assets						
1510	Financial assets at fair value through profit or loss - non-current (Note 7)	61,009	-	57,815	-	42,731	-
1517	Financial assets at fair value through other comprehensive income - non-current (Note 8)	611,674	1	663,704	1	802,612	2
1550	Investments accounted for using the equity method (Notes 14)	7,951,000	16	7,893,447	15	8,079,291	16
1600	Property, plant and equipment (Notes 15, 30, and 31)	6,240,277	12	6,254,491	12	6,080,439	12
1755	Right-of-use assets (Note 16)	563,543	1	507,976	1	492,847	1
1805	Goodwill	178,667	-	178,443	1	177,794	1
1822	Other intangible assets	125,899	-	133,929	-	153,336	-
1840	Deferred tax assets	451,762	1	398,916	1	371,926	1
1915	Prepayments for equipment	187,484	1	159,303	-	49,173	-
1940	Finance lease receivables - non-current (Notes 10)	32,064	-	18,168	-	-	-
1980	Other financial assets - non-current (Notes 12 and 30)	161,203	-	160,444	-	141,439	-
1990	Other non-current assets	24,014	-	23,089	-	24,732	-
15XX	Total non-current assets	16,588,596	32	16,449,725	31	16,416,320	33
1XXX	Total assets	\$ 51,752,244	100	\$ 52,375,850	100	\$ 49,392,488	100
	Liabilities and Equity						
	Current Liabilities						
2100	Short-term borrowings (Note 17)	\$ 6,982,581	13	\$ 7,815,694	15	\$ 7,308,499	15
2120	Financial liabilities at fair value through profit or loss - current (Note 7)	16,434	-	20,218	-	12	-
2130	Contract liabilities - current (Note 23)	417,188	1	458,873	1	552,369	1
2150	Notes payable (Note 19)	1,665,573	3	1,689,445	3	1,109,385	2
2170	Accounts payable (Note 19)	7,669,836	15	8,168,135	16	7,131,237	14
2180	Accounts payable - related parties (Notes 19 and 29)	342,439	1	363,749	1	332,681	1
2216	Dividends payable (Note 22)	1,375,015	3	-	-	1,284,310	3
2219	Other payables (Note 20)	1,296,184	2	1,293,340	3	1,332,973	3
2220	Other payables - related parties (Note 29)	26,654	-	4,778	-	237	-
2230	Current tax liabilities	378,929	1	244,620	-	367,053	1
2250	Provisions - current (Note 31)	64,649	-	65,413	-	51,117	-
2280	Lease liabilities - current (Notes 16)	95,716	-	86,849	-	90,078	-
2321	Current portion of company bonds (Notes 18)	-	-	-	-	748,201	1
2322	Current portion of long-term borrowings (Note 17)	176,810	-	174,984	-	170,526	-
2365	Refund liability - current	494,224	1	403,170	1	427,841	1
2399	Other current liabilities	25,111	-	31,880	-	15,437	-
21XX	Total current liabilities	21,027,343	40	20,821,148	40	20,921,956	42
	Non-current Liabilities						
2540	Long-term borrowings (Note 17)	4,855,609	10	4,886,594	9	4,666,943	10
2550	Provisions - non-current	57,031	-	58,880	-	58,590	-
2580	Lease liabilities - non-current (Notes 16)	498,866	1	455,825	1	428,331	1
2640	Net defined benefit liability - non-current	167,107	-	167,797	-	208,394	-
2645	Guarantee deposits received	4,043	-	4,048	-	3,305	-
2570	Deferred tax liabilities	1,499,518	3	1,466,031	3	1,389,534	3
25XX	Total non-current liabilities	7,082,174	14	7,039,175	13	6,755,097	14
2XXX	Total liabilities	28,109,517	54	27,860,323	53	27,677,053	56
	Equity attributable to owners of the Company (Note 22)						
	Share Capital						
3110	Ordinary share capital	2,594,368	5	2,594,368	5	2,362,393	5
3140	Share capital collected in advance (Note 18)	-	-	-	-	145,278	-
3100	Total share capital	2,594,368	5	2,594,368	5	2,507,671	5
3200	Capital Surplus	3,900,418	8	3,905,495	7	3,184,910	6
	Retained Earnings						
3310	Legal reserve	3,179,735	6	3,179,735	6	2,968,189	6
3320	Special reserve	72,302	-	72,302	-	448,559	1
3350	Undistributed earnings	10,597,917	21	11,473,192	22	9,247,811	19
3300	Total retained earnings	13,849,954	27	14,725,229	28	12,664,559	26
3400	Other Equity	1,206,780	2	1,312,715	3	1,602,540	3
31XX	Total equity attributable to owners of the Company	21,551,520	42	22,537,807	43	19,959,680	40
36XX	Non-controlling interests (Note 22)	2,091,207	4	1,977,720	4	1,755,755	4
3XXX	Total equity	23,642,727	46	24,515,527	47	21,715,435	44
	Total liabilities and equity	\$ 51,752,244	100	\$ 52,375,850	100	\$ 49,392,488	100

The accompanying notes are an integral part of the consolidated financial statements.
(Please refer to Deloitte & Touche auditors’ report dated May 8, 2025)

WAH LEE INDUSTRIAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

From January 1 to March 31, 2025 and 2024

Unit: In Thousands of New Taiwan Dollars, except earnings per share in one New Taiwan Dollars

Code		From January 1 to March 31, 2025		From January 1 to March 31, 2024	
		Amount	%	Amount	%
4000	Operating revenue (Notes 23 and 29)	\$ 18,599,295	100	\$ 17,250,871	100
5000	Operating costs (Notes 11, 24, and 29)	<u>17,207,353</u>	<u>92</u>	<u>15,929,390</u>	<u>92</u>
5900	Gross Profit	<u>1,391,942</u>	<u>8</u>	<u>1,321,481</u>	<u>8</u>
	Operating expenses (Notes 9, 24, and 29)				
6100	Selling and marketing expenses	600,958	3	580,692	4
6200	General and administrative expenses	158,452	1	153,596	1
6450	Expected credit loss recognized	<u>87,261</u>	<u>1</u>	<u>28,851</u>	<u>-</u>
6000	Total operating expenses	<u>846,671</u>	<u>5</u>	<u>763,139</u>	<u>5</u>
6900	Operating Income	<u>545,271</u>	<u>3</u>	<u>558,342</u>	<u>3</u>
	Non-operating income and expenses (Notes 24 and 29)				
7100	Interest income	32,071	-	36,900	-
7010	Other income	24,316	-	28,558	-
7020	Other gains and losses	39,949	-	32,586	-
7050	Financial costs	(84,918)	-	(109,153)	-
7060	Share of profit of associates and joint ventures accounted for using the equity method	<u>169,886</u>	<u>1</u>	<u>123,360</u>	<u>1</u>
7000	Non-operating income and expenses	<u>181,304</u>	<u>1</u>	<u>112,251</u>	<u>1</u>
7900	Income Before Tax	726,575	4	670,593	4
7950	Income tax expenses (Notes 4 and 25)	<u>145,682</u>	<u>1</u>	<u>174,083</u>	<u>1</u>
8200	Net income for this period	<u>580,893</u>	<u>3</u>	<u>496,510</u>	<u>3</u>

(Continued)

(Concluded)

		From January 1 to March 31, 2025		From January 1 to March 31, 2024	
Code		Amount	%	Amount	%
	Other comprehensive income (Notes 22 and 25)				
	Items that will not be reclassified subsequently to profit or loss:				
8316	Unrealized gain (loss) on investments in equity instruments designated as at fair value through other comprehensive income	(\$ 40,947)	-	(\$ 26,652)	-
8320	Share of other comprehensive income (loss) of associates accounted for using the equity method	(281,676)	(2)	661,227	4
8349	Income tax relating to items that will not be reclassified subsequently to profit or loss	<u>6,291</u> (<u>316,332</u>)	<u>-</u> (<u>2</u>)	<u>9,112</u> <u>643,687</u>	<u>-</u> <u>4</u>
	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translating the financial statements of foreign operations	227,006	1	347,601	2
8370	Share of other comprehensive gain (loss) of associates accounted for using the equity method	57,246	1	105,052	-
8399	Income tax relating to items that may be reclassified subsequently to profit or loss	(<u>41,521</u>) <u>242,731</u>	<u>-</u> <u>2</u>	(<u>66,803</u>) <u>385,850</u>	<u>-</u> <u>2</u>
8360					
8300	Other Comprehensive Income (net of tax)	(<u>73,601</u>)	<u>-</u>	<u>1,029,537</u>	<u>6</u>
8500	Total comprehensive income for the period	<u>\$ 507,292</u>	<u>3</u>	<u>\$ 1,526,047</u>	<u>9</u>
	Net profit attributable to:				
8610	Owners of the Company	\$ 503,455	3	\$ 432,658	3
8620	Non-controlling Interests	<u>77,438</u>	<u>-</u>	<u>63,852</u>	<u>-</u>
8600		<u>\$ 580,893</u>	<u>3</u>	<u>\$ 496,510</u>	<u>3</u>

(Continued)

(Concluded)

Code		From January 1 to March 31, 2025		From January 1 to March 31, 2024	
		Amount	%	Amount	%
	Total comprehensive income attributable to:				
8710	Owners of the Company	\$ 393,805	2	\$ 1,430,950	8
8720	Non-controlling Interests	<u>113,487</u>	<u>1</u>	<u>95,097</u>	<u>1</u>
8700		<u>\$ 507,292</u>	<u>3</u>	<u>\$ 1,526,047</u>	<u>9</u>
	Earnings per share (Note 26)				
9750	Basic	<u>\$ 1.94</u>		<u>\$ 1.80</u>	
9850	Diluted	<u>\$ 1.92</u>		<u>\$ 1.67</u>	

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

(Please refer to Deloitte & Touche auditors' report dated May 8, 2025)

WAH LEE INDUSTRIAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

From January 1 to March 31, 2025 and 2024

Unit: NT\$ thousand

		Equity attributable to the owners of the Company												
								Other Equity						
								Unrealized gain on financial assets at FVTOCI						
		Retained Earnings												
								Exchange differences on translating the financial statements of foreign operations		Total		Total	Non-controlling Interests	Total Equity
Code		Ordinary share capital	Share capital collected in advance	Capital Surplus	Legal reserve	Special reserve	Undistributed earnings							
A1	Balance at January 1, 2025	\$ 2,594,368	\$ -	\$ 3,905,495	\$ 3,179,735	\$ 72,302	\$ 11,473,192	\$ 46,712	\$ 1,266,003	\$ 1,312,715	\$ 22,537,807	\$ 1,977,720	\$ 24,515,527	
	Appropriation and distribution for 2024 earnings (Note 22)													
B5	Cash dividends distributed to the shareholders of the Company	-	-	-	-	-	(1,375,015)	-	-	-	(1,375,015)	-	(1,375,015)	
C7	Changes in capital surplus from investments in associates accounted for using the equity method	-	-	(5,077)	-	-	-	-	-	-	(5,077)	-	(5,077)	
D1	From January 1 to March 31, 2025, net income	-	-	-	-	-	503,455	-	-	-	503,455	77,438	580,893	
D3	Other comprehensive income (loss) from January 1 to March 31, 2025	-	-	-	-	-	-	206,682	(316,332)	(109,650)	(109,650)	36,049	(73,601)	
D5	From January 1 to March 31, 2025, Total comprehensive income (loss)	-	-	-	-	-	503,455	206,682	(316,332)	(109,650)	393,805	113,487	507,292	
Q1	Disposal of the investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	(3,715)	-	3,715	3,715	-	-	-	
Z1	Balance at March 31, 2025	\$ 2,594,368	\$ -	\$ 3,900,418	\$ 3,179,735	\$ 72,302	\$ 10,597,917	\$ 253,394	\$ 953,386	\$ 1,206,780	\$ 21,551,520	\$ 2,091,207	\$ 23,642,727	
A1	Balance at January 1, 2024	\$ 2,360,203	\$ 2,190	\$ 2,092,166	\$ 2,968,189	\$ 448,559	\$ 10,066,449	(\$ 559,328)	\$ 1,196,590	\$ 637,262	\$ 18,575,018	\$ 1,848,597	\$ 20,423,615	
	Appropriation and distribution for 2023 earnings (Note 22)													
B5	Cash dividends distributed to the shareholders of the Company	-	-	-	-	-	(1,284,310)	-	-	-	(1,284,310)	-	(1,284,310)	
C7	Changes in capital surplus from investments in associates accounted for using the equity method	-	-	(14,160)	-	-	-	-	-	-	(14,160)	-	(14,160)	
D1	From January 1 to March 31, 2024, net income	-	-	-	-	-	432,658	-	-	-	432,658	63,852	496,510	
D3	Other comprehensive income (loss) from January 1 to March 31, 2024	-	-	-	-	-	-	354,605	643,687	998,292	998,292	31,245	1,029,537	
D5	From January 1 to March 31, 2024, Total comprehensive income (loss)	-	-	-	-	-	432,658	354,605	643,687	998,292	1,430,950	95,097	1,526,047	
I1	Convertible corporate bonds conversion (Note 18)	2,190	143,088	1,106,904	-	-	-	-	-	-	1,252,182	-	1,252,182	
O1	Cash dividends distributed to the shareholders of subsidiaries	-	-	-	-	-	-	-	-	-	-	(187,939)	(187,939)	
Q1	Associates disposed the investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	33,014	-	(33,014)	(33,014)	-	-	-	
Z1	Balance at March 31, 2024	\$ 2,362,393	\$ 145,278	\$ 3,184,910	\$ 2,968,189	\$ 448,559	\$ 9,247,811	(\$ 204,723)	\$ 1,807,263	\$ 1,602,540	\$ 19,959,680	\$ 1,755,755	\$ 21,715,435	

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

(Please refer to Deloitte & Touche auditors' report dated May 8, 2025)

WAH LEE INDUSTRIAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

From January 1 to March 31, 2025 and 2024

Unit: NT\$ thousand

Code		From January 1 to March 31, 2025	From January 1 to March 31, 2024
	Cash flows from operating activities		
A10000	Net profit before tax for the period	\$ 726,575	\$ 670,593
A20010	Adjustments for:		
A20100	Depreciation expenses	107,898	96,725
A20200	Amortization expenses	9,026	10,075
A20300	Expected credit loss recognized	87,261	28,851
A20400	Net gain (loss) of financial instruments at FVTPL	(11,726)	(14,901)
A20900	Financial costs	84,918	109,153
A21200	Interest income	(32,071)	(36,900)
A21300	Dividend income	(4,721)	(2,627)
A22300	Share of profit of associates and joint ventures accounted for using the equity method	(169,886)	(123,360)
A22500	Net profit on disposal of property, plant and equipment	(208)	(3,719)
A23700	Write-downs of inventories	19,141	14,134
A24100	Net unrealized loss on foreign currency exchange	1,514	214,105
A22900	Provisions for reversal losses	(774)	749
A29900	Lease modification benefits	-	(19)
A30000	Net changes in operating assets and liabilities		
A31115	Financial assets mandatorily classified as at fair value through profit or loss	1,053	4,333
A31130	Notes receivable	36,439	75,230
A31140	Notes receivable - related parties	(1,070)	-
A31150	Accounts receivable	1,251,421	(286,801)
A31160	Accounts receivable - related parties	32,047	(25,936)
A31180	Other receivables	(5,135)	(32,657)
A31190	Other receivables - related parties	(727)	(1,098)
A31200	Merchandise inventories	62,908	(119,562)
A31230	Prepayments for purchases	585,589	(225,092)
A31240	Other current assets	(8,401)	8,655
A31990	Finance lease receivables	(18,797)	-
A32110	Financial liabilities held for trading	(1,233)	(105)
A32125	Contract liabilities	(41,685)	1,482

(Continued)

(Concluded)

Code		From January 1 to March 31, 2025	From January 1 to March 31, 2024
A32130	Notes payable	(\$ 23,872)	(\$ 127,999)
A32150	Accounts payable	(498,299)	(87,584)
A32160	Accounts payable - related parties	(21,310)	(7,995)
A32180	Other payables	43,837	21,719
A32190	Other payables - related parties	(3,799)	(680)
A32200	Refund liabilities	91,054	62,711
A32230	Other current liabilities	(6,769)	(20,103)
A32240	Net defined benefit liabilities	(1,019)	(46,516)
A33000	Cash generated from operations	2,289,179	154,861
A33100	Interest received	24,967	52,608
A33200	Dividends received	145,196	109,577
A33300	Interest paid	(96,170)	(126,061)
A33500	Income tax paid	(64,919)	(94,947)
AAAA	Net cash generated from operating activities	<u>2,298,253</u>	<u>96,038</u>
Cash flow from investing activities			
B00010	Purchase of financial assets at fair value through other comprehensive income	-	(6,409)
B00020	Proceeds from disposal of financial assets at fair value through other comprehensive income	3,266	-
B00100	Acquisition of financial assets at FVTPL	(1,523,641)	(90,161)
B00200	Proceeds from disposal of financial assets at fair value through profit or loss	1,484,976	548,341
B01800	Acquired associate	(117,174)	(58,756)
B02700	Payment for property, plant, and equipment	(79,242)	(139,553)
B02800	Proceeds from disposal of property, plant, and equipment	438	4,241
B04500	Acquisition of other intangible assets	(22)	(132)
B06500	Decrease (increase) in other financial assets	(185,063)	<u>563,915</u>
BBBB	Net cash generated from (used in) investing activities	(416,462)	<u>821,486</u>
Cash flow from financing activities			
C00200	Decrease in short-term borrowings	(907,329)	(2,292,829)
C01600	Proceeds from long-term borrowings	8,406	200,000
C01700	Repayment of long-term borrowings	(46,199)	(240,465)
C03000	Increase (decrease) in guarantee deposits received	(5)	133
C04020	Repayment of the principal portion of lease liabilities	(30,278)	(33,234)
C05800	Changes in non-controlling Interests	-	(187,939)
CCCC	Net cash used in financing activities	(975,405)	(2,554,334)

(Continued)

(Concluded)

<u>Code</u>		<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
DDDD	Effect of exchanges rate changes on the balance of cash and cash equivalents	<u>\$ 283,469</u>	<u>\$ 420,680</u>
EEEE	Net increase (decrease) in cash and cash equivalents	1,189,855	(1,216,130)
E00100	Cash and cash equivalents at the beginning of the period	<u>4,666,206</u>	<u>6,456,514</u>
E00200	Cash and cash equivalents at the ending of the period	<u><u>\$5,856,061</u></u>	<u><u>\$5,240,384</u></u>

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

(Please refer to Deloitte & Touche auditors' report dated May 8, 2025)

Wah Lee Industrial Corporation and Subsidiaries

Notes to Consolidated Financial Statements

From January 1 to March 31, 2025 and 2024

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. Organization

Wah Lee Industrial Corporation (the “Company”) was incorporated in October 1968, and is mainly engaged in the import/export and agency business of composite materials, engineering plastic, printed circuit board, semiconductor, and computer related manufacturing materials and equipment.

