Stock Code: 2028

WEI CHIH STEEL INDUSTRIAL CO., LTD.

FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
AND INDEPENDENT AUDITORS' REVIEW REPORT

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Independent Auditors' Review Report

To the Board of Directors and Shareholders
Wei Chih Steel Industrial Co., Ltd.

Introduction

We have reviewed the accompanying balance sheets of Wei Chih Steel Industrial Co., Ltd. (the "Company") as of September 30, 2025 and 2024, the statements of comprehensive income for the three months and nine months ended September 30, 2025 and 2024, the statements of changes in equity and cash flows for the nine months ended September 30, 2025 and 2024, and notes to the financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the financial statements based on our reviews.

Scope of Review

We conducted our reviews in accordance with Statement of Review Standards No. 2410, "Review of Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. A review of financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our reviews, nothing has come to our attention that causes us to believe that the accompanying financial statements do not present fairly, in all material respects, the financial position of the Company as of September 30, 2025 and 2024, its financial performance for the three months and the nine months ended September 30, 2025 and 2024, as well as its cash flows for the nine months ended September 30, 2025 and 2024, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effective by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors' review report are Jen Yao Hsieh and Shu Man Tsai.

Crowe (TW) CPAs
Kaohsiung, Taiwan
Republic of China
November 11, 2025

<u>*Notice to Readers*</u>

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

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

WEI CHIH STEEL INDUSTRIAL CO., LTD.

BALANCE SHEETS

(In Thousands of New Taiwan Dollars)

		September 30, 2025		December 31, 2024		September 30, 2024	
Assets	Note	Amount	%	Amount	%	Amount	%
CURRENT ASSETS							
Cash and cash equivalents	6(1)	$ 121,707	1	$ 140,444	1	$ 126,168	1
Notes receivable, net	6(2)	26,739	-	61,520	1	65,364	1
Accounts receivable, net	6(3)	507,538	6	530,572	5	647,554	7
Other receivables		638	-	8,605	-	3,973	-
Current tax assets		10,020	-	-	-	-	-
Inventories	6(4)	2,977,098	37	4,296,828	44	4,272,975	45
Prepayments	6(5)	84,668	1	158,003	2	316,475	3
Other financial assets - current	8	111,877	1	39,527	-	39,442	-
Total current assets		3,840,285	46	5,235,499	53	5,471,951	57
NONCURRENT ASSETS							
Financial assets at fair value through other comprehensive income or loss - noncurrent	6(6)	378,129	4	394,346	4	365,659	4
Property, plant and equipment	6(7)	4,146,866	50	4,226,820	43	3,746,026	39
Right-of-use assets	6(8)	29,805	-	33,583	-	34,842	-
Intangible assets	6(10)	631	-	177	-	242	-
Deferred income tax assets		18,284	-	20,183	-	22,149	-
Refundable deposits		3,178	-	1,555	-	1,538	-
Total noncurrent assets		4,576,893	54	4,676,664	47	4,170,456	43
TOTAL ASSESTS		$ 8,417,178	100	$ 9,912,163	100	$ 9,642,407	100
Liabilities and Equity							
CURRENT LIABLITIES							
Short-term loans	6(11)	$ 345,674	4	$ 1,193,183	12	$ 1,457,527	15
Short-term notes and bills payable	6(12)	229,853	3	549,035	6	529,538	5
Contract liabilities - current	6(22)	388,014	5	378,720	4	283,549	3
Notes payables		125,746	1	142,530	1	154,835	2
Accounts payable		333,518	4	455,080	5	461,449	5
Accounts payable - related parties	7	15,358	-	30,681	-	37,215	-
Other payables	6(13)	289,328	3	402,735	4	409,989	4
Current tax liabilities		-	-	15,371	-	21,712	-
Provisions - current	6(14)	20,505	-	14,905	-	14,935	-
Lease liabilities - current	6(8)	5,142	-	5,034	-	4,999	-
Advance receipts	6(16)	500	-	-	-	-	-
Current portion of long-term loans	6(15)	229,611	3	191,979	2	183,409	2
Total current liabilities		1,983,249	23	3,379,253	34	3,559,157	36
NONCURRENT LIABILITIES							
Long-term loans	6(15)	1,692,171	21	1,802,332	19	1,424,129	16
Deferred income tax liabilities		-	-	82	-	-	-
Lease liabilities - noncurrent	6(8)	27,510	-	31,380	-	32,652	-
Long-term deferred revenue	6(16)	4,125	-	-	-	-	-
Net defined benefit liabilities - noncurrent		27,660	-	31,041	-	38,969	-
Guarantee deposits		1,020	-	1,020	-	1,020	-
Total noncurrent liabilities		1,752,486	21	1,865,855	19	1,496,770	16
Total Liabilities		3,735,735	44	5,245,108	53	5,055,927	52