The Company’s shares were listed and have been trading on the Taiwan Stock Exchange since July 22, 2002.

The consolidated financial statements, which include the Company and its subsidiaries (collectively, the “Group”), are presented in the Company’s functional currency, the New Taiwan dollar.

2. Date and Procedures for Approval of Financial Statements

The consolidated financial statements were approved by the Board of Directors on May 8, 2025.

3. Application of New, Amended and Revised Standards and Interpretations

- a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the “IFRS Accounting Standards”) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

Amendment to IAS 21, "Lack of Exchangeability"

The application of the amendment to IAS 21, "Lack of Exchangeability" will not have a material impact on the Group’s accounting policies.

- b. The IFRS Accounting Standards endorsed by the FSC is applicable for 2026

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" related to the application guidance on the classification of financial assets.	January 1, 2026 (Note)

Note: Applicable for annual reporting periods beginning on or after January 1, 2026, but the company may also choose to apply in advance starting from January 1, 2025.

As of the date the consolidated financial statements were approved, the Group is continuously assessing the possible impact of the amendment on the Company's financial position and financial performance.

- c. New IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
"Annual Improvements to IFRS Accounting Standards – Volume 11"	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" related to the application guidance on the derecognition of financial liabilities.	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
Amendment to IFRS 17	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 Statements	January 1, 2027
IFRS 19 "Subsidiaries without Public Accountability: Disclosure"	January 1, 2027
Note: The aforementioned newly issued/amended/revised standards or interpretations are effective for annual reporting periods beginning after the respective dates.	

IFRS 18: Presentation and Disclosure in Financial Statements

IFRS 18 will replace IAS 1 "Presentation in Financial Statements." The main changes in this standard include:

- The income statement should categorize the revenue and expense items into operating, investing, financing, income tax, and discontinued operations categories.
- The income statement should report operating profit or loss, pre-financing profit or loss before tax, as well as subtotals and totals of the profit or loss.
- Provide guidance to strengthen aggregation and disaggregation regulations: The Group must identify assets, liabilities, equity, income, expenses, and cash flows arising from individual transactions or other matters, and classify and aggregate

them based on common characteristics, so that each individual item reported in the main financial statements has at least one similar characteristic. Items with dissimilar characteristics should be further disaggregated in the main financial statements and notes. The Group will only label such items as "Other" when no more informative labels can be found.

- Enhancing the disclosure of performance measures defined by management: When the Group engages publicly beyond of the financial statements or communicates with financial statement users regarding management's perspective on a particular aspect of the Group's overall financial performance, it should disclose, in a single note in the financial statements, information related to the performance measures defined by management. This includes a description of the measure, how it is calculated, its reconciliation with subtotals or totals defined by IFRS Accounting Standards, as well as the impact of related adjustments on income tax and non-controlling interests.

Aside from the aforementioned impacts, as of the date the consolidated financial statements were approved, the Group is continuously assessing other impacts of the application of each standard and interpretation on the Company's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. Summary of Significant Accounting Policies

a. Statement of Compliance

The consolidated financial statements have been prepared in accordance with the Regulations

Governing the Preparation of Financial Reports by Securities Issuers, and the IAS 34 "Interim Financial Reporting" as endorsed and issued into effect by the FSC. This consolidated financial report does not contain all IFRS Accounting Standards disclosures required by the full annual financial report.

b. Basis of Preparation

The consolidated financial statements have been prepared on the historical cost basis except for the financial instruments measured at fair value, and the net defined benefit liabilities measured at the present value of the defined benefit obligation less the fair value of plan assets.

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

- 1) Level 1 inputs: Quoted prices (unadjusted) in active markets for identical assets or liabilities on the measurement date.
- 2) Level 2 inputs: Inputs, other than quoted prices within level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e., derived from prices); and
- 3) Level 3 inputs: Unobservable inputs for assets or liabilities.

c. Basis of Consolidation

The preparation principles adopted in this consolidated financial report are the same as those used in the 2024 consolidated financial report. For the detailed information of subsidiaries (including the percentage of ownership and main business), please refer to Note 13, and Tables 6 and 7.

d. (4) Other significant accounting policies

In addition to the descriptions below, please refer to the summary of significant accounting policies in the 2024 consolidated financial statements.

1) Defined welfare and post-employment benefits

The pension cost during the interim period is calculated on the basis of the actuarially determined pension cost rate at the end of the previous year, from the beginning of the year to the end of the current period, and adjusted for major market fluctuations, major plan revisions, repayments or other major one-time events in the current period.

2) Income Tax Expenses

Income tax expense represents the sum of the tax currently payable and deferred tax. Income tax during the interim period is assessed on an annual basis and is calculated on the basis of the pre-estimated earnings for the interim period at the tax rate applicable to the expected total annual earnings.

5. **Critical Accounting Judgments and Key Sources of Estimation Uncertainties**

For the significant accounting judgments, estimates and key sources of assumption uncertainty used in the consolidated financial statements, please refer to the 2024 Consolidated Financial Statements.

6. Cash and cash equivalents

	March 31, 2025	December 31, 2024	March 31, 2024
Cash on hand	\$ 1,287	\$ 1,291	\$ 1,161
Demand deposits in banks	5,051,818	4,130,348	4,707,113
Check accounts in banks	31,997	24,750	15,679
Cash equivalents- bank time deposits with original maturities of 3 months or less	<u>770,959</u>	<u>509,817</u>	<u>516,431</u>
	<u>\$ 5,856,061</u>	<u>\$ 4,666,206</u>	<u>\$ 5,240,384</u>

- a. The market rate intervals of cash equivalents at the end of the reporting period were as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Time deposits in banks (%)	1.23~4.40	0.70~4.35	2.55~6.25

- b. The Group interacts with a variety of financial institutions with sound credit ratings to disperse credit risk, hence, there was no expected credit loss.

7. Financial instruments at FVTPL

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Financial assets - current</u>			
Mandatorily classified at FVTPL			
Hybrid instruments - structured deposits (a)	\$ 608,262	\$ 560,849	\$ 354,286
Non-derivative financial assets - mutual funds	92,599	90,882	84,450
Derivatives instruments (not designated for hedge) (b)			
Foreign exchange forward contracts	<u>-</u>	<u>-</u>	<u>2,941</u>
	<u>\$ 700,861</u>	<u>\$ 651,731</u>	<u>\$ 441,677</u>
<u>Financial assets - non-current</u>			
Mandatorily classified at FVTPL			
Non-derivative financial assets			
Domestic unlisted shares	\$ -	\$ -	\$ 42,731
Domestic Limited Partnership	13,032	12,947	-
Foreign Limited Partnership	<u>47,977</u>	<u>44,868</u>	<u>-</u>
	<u>\$ 61,009</u>	<u>\$ 57,815</u>	<u>\$ 42,731</u>
<u>Financial liabilities - current</u>			
Held for trading			
Derivatives instruments (not designated for hedge) (b)			
Foreign exchange forward contracts	<u>\$ 16,434</u>	<u>\$ 20,218</u>	<u>\$ 12</u>

- a. The Group entered into structured time deposit contract with banks. The structured time deposit contract includes an embedded derivative instrument which is not closely related to the host contract. The entire contract was assessed and mandatorily classified as at FVTPL since it contained a host that is an asset within the scope of IFRS 9.
- b. The Group entered into foreign exchange forward contracts to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities. These contracts did not meet the criteria of hedge effectiveness and, therefore, were not accounted for using hedge accounting.

At the end of the year, outstanding foreign exchange forward contracts were as follows:

March 31, 2025

Currency	Maturity Date	Notional Amount (In Thousands)
Buy RMB/Sell USD	2025.05~2025.11	RMB164,399/USD23,429
Buy THB/Sell USD	2025.04	THB66,944/USD2,000
Buy USD/Sell MYR	2025.05	USD150/MYR664

December 31, 2024

Currency	Maturity Date	Notional Amount (In Thousands)
Buy RMB/Sell USD	2025.05~2025.11	RMB157,189/USD22,429
Buy THB/Sell USD	2025.01	THB33,602/USD1,000

March 31, 2024

Currency	Maturity Date	Notional Amount (In Thousands)
Buy USD/Sell RMB	2024.04~2024.05	USD10,671/RMB76,750
Buy USD/Sell MYR	2024.04~2024.05	USD323/MYR1,523

8. Financial assets at FVTOCI

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Current</u>			
Domestic investments in equity instruments			
TPEx-listed stocks	<u>\$ 175,000</u>	<u>\$ 167,000</u>	<u>\$ 170,000</u>
<u>Non-current</u>			
Domestic investments in equity instruments			
Listed and Emerging Shares	\$ 304,695	\$ 293,546	\$ 342,477
Unlisted stocks	<u>215,953</u>	<u>247,859</u>	<u>328,492</u>
	<u>520,648</u>	<u>541,405</u>	<u>670,969</u>
Foreign investments in equity instruments			
TWSE-listed stocks	13,454	13,291	14,698
TWSE-unlisted stocks	<u>77,572</u>	<u>109,008</u>	<u>116,945</u>
	<u>91,026</u>	<u>122,299</u>	<u>131,643</u>
	<u>\$ 611,674</u>	<u>\$ 663,704</u>	<u>\$ 802,612</u>

These investments in equity instruments are held for medium to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they consider that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

9. Notes receivable and accounts receivable, net

	March 31, 2025	December 31, 2024	March 31, 2024
Notes receivable - unrelated parties			
Notes receivable - operating	\$ 3,016,334	\$ 3,052,773	\$ 2,675,197
Less: Allowance for losses	<u>34</u>	<u>52</u>	<u>77</u>
	<u>\$ 3,016,300</u>	<u>\$ 3,052,721</u>	<u>\$ 2,675,120</u>
Notes receivable - related parties			
Notes receivable - operating	<u>\$ 1,070</u>	<u>\$ -</u>	<u>\$ -</u>
Accounts receivable - unrelated parties			
At amortized cost			
Gross carrying amount	\$ 17,365,127	\$ 18,616,680	\$ 16,040,895
Less: Allowance for losses	<u>426,922</u>	<u>334,160</u>	<u>264,730</u>
	<u>\$ 16,938,205</u>	<u>\$ 18,282,520</u>	<u>\$ 15,776,165</u>
Accounts receivable - related parties			
At amortized cost			
Gross carrying amount	\$ 109,580	\$ 141,627	\$ 151,886
Less: Allowance for losses	<u>115</u>	<u>775</u>	<u>2,652</u>
	<u>\$ 109,465</u>	<u>\$ 140,852</u>	<u>\$ 149,234</u>

For the information on factored notes receivable pledged as collateral for borrowings, refer to Notes 28 and 30.

The main credit period of sales of goods was 60-90 days. No interest was charged on receivables. In order to minimize credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Group's credit risk was significantly reduced.

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

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

The following tables detail the loss allowance of receivables based on the Group's provision matrix:

March 31, 2025

Cost	Counterparty without signs of default				Counterparty with signs of default	Total
	Not past due	Past due by 1-60 days	Past due by 61-180 days	Past due over 181 days		
Expected credit loss rate (%)	0.01~3	0.5~20	5~40	40~50	50~100	
Gross carrying amount	\$ 18,733,212	\$ 1,098,291	\$ 162,536	\$ 120,925	\$ 377,147	\$ 20,492,111
Loss allowance (Lifetime ECLs)	(21,533)	(21,131)	(31,280)	(56,432)	(296,695)	(427,071)
Amortized cost	\$ 18,711,679	\$ 1,077,160	\$ 131,256	\$ 64,493	\$ 80,452	\$ 20,065,040

December 31, 2024

Cost	Counterparty without signs of default				Counterparty with signs of default	Total
	Not past due	Past due by 1-60 days	Past due by 61-180 days	Past due over 181 days		
Expected credit loss rate (%)	0.01~3	0.5~20	5~40	40~50	50~100	
Gross carrying amount	\$ 20,059,189	\$ 1,222,980	\$ 193,640	\$ 238,462	\$ 96,809	\$ 21,811,080
Loss allowance (Lifetime ECLs)	(25,805)	(47,814)	(69,605)	(94,954)	(96,809)	(334,987)
Amortized cost	\$ 20,033,384	\$ 1,175,166	\$ 124,035	\$ 143,508	\$ -	\$ 21,476,093

March 31, 2024

Cost	Counterparty without signs of default				Counterparty with signs of default	Total
	Not past due	Past due by 1-60 days	Past due by 61-180 days	Past due over 181 days		
Expected credit loss rate (%)	0.01~3	0.5~20	5~40	40~50	50~100	
Gross carrying amount	\$ 17,239,776	\$ 1,176,430	\$ 210,693	\$ 115,294	\$ 125,785	\$ 18,867,978
Loss allowance (Lifetime ECLs)	(24,321)	(26,401)	(30,610)	(61,440)	(124,687)	(267,459)
Amortized cost	\$ 17,215,455	\$ 1,150,029	\$ 180,083	\$ 53,854	\$ 1,098	\$ 18,600,519

The movements of the loss allowance of receivables were as follows:

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Opening balance	\$334,987	\$238,997
Impairment losses recognized of the period	87,261	28,851
Amounts written off of the period	(132)	(6,760)
Foreign exchange translation differences	4,955	6,371
Ending balance	<u>\$427,071</u>	<u>\$267,459</u>

10. Finance lease receivables

	March 31, 2025	December 31, 2024
Undiscounted lease payments		
Year 1	\$ 14,400	\$ 8,139
Year 2	13,655	8,139
Year 3	9,974	4,654
Year 4	7,658	4,485
Year 5	4,811	3,025
	50,498	28,442
Less: Unearned finance income	(6,811)	(3,552)
Finance lease receivables	<u>\$ 43,687</u>	<u>\$ 24,890</u>
Current	\$ 11,623	\$ 6,722
Non-current	32,064	18,168
	<u>\$ 43,687</u>	<u>\$ 24,890</u>

The Group has signed equipment financial leasing agreements, with financial leasing terms from 3 to 5 years. The implicit interest rate for finance leases is between 3.91% and 8.25%.

The Group measures the allowance for losses on finance lease receivables based on lifetime ECLs. Finance lease receivables are secured by the leased equipment. As of the balance sheet date, there are no overdue finance lease receivables. The Group has assessed the above finance lease receivables and determined that there is no impairment.

11. Merchandise inventories

The costs of inventories recognized in cost of goods sold From January 1 to March 31, 2025 and 2024 were \$16,877,864 thousand and \$15,616,075 thousand respectively, which included the following items:

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Write-downs of inventories	<u>\$ 19,141</u>	<u>\$ 14,134</u>

12. Other financial assets

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Current</u>			
Time deposits with original maturities of more than 3 months	\$ 133,559	\$ 87,677	\$ 1,083,447
Structured deposits	45,734	44,868	261,286
Pledged deposits	\$ 739,750	\$ 602,194	\$ 85,926
Refundable deposits	40	40	40
	<u>\$ 919,083</u>	<u>\$ 734,779</u>	<u>\$ 1,430,699</u>
<u>Non-current</u>			
Pledged deposits	\$ 69,932	\$ 67,473	\$ 46,210
Refundable deposits	91,271	92,971	95,229
	<u>\$ 161,203</u>	<u>\$ 160,444</u>	<u>\$ 141,439</u>

- a. The market rate intervals of other financial assets at the end of the reporting period were as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Deposits in banks (%)	1.10~4.50	1.10~5.50	0.48~6.00

- b. The counterparties of the Group's deposits were banks with good credit and no significant default concerns, hence, there was no expected credit loss.
- c. Refer to Note 30 for information on other financial assets pledged as collateral.