Liabilities and Equity	Note	September 30, 2025 Amount	%	December 31, 2024 Amount	%	September 30, 2024 Amount	%
EQUITY							
Share capital	6(18)						
Ordinary shares		$3,257,148	39	$3,257,148	32	$3,257,148	33
Retained earnings	6(19)						
Legal reserve		267,097	3	259,247	3	259,247	3
Unappropriated earnings		840,699	10	817,944	8	766,056	8
Other equity	6(20)	357,210	4	373,427	4	344,740	4
Treasury stock	6(21)	(40,711)	-	(40,711)	-	(40,711)	-
Total equity		4,681,443	56	4,667,055	47	4,586,480	48
TOTAL LIABILITIES AND EQUITY		$ 8,417,178	100	$ 9,912,163	100	$ 9,642,407	100

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

WEI CHIH STEEL INDUSTRIAL CO., LTD.
STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

		Three Months Ended September 30				Nine Months Ended September 30			
		2025		2024		2025		2024	
Item	Note	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUES	6(22)	$ 1,744,325	100	$ 2,331,799	100	$ 6,322,585	100	$ 7,836,756	100
OPERATING COSTS	6(4)	(1,741,236)	(100)	(2,239,942)	(96)	(6,108,502)	(96)	(7,372,026)	(94)
GROSS PROFIT (LOSS)		3,089	-	91,857	4	214,083	4	464,730	6
OPERATING EXPENSES									
Sales and marketing		(22,381)	(1)	(14,528)	(1)	(69,514)	(1)	(43,684)	(1)
General and administrative		(21,556)	(1)	(31,482)	(1)	(76,870)	(1)	(94,018)	(1)
Expected credit gain (loss)	6(3)	665	-	15	-	290	-	2,532	-
Total operating expenses		(43,272)	(2)	(45,995)	(2)	(146,094)	(2)	(135,170)	(2)
INCOME FROM OPERATIONS		(40,183)	(2)	45,862	2	67,989	2	329,560	4
NON-OPERATING INCOME AND EXPENSES									
Interest income	6(24)	40	-	33	-	728	-	821	-
Other income	6(25)	1,835	-	753	-	24,033	-	32,139	-
Other gains and losses	6(26)	731	-	(7,232)	-	(13,457)	-	1,389	-
Finance costs	6(27)	(12,769)	(1)	(14,201)	(1)	(46,092)	(1)	(36,694)	-
Total non-operating income and expenses		(10,163)	(1)	(20,647)	(1)	(34,788)	(1)	(2,345)	-
INCOME BEFORE INCOME TAX		(50,346)	(3)	25,215	1	33,201	1	327,215	4
INCOME TAX BENEFIT (EXPENSE)	6(28)	10,048	1	1,401	-	(2,596)	-	(55,694)	(1)
NET INCOME		(40,298)	(2)	26,616	1	30,605	1	271,521	3
OTHER COMPREHENSIVE INCOME (LOSS)	6(29)								
Items that will not be reclassified subsequently to profit or loss:									
Unrealised gains (loss) on investments in equity instruments measured at fair value through other comprehensive income		13,804	1	3,495	-	(16,217)	-	52,635	1
Total other comprehensive income (loss), net of income tax		13,804	1	3,495	-	(16,217)	-	52,635	1
TOTAL COMPREHENSIVE INCOME		$ (26,494)	(1)	$ 30,111	1	$ 14,388	1	$ 324,156	4
EARNINGS PER SHARE									
Basic	6(30)	$ (0.13)		$ 0.08		$ 0.09		$ 0.84	
Diluted	6(30)	$ (0.13)		$ 0.08		$ 0.09		$ 0.84	

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

WEI CHIH STEEL INDUSTRIAL CO., LTD.
STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)

		Retained Earnings		Others		
	Odinary Share	Legal Reserve	Unappropriated Earnings	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive income	Treasury stock	Total Equity
BALANCE AT JANUARY 1, 2024	$ 3,257,148	$ 225,131	$ 723,065	$ 292,105	$ (37,967)	$ 4,459,482
Appropriations and distributions of prior years' earnings:						
Legal reserve	-	34,116	(34,116)	-	-	-
Cash dividends	-	-	(194,414)	-	-	(194,414)
Net income for the nine months ended September 30, 2024	-	-	271,521	-	-	271,521
Other comprehensive income (loss) for the nine months ended September 30, 2024, net of income tax	-	-	-	52,635	-	52,635
Total comprehensive income for the nine months ended September 30, 2024, net of income tax	-	-	271,521	52,635	-	324,156
Treasury stock acquired	-	-	-	-	(2,744)	(2,744)
BALANCE AT September 30, 2024	$ 3,257,148	$ 259,247	$ 766,056	$ 344,740	$ (40,711)	$ 4,586,480
BALANCE AT JANUARY 1, 2025	$ 3,257,148	$ 259,247	$ 817,944	$ 373,427	$ (40,711)	$ 4,667,055
Appropriations and distributions of prior years' earnings:						
Legal reserve	-	7,850	(7,850)	-	-	-
Net income for the nine months ended September 30, 2025	-	-	30,605	-	-	30,605
Other comprehensive income (loss) for the nine months ended September 30, 2025, net of income tax	-	-	-	(16,217)	-	(16,217)
Total comprehensive income for the nine months ended September 30, 2025, net of income tax	-	-	30,605	(16,217)	-	14,388
BALANCE AT September 30, 2025	$ 3,257,148	$ 267,097	$ 840,699	$ 357,210	$ (40,711)	$ 4,681,443

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

WEI CHIH STEEL INDUSTRIAL CO., LTD.

STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

Item	Nine Months Ended September 30 2025	Nine Months Ended September 30 2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 33,201	$ 327,215
Adjustments :		
Adjustments to reconcile profit (loss)		
Depreciation	288,789	261,841
Amortization	249	337
Expected credit loss (gain)	(290)	(2,532)
Interest expense	46,092	36,694
Interest income	(728)	(821)
Dividend income	(20,810)	(14,899)
Loss (gain) on disposal and retirement of property, plant and equipment	(30)	-
Transfer of property, plant and equipment to expenses	-	14,421
Others	(375)	-
Total adjustments to reconcile profit (loss)	312,897	295,041
Net changes in operating assets and liabilities		
Net changes in operating assets		
Decerase (increase) in notes receivable	34,956	1,748
Decrease (increase) in accounts receivable	23,149	504,573
Decrease (increase) in other receivables	7,951	(2,390)
Decrease (increase) in inventories	1,363,331	(1,189,380)
Decrease (increase) in prepayments	73,335	(91,425)
Total changes in operating assets	1,502,722	(776,874)
Net changes in operating liabilities		
Increase (decrease) in contract liabilities	9,294	253,550
Increase (decrease) in notes payable	(16,784)	(162,474)
Increase (decrease) in accounts payable	(136,885)	(102,167)
Increase (decrease) in other payables	(34,463)	(15,034)
Increase (decrease) in provisions	5,600	956
Increase (decrease) in net defined benefit liabilities	(3,381)	(3,598)
Total changes in operating liabilities	(176,619)	(28,767)
Total net changes in operating assets and liabilities	1,326,103	(805,641)
Total adjustments	1,639,000	(510,600)