13. Subsidiary

The subsidiaries in the consolidated financial statements

The detailed information of the subsidiaries at the end of the reporting period was as follows:

Investee company name	Name of subsidiary	Main business	Percentage of Ownership (%)			Specify details
			March 31, 2025	December 31, 2024	March 31, 2024	
The Company	Wah Lee Holding Ltd.	International investment	100.00	100.00	100.00	Note 1
	Raycong Industrial (H.K.) Ltd. (Raycong H.K.)	Trading business of engineering plastic, composite materials and equipment	53.69	53.69	53.69	
	Wah Lee Japan Corp. (WL Japan)	Trading business of synthetic resin, industrial plastic, molding machine and electromechanical parts	83.33	83.33	83.33	Note 1
	Wah Lee Korea Ltd. (WL Korea)	Trading business of synthetic resin, industrial plastic, molding machine and electromechanical parts	100.00	100.00	100.00	Note 1
	Sakuragawa Solar Godogaisha	Solar power generation business	99.99	99.99	99.99	Note 1
	Miyazaki Solar Godogaisha	Solar power generation business	99.99	99.99	99.99	Note 1
	PT. Wah Lee Indonesia (WL Indonesia)	Trading business of industrial materials	70.00	70.00	70.00	Note 1
	Wah Lee Vietnam Co., Ltd. (WL Vietnam)	Trading business of industrial materials	100.00	100.00	100.00	Note 1
	Tranceed Logistics Co., Ltd. (Tranceed Logistics)	Freight forwarders and leasing business	63.33	63.33	63.33	Note 1
	Wah Tech Industrial Co., Ltd. (WT Industrial)	Trading business of industrial materials	51.00	51.00	51.00	Note 1
	Kingstone Energy Technology Corporation (KS Corp.)	Solar power generation business	99.57	99.57	94.68	Notes 1 and 2
	Evergreen New Energy Corporation	Solar power generation business	100.00	100.00	100.00	Note 1
	Wah Lee Philippines International Corp.(WL Philippines Corp.)	Trading business of industrial materials	99.99	99.99	99.99	Note 1
	Wah Lee Philippines Inc. (WL Philippines Inc.)	Trading business of industrial materials	99.99	99.99	99.99	Note 1
	Hightech Polymer Sdn. Bhd. (Hightech)	Trading business of industrial materials	51.00	51.00	51.00	Note 1
	Wah Lee Tech (Singapore) Pte. Ltd. (WL Singapore)	Agency of semiconductor materials and equipment	100.00	100.00	100.00	Note 1
	Wah Lee Innovation Materials Private Limited (WL India)	Trading business of industrial materials	99.00	99.00	99.00	Note 1
	Advance Hightech Solutions Inc. (Advance Hightech)	Selling and distributing engineering plastics, high-performance composite materials, industrial materials, and semiconductor materials and equipment.	100.00	100.00	100.00	Note 1
	High Tech Gas Company Ltd. (High Tech Gas)	Chemical Materials Manufacturing	60.00	60.00	60.00	Note 1
	Innovation Service Co., Ltd.	Leasing business	58.33	58.33	16.67	Notes 1 and 3
Evergreen New Energy Corporation	Fanxin Development Co., Ltd. (Fanxin)	Solar power generation business	100.00	100.00	100.00	Note 1
	Fansheng Development Co., Ltd. (Fansheng)	Solar power generation business	100.00	100.00	100.00	Note 1
	Evergreen New Power Corporation	Engaging in the business of the energy/engineering service companies	100.00	-	-	Established in February 2025; Note 1

Investee company name	Name of subsidiary	Main business	Percentage of Ownership (%)			Specify details
			March 31, 2025	December 31, 2024	March 31, 2024	
Wah Lee Holding Ltd.	SHC Holding Ltd.	International investment	100.00	100.00	100.00	Note 1
	Raycong H.K.	Trading business of engineering plastic, composite materials and equipment	46.31	46.31	46.31	
Raycong H.K.	Regent King International Limited (Regent King)	Trading business of engineering plastic, composite materials and equipment	100.00	100.00	100.00	Note 1
	Dong Guan Hua Gang International Trading Co., Ltd. (Dong Guan Hua Gang)	Trading business of industrial materials	100.00	100.00	100.00	
	Shanghai Yikang Chemicals and Industries Co., Ltd. (Shanghai Yikang)	Trading business of industrial materials	70.00	70.00	70.00	
	Huaying Supply Chain Management (Shenzhen) Co., Ltd. (Shenzhen Huaying)	Supply chain management and consultancy service	100.00	100.00	100.00	Note 1
	Raycong (Vietnam) Company Limited (RC Vietnam)	Trading business of industrial materials	100.00	100.00	100.00	Note 1
	Anhua Huixinkang Hemodialysis Co., Ltd (Anhua Huixinkang)	Medical Service	77.78	77.78	77.78	Note 1
	Meditek (Shanghai) Co.,Ltd. (Shanghai Meditek)	Import and export business of goods and techniques	70.00	70.00	70.00	Note 1
Shanghai Yikang	Crown Medical Equipment (Shanghai) Co., Ltd. (Shanghai Crown)	Trading business of medical devices and equipment	69.97	69.97	69.97	Note 1
	Fenghuang Xingwah Shouzheng Health Management Co., Ltd (Fenghuang Xingwah Shouzheng)	Medical devices manufacturing technology developing and consulting	70.00	70.00	75.00	Notes 1 and 4
	Guangzhou Xingxian Medical Management Consulting Co., Ltd. (Guangzhou Xingxian)	Medical consulting	100.00	100.00	100.00	Note 1
Dongguan Hua Gang	Anhua Huixinkang Hemodialysis Co., Ltd (Anhua Huixinkang)	Medical Service	22.22	22.22	22.22	Note 1
	Guangzhou Xingxian	Medical Service	-	-	90.00	The liquidation was completed in April 2024; Note 1
Shenzhen Huaying	Xiamen Huashengda Logistics Co., Ltd. (Xiamen Huashengda)	Warehouse logistics	70.00	70.00	70.00	
KS Corp.	KSB Energy Corporation (KSB Corp.)	Solar power generation business	100.00	100.00	100.00	Note 1
	KSC Energy Corporation (KSC Corp.)	Solar power generation business	100.00	100.00	100.00	Note 1
WT Industrial	P.T. Wah Tech Indonesia (WT Indonesia)	Trading business of industrial materials	66.00	66.00	66.00	Note 1
	Wah Lee Innovation Materials Private Limited (WL India)	Trading business of industrial materials	1.00	1.00	1.00	Note 1
Tranceed Logistics	Cyuan Cheng Logistics Co., Ltd.	Freight forwarders and leasing business	100.00	100.00	100.00	Note 1

Note 1: It is a non-significant subsidiary whose financial statements have not been reviewed by an accountant.

Note 2: In December 2024, the Group acquired shares of KS Corp. from a non-related party for a cash consideration of NT\$31,236 thousand, resulting in an increase in ownership to 99.57%.

Note 3: In August 2024, the Group increased its investment in Innovation Service Co., Ltd. by NT\$30,000 thousand in cash, raising its shareholding ratio to 58.33%, thereby gaining control over the company.

Note 4: Shanghai Yikang sold 5% of its shares in Fenghuang Xingwah Shouzheng to an unrelated party in June 2024, reducing its shareholding ratio to 70%.

14. Investment accounted for using the equity method

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Investments in associates</u>			
Material associates			
CWE Inc.	\$ 4,832,242	\$ 4,966,134	\$ 5,264,843
Associates that are not individually material	<u>3,037,673</u>	<u>2,863,808</u>	<u>2,763,025</u>
	<u>7,869,915</u>	<u>7,829,942</u>	<u>8,027,868</u>
<u>Investment in joint ventures</u>			
Joint ventures that are not individually material	<u>81,085</u>	<u>63,505</u>	<u>51,423</u>
	<u>\$ 7,951,000</u>	<u>\$ 7,893,447</u>	<u>\$ 8,079,291</u>

Refer to Tables 6 and 7 for the main business and location of the investments accounted for using the equity method.

a. Material associates

Company Name	March 31, 2025	December 31, 2024	March 31, 2024
CWE Inc.	28.07%	28.06%	29.60%

Fair values (Level 1) of investments in associates with available published price quotation are summarized as follows:

Company Name	March 31, 2025	December 31, 2024	March 31, 2024
CWE Inc.	<u>\$ 8,272,311</u>	<u>\$ 9,004,549</u>	<u>\$ 7,935,877</u>

The Company's shareholding ratio in CWE Inc. is calculated based on the number of issued ordinary shares outstanding, minus the number of treasury shares, to reflect the actual share of equity held by the Company.

The summarized financial information below represents amounts shown in the financial statements of CWE Inc. prepared for equity accounting purposes:

	March 31, 2025	December 31, 2024	March 31, 2024
Current Assets	\$ 18,137,191	\$ 17,507,879	\$ 16,295,413
Non-current assets	19,546,175	20,387,741	22,277,611
Current Liabilities	(7,701,305)	(7,617,304)	(9,393,790)
Non-current Liabilities	(\$ 9,505,330)	(\$ 7,930,349)	(\$ 8,264,957)
Equity	20,476,731	22,347,967	20,914,277
Non-controlling Interests	(4,947,682)	(4,890,272)	(4,728,691)
	<u>\$ 15,529,049</u>	<u>\$ 17,457,695</u>	<u>\$ 16,185,586</u>
Percentage of ownership held by the Company (%)	28.07	28.06	29.60
Equity attributable to the Company	\$ 4,764,815	\$ 4,898,707	\$ 5,197,416
Goodwill	<u>67,427</u>	<u>67,427</u>	<u>67,427</u>
Carrying amount of investment	<u>\$ 4,832,242</u>	<u>\$ 4,966,134</u>	<u>\$ 5,264,843</u>
	From January 1 to March 31, 2025	From January 1 to March 31, 2024	
Operating revenue	<u>\$ 4,503,871</u>	<u>\$ 4,019,134</u>	
Net income for this period	\$ 547,573	\$ 545,075	
Other comprehensive (loss) income for the year	(747,312)	2,465,572	
Total comprehensive income for the year	(\$ 199,739)	\$ 3,010,647	
Cash dividends received	<u>\$ 138,532</u>	<u>\$ 106,950</u>	

As of December 31, 2024, the dividends not yet received by the Company amounted to NT\$138,532 thousand, respectively, and are recognized under "Other Receivables - Related Parties."

- b. Aggregate information of associates and joint ventures that are not individually material

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
The Group's share		
Net income for this period	\$ 76,673	\$ 28,907
Other comprehensive (loss) income for the year	(2,401)	83,259
Total comprehensive income for the year	<u>\$ 74,272</u>	<u>\$ 112,166</u>

c. Changes in investment in associates and joint ventures

- 1) In January 2025, the Group invested NT\$117,174 thousand in Shanghai Guojia International Logistics Co., Ltd. (Shanghai Guojia Co., Ltd.), acquiring a 20% shareholding.
 - 2) In the first quarter of 2024, the Company purchased 1,066 thousand shares of Wah Hong Corporation for NT\$34,756 thousand from the public market, increasing its shareholding ratio to 27.54%.
 - 3) In January 2024, the Company increased its investment in Perpetual New Energy Co., Ltd. by NT\$ 24,000 thousand, maintaining shareholding ratio of 12%. As the Company obtained two directors, it was assessed to have a significant influence on the Company and was classified as an investment under the equity method.
- d. The share of profit or loss and other comprehensive profit or loss enjoyed by the consolidated company on the above equity method of the investee company is partially recognized and disclosed according to the financial statements not reviewed by the accountants. The book value of its investment as of March 31, 2025 and 2024 was NT\$2,394,244 thousand and NT\$2,137,433 thousand, respectively, and the shares of affiliated enterprises and joint venture profits and losses recognized under the equity method from January 1 to March 31, 2025 and 2024 were NT\$64,212 thousand and NT\$27,427 thousand, respectively.

15. Property, Plant, and Equipment

From January 1 to March 31, 2025

	Land	Buildings	Power Generation Equipment	Others	Property under Construction and Equipment to be Inspected	Total
<u>Cost</u>						
Balance at January 1, 2025	\$ 2,078,960	\$ 1,105,440	\$ 2,899,250	\$ 1,342,668	\$ 925,011	\$ 8,351,329
Additions	-	229	812	15,744	28,611	45,396
Disposals	-	-	(12)	(9,499)	(27)	(9,538)
Reclassified	-	1,131	14,662	1,451	(17,244)	-
Effects of foreign currency exchange differences	<u>2,894</u>	<u>10,921</u>	<u>16,991</u>	<u>5,995</u>	<u>853</u>	<u>37,654</u>
Balance at March 31, 2025	<u>\$ 2,081,854</u>	<u>\$ 1,117,721</u>	<u>\$ 2,931,703</u>	<u>\$ 1,356,359</u>	<u>\$ 937,204</u>	<u>\$ 8,424,841</u>
<u>Accumulated depreciation and impairment</u>						
Balance at January 1, 2025	\$ -	\$ 454,397	\$ 648,407	\$ 994,034	\$ -	\$ 2,096,838
Depreciation expenses	-	6,815	41,505	32,925	-	81,245
Disposals	-	-	(12)	(9,296)	-	(9,308)
Effects of foreign currency exchange differences	<u>-</u>	<u>5,005</u>	<u>6,949</u>	<u>3,835</u>	<u>-</u>	<u>15,789</u>
Balance at March 31, 2025	<u>\$ -</u>	<u>\$ 466,217</u>	<u>\$ 696,849</u>	<u>\$ 1,021,498</u>	<u>\$ -</u>	<u>\$ 2,184,564</u>
Carrying amount at December 31, 2024 and January 1, 2025	<u>\$ 2,078,960</u>	<u>\$ 651,043</u>	<u>\$ 2,250,843</u>	<u>\$ 348,634</u>	<u>\$ 925,011</u>	<u>\$ 6,254,491</u>
Net amount at March 31, 2025	<u>\$ 2,081,854</u>	<u>\$ 651,504</u>	<u>\$ 2,234,854</u>	<u>\$ 334,861</u>	<u>\$ 937,204</u>	<u>\$ 6,240,277</u>

From January 1 to March 31, 2024

	Land	Buildings	Power Generation Equipment	Others	Property under Construction and Equipment to be Inspected	Total
<u>Cost</u>						
Balance at January 1, 2024	\$ 2,080,610	\$ 1,079,285	\$ 2,661,882	\$ 1,187,077	\$ 768,676	\$ 7,777,530
Additions	-	-	2,021	56,267	104,164	162,452
Disposals	-	(166)	-	(10,988)	(522)	(11,676)
Reclassified	-	-	17,390	1,049	(18,439)	-
Effects of foreign currency exchange differences	(1,289)	16,490	(7,540)	6,353	872	14,886
Balance at March 31, 2024	<u>\$ 2,079,321</u>	<u>\$ 1,095,609</u>	<u>\$ 2,673,753</u>	<u>\$ 1,239,758</u>	<u>\$ 854,751</u>	<u>\$ 7,943,192</u>
<u>Accumulated depreciation</u>						
Balance at January 1, 2024	\$ -	\$ 417,667	\$ 492,840	\$ 884,950	\$ -	\$ 1,795,457
Depreciation expenses	-	6,711	34,701	29,506	-	70,918
Disposals	-	(166)	-	(10,988)	-	(11,154)
Effects of foreign currency exchange differences	-	6,328	(2,595)	3,799	-	7,532
Balance at March 31, 2024	<u>\$ -</u>	<u>\$ 430,540</u>	<u>\$ 524,946</u>	<u>\$ 907,267</u>	<u>\$ -</u>	<u>\$ 1,862,753</u>
Net amount at March 31, 2024	<u>\$ 2,079,321</u>	<u>\$ 665,069</u>	<u>\$ 2,148,807</u>	<u>\$ 332,491</u>	<u>\$ 854,751</u>	<u>\$ 6,080,439</u>

- a. Reconciliation of the additions to property, plant and equipment and the cash paid stated in the statements of cash flows is as follows:

	<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
Additions	\$ 45,396	\$162,452
Capitalization of interest and depreciation expense	(2,644)	(2,750)
Increase (decrease) in prepayments for equipment	28,181	(4,752)
Decrease (increase) in other payables	6,460	(16,176)
Decrease in provisions	1,849	779
Cash paid	<u>\$ 79,242</u>	<u>\$139,553</u>

- b. Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	
Offices	20-63 years
Office interior decoration	5 years
Power Generation Equipment	5 to 20 years
Others	2 to 15 years

- c. The Company is located in the Zilong section of Jiali District, Tainan City where a portion of the land is used for agricultural and livestock. Due to the statutory prohibition, the registration of agricultural land rights was registered in the name of Chang Tsuen-Hsien, the related party signed an agreement with the Group. As stipulated in the agreement, the related party will fully cooperate with the Group to transfer the agricultural land right to the Group or a specific person in the future free of charge. The agricultural land has been mortgaged to the Group with a maximum limit of \$200 million.
- d. Refer to Note 30 for the carrying amount of property, plant and equipment pledged as collateral for borrowings.