Item	Nine Months Ended September 30	
	2025	2024
Cash generated from (used in) operations	$ 1,672,201	$ (183,385)
Interest received	744	778
Diviends received	20,810	14,899
Interest paid	(44,468)	(34,582)
Income tax returned (paid)	(26,170)	(88,672)
Net cash generated from (used in) operating activities	1,623,117	(290,962)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(229,498)	(386,682)
Proceeds from disposal of property, plant and equipment	30	-
Increase in refundable deposits	(1,623)	(511)
Acquisition of intangible assets	(703)	-
Increase in other financial assets	(72,350)	(5,367)
Net cash generated from (used in) investing activities	(304,144)	(392,560)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term loans	-	864,378
Decrease in short-term loans	(847,509)	-
Increase in short-term notes and bills payable	-	100,000
Decrease in short-term notes and bills payable	(320,000)	-
Increase in long-term loans	69,893	172,395
Decrease in long-term loans	(144,125)	(120,528)
Increase in long-term deferred revenue	5,000	-
Repayments of principal of lease liabilities	(3,762)	(3,657)
Cash dividends paid	(97,207)	(259,432)
Treasury stock acquired	-	(2,744)
Net cash generated from (used in) financing activities	(1,337,710)	750,412
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(18,737)	66,890
CASH AND CASH EQUIVALENTS - BEGINNING OF PERIOD	140,444	59,278
CASH AND CASH EQUIVALENTS - END OF PERIOD	$ 121,707	$ 126,168

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

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

1. GENERAL INFORMATION

(1) The Company was incorporated in October 1982 under the former name of Shih Wei Steel Co., Ltd. The Company changed its name as Wei Chih Steel Industrial Co., Ltd. in July 1989, and consolidated with Wei Hung Construction Co., Ltd. on May 31, 1992. Main business items of the Company are processing, manufacturing, trading and importing / exporting of steel rebars, bar steels, wire rods, steel billets and other steel products. The Company also rents and sales of public housing units and commercial building constructed by construction engineering firms entrusted by the Company. However, such businesses were cancelled in 2010. The Company does not have the ultimate parent company.

(2) The financial statements are presented in the Company's functional currency, New Taiwan Dollars.

2. THE AUTHORIZATION OF THE FINANCIAL STATEMENTS

The accompanying financial statements were approved and authorized for issue by the Board of Directors on November 11, 2025.

3. APPLICATION OF NEW AND AMENDED STANDARDS AND INTERPRETATIONS

3.1 Effect of adoption of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the "IFRSs") endorsed and issued into effect by the Financial Supervisory Commission (FSC):

The adoption of the amendments to the IFRSs endorsed and issued into effect by the FSC did not have any material impact on the Company's accounting policies.

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

New, Amended or Revised Standards and Interpretations (the "New IFRSs")	Effective Date Announced by IASB
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025

A. Amendments to IAS 21 "Lack of Exchangeability"

This amendment defines convertibility and provides guidance on how companies can determine the spot exchange rate on the measurement date when a currency lacks convertibility. The amendment also requires companies to provide more useful information in their financial statements when one currency is not convertible into another.

The Company has evaluated the aforementioned standards and interpretations, and there's no significant effect on the Company's financial position and performance.

3.2 Effect of new issuances or amendments to IFRSs as endorsed by the FSC but not yet adopted:

New, Amended or Revised Standards and Interpretations (the "New IFRSs")	Effective Date Announced by IASB
Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures" - Amendments to the Classification and Measurement of Financial Instruments	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Contracts involving natural electricity"	January 1, 2026
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial application IFRS 17 and IFRS 9—Comparative Information"	January 1, 2023
Annual Improvements to IFRS Accounting Standards－Volume 11	January 1, 2026

A. The Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures" - Amendments to the Classification and Measurement of Financial Instruments

(A) Clarify and add to the application guidance on how to assess whether contractual cash flows of a financial asset are solely payments of principal and interest (SPPI) on the principal amount outstanding. The amendments further address the assessment on the contractual cash flow that could change subject to a contingent event, for example, interests linked to an ESG metric, as well as the treatment of non-recourse assets and contractually linked instruments.