16. Lease Agreements

a. Right-of-use assets

From January 1 to March 31, 2025

	Land	Buildings	Other equipment	Total
Opening balance	\$ 66,764	\$423,773	\$ 17,439	\$507,976
Additions	-	80,880	647	81,527
Depreciation expenses	(981)	(23,211)	(2,461)	(26,653)
Effects of foreign currency exchange differences	45	543	105	693
Ending balance	<u>\$ 65,828</u>	<u>\$481,985</u>	<u>\$ 15,730</u>	<u>\$563,543</u>

From January 1 to March 31, 2024

	Land	Buildings	Other equipment	Total
Opening balance	\$ 96,256	\$389,397	\$ 24,564	\$510,217
Additions	52	5,608	3,282	8,942
Depreciation expenses	(1,337)	(22,048)	(2,932)	(26,317)
Lease modification	-	-	(1,524)	(1,524)
Effects of foreign currency exchange differences	62	1,004	463	1,529
Ending balance	<u>\$ 95,033</u>	<u>\$373,961</u>	<u>\$ 23,853</u>	<u>\$492,847</u>

b. Lease liabilities

	March 31, 2025	December 31, 2024	March 31, 2024
Carrying amount of lease liabilities			
Current	<u>\$ 95,716</u>	<u>\$ 86,849</u>	<u>\$ 90,078</u>
Non-current	<u>\$498,866</u>	<u>\$455,825</u>	<u>\$428,331</u>

Range of discount rate (%) for lease liabilities was as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Land	1.85~2.50	1.85~2.50	1.85~2.50
Buildings	1.10~5.61	1.10~5.61	1.10~5.61
Other equipment	1.43~4.30	1.43~4.30	1.43~4.30

c. Material leasing activities and terms

The Group leases above-mentioned subjects for the use of office and warehouse, for installation of power generation equipment, and transportation equipment, which will expire from May 2025 to December 2046. At the end of the lease term, the Group has a priority to lease certain leasing premises, but no right of first refusal.

d. Other lease information

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Expenses relating to short-term leases	<u>\$ 39,000</u>	<u>\$ 33,692</u>
Expenses relating to low-value asset leases	<u>\$ 1,017</u>	<u>\$ 644</u>
Expenses relating to variable lease payments not included in the measurement of lease liabilities	<u>\$ 4,704</u>	<u>\$ 2,946</u>
Total cash outflow for leases	<u>\$ 77,632</u>	<u>\$ 73,486</u>

The Group's leases of certain subjects qualify as short-term or low-value asset leases, and the Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

17. **Borrowings**

a. Short-term borrowings

	March 31, 2025	December 31, 2024	March 31, 2024
Secured bank borrowings (Note 30)	\$ 1,003,556	\$ 1,111,059	\$ 315,722
Unsecured bank borrowings	<u>5,979,025</u>	<u>6,704,635</u>	<u>6,992,777</u>
	<u>\$ 6,982,581</u>	<u>\$ 7,815,694</u>	<u>\$ 7,308,499</u>
Annual interest rate (%)	0.72~5.64	0.64~6.35	0.35~7.25

b. Long-term borrowings

	March 31, 2025	December 31, 2024	March 31, 2024
Unsecured borrowings			
Syndicated bank loans (Note 1)	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Less: Syndicated loan fee	<u>2,333</u>	<u>2,583</u>	<u>3,333</u>
	1,997,667	1,997,417	1,996,667
Bank loans	<u>438,094</u>	<u>437,548</u>	<u>400,000</u>
	<u>2,435,761</u>	<u>2,434,965</u>	<u>2,396,667</u>
Secured borrowings (Note 30)			
Bank loans (Note 2)	<u>2,596,658</u>	<u>2,626,613</u>	<u>2,440,802</u>
Less: Portion due within one year	<u>176,810</u>	<u>174,984</u>	<u>170,526</u>
	<u>\$ 4,855,609</u>	<u>\$ 4,886,594</u>	<u>\$ 4,666,943</u>
Annual interest rate (%)			
Syndicated bank loans	2.23	2.21	2.03
Bank loans	1.75~4.10	1.58~5.28	1.39~2.67
Expiration period			
Syndicated bank loans	116.08	116.08	116.08
Bank loans	114.08~126.06	114.08~126.06	113.08~126.06

Note 1: The Company signed a syndicated loan agreement with seven banks led by Mega International Commercial Bank Co., Ltd. in August 2022. The main contents of the syndicated loan agreement are as follows:

- (1) The total amount of syndicated bank loans is \$5 billion, divided into credit limit A, credit limit B, credit limit C and credit limit D. The term of credit limit A, credit limit B and credit limit C is 5 years from the initial drawdown date (August 2022) and the fractional reserve and debt recycling is available within the total amount of syndicated loans, and the maximum term of credit limit D is from the date of receipt of corporate bond payments in full, and the drawdown of credit limit D may be made one or multiple times. However, it shall not be drawn on a revolving basis.
- (2) Pursuant to the bank loan agreement, the Group should maintain certain financial ratios which should be calculated based on audited annual consolidated financial statements. The Group had met the requirement as of December 31, 2024.

Note 2: Some of the subsidiary's bank loan agreements require the maintenance of specific financial ratios based on the audited annual parent company only or separate financial statements. Subsidiaries had met the requirement as of December 31, 2024.

18. Corporate bonds payable

	March 31, 2025	December 31, 2024	March 31, 2024
3rd domestic unsecured convertible bonds	\$ -	\$ -	\$ 748,201
Less: Portion due within one year	-	-	748,201
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

In August 2021, the Company issued its 3rd domestic three-year unsecured zero-coupon convertible bonds with an aggregate principal amount of \$2,005,000 thousand (100.25% of the face value) and a par value of \$100 thousand per bond certificate.

The convertible bonds contain both liability and equity components. The equity component was presented in equity under the heading of capital surplus - options. The effective interest rate originally recognized as a component of the liability is 1.08%.

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Liability component at the beginning of the period	\$ -	\$ 1,996,598
Interest charged at an effective interest rate	-	3,785
Less: Conversion of corporate bonds payable into ordinary shares	-	1,252,182
Components of ending liabilities	<u>\$ -</u>	<u>\$ 748,201</u>

As of March 31, 2024, the aforementioned unsecured convertible corporate bonds, with a face value of NT\$1,259,600 thousand, have applied for conversion into 14,749 thousand ordinary shares of the Company. The date for capital increase of the 14,528 thousand shares is on May 14, 2024, and has been included in the item of share capital collected in advance.

As of December 31, 2024, the above-mentioned unsecured convertible bonds have been fully converted into 23,419 thousand shares of the Company's common stock.

19. Notes and accounts payable

Notes and accounts payable (including related parties) are mainly related to operating activities. Trading conditions are negotiated separately. The Group has formulated a financial risk management policy, in order to ensure all payables are paid within the pre-agreed credit period, therefore no interest is required.

20. Other payables

	March 31, 2025	December 31, 2024	March 31, 2024
Payable for salaries or bonuses	\$ 621,294	\$ 683,472	\$ 594,897
Payable for employees' compensation and remuneration of directors	354,162	290,077	336,054
Payable for freight	40,155	47,900	45,391
Payable for interest	17,114	25,972	31,805
Payable for commission	26,248	26,216	36,983
Payable for equipment	33,408	65,543	74,653
Others	203,803	154,160	213,190
	<u>\$ 1,296,184</u>	<u>\$ 1,293,340</u>	<u>\$ 1,332,973</u>

21. Retirement benefit plans

The defined benefit plan-related pension expenses recognized from January 1 to March 31, 2025 and 2024 were calculated based on the pension cost rate as actuarially determined at December 31, 2024 and 2023, respectively, amounting to NT\$1,391 thousand and NT\$292 thousand.

22. Equity

a. Share Capital

	March 31, 2025	December 31, 2024	March 31, 2024
Number of authorized shares (in thousands)	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
Amount of authorized shares	<u>\$ 5,000,000</u>	<u>\$ 5,000,000</u>	<u>\$ 5,000,000</u>
Number of issued and fully paid shares (in thousands)	<u>259,437</u>	<u>259,437</u>	<u>250,767</u>
Amount of issued and fully paid shares	<u>\$ 2,594,368</u>	<u>\$ 2,594,368</u>	<u>\$ 2,507,671</u>

Fully paid ordinary shares, which have a par value of \$10, carry one vote per share and carry a right to dividends. Based on the Company's articles of incorporation (the "Articles"), part of authorized shares can be issued as preferred shares.

The Company reserves NT\$100,000 thousand of capital reserve for the issuance of stock options, bonds with warrants, preferred shares with warrants, totaling 10,000 thousand shares.

b. Capital Surplus

	March 31, 2025	December 31, 2024	March 31, 2024
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (Note)			
Issuance of share capital	\$ 2,934,483	\$ 2,934,483	\$ 2,259,485
Difference between consideration paid and the carrying amount of the subsidiaries' net assets during actual acquisition	65,226	65,226	56,059
Difference between the consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal or acquisition from associates accounted for using the equity method	372,232	372,232	386,304
Expired share options	22,374	22,374	22,374
Donations	11,867	11,867	11,867
May be used only to offset a deficit			
Share of changes in capital surplus of associates	494,236	499,313	436,160
May not be used for any purpose			
Share warrants	-	-	12,661
	<u>\$ 3,900,418</u>	<u>\$ 3,905,495</u>	<u>\$ 3,184,910</u>

Note: Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and to once a year).

c. Retained earnings and dividend policy

Under the dividends policy as set forth in the Articles, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as a legal reserve 10% of the remaining profit, except when the accumulated amount of such legal reserve equals to the Company's total issued capital, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained

earnings shall be used by the Company's Board of Directors as the basis for proposing a distribution plan, when distributing the dividend through the issuance of new shares, should be resolved in the shareholders' meeting for the distribution. The common share dividends will be distributed after the distribution of preferred share dividends based on the Articles.

The Articles also provide that distributable dividends, bonuses, capital reserve and legal reserve in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors; in addition, a report of such distribution shall be submitted to the shareholders' meeting. However, the aforementioned distribution to be paid by issuing new shares shall be resolved by the meeting of shareholders.

The Company's dividend policy is stipulated based on its current and future development plans, together with the consideration of the investment environment, capital requirements, domestic and international competition, and shareholders' interests. Earnings distribution to common shareholders shall not be less than 10% of distributable earnings. However, no distribution shall be made if the balance of distributable earnings is less than 1% of paid-in capital. Dividends may be distributed to shareholders in cash or shares, with cash dividends being no less than 50% of the total dividends.

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

Items referred to under Rule No. 1010012865 and Rule No. 1010047490 issued by the FSC and in the directive titled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs (IFRS Accounting Standards)" should be appropriated to or reversed from a special reserve by the Company. On the first-time adoption of IFRS Accounting Standards, the Company appropriated to the special reserve \$72,302 thousand.

The Company proposes the following resolution regarding the distribution of earnings for 2024 and 2023, as discussed in the Board of Directors meeting in April 2025 and resolved in the annual shareholders' meeting in May 2024:

	<u>Appropriation of Earnings</u>		<u>Dividends Per Share (NT\$)</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Legal reserve	<u>\$ 252,634</u>	<u>\$ 211,546</u>		
Reversal of special reserve	<u>\$ -</u>	<u>\$ 376,257</u>		
Cash Dividends	<u>\$1,375,015</u>	<u>\$1,284,310</u>	<u>\$ 5.3</u>	<u>\$ 5.2</u>

The aforementioned cash dividends were respectively resolved for distribution by the Board of Directors on April 14, 2025, and March 14, 2024, and are included in dividends payable. The remaining earnings distribution items for 2024 are still subject to approval at the shareholders' meeting scheduled for May 27, 2025.

d. Other equity items

1) Exchange differences on translating the financial statements of foreign operations

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Opening balance	\$ 46,712	(\$559,328)
Recognized for the period		
Exchange differences of foreign operations	190,957	316,356
Share from associates accounted for using the equity method	57,246	105,052
Effects of income taxes	(41,521)	(66,803)
Ending balance	<u>\$253,394</u>	<u>(\$204,723)</u>

2) Unrealized gain on financial assets at FVTOCI

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Opening balance	\$1,266,003	\$1,196,590
Recognized for the period		
Unrealized (loss) gain - equity instruments	(40,947)	(26,652)
Share from associates accounted for using the equity method	(281,676)	661,227
Effects of income taxes	6,291	9,112
Cumulative unrealized gain of equity instruments transferred to retained earnings due to disposal		
Investments in equity instruments designated as at fair value through other comprehensive income	4,369	-
Share from associates accounted for using the equity method	(654)	(33,014)
Ending balance	<u>\$ 953,386</u>	<u>\$1,807,263</u>

e. Non-controlling Interests

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Opening balance	\$ 1,977,720	\$ 1,848,597
Other comprehensive (loss) income of the period		
Net income for this period	77,438	63,852
Exchange differences of foreign operations	36,049	31,245
Cash dividends distributed to non-controlling interests.	\$ -	(\$ 187,939)
	<u>\$ 2,091,207</u>	<u>\$ 1,755,755</u>

23. Revenue

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Revenue from contracts with customers		
Revenue from sale of goods	\$ 18,198,428	\$ 16,881,762
Other operating revenues	400,867	369,109
	<u>\$ 18,599,295</u>	<u>\$ 17,250,871</u>

a. Contract balances

	March 31, 2025	December 31, 2024	March 31, 2024	January 1, 2024
Notes receivable - (including related parties)	\$ 3,017,370	\$ 3,052,721	\$ 2,675,120	\$ 2,750,341
Accounts receivable, net (including related parties)	17,047,670	18,423,372	15,952,399	15,647,893
	<u>\$ 20,065,040</u>	<u>\$ 21,476,093</u>	<u>\$ 18,600,519</u>	<u>\$ 18,398,234</u>
Contract liabilities				
Sale of goods	\$ 417,188	\$ 458,873	\$ 552,369	\$ 550,887

The changes in the balance of contract liabilities primarily resulted from the timing difference between the date the Group fulfills its performance obligation and the date the customer's payment is received. There are no significant changes from January 1 to March 31, 2025 and 2024.

Revenue recognized in the current reporting period from the contract liabilities at the beginning of the period is as follows:

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Sale of goods	<u>\$ 165,070</u>	<u>\$ 241,222</u>

- b. Disaggregation of revenue from contracts with customers

Please refer to Note 34 for information about the disaggregation of revenue.

24. Income Before Tax

The details of net income before tax includes the following items:

- a. Other income (Note 29)

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Rent income	\$ 2,630	\$ 2,844
Consulting service income	6,072	2,894
Dividend income	4,721	2,627
Grants income	450	321
Other income	10,443	19,872
	<u>\$ 24,316</u>	<u>\$ 28,558</u>

- b. Other gains and losses

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Net gain (loss) of financial instruments at FVTPL	\$ 11,726	\$ 14,901
Net foreign exchange gains	29,751	17,929
Net profit on disposal of property, plant and equipment	208	3,719
Lease modification benefits	-	19
Others	(1,736)	(3,982)
	<u>\$ 39,949</u>	<u>\$ 32,586</u>

- c. Financial costs

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Interest on bank loans	\$ 84,679	\$104,388
Amortization of borrowing facility management fee	250	250
Interest on lease liabilities	2,633	2,970
Corporate bond discount amortization and interest compensation	-	3,785
Less: Amount included in cost of qualifying assets	2,644	2,240
	<u>\$ 84,918</u>	<u>\$109,153</u>
Interest capitalized rate (%)	2.18~2.38	2.18~2.50

d. Depreciation and amortization

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Property, Plant, and Equipment	\$ 81,245	\$ 70,918
Right-of-use assets	26,653	26,317
Intangible Assets	8,558	9,585
Other non-current assets	468	490
Less: Amount included in cost of qualifying assets	<u>-</u>	<u>510</u>
	<u>\$116,924</u>	<u>\$106,800</u>
 An analysis of depreciation expense by function		
Operating costs	\$ 75,737	\$ 67,917
Operating expense	<u>32,161</u>	<u>28,808</u>
	<u>\$107,898</u>	<u>\$ 96,725</u>
 An analysis of amortization expense by function		
Operating costs	\$ 1,740	\$ 1,731
Operating expense	<u>7,286</u>	<u>8,344</u>
	<u>\$ 9,026</u>	<u>\$ 10,075</u>

e. Employee benefits expense

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Short-term employee benefits	<u>\$452,466</u>	<u>\$431,879</u>
Post-employment benefits (Note 21)		
Defined contribution plans	22,489	19,443
Defined benefit plans	<u>1,391</u>	<u>292</u>
	<u>23,880</u>	<u>19,735</u>
	<u>\$476,346</u>	<u>\$451,614</u>
 An analysis by function		
Operating costs	\$ 40,367	\$ 39,947
Operating expense	<u>435,979</u>	<u>411,667</u>
	<u>\$476,346</u>	<u>\$451,614</u>

f. Compensation of employees and remuneration to directors

The Company accrued compensation of employees and remuneration of directors at the rates between 9% and 13% and no higher than 2%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors. In accordance with the amendments to the Securities and Exchange Act in August 2024,

the Company plans to propose an amendment to the articles of incorporation at the 2025 shareholders' meeting, stipulating that no less than 8% of the aforementioned amount for employees compensation shall be allocated for the compensation of grassroots employees. Estimated employee remuneration and director remuneration (including grassroots employees' remuneration) from January 1 to March 31, 2025 and 2024 are as follows:

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
<u>Percentages for estimation</u>		
Employees' compensation (%)	9	9
Directors' remuneration (%)	1.15	1.15
<u>Amount</u>		
Employees' compensation	<u>\$ 56,824</u>	<u>\$ 49,647</u>
Director's remuneration	<u>\$ 7,261</u>	<u>\$ 6,344</u>

The compensation of employees and remuneration of directors for the years ended December 31, 2024 and 2023 which have been approved by the Company's board of directors on March 12, 2025 and March 14, 2024, were as follows:

	2024		2023	
	Withdrawal Rate (%)	Amount	Withdrawal Rate (%)	Amount
Compensation of employees paid in cash	9	\$257,211	9	\$248,332
Remuneration of directors paid in cash	1.15	32,866	1.15	31,731

If there is a change in the amount after the release date on which the annual consolidated financial statements are approved, the change will be accounted for as a change in an accounting estimate and the adjustment accounted for in the following year.