(B) Require additional disclosures for financial instruments with contractual terms that that could change contractual cash flows of a contingent event (including those that are ESG-linked). Disclosures include a qualitative description of the nature of the contingent event, quantitative information about the possible changes to contractual cash flows as well as the gross carrying amount of financial assets and the amortized cost of financial liabilities subject to those contractual terms.

(C) Clarify that a financial liability is derecognized on the settlement date and describe the accounting treatment for a financial liability (or part of it) that will be settled in cash using an electronic payment system to be discharged before the settlement date if, and only if, the entity has initiated a payment instruction that has resulted in:

a. The entity having no practical ability to withdraw, stop or cancel the payment instruction

b. The entity having no practical ability to access the cash to be used for settlement as a result of the payment instruction

c. The settlement risk associated with the electronic payment system being insignificant

(D) Require additional disclosures for equity instruments classified at fair value through other comprehensive income (FVTOCI). It is required to disclose the fair value gain or loss presented in OCI during the reporting period, showing separately the fair value gain or loss that relates to investments derecognized in the reporting period and the fair value gain or loss that relates to investments held at the end of the reporting period. If an entity derecognizes investments in equity instruments measured at FVTOCI during the reporting period, it is now required, under the amendments, to disclose any transfers of the cumulative gain or loss within equity during the reporting period related to the investments derecognized during that reporting period. Also, it is no longer required to disclose the fair value of each equity instruments designated at FVTOCI, this information can be provided by class of instruments

The Company has evaluated the aforementioned standards and interpretations, and there's no significant effect on the Company's financial position and performance.

3.3 Effect of IFRSs issued by IASB but not yet endorsed and issued into effect by FSC

New IFRSs	Effective Date Announced by IASB
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 18 "Presentation and disclosure of financial statements"	January 1, 2027
IFRS 19 "Disclosure Initiative - Subsidiaries without Public Accountability: Disclosures"	January 1, 2027

A. Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"

The amendment resolve the difference between IFRS 10 and IAS 28, Transactions in which investors sell (invest) assets to their affiliated companies or joint ventures. Recognition of the gain or loss from the sale or contribution of assets depends on whether the assets constitute a business.

(A) The gain or loss resulting from the sale or contribution of assets that constitute a business, between an investor and its associate or joint venture is recognized in full;

(B) The partial gain or loss recognition for transactions between an investor and its associate or joint venture only apply to the gain or loss resulting from the sale or contribution of assets that do not constitute a business.

B. IFRS 18 "Presentation and Disclosure of Financial Statements"

IFRS 18 will replace IAS 1 and update the structure of the comprehensive Income statement, add disclosures on management performance measures, and strengthen the aggregation and segmentation principles applied to the main financial statements and notes.

C. IFRS 19 “Disclosure Initiative - Subsidiaries without Public Accountability: Disclosures”

IFRS 19 permits eligible subsidiaries to apply reduced disclosure requirements instead of the disclosure requirements in other IFRS Accounting Standards.

In addition to the above impacts, as of the date of this financial report, the Company continues to evaluate the impact of the above standards and interpretations on the Company's financial position and financial performance, and the relevant impact will be disclosed when the assessment is completed.

Except as stated below, The Company has assessed that the above standards and interpretations have no significant impact on the Company’s financial position and financial performance.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Except for the following, the accounting policies applied in these financial statements are consistent with those applied in the financial statements for the year ended December 31, 2024. These policies have been consistently applied to all the periods presented, unless otherwise stated.

4.1 Statement of Compliance

The accompanying financial statements have been prepared in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34, “Interim Financial Reporting,” endorsed and issued into effect by the FSC. The financial statements should be read along with the financial statements for the year ended December 31, 2024.