There was no difference between the actual amounts of compensation of employees and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2024 and 2023.

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

25. Income taxes

- a. The major components of income tax expense recognized in profit or loss:

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Current income taxes		
In respect of the current period	\$198,625	\$171,962
Adjustments for prior years	(711)	14,100
	<u>197,914</u>	<u>186,062</u>
Deferred tax		
In respect of the current period	(\$ 52,232)	(\$ 11,979)
	<u>\$145,682</u>	<u>\$174,083</u>

- b. Income tax benefits (expenses) recognized in other comprehensive income

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
<u>Deferred tax</u>		
Generated in the current period		
Unrealized gain on financial assets at FVTOCI	\$ 6,291	\$ 9,112
Exchange differences on the translation of financial statements of foreign operations	(41,521)	(66,803)
	<u>(\$ 35,230)</u>	<u>(\$ 57,691)</u>

- c. Income tax assessments

The income tax returns of the Company and the domestic subsidiaries through 2023 have been assessed by the tax authorities.

26. Earnings per share

Earnings and weighted average number of shares outstanding used in the computation of EPS were as follows:

a. Net income for this period

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Profit for the year attributable to owners of the Company	\$503,455	\$432,658
Effect of convertible corporate bonds	<u>-</u>	<u>3,785</u>
Net profit used in computation of diluted EPS	<u>\$503,455</u>	<u>\$436,443</u>

b. Number of shares (in thousands)

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Weighted average number of shares outstanding used in computation of basic EPS	259,437	240,448
Effect of potentially dilutive shares Employees' compensation	2,369	2,250
Convertible corporate bonds	<u>-</u>	<u>18,989</u>
Weighted average number of shares outstanding used in computation of diluted EPS	<u>261,806</u>	<u>261,687</u>

The Company offers to settle the employees' compensation in cash or shares; thus, the Company assumes that the entire amount of the compensation will be settled in shares and the resulting potential shares will be included in the weighted average number of shares outstanding used in the computation of diluted EPS, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted EPS until the shareholders resolve the number of shares to be distributed to employees at their meeting in the following year.

27. **Capital risk management**

The Group manages its capital to ensure it will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance.

The capital structure of the Group consists of net debt and equity.

The key management personnel of the Group periodically reviews the cost of capital and the risk associated with each class of capital. Based on recommendations of the key management personnel, in order to balance the overall capital structure, the Group may adjust the amount of dividends paid to shareholders, the number of new shares issued or repurchased, and/or the amount of new debt issued or existing debt redeemed. The Group is not subject to any externally imposed capital requirements, except those discussed in Note 17.

28. Financial instruments

a. Information on fair values - financial instruments not measured at fair value

The Group's management considers that the carrying amounts of financial assets and financial liabilities that are not measured at fair value approximate their fair values, except for bonds payable.

On March 31, 2024, the carrying amount and fair value of the corporate bonds payable are NT\$748,201 thousand and NT\$748,692 thousand, respectively.

The fair value of the bonds payable based on Level 3 fair value measurement was determined using the binomial option pricing model, where the significant and unobservable input was historical volatility.

b. Information on fair values - financial instruments measured at fair value on a recurring basis

1) Fair value hierarchy

March 31, 2025

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Fund beneficiary certificates	\$ 92,599	\$ -	\$ -	\$ 92,599
Structured deposits	-	608,262	-	608,262
Domestic Limited Partnership	-	-	13,032	13,032
Foreign Limited Partnership	-	-	47,977	47,977
	<u>\$ 92,599</u>	<u>\$ 608,262</u>	<u>\$ 61,009</u>	<u>\$ 761,870</u>
<u>Financial assets at FVTOCI</u>				
Investment in equity instruments				
Domestic listed shares	\$ 357,608	\$ 122,087	\$ -	\$ 479,695
Unlisted stocks	-	-	293,525	293,525
Foreign listed shares	13,454	-	-	13,454
	<u>\$ 371,062</u>	<u>\$ 122,087</u>	<u>\$ 293,525</u>	<u>\$ 786,674</u>
<u>Financial liabilities at FVTPL</u>				
Foreign exchange forward contracts	\$ -	\$ 16,434	\$ -	\$ 16,434

December 31, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Fund beneficiary certificates	\$ 90,882	\$ -	\$ -	\$ 90,882
Structured deposits	-	560,849	-	560,849
Domestic Limited Partnership	-	-	12,947	12,947
Foreign Limited Partnership	-	-	44,868	44,868
	<u>\$ 90,882</u>	<u>\$ 560,849</u>	<u>\$ 57,815</u>	<u>\$ 709,546</u>
<u>Financial assets at FVTOCI</u>				
Investment in equity instruments				
Domestic listed shares	\$ 224,000	\$ 236,546	\$ -	\$ 460,546
Unlisted stocks	-	-	356,867	356,867
Foreign listed shares	<u>13,291</u>	<u>-</u>	<u>-</u>	<u>13,291</u>
<u>Financial liabilities at FVTPL</u>				
Foreign exchange forward contracts	<u>\$ -</u>	<u>\$ 20,218</u>	<u>\$ -</u>	<u>\$ 20,218</u>

March 31, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Fund beneficiary certificates	\$ 84,450	\$ -	\$ -	\$ 84,450
Structured deposits	-	354,286	-	354,286
Foreign exchange forward contracts	-	2,941	-	2,941
Investment in equity instruments				
Unlisted stocks	-	-	42,731	42,731
	<u>\$ 84,450</u>	<u>\$ 357,227</u>	<u>\$ 42,731</u>	<u>\$ 484,408</u>
<u>Financial assets at FVTOCI</u>				
Investment in equity instruments				
Domestic listed shares	\$ 203,436	\$ 309,041	\$ -	\$ 512,477
Unlisted stocks	-	-	445,437	445,437
Foreign listed shares	<u>14,698</u>	<u>-</u>	<u>-</u>	<u>14,698</u>
	<u>\$ 218,134</u>	<u>\$ 309,041</u>	<u>\$ 445,437</u>	<u>\$ 972,612</u>
<u>Financial liabilities at FVTPL</u>				
Foreign exchange forward contracts	<u>\$ -</u>	<u>\$ 12</u>	<u>\$ -</u>	<u>\$ 12</u>

From January 1 to March 31, 2025, the stocks of emerging stock companies held by the Company will officially be listed for trading on March 25, 2025. Consequently, the measurement amount of NT\$133,751 thousand will be reclassified from Level 2 to Level 1.

There were no transfers between Level 1 and Level 2 for the years ended from January 1 to March 31, 2024.

2) Reconciliation of Level 3 fair value measurements of financial assets

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Beginning Year Balance	\$414,682	\$480,516
Purchases	-	6,409
Recognized in Profit or Loss	2,316	278
Recognized in Other Comprehensive Income and Loss	(63,525)	460
Foreign exchange translation differences	<u>1,061</u>	<u>505</u>
Recognized in Other Comprehensive Income and Loss	<u>\$354,534</u>	<u>\$488,168</u>

3) Valuation techniques and inputs for Level 2 fair value measurement

- (a) Structured deposits Based on the financial product information provided by financial institutions, the valuation method was based on the rate of return of the deposit principal and its linked targets.
- (b) Derivative financial assets the estimated future cash flows were based on the observable forward exchange rate at the end of the year and the exchange rate stipulated in the contract and are discounted separately at rates that reflects the credit risk of each counterparty.
- (c) Emerging market shares the fair value was assessed by reference to the transaction price supported by observable market prices.

4) Valuation techniques and inputs for Level 3 fair value measurement

The fair value of the unlisted shares or limited partnership investments held by the Group is measured using the market approach, based on the price-book ratio of the comparable companies or by the latest net asset value estimation.

c. Categories of financial instruments

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Financial assets</u>			
FVTPL			
Mandatorily classified at FVTPL	\$ 761,870	\$ 709,546	\$ 484,408
Financial assets at FVTOCI			
Investment in equity instruments	786,674	830,704	972,612
Measured at amortized cost (Note 1)	27,102,930	\$ 27,266,574	25,529,076
<u>Financial liabilities</u>			
FVTPL			
Held for trading	16,434	20,218	12
Measured at amortized cost (Note 2)	23,019,729	24,400,767	22,803,987
Note 1:	Including cash and cash equivalents, notes receivable (including related parties), accounts receivable (including related parties), other receivables (including related parties) and other financial assets, etc.		
Note 2:	Including short-term borrowings, notes payable, accounts payable (including related parties), other payables (including related parties), long-term borrowings (including current portion), bonds payable (including current portion) and guarantee deposits received, etc.		

d. Financial risk management objectives and policies

The Group's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk, credit risk, and liquidity risk.

1) Market risk

The Group's activities expose it primarily to the financial risks as follows:

(a) Foreign currency risk

The Group engages in foreign currency trades, which expose it to foreign currency risk. For the carrying amounts of the monetary assets and liabilities (including monetary items denominated in non-functional currencies that have been eliminated in the consolidated financial statements) denominated in non-functional currencies as of the balance sheet date, please refer to Note 32.

Sensitivity analysis

The Group was mainly exposed to the USD.

The sensitivity rate used when reporting foreign currency risk internally to key management personnel is 1%. The sensitivity analysis included only the outstanding foreign currency denominated monetary items at the balance sheet date. Had the functional currency weakened (strengthened) by 1% against the USD, the pre-tax profit from January 1 to March 31, 2025 and 2024 would have been higher (lower) by \$52,601 thousand and \$31,199 thousand, respectively.

(b) Interest rate risk

The Group was exposed to interest rate risk because the Group borrowed funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix of fixed and floating rate borrowings.

The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Fair value interest rate risk			
Financial assets	\$ 1,689,255	\$ 1,225,878	\$ 1,684,104
Financial liabilities	3,270,387	3,311,655	4,501,778
Cash flow interest rate risk			
Financial assets	5,166,184	4,241,389	5,016,309
Financial liabilities	9,339,195	10,108,291	8,910,800

Sensitivity analysis

The sensitivity analysis below shows the Group's exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate assets and liabilities, the analysis was prepared assuming the amount of the assets and liabilities outstanding at the end of the reporting period was outstanding for the whole year.

If interest rates had been 1% higher/lower and all other variables were held constant, the Group's pre-tax profit from January 1 to March 31, 2025 and 2024 would have been lower/higher by \$10,433 thousand and \$9,736 thousand, respectively, which was mainly attributable to the Group's exposure to interest rates on its variable-rate deposits and borrowings.

(c) Other price risks

The Group was exposed to equity price risk through its investments in equity securities and mutual funds. The Group manages this exposure by maintaining a portfolio of investments with different risks. The Group's equity price risk was mainly concentrated on equity instruments of unlisted shares.

Sensitivity analysis

The sensitivity analysis shows the exposure to equity price risk at the end of the reporting period. If equity prices had been 1% higher/lower, the pre-tax profit from January 1 to March 31, 2025 and 2024 would have been higher/lower by \$1,536 thousand and \$1,272 thousand, respectively, as a result of the changes in fair value of financial assets at FVTPL, and the pre-tax other comprehensive income from January 1 to March 31, 2025 and 2024 would have been higher/lower by \$7,867 thousand and \$9,726 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in a financial loss to the Group. At the end of the reporting period, the Group's maximum exposure to credit risk could be equal to the total of the following:

- (a) The carrying amount of the respective recognized financial assets as stated in the consolidated balance sheets; and
- (b) The amount of contingent liabilities in relation to financial guarantees provided by the Group.

The Group adopted a policy of only dealing with creditworthy counterparties and uses other publicly available financial information and its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and credit exposure is controlled by setting credit limits of counterparties annually.

There was no concentration of credit risk due to the fact that the customer base was large and unrelated to each other.

3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and

mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

The following tables detail the Group's remaining contractual maturities for its non-derivative financial liabilities with agreed-upon repayment periods. The tables had been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The tables included both interest and principal cash flows. Specifically, liabilities with a repayment on demand clause were included in the earliest time band regardless of the probability of the counterparties choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed-upon repayment dates.

To the extent that interest flows are at floating rates, the undiscounted amount was derived from the interest rate at the end of the year.

	Less than 1 year	1 to 5 years	5 to 10 years	10 to 20 years	Total
March 31, 2025					
Non-interest-bearing liabilities	\$ 12,375,701	\$ 4,043	\$ -	\$ -	\$ 12,379,744
Lease liabilities	106,721	278,777	162,110	112,506	660,114
Floating-rate instruments	4,584,880	4,244,961	741,053	13,063	9,583,957
Fixed-rate instruments	2,688,434	1,555	-	-	2,689,989
Financial guarantee liabilities	761,334	-	-	-	761,334
	<u>\$ 20,517,070</u>	<u>\$ 4,529,336</u>	<u>\$ 903,163</u>	<u>\$ 125,569</u>	<u>\$ 26,075,138</u>
December 31, 2024					
Non-interest-bearing liabilities	\$ 11,519,447	\$ 4,048	\$ -	\$ -	\$ 11,523,495
Lease liabilities	100,787	221,996	166,244	117,987	600,014
Floating-rate instruments	5,330,507	4,257,827	774,735	13,691	10,376,760
Fixed-rate instruments	2,792,144	2,300	-	-	2,794,444
Financial guarantee liabilities	810,512	-	-	-	810,512
	<u>\$ 20,553,397</u>	<u>\$ 4,486,171</u>	<u>\$ 940,979</u>	<u>\$ 131,678</u>	<u>\$ 26,112,225</u>
March 31, 2024					
Non-interest-bearing liabilities	\$ 11,190,823	\$ 3,305	\$ -	\$ -	\$ 11,194,128
Lease liabilities	113,303	205,984	141,871	145,506	606,664
Floating-rate instruments	4,281,498	3,996,822	826,274	17,653	9,122,247
Fixed-rate instruments	4,078,284	-	-	-	4,078,284
Financial guarantee liabilities	487,030	-	-	-	487,030
	<u>\$ 20,150,938</u>	<u>\$ 4,206,111</u>	<u>\$ 968,145</u>	<u>\$ 163,159</u>	<u>\$ 25,488,353</u>

The amounts included above for financial guarantee contracts were the maximum amounts the Group could be required to settle under the arrangement with an option to demand the full guaranteed amount if that amount is claimed by the counterparty of the financial guarantee contract. Based on expectations at the end of the year, the Group considers that it is more likely than not that no amount will be payable under the arrangement.

The amounts included above for variable interest rate non-derivative financial liabilities were subject to change if changes in variable interest rates differ from those estimates of interest rates at the end of the year.

e. Transfers of financial assets

1) Recognition of notes receivable that had been transferred

The Group discounted commercial acceptance bills to banks and transferred a portion of commercial acceptance bills in China to some of its suppliers in order to settle the accounts payable to these banks or suppliers. If these commercial acceptance bills are not recoverable at maturity, banks or suppliers have the right to request the Group to pay the unsettled balance. As the Group has not transferred the significant risks and rewards relating to these commercial acceptance bills, it continues to recognize the full carrying amounts of these commercial acceptance bills and treats these commercial acceptance bills that have been transferred as collateral.

	March 31, 2025	December 31, 2024	March 31, 2024
Factoring bank	<u>\$ 969,918</u>	<u>\$ 1,068,592</u>	<u>\$ 233,657</u>
Endorsement transfer to suppliers	<u>\$ 138,754</u>	<u>\$ 156,915</u>	<u>\$ 187,516</u>

2) Derecognition of notes receivable that had been transferred

The Group transferred a portion of its banker's acceptance bills in China to some of its suppliers in order to settle the accounts payable to these suppliers. As the Group has transferred substantially all risks and rewards relating to these bills receivable, it derecognized the full carrying amount of the bills receivable and the associated accounts payable. However, if the derecognized bills receivable are not paid at maturity, the suppliers have the right to request the Group to pay the unsettled balance; therefore, the Group still has continuing involvement in these bills receivable.

The maximum exposure to loss from the Group's continuing involvement in the derecognized bills receivable is equal to the face amount of the transferred but unsettled bills receivable, and March 31, 2025, December 31 and March 31, 2024, the face amount of these unsettled bills receivable was \$37,250 thousand, \$55,127 thousand, and \$47,708 thousand, respectively. The unsettled bills receivable will be due in 1-6 months. Taking into consideration the credit risk of these derecognized bills receivable, the Group estimates that the fair value of its continuing involvement is not significant.

During the period from January 1 to March 31, 2025 and 2024, the Group did not recognize any gains or losses upon the transfer of the banker's acceptance bills.

No gains or losses were recognized from the continuing involvement, both during the period or cumulatively.

29. Related Party Transactions

Except those discussed in Note 15, transactions between the Group and related parties were disclosed as follows:

a. Name of related parties and relationship with the Group

<u>Name of related party</u>	<u>Relations with the Group</u>
CWE Inc.	Associate
Nagase Wahlee Plastics Corp.	Associate
Wah Hong Corp.	Associate
ORC Technology Corp.	Associate
Shanghai Hua Chang Trading Co., Ltd.	Associate
Xiamen JianYuan Rung Logistic Co., Ltd.	Associate
Shanghai Guojia Co., Ltd.	Associate
Born Tech Industrial Co., Ltd.	Associate
Eternal New Energy Co., Ltd.	Associate's subsidiary
KSA Corp.	Associate's subsidiary
WH Energy	Associate's subsidiary
ORC Corp.	Joint Venture
Shanghai Chang Wah Electromaterials Inc.	Associate's subsidiary
Chang Wah International Trade (Shenzhen) Co., Ltd.	Associate's subsidiary
Chang Wah Technology Co. Ltd.	Associate's subsidiary
SIP Chang Hong Optoelectronics Ltd.	Associate's subsidiary
Sun Hong Optronics Ltd.	Associate's subsidiary
Wah Ma Technology Sdn. Bhd.	Associate's subsidiary
Welo-tech Corp.	Other related party (use equity method for subsidiaries)
Daily Polymer Corp.	Other related parties (The Company is a corporate director of the company.)
Asahi Kasei Wah Lee Hi-tech Corp.	Other related parties (The Company is a corporate director of the company.)
JingYi Technology Co.	Other related parties (The Company is a corporate director of the company.)
Forcera Materials Co., Ltd.	Other related parties (The Company is a corporate director of the company.)
TaiGene Biotechnology Co., Ltd.	Other related parties (The Company is a corporate supervisor of the company.)
Bao Guang Investment Co., Ltd.	Other related party
Raycon Industries Inc.	Other related parties (Its person in charge is a relative within the second degree of kinship of a Chair of the Company.)

b. Operating transactions

1) Operating revenue

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
<u>Categories of related parties</u>		
Revenue from sale of goods		
Associates and their subsidiaries	\$ 94,881	\$124,189
Other related parties	<u>6,329</u>	<u>5,113</u>
	<u>\$101,210</u>	<u>\$129,302</u>
Other operating revenues		
Associates and their subsidiaries	\$ 4,390	\$ 2,754
Other related parties	<u>2,556</u>	<u>1,732</u>
	<u>\$ 6,946</u>	<u>\$ 4,486</u>

The selling prices and collection terms of sales to related parties were similar to third parties.

2) Purchase of goods

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
<u>Categories of related parties</u>		
Associates and their subsidiaries	\$151,347	\$ 70,206
Other related parties	<u>356,083</u>	<u>241,516</u>
	<u>\$507,430</u>	<u>\$311,722</u>

The prices of purchases from related parties were made under arm's length terms and there were no similar transactions with third parties for comparison; payment terms were similar to third parties.

3) Operating Expenses

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
<u>Categories of related parties</u>		
Associates and their subsidiaries	\$ 390	\$ 145
Other related parties	<u>2,988</u>	<u>2,836</u>
	<u>\$ 3,378</u>	<u>\$ 2,981</u>

This includes transactions such as commissions, shipping fees, rent, service fees, and import/export fees.

4) Receivables from related parties

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Notes receivable - related parties</u>			
Associates and their subsidiaries	<u>\$ 1,070</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Accounts receivable - related parties</u>			
Associates and their subsidiaries	\$ 102,315	\$ 136,475	\$ 145,502
Other related parties	<u>7,265</u>	<u>5,152</u>	<u>6,384</u>
	109,580	141,627	151,886
Less: Allowance for losses	<u>115</u>	<u>775</u>	<u>2,652</u>
	<u>\$ 109,465</u>	<u>\$ 140,852</u>	<u>\$ 149,234</u>
<u>Other receivables - related parties</u>			
Associates and their subsidiaries			
CWE Inc.	\$ -	\$ 138,532	\$ -
Others	<u>11,148</u>	<u>10,200</u>	<u>3,849</u>
	11,148	148,732	3,849
Other related parties	<u>342</u>	<u>363</u>	<u>460</u>
	<u>\$ 11,490</u>	<u>\$ 149,095</u>	<u>\$ 4,309</u>

The outstanding receivables from related parties are unsecured. Other receivables are mainly dividends receivable and management consulting service fees.

5) Contract liabilities

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Categories of related parties</u>			
Associates and their subsidiaries	<u>\$ -</u>	<u>\$ 20,282</u>	<u>\$ -</u>

6) Payables to related parties

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Accounts payable - related parties</u>			
Associates and their subsidiaries	\$ 102,140	\$ 118,777	\$ 88,104
Other related parties	<u>240,299</u>	<u>244,972</u>	<u>244,577</u>
	<u>\$ 342,439</u>	<u>\$ 363,749</u>	<u>\$ 332,681</u>
<u>Other payables - related parties</u>			
Associates and their subsidiaries	\$ 26,638	\$ 4,769	\$ 211
Other related parties	<u>16</u>	<u>9</u>	<u>26</u>
	<u>\$ 26,654</u>	<u>\$ 4,778</u>	<u>\$ 237</u>

The outstanding payables to related parties are unsecured. Other payables are mainly payables for equipment.

c. Property, plant, and equipment acquired

<u>Category of related parties/name</u>	<u>From January 1 to March 31, 2025</u>	<u>From January 1 to March 31, 2024</u>
Associates and their subsidiaries		
KSA Corp.	<u>\$ 24,452</u>	<u>\$ -</u>

d. Disposal of property, plant, and equipment

	<u>Disposal price</u>		<u>Gain on disposal</u>	
	From January 1 to March 31, 2025	From January 1 to March 31, 2024	From January 1 to March 31, 2025	From January 1 to March 31, 2024
<u>Categories of related parties</u>				
Associates and their subsidiaries	<u>\$ 28</u>	<u>\$ 527</u>	<u>\$ 1</u>	<u>\$ 5</u>

e. Other income

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Associate	\$ 5,462	\$ 5,135
Other related parties	892	563
	<u>\$ 6,354</u>	<u>\$ 5,698</u>

Other income included rental income, consulting service income, and endorsement income, etc.

f. Endorsements and guarantees

Categories of related parties	March 31, 2025	December 31, 2024	March 31, 2024
Associate			
Amount endorsed	<u>\$ 1,337,232</u>	<u>\$ 1,418,110</u>	<u>\$ 1,395,502</u>
Amount utilized	<u>\$ 682,998</u>	<u>\$ 714,299</u>	<u>\$ 439,322</u>
Other related parties			
Amount endorsed	<u>\$ 66,280</u>	<u>\$ 66,280</u>	<u>\$ 25,194</u>
Amount utilized	<u>\$ 41,086</u>	<u>\$ 41,086</u>	<u>\$ -</u>

g. Remuneration of key management personnel

The amounts of the remuneration of directors and other members of key management personnel were as follows:

	From January 1 to March 31, 2025	From January 1 to March 31, 2024
Short-term employee benefits	\$ 24,121	\$ 20,538
Post-employment benefits	109	161
	<u>\$ 24,230</u>	<u>\$ 20,699</u>

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

30. Assets Pledged as Collateral

The Group provided the following assets as collateral for borrowings and performance guarantee:

	March 31, 2025	December 31, 2024	March 31, 2024
Notes receivable	\$ 1,108,672	\$ 1,225,507	\$ 421,173
Other financial assets - current	739,750	602,194	85,926
Other financial assets - non-current	69,932	67,473	46,210
Property, Plant, and Equipment			
Freehold land	1,753,116	1,750,222	1,750,583
Buildings	277,102	278,041	386,610
Power Generation Equipment	1,916,771	1,940,294	2,017,769
Others	19,608	23,530	35,295
	<u>\$ 5,884,951</u>	<u>\$ 5,887,261</u>	<u>\$ 4,743,566</u>

31. Significant Contingent Liabilities and Unrecognized Commitments

Significant commitments and contingencies of the Group as of March 31, 2025 were as follows:

- The Group's unused letters of credit for the purchase of merchandise amounted to NT\$83,467 thousand.
- The unrecognized commitments for acquisition of property, plant and equipment were NT\$1,388,681 thousand.
- Company A filed a lawsuit with the court against KS Corp. for failing to fulfill its obligation of placing orders under a purchase agreement and demanded compensation of NT\$50,363 thousand. In October 2020, a judgment entered in the first instance was announced that Company A won the case; KS Corp. appealed and recognized the related loss provision of \$50,363 thousand in 2021. As of the date the financial statements were approved, the case is still under trial, and the outcome of the final trial is highly uncertain.

32. Significant Assets and Liabilities Denominated in Foreign Currency

The significant assets and liabilities denominated in foreign currencies were as follows:

March 31, 2025	Foreign Currency Amount	Exchange Rate	Carrying Value
Monetary financial assets			
USD	\$ 304,205	33.205 (USD: NTD)	\$ 10,101,121
USD	135,289	7.780 (USD: HKD)	4,492,271
USD	23,030	7.260 (USD: RMB)	764,695
USD	625	25,941 (USD: VND)	20,739
USD	6,124	33.738 (USD: THB)	203,335
USD	1,838	4.599 (USD: MYR)	61,025
Nonmonetary financial assets			
Investment accounted for using the equity method			
USD	205,600	33.205 (USD: NTD)	6,826,970
RMB	171,488	0.1377 (RMB: USD)	784,285
RMB	1,288,535	1.0716 (RMB: HKD)	5,892,987
JPY	647,068	0.2227 (JPY: NTD)	144,102

	Foreign Currency		Exchange Rate	Carrying Value
	Amount			
HKD	\$ 1,257,529	4.2680	(HKD: NTD)	\$ 5,367,135
HKD	1,084,544	0.1285	(HKD: USD)	4,628,932
THB	315,073	0.9842	(THB: NTD)	310,089
MYR	21,434	7.2200	(MYR: NTD)	154,755
Monetary financial liabilities				
USD	278,686	33.205	(USD: NTD)	9,253,778
USD	9,499	7.780	(USD: HKD)	315,418
USD	18,158	7.260	(USD: RMB)	602,939
USD	1,843	25,941	(USD: VND)	61,187
USD	3,206	33.738	(USD: THB)	106,470
USD	1,305	4.599	(USD: MYR)	43,323
December 31, 2024				
Monetary financial assets				
USD	299,756	32.785	(USD: NTD)	9,827,505
USD	135,002	7.765	(USD: HKD)	4,426,038
USD	21,585	7.307	(USD: RMB)	707,670
USD	677	25,815	(USD: VND)	22,196
USD	6,249	34.069	(USD: THB)	204,861
USD	1,322	4.640	(USD: MYR)	43,333
Nonmonetary financial assets				
Investment accounted for using the equity method				
USD	202,183	32.785	(USD: NTD)	6,628,553
RMB	167,301	0.1369	(RMB: USD)	750,643
RMB	1,268,774	1.0627	(RMB: HKD)	5,692,728
JPY	639,811	0.2099	(JPY: NTD)	134,296
HKD	1,230,658	4.222	(HKD: NTD)	5,195,838
THB	1,061,369	0.1288	(HKD: USD)	4,481,100
MYR	299,693	0.9623	(THB: NTD)	288,395
	20,321	7.066	(MYR: NTD)	143,586
Monetary financial liabilities				
USD				
USD	292,084	32.785	(USD: NTD)	9,575,962
USD	11,437	7.765	(USD: HKD)	374,968
USD	19,926	7.307	(USD: RMB)	653,265
USD	1,716	25,815	(USD: VND)	56,255
USD	2,553	34.069	(USD: THB)	83,706
USD	1,017	4.640	(USD: MYR)	33,351
March 31, 2024				
Monetary financial assets				
USD	248,319	32.00	(USD: NTD)	7,946,219
USD	114,481	7.826	(USD: HKD)	3,663,393
USD	23,359	7.226	(USD: RMB)	744,290
USD	579	25,197	(USD: VND)	18,517
USD	1,591	36.199	(USD: THB)	50,919
USD	1,539	4.926	(USD: MYR)	49,257
Nonmonetary financial assets				
Investment accounted for using the equity method				
USD	194,707	32.00	(USD: NTD)	6,230,633
RMB	164,591	0.1384	(RMB: USD)	728,906
RMB	1,147,149	1.0830	(RMB: HKD)	5,080,235
JPY	612,042	0.2115	(JPY: NTD)	129,448
HKD	1,165,073	4.0890	(HKD: NTD)	4,763,982
HKD	1,004,805	0.1278	(HKD: USD)	4,108,649
THB	280,852	0.8840	(THB: NTD)	248,274
MYR	19,859	6.4960	(MYR: NTD)	129,004
Monetary financial liabilities				
USD	261,355	32.00	(USD: NTD)	8,363,345
USD	5,981	7.826	(USD: HKD)	191,384
USD	21,363	7.226	(USD: RMB)	683,612
USD	758	25,197	(USD: VND)	24,244
USD	1,527	36.199	(USD: THB)	48,867
USD	1,288	4.926	(USD: MYR)	41,202

For the period from January 1 to March 31, 2025 and 2024, realized and unrealized net foreign exchange gains were \$29,751 thousand and \$17,929 thousand, respectively. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the Group's entities.

33. Additional Disclosures

- a. Information about significant transactions
 - 1) Financing provided to others: Table 1.
 - 2) Endorsements/Guarantees provided: Table 2.
 - 3) Material marketable securities held at the end of the period (excluding investments in subsidiaries and associates): Table 3.
 - 4) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 4.
 - 5) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 5.
 - 6) Others: Intercompany relationships and significant intercompany transactions: Table 9.
- b. Information on investees: Table 6.
- c. Information on Investments in Mainland China
 - 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area: Table 7.
 - 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third area, and their prices, payment terms, and unrealized gains or losses:
 - (a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period: Table 8.
 - (b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period: Table 8.

- (c) The amount of property transactions and the amount of the resultant gains or losses: None.
- (d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes: Table 2.
- (e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds: Table 1.
- (f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services.

The Company's other significant transactions with investee companies in mainland China as of and for the period from January 1 to March 31 and March 31, 2025 were as follows:

<u>Transaction Party</u>	<u>Line Item</u>	<u>Amount</u>
Shanghai Yikang	Other income	\$ 7,787
Shanghai Yikang	Operating Expenses	63,160
Shanghai Yikang	Other receivables	39,070
Shanghai Yikang	Other payables	68,202

34. **Segment Information**

Information reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance is distinguished by operating area and categories of merchandise and service. The Group's reportable segments were as follows:

- Wah Lee Industrial Corporation ("Wah Lee") is mainly engaged in the import/export and agency business of composite materials, engineering plastic, printed circuit board, semiconductor, and computer related manufacturing materials and equipment.
- Raycong H.K., Dongguan Hua Gang and its subsidiary ("Raycong") are mainly engaged in the trade of engineering plastic, composite materials and equipment.
- Shanghai Yikang and its subsidiary ("Yikang") are mainly engaged in trade of manufacturing materials and import/export business.
- Others - Other subsidiaries which were below the quantitative threshold were not listed as reportable segments. Please refer to Note 13 for details.

Segment revenue and results

The following is an analysis of the Group's revenue and results from operations by reportable segment:

	The Company	Raycong	Shanghai Yikang	Others	Adjustment and Elimination	Total
<u>From January 1 to March 31, 2025</u>						
Revenue from External Customers	\$ 10,561,394	\$ 2,737,450	\$ 3,793,632	\$ 1,506,819	\$ -	\$ 18,599,295
Inter-segment revenue	491,835	13,134	83,143	52,772	(640,884)	-
Segment revenue	<u>\$ 11,053,229</u>	<u>\$ 2,750,584</u>	<u>\$ 3,876,775</u>	<u>\$ 1,559,591</u>	<u>(\$ 640,884)</u>	<u>\$ 18,599,295</u>
Departmental operating income	\$ 206,545	(\$ 3,661)	\$ 241,579	\$ 68,907	\$ 31,901	\$ 545,271
Interest income	19,790	46,641	2,016	1,277	(37,653)	32,071
Other income	50,037	3,941	4,811	1,688	(36,161)	24,316
Other gains and losses	24,769	8,291	5,542	1,630	(283)	39,949
Financial costs	(90,350)	(13,017)	(8,351)	(11,271)	38,071	(84,918)
Segment profit before tax	210,791	42,195	245,597	62,231	(4,125)	556,689
Income Tax Expenses	(\$ 63,832)	(\$ 8,250)	(\$ 65,181)	(\$ 8,469)	\$ 50	(\$ 145,682)
Segment profit after tax	<u>\$ 146,959</u>	<u>\$ 33,945</u>	<u>\$ 180,416</u>	<u>\$ 53,762</u>	<u>(\$ 4,075)</u>	<u>411,007</u>
Share of profit or loss of associates under the equity method						169,886
Consolidated net profit						<u>\$ 580,893</u>
<u>March 31, 2025</u>						
Identifiable assets	<u>\$ 21,032,659</u>	<u>\$ 12,251,974</u>	<u>\$ 8,181,090</u>	<u>\$ 7,153,501</u>	<u>(\$ 4,996,647)</u>	\$ 43,622,577
Goodwill						178,667
Investment accounted for using the equity method						7,951,000
Total assets						<u>\$ 51,752,244</u>
<u>From January 1 to March 31, 2024</u>						
Revenue from External Customers	\$ 9,651,728	\$ 2,909,165	\$ 3,409,373	\$ 1,280,605	\$ -	\$ 17,250,871
Inter-segment revenue	335,915	16,532	110,838	32,819	(496,104)	-
Segment revenue	<u>\$ 9,987,643</u>	<u>\$ 2,925,697</u>	<u>\$ 3,520,211</u>	<u>\$ 1,313,424</u>	<u>(\$ 496,104)</u>	<u>\$ 17,250,871</u>
Departmental operating income	\$ 177,252	\$ 53,414	\$ 236,274	\$ 55,757	\$ 35,645	\$ 558,342
Interest income	5,883	42,040	3,206	1,607	(15,836)	36,900
Other income	63,210	812	4,216	2,112	(41,792)	28,558
Other gains and losses	10,818	6,262	5,668	9,144	694	32,586
Financial costs	(90,965)	(14,694)	(8,030)	(11,636)	16,172	(109,153)
Segment profit before tax	166,198	87,834	241,334	56,984	(5,117)	547,233
Income Tax Expenses	(62,981)	(73,140)	(59,189)	(14,688)	35,915	(174,083)
Segment profit after tax	<u>\$ 103,217</u>	<u>\$ 14,694</u>	<u>\$ 182,145</u>	<u>\$ 42,296</u>	<u>\$ 30,798</u>	<u>373,150</u>
Share of profit or loss of associates under the equity method						123,360
Consolidated net profit						<u>\$ 496,510</u>
<u>March 31, 2024</u>						
Identifiable assets	<u>\$ 18,813,263</u>	<u>\$ 11,192,829</u>	<u>\$ 7,553,521</u>	<u>\$ 6,763,259</u>	<u>(\$ 3,187,469)</u>	\$ 41,135,403
Goodwill						177,794
Investment accounted for using the equity method						8,079,291
Total assets						<u>\$ 49,392,488</u>

Segment profit represented the profit before tax earned by each segment without share of profits of associates. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

For the purpose of monitoring segment performance and allocating resources between segments, all assets are allocated to reportable segments other than interests in associates accounted for using the equity method.

TABLE 1.**WAH LEE INDUSTRIAL CORPORATION AND SUBSIDIARIES****FINANCING PROVIDED TO OTHERS****For the period from January 1 to March 31, 2025****Unit: NT\$ thousand**

No.	Financing Company	Counterparty	Financial Statement Account	Related Party	Maximum Balance for the Year	Ending balance (Note 1)	Amount utilized (Notes 1 and 4)	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-Term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limit	Remarks
													Name	Value			
1	Shanghai Yikang	Fenghuang Xingwah Shouzheng	Other receivables - related parties	Yes	\$ 43,447	\$ 43,447	\$ 32,471	4.7647	Short-term financing	\$ -	Operating capital	\$ -	-	\$ -	\$ 1,417,367	\$ 1,417,367	Note 2
1	Shanghai Yikang	Shanghai Meditek	Other receivables - related parties	Yes	114,335	114,335	73,860	4.7500	Short-term financing	-	Operating capital	-	-	-	1,417,367	1,417,367	Note 2
2	Shenzhen Huaying	Xiamen Huashengda	Other receivables - related parties	Yes	9,147	9,147	-	4.0000	Short-term financing	-	Operating capital	-	-	-	29,357	29,357	Note 2
3	Dongguan Hua Gang	Guangzhou Xingxian	Other receivables - related parties	Yes	22,534	-	-	4.0000	Short-term financing	-	Operating capital	-	-	-	744,557	744,557	Note 2
3	Dongguan Hua Gang	Anhua Huixinkang	Other receivables - related parties	Yes	22,867	22,867	13,720	4.0000	Short-term financing	-	Operating capital	-	-	-	744,557	744,557	Note 2
3	Dongguan Hua Gang	The Company	Other receivables - related parties	Yes	686,010	686,010	686,010	3.1000	Short-term financing	-	Operating capital	-	-	-	744,557	744,557	Note 2
6	Wah Lee Holding Ltd.	The Company	Other receivables - related parties	Yes	763,715	763,715	730,510	-	Short-term financing	-	Operating capital	-	-	-	1,878,972	1,878,972	Note 2
7	Raycong H.K.	RC Vietnam	Other receivables - related parties	Yes	16,603	16,603	-	6.0000	Short-term financing	-	Operating capital	-	-	-	3,998,387	3,998,387	Note 3
7	Raycong H.K.	The Company	Other receivables - related parties	Yes	2,988,450	2,988,450	2,988,450	4.4400	Short-term financing	-	Operating capital	-	-	-	3,998,387	3,998,387	Note 3

Note 1: USD is converted by the spot exchange USD1=NT\$33.205; RMB is converted by the spot exchange RMB1=NT\$4.5734; and HKD is converted by the spot exchange HKD1=NT\$4.2680.

Note 2: The individual and aggregate financing limit for the parent company and subsidiaries included in the consolidated financial statements of the parent company shall not exceed 30% of the parent company's equity.

Note 3: The individual and aggregate financing limit for the parent company and subsidiaries included in the consolidated financial statements of the parent company shall not exceed 40% of the parent company's equity.

Note 4: It was eliminated on consolidation.

TABLE 2.

WAH LEE INDUSTRIAL CORPORATION AND SUBSIDIARIES

ENDORSEMENTS AND GUARANTEES

For the period from January 1 to March 31, 2025

Unit: NT\$ thousand

No.	Endorsement/Guarantee Provider	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Benefit of Each Party (Note 1-6)	Maximum Amount Endorsed/Guaranteed During the Year	Outstanding Endorsement/ Guarantee at The End of the Year (Note 7)	Amount utilized (Note 7)	Amount of Endorsement/ Guarantee Collateralized by Properties	Ratio of Accumulated Endorsement/G uarantee to Net Equity per Latest Financial Statements (%)	Maximum Endorsement/ Guarantee Amount Allowable (Note 1-6)	Guarantee Provided by Parent Company	Guarantee Provided by Subsidiary	Guarantee Provided to Subsidiaries in Mainland China	Remarks
		Company Name	Relationship											
0	The Company	WL Vietnam	Subsidiary of the Company	\$ 6,465,456	\$ 649,836	\$ 365,255	\$ 47,543	\$ -	1.69	\$ 21,551,520	Y	N	N	
0	The Company	Regent King	Subsidiary of the Company	6,465,456	33,205	33,205	-	-	0.15	21,551,520	Y	N	N	
0	The Company	WL Philippines Inc.	Subsidiary of the Company	4,310,304	66,410	66,410	-	-	0.31	21,551,520	Y	N	N	
0	The Company	Sakuragawa Solar Godogaisha	Subsidiary of the Company	4,310,304	64,725	64,725	12,075	-	0.30	21,551,520	Y	N	N	
0	The Company	Miyazaki Solar Godogaisha	Subsidiary of the Company	4,310,304	192,538	192,538	128,610	-	0.89	21,551,520	Y	N	N	
0	The Company	WL India	Subsidiary of the Company	4,310,304	56,448	56,448	-	-	0.26	21,551,520	Y	N	N	
0	The Company	Raycong H.K., Shanghai Yikang and Dongguan Hua Gang	Subsidiary of the Company	4,310,304	150,000	150,000	45,506	-	0.70	21,551,520	Y	N	Y	
0	The Company	WL Indonesia	Subsidiary of the Company	4,310,304	150,351	66,410	-	-	0.31	21,551,520	Y	N	N	
0	The Company	Hightech	Subsidiary of the Company	4,310,304	365,255	365,255	33,638	-	1.69	21,551,520	Y	N	N	
0	The Company	Nagase Wahlee Plastics Corp.	Shareholder of an investee provides endorsements/guarantees to the company in proportion to the shareholding percentage	4,310,304	467,000	467,000	185,286	-	2.17	21,551,520	N	N	N	
0	The Company	Shanghai Hua Chang Trading Co., Ltd.	Shareholder of an investee provides endorsements/guarantees to the company in proportion to the shareholding percentage	4,310,304	945,216	863,330	493,886	-	4.01	21,551,520	N	N	Y	
0	The Company	Asahi Kasei Wah Lee Hi-tech Corp.	Shareholder of an investee provides endorsements/guarantees to the company in proportion to the shareholding percentage	4,310,304	66,280	66,280	41,086	-	0.31	21,551,520	N	N	N	
1	Shanghai Yikang	Shanghai Meditek	Subsidiary of the Company	944,912	192,083	192,083	34,223	-	4.07	2,362,279	Y	N	Y	
2	KS Corp.	KSA Corp.	Companies that the Company has business relations with	176,094	6,902	6,902	3,826	-	0.93	352,188	N	N	N	
3	Dongguan Hua Gang	Guangzhou Xingxian	Subsidiary of the Company	744,557	96,041	96,041	5,294	-	3.87	1,240,929	Y	N	Y	
4	Raycong H.K.	Dongguan Hua Gang	Subsidiary of the Company	1,999,193	484,793	484,793	165,732	332,050	4.85	4,997,984	Y	N	Y	
4	Raycong H.K.	RC Vietnam	Subsidiary of the Company	1,999,193	33,205	33,205	16,603	-	0.33	4,997,984	Y	N	N	
4	Raycong H.K.	Xiamen Huashengda	Subsidiary of the Company	1,999,193	33,205	33,205	17,378	-	0.33	4,997,984	Y	N	Y	
5	Cyuan Cheng Logistics Co., Ltd.	Tranceed Logistics	Parent company of the Company	55,000	52,500	52,500	-	-	95.45	55,000	N	Y	N	

- Note 1: The limit on endorsement/guarantee given on behalf of each party shall not exceed 20% of the equity of the Company. If the Company directly or indirectly holds 100% of the equity of the endorsee or guarantee, the limit on endorsement/guarantee given on behalf of each party shall not exceed 30% of the equity of the Company. The maximum total amount of endorsement/guarantee shall not exceed 100% of the equity of the Company.
- Note 2: The limit on endorsement/guarantee given on behalf of each party shall not exceed 20% of the equity of Shanghai Yikang. The maximum total amount of endorsement/guarantee shall not exceed 50% of the equity of Shanghai Yikang.
- Note 3: The limit on endorsement/guarantee given on behalf of each party shall not exceed 30% of the equity of Dongguan Hua Gang. The maximum total amount of endorsement/guarantee shall not exceed 50% of the equity of Dongguan Hua Gang.
- Note 4: The limit on endorsement/guarantee given on behalf of each party shall not exceed 20% of the equity of Raycong H.K.. The maximum total amount of endorsement/guarantee shall not exceed 50% of the equity of Raycong H.K..
- Note 5: The endorsement and guarantee amount provided by Kingstone Energy Technology Corporation, not related to undertaking projects, shall not exceed 50% of the paid-in capital for a single enterprise. The total amount of endorsement and guarantee shall not exceed 100% of the paid-in capital.
- Note 6: The credit limit for Cyuan Cheng Logistic Co., Ltd, both for a single enterprise and for external guarantees is equal to its paid-in capital multiplied by 100%.
- Note 7: USD is converted by the spot exchange USD1=NT\$33.205; JPY is converted by the spot exchange JPY1=NT\$0.2227; RMB is converted by the spot exchange RMB1=NT\$4.5734; and HKD is converted by the spot exchange HKD1=NT\$4.2680.

TABLE 3.

WAH LEE INDUSTRIAL CORPORATION AND SUBSIDIARIES
MATERIAL MARKETABLE SECURITIES HELD AT THE END OF THE PERIOD
March 31, 2025
Unit: NT\$ thousand

Holding Company Name	Type and Name of Marketable Securities	Relationship with The Holding Company	Financial Statement Account	End of this period				Remarks
				Number of shares/units	Carrying Value	Shareholding percentage (%)	Fair value	
The Company	Stock							
	Chang Wah Technology Co. Ltd.	Associate's subsidiary	Financial assets at FVTOCI - current	5,000,000	\$175,000	0.53	\$175,000	Note
	Forcera Materials Co., Ltd.	The Company is the director of the company	Financial assets at FVTOCI - non-current	2,354,773	133,751	7.57	133,751	Note
	Locus Cell Co., Ltd.	-	Financial assets at FVTOCI - non-current	5,000,000	110,650	2.50	110,650	Note

Note: Material marketable securities held at the end of the period amounting to more than NT\$100 million.

TABLE 4.

Wah Lee Industrial Corporation and Subsidiaries

Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital

For the period from January 1 to March 31, 2025

Unit: NT\$ thousand

Buyer/Seller	Transaction Party	Relationship	Transaction Details				Situations and reasons where the trading conditions differ from those of a normal transaction		Notes/Accounts Receivable (Payable)		Remarks
			Purchase/Sale	Amount	% of Total Purchase/Sale	Credit period			Balance	% of Total Notes/Accounts Receivable (Payable)	
							Unit price	Credit period			
The Company	Shanghai Yikang	Subsidiary	Sales	\$ 116,075	1	30 to 120 days after monthly closing	Normal trade terms	The terms with related parties are not significantly different from those with third parties	\$ 82,388	-	Note
The Company	Raycong H.K.	Subsidiary	Sales	123,203	1	30 to 90 days after monthly closing	Normal trade terms	The terms with related parties are not significantly different from those with third parties	60,631	-	Note
	Asahi Kasei Wah Lee Hi-tech Corp.	The Company is the director of the Company	Purchase of goods	(321,719)	(2)	105 days after monthly closing	No comparable transactions with third party	The terms with related parties are not significantly different from those with third parties	(216,944)	(2)	
Raycong H.K.	Dongguan Hua Gang	Subsidiary	Sales	152,395	1	30 to 120 days after monthly closing	Normal trade terms	The terms with related parties are not significantly different from those with third parties	74,414	-	Note

Note: It was eliminated on consolidation.

TABLE 5.

WAH LEE INDUSTRIAL CORPORATION AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL

March 31, 2025

Unit: NT\$ thousand

[illegible]

Note 1: Including accounts receivable and other receivables. Other receivables are mainly receivable funds from loans.

Note 2: It was eliminated on consolidation.

TABLE 6.**WAH LEE INDUSTRIAL CORPORATION AND SUBSIDIARIES****INFORMATION ON INVESTEEES****For the period from January 1 to March 31, 2025****Unit: NT\$ thousand**

Investee company name	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Shares	Percentage (%)	Carrying amount (Note 2)	Net Income (Loss) of the Investee	Share of Profit (Loss)(Notes 1 and 2)	Remarks
				End of this period	End of last year						
The Company	Wah Lee Holding Ltd.	BVI	International investment	\$ 430,666	\$ 430,666	13,070,000	100.00	\$ 6,322,348	\$ 95,335	\$ 95,378	Subsidiary
The Company	Raycong H.K.	Hong Kong	Trading business of engineering plastic, composite materials and equipment	304,113	304,113	56,000,000	53.69	5,437,011	163,761	87,955	Subsidiary
The Company	CWE Inc.	Taiwan	Agency of IC packaging material and equipment	449,349	449,349	197,902,180	28.07	4,832,242	332,187	93,213	Associate
The Company	Nagase Wahlee Plastics Corp.	Taiwan	Trading business of synthetic resin product and related material, agency of domestic and international products distribution quotation and bidding business	20,810	20,810	4,000,000	40.00	755,391	39,185	15,674	Associate
The Company	Wah Hong Corp.	Taiwan	Manufacturing of LCD material, BMC (bulk molding compound) material and molded product	977,962	977,962	27,135,978	27.13	1,251,738	75,654	20,529	Associate
The Company	ORC Technology Corp.	Taiwan	Trading business and service of exposure machine and parts	6,000	6,000	600,000	35.00	70,986	(181)	(65)	Associate
The Company	Wah Lee Japan	Japan	Trading business of synthetic resin, industrial plastic, molding machine and electromechanical parts	21,490	21,490	1,500	83.33	3,813	(34)	(28)	Subsidiary
The Company	WL Korea	South Korea	Trading business of synthetic resin, industrial plastic, molding machine and electromechanical parts	18,856	18,856	147,000	100.00	3,155	(14)	(14)	Subsidiary
The Company	Sakuragawa Solar Godogaisha	Japan	Solar power generation business	46,008	46,008	-	99.99	95,663	712	712	Subsidiary
The Company	Miyazaki Solar Godogaisha	Japan	Solar power generation business	82,103	82,103	-	99.99	44,626	888	888	Subsidiary
The Company	WL Indonesia	Indonesia	Trading business of industrial materials	48,261	48,261	1,610,000	70.00	26,862	(587)	(411)	Subsidiary
The Company	WL Vietnam	Vietnam	Trading business of industrial materials	16,293	16,293	-	100.00	47,862	1,575	1,575	Subsidiary
The Company	Tranceed Logistics	Taiwan	Freight forwarders and leasing business	95,000	95,000	9,500,000	63.33	212,027	13,070	8,278	Subsidiary
The Company	WT Industrial	Thailand	Trading business of industrial materials	200,000	200,000	7,650	51.00	310,089	29,348	14,968	Subsidiary
The Company	KS Corp.	Taiwan	Solar power generation business	794,628	794,628	35,067,582	99.57	889,230	(1,287)	(2,483)	Subsidiary
The Company	WL Philippines Corp.	Philippines	Trading business of industrial materials	7,755	7,755	127,495	99.99	5,520	(39)	(39)	Subsidiary
The Company	WL Philippines Inc.	Philippines	Trading business of industrial materials	7,747	7,747	126,997	99.99	16,543	1,077	1,077	Subsidiary
The Company	ORC Corp.	Taiwan	Trading business of industrial materials	4,000	4,000	400,000	40.00	81,085	43,950	17,581	Joint Ventures
The Company	Evergreen New Energy Corporation	Taiwan	Solar power generation business	130,000	130,000	13,000,000	100.00	115,572	(1,862)	(1,862)	Subsidiary
The Company	Hightech	Malaysia	Trading business of industrial materials	205,335	205,335	7,650,000	51.00	232,851	15,524	6,454	Subsidiary
The Company	WL Singapore	Singapore	Agency of semiconductor materials and equipment	435,145	435,145	1,600,000	100.00	566,255	4,070	4,070	Subsidiary
The Company	Perpetual New Energy Co., Ltd.	Taiwan	Renewable energy self-use power generation and energy technology business	48,000	48,000	4,800,000	12.00	46,065	(4,058)	(490)	Associate
The Company	WL India	India	Trading business of industrial materials	14,575	14,575	3,861,000	99.00	9,615	(407)	(403)	Subsidiary
The Company	Advance Hightech	United States	Selling and distributing engineering plastics, high-performance composite materials, industrial materials, and semiconductor materials and equipment.	38,628	38,628	1,200,000	100.00	9,036	(5,544)	(5,544)	Subsidiary
The Company	High Tech Gas	Taiwan	Chemical Materials Manufacturing	90,000	90,000	9,000,000	60.00	88,371	(987)	(592)	Subsidiary
The Company	Innovation Service Co., Ltd.	Taiwan	Leasing business	35,000	35,000	3,500,000	58.33	30,952	131	77	Subsidiary
Tranceed Logistics	Cyuan Cheng Logistics	Taiwan	Freight forwarders and leasing business	42,947	42,947	5,500,000	100.00	45,850	929	880	Subsidiary

(Continued)

(Concluded)

Investee company name	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Shares	Percentage (%)	Carrying amount (Note 2)	Net Income (Loss) of the Investee	Share of Profit (Loss)(Notes 1 and 2)	Remarks
				End of this period	End of last year						
KS Corp.	KSB Corp.	Taiwan	Solar power generation business	\$ 51,130	\$ 51,130	5,113,000	100.00	\$ 52,280	(\$ 203)	(\$ 203)	Subsidiary
KS Corp.	KSC Corp.	Taiwan	Solar power generation business	54,000	54,000	5,400,000	100.00	2,563	-	-	Subsidiary
ENE Corp.	Fanxin	Taiwan	Solar power generation business	44,825	44,825	4,500,000	100.00	43,998	(354)	(354)	Subsidiary
ENE Corp.	Fansheng	Taiwan	Solar power generation business	31,812	31,812	3,200,000	100.00	31,154	(267)	(267)	Subsidiary
ENE Corp.	Evergreen New Power Corporation	Taiwan	Engaging in the business of the energy/engineering service companies	5,000	-	500,000	100.00	5,000	-	-	Subsidiary
Wah Lee Holding Ltd.	SHC Holding Ltd.	Republic of Mauritius	International investment	43,892	43,892	1,290,000	100.00	779,596	18,948	18,948	Subsidiary
Wah Lee Holding Ltd.	Raycong H.K.	Hong Kong	Trading business of engineering plastic, composite materials and equipment	943,164	943,164	48,296,655	46.31	4,628,832	163,761	75,833	Subsidiary
Wah Lee Holding Ltd.	Regent King	Hong Kong	Trading business of engineering plastic, composite materials and equipment	39	39	10,000	100.00	4,689	(37)	(37)	Subsidiary
Raycong H.K.	RC Vietnam	Vietnam	Trading business of industrial materials	6,141	6,141	1,358	100.00	(903)	(1,933)	(1,933)	Subsidiary
WT Industrial	WT Indonesia	Indonesia	Trading business of industrial materials	3,953	3,953	18,150	66.00	2,282	(820)	(541)	Subsidiary
WT Industrial	WL India	India	Trading business of industrial materials	147	147	39,000	1.00	97	(407)	(4)	Subsidiary
WT Industrial	Born Tech	Thailand	Trading business of industrial materials	928	928	9,800	49.00	4,751	4,425	2,168	Associate

Note 1: The share of profit (loss) recognized for the year ended included eliminated unrealized gains or losses and amortization of investment premium.

Note 2: Receivables from subsidiary were eliminated on consolidation.

Note 3: Please refer to Table 7 for the information on investees in mainland China.

TABLE 7.

WAH LEE INDUSTRIAL CORPORATION AND SUBSIDIARIES
INFORMATION ON INVESTMENTS IN MAINLAND CHINA

For the period from January 1 to March 31, 2025

Unit: NT\$ thousand

Investee Company	Main Businesses and Products	Paid-in capital	Method of Investment	Accumulated Repatriation of Investment Income as of January 1, 2025	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2025	Net Income Loss of the Investee		Investment Gain (Loss) recognized for this year (Note 1)	Carrying Amount as of March 31, 2025	Accumulated Repatriation of Investment Income as of March 31, 2025	Remarks
					Outward	Inward							
Dongguan Hua Gang	Trading business of industrial materials	\$ 1,192,066	Invested through the third region, Raycong H.K.	\$ -	\$ -	\$ -	\$ -	(\$ 38,690)	100.00	(\$ 38,690)	\$ 2,475,968	\$ 425,949	
Shanghai Yikang	Trading business of industrial materials	1,038,807	Invested through the third region, Raycong H.K.	340,629	-	-	340,629	184,984	70.00	129,489	3,327,899	-	
Shenzhen Huaying	Supply chain management and consultancy service	25,253	Invested through the third region, Raycong H.K.	-	-	-	-	655	100.00	655	97,856	42,174	
Shanghai Hua Chang Trading Co., Ltd.	International trading and trading consulting; trading agent and commercial simple processing within enterprises in the bonded area	79,692	Invested through the third region, SHC Holding Ltd.	43,714	-	-	43,714	63,337	30.00	19,001	773,623	104,915	
Shanghai Meditek	Import and export of goods and technology	13,720	Invested through Chinese corporation, Shanghai Yikang	-	-	-	-	(7,864)	49.00	(3,854)	(7,996)	-	
Shanghai Crown	Trading business of medical devices and equipment	15,229	Invested through Chinese corporation, Shanghai Yikang	-	-	-	-	(146)	48.98	(71)	(3,856)	-	
Fenghuang Xingwah Shouzheng	Medical device manufacturing technology development and consulting business	22,867	Invested through Chinese corporation, Shanghai Yikang	-	-	-	-	(978)	49.00	(479)	(324)	-	
Guangzhou Xingxian	Medical consulting	22,867	Invested through Chinese corporation, Dongguan Hua Gang	-	-	-	-	(7,938)	100.00	(7,938)	26,909	-	
Anhua Huixinkang	Medical Service	20,580	Invested through the third region Raycong H.K. and through Chinese corporation, Dongguan Hua Gang	-	-	-	-	(3,199)	100.00	(3,199)	7,819	-	
Xiamen Huashengda	Warehouse logistics	13,720	Invested through Chinese corporation, Shenzhen Huaying	-	-	-	-	256	70.00	179	900	-	
Xiamen Jian Yuan Rong Logistic Co., Ltd.	Warehouse logistics	36,587	Invested through Chinese corporation, Shenzhen Huaying	-	-	-	-	1,687	30.00	506	11,363	-	
Xiamen Jia Cheng Yuan Trading and Development Co. Ltd.	Warehouse logistics	9,147	Invested through Chinese corporation, Shenzhen Huaying	-	-	-	-	(340)	30.00	(102)	2,945	-	
Shanghai Guojia Co., Ltd.	Road transportation of general goods and hazardous goods, and international transportation agency services	118,908	Invested through Chinese corporation, Shanghai Yikang	-	-	-	-	9,357	14.00	1,310	120,811	-	

Investee company name	Accumulated Outward Remittance for Investment in Mainland China at the end of the period (Note 3)	Investment Amount Authorized by Investment Commission, MOEA (Note 2)	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA (Note 3)
Wah Lee Industrial Corporation	\$ 384,343	\$ 2,495,938	\$ -

Note 1: The disclosure of investment gains and losses this period are based on the following:

1. Dongguan Hua Gang and Shanghai Yikang: Audited by the CPAs of the parent company in Taiwan
2. Others are based on unaudited financial statements.

Note 2: The difference of \$2,111,595 thousand between accumulated outward remittance for investment in mainland China and investment amount authorized by investment commission, MOEA is due to investment of \$1,354,096 thousand (USD8,488 thousand, HKD267,000 thousand and RMB3,500 thousand) through Raycong H.K., investment of \$111,175 thousand (USD3,572 thousand) through Wah Yuen Technology Holding Limited, transferred capital from retained earnings of \$434,385 thousand (USD13,790 thousand) of Shanghai Yikang, investment of \$14,500 thousand (USD500 thousand) through SHC Holding Ltd., investment without significant influence of \$42,644 thousand and the invested amount of \$154,795 thousand which had already been liquidated but not yet revoked.

Note 3: Under the “Principles Governing the Review of Investments or Technical Cooperation in Mainland China” issued by the Investment Commission on August 29, 2008, the Company had obtained the certificate issued by the Industrial Bureau of the Ministry of Economic Affairs in accordance with the business scope of the operating headquarters; thus, the amount that can be invested in companies located in mainland China is unlimited.

TABLE 8.

WAH LEE INDUSTRIAL CORPORATION AND SUBSIDIARIES

SIGNIFICANT TRANSACTIONS WITH INVESTEE COMPANIES IN MAINLAND CHINA, EITHER DIRECTLY OR INDIRECTLY THROUGH A THIRD AREA, AND THEIR PRICES,

PAYMENT TERMS, AND UNREALIZED GAINS OR LOSSES

For the period from January 1 to March 31, 2025

Unit: NT\$ thousand

Buyer/Seller	Investee Company	Transaction Type	Purchase/Sale		Price	Transaction Details		Notes/Accounts Receivable (Payable)		Unrealized (Gain) Loss	Remarks
			Amount (Note)	%		Payment Terms	Comparison with Normal Transactions	Amount	Percentage (%)		
The Company	Shanghai Yikang	Sales	\$ 116,075	1	Normal trade terms	30 to 120 days after monthly closing	The terms with related parties are not significantly different from those to third parties	\$ 82,388	-	\$ 6,445	Note
The Company	Dongguan Hua Gang	Sales	73,290	-	Normal trade terms	30 to 120 days after monthly closing	The terms with related parties are not significantly different from those to third parties	29,526	-	1,693	Note
Raycong H.K.	Dongguan Hua Gang	Sales	152,395	1	Normal trade terms	30 to 120 days after monthly closing	The terms with related parties are not significantly different from those to third parties	74,414	-	-	Note

Note: It was eliminated on consolidation.

TABLE 9.**WAH LEE INDUSTRIAL CORPORATION AND SUBSIDIARIES****INTERCOMPANY RELATIONSHIPS AND MAJOR INTERCOMPANY TRANSACTIONS****For the period from January 1 to March 31, 2025****Unit: NT\$ thousand**

編號	Trader	Counterparty	Relationship	Transaction Details			
				Item	Amount	Transaction Details	% of Total Sales or Assets
0	The Company	Shanghai Yikang	Parent to subsidiary	Operating revenue	\$ 116,075	According to the contract	-
0	The Company	Shanghai Yikang	Parent to subsidiary	Net accounts receivable	82,388	According to the contract	-
0	The Company	Shanghai Yikang	Parent to subsidiary	Other receivables	39,070	According to the contract	-
0	The Company	Dongguan Hua Gang	Parent to subsidiary	Operating revenue	73,290	According to the contract	-
0	The Company	Dongguan Hua Gang	Parent to subsidiary	Net accounts receivable	29,526	According to the contract	-
0	The Company	Raycong H.K.	Parent to subsidiary	Operating revenue	123,203	According to the contract	-
0	The Company	Raycong H.K.	Parent to subsidiary	Net accounts receivable	60,631	According to the contract	-
0	The Company	Raycong H.K.	Parent to subsidiary	Other income	13,340	According to the contract	-
0	The Company	Raycong H.K.	Parent to subsidiary	Other receivables	45,663	According to the contract	-
0	The Company	KS Corp.	Parent to subsidiary	Contract liabilities	70,224	According to the contract	-
0	The Company	WT Industrial	Parent to subsidiary	Other receivables	12,453	According to the contract	-
0	The Company	WT Industrial	Parent to subsidiary	Operating revenue	40,967	According to the contract	-
0	The Company	WT Industrial	Parent to subsidiary	Net accounts receivable	27,518	According to the contract	-
0	The Company	WL Philippines Inc	Parent to subsidiary	Operating revenue	13,216	According to the contract	-
0	The Company	WL Vietnam	Parent to subsidiary	Operating revenue	24,244	According to the contract	-
0	The Company	WL Vietnam	Parent to subsidiary	Net accounts receivable	30,939	According to the contract	-
0	The Company	WL Singapore	Parent to subsidiary	Operating revenue	36,133	According to the contract	-
0	The Company	WL Singapore	Parent to subsidiary	Net accounts receivable	23,885	According to the contract	-
0	The Company	Hightech	Parent to subsidiary	Operating revenue	47,917	According to the contract	-
0	The Company	Hightech	Parent to subsidiary	Net accounts receivable	31,431	According to the contract	-
0	The Company	Advance Hightech	Parent to subsidiary	Operating revenue	14,793	According to the contract	-
0	The Company	Advance Hightech	Parent to subsidiary	Net accounts receivable	14,997	According to the contract	-
1	Shanghai Yikang	The Company	Subsidiary to Parent	Other operating revenues	63,160	According to the contract	-
1	Shanghai Yikang	The Company	Subsidiary to Parent	Net accounts receivable	68,631	According to the contract	-
1	Shanghai Yikang	Dongguan Hua Gang	Subsidiary to subsidiary	Operating revenue	14,651	According to the contract	-
1	Shanghai Yikang	Shanghai Meditek	Parent to subsidiary	Other receivables	76,480	According to the contract	-
1	Shanghai Yikang	Fenghuang Xingwah Shouzheng	Parent to subsidiary	Other receivables	32,915	According to the contract	-
2	Dongguan Hua Gang	The Company	Subsidiary to Parent	Other receivables	694,037	According to the contract	1
2	Dongguan Hua Gang	Anhua Huixinkang	Parent to subsidiary	Other receivables	14,029	According to the contract	-
3	Raycong H.K.	The Company	Subsidiary to Parent	Interest income	32,688	According to the contract	-
3	Raycong H.K.	The Company	Subsidiary to Parent	Other receivables	3,038,068	According to the contract	6

(Continued)

(Concluded)

No.	Trader	Counterparty	Relationship	Transaction Details			
				Item	Amount	Transaction Details	% of Total Sales or Assets
3	Raycong H.K.	Dongguan Hua Gang	Parent to subsidiary	Operating revenue	\$ 152,395	According to the contract	-
3	Raycong H.K.	Dongguan Hua Gang	Parent to subsidiary	Net accounts receivable	74,414	According to the contract	-
4	Shenzhen Huaying	Dongguan Hua Gang	Subsidiary to subsidiary	Other operating revenues	10,407	According to the contract	-
5	WL Singapore	The Company	Subsidiary to Parent	Operating revenue	16,647	According to the contract	-
5	WL Singapore	The Company	Subsidiary to Parent	Net accounts receivable	11,467	According to the contract	-
6	Wah Lee Holding Ltd.	The Company	Subsidiary to Parent	Other receivables	730,510	According to the contract	1
7	Tranceed Logistics	The Company	Subsidiary to Parent	Other operating revenues	34,076	According to the contract	-
7	Tranceed Logistics	The Company	Subsidiary to Parent	Net accounts receivable	11,910	According to the contract	-