4.2 Basis of preparation

(1) Except for the following items, the financial statements have been prepared under the historical cost convention:

A. Financial assets and financial liabilities (including derivative instruments) measured at fair value through profit or loss.

B. Financial assets and liabilities measured at fair value through other comprehensive income.

C. Defined benefit liabilities recognized based on the net amount of pension fund assets less present value of defined benefit obligation.

(2) The preparation of the financial statements in compliance with the IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company accounting policies. The areas

involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 5.

4.3 Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings. The effect of a change in tax rate resulting from a change in tax law is recognized consistently with the accounting for the transaction itself which gives rise to the tax consequence, and this is recognized in profit or loss, other comprehensive income or directly in equity in full in the period in which the change in tax rate occurs.

4.4 Retirement benefits

The pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events.

5. CRITICAL ACCOUNTING JUDGEMENTS AND MAJOR SOURCES OF ESTIMATION AND ASSUMPTION UNCERTAINTY

The same critical accounting judgments and key sources of estimates and uncertainty have been followed Note 5 in these financial statements as were applied in the preparation of the Company's financial statements for the year ended December 31, 2024.

6. DESCRIPTION OF SIGNIFICANT ACCOUNTS

Except for the following disclosures, please refer to Note 6 of the financial statements for the year ended December 31, 2024.

6.1 Cash and cash equivalents

Item	September 30, 2025	December 31, 2024	September 30, 2024
Cash on hand	$288	$488	$134
Checking account	584	324	324
Demand deposits	118,860	87,104	109,446
Foreign currency deposits	1,975	52,528	16,264
Total	$121,707	$140,444	$126,168

(1) The the Company deposits its cash and cash equivalents at several financial institutions that have high credit quality to diversify its risk. Therefore, the Company considers its cash and cash equivalents to have low credit risk.

(2) The Company had no cash and cash equivalents pledged to others.

6.2 Notes receivable, net

Item	September 30, 2025	December 31, 2024	September 30, 2024
At amortized cost			
Notes receivable	$26,873	$61,829	$65,692
Less: Loss allowance	(134)	(309)	(328)
Notes receivable, net	$26,739	$61,520	$65,364

(1) The Company had no notes receivable pledged to others.

(2) Please refer to Note 6(3) for the relevant disclosure of loss allowance for notes receivable.

6.3 Accounts receivable, net

Item	September 30, 2025	December 31, 2024	September 30, 2024
At amortized cost			
Accounts receivable	$510,089	$533,238	$650,808
Less: Loss allowance	(2,551)	(2,666)	(3,254)
Accounts receivable, net	$507,538	$530,572	$647,554

(1) The average credit period of sales of goods ranges from 7 to 60 days, which is determined by reference to the credit granting policy based on the counterparties' industrial characteristics, operation scales and profitability.

(2) The Company has not provided accounts receivable as collateral for loans from financial institutions.

(3) The Company using the simplified approach to recognize the loss allowance at an amount equal to lifetime expected credit losses (i.e. ECLs) for notes receivables and accounts receivables. The expected credit losses are calculated based on loss rates estimated by reference to past default experience and the current financial position of the debtor, adjusted for current and forecast economic conditions of the industry. As the Company's historical credit loss experience does not show significantly different loss patterns for different customer segments, the following provision matrix for loss allowance based on past due status is not further distinguished according to the Company's different customer base.

(4) The loss allowances for notes receivable and accounts receivable according to the provision matrix were detailed below:

September 30, 2025	Expected credit loss rate	Gross carrying amount	Loss allowance (Lifetime ECL)	Amortized cost
Not past due	0.5%~1%	$536,962	$(2,685)	$534,277
1-90 days	10%	-	-	-
91-180 days	50%	-	-	-
Over 180 days	100%	-	-	-
Total		$536,962	$(2,685)	$534,277

December 31, 2024	Expected credit loss rate	Gross carrying amount	Loss allowance (Lifetime ECL)	Amortized cost
Not past due	0.5%~1%	$595,067	$(2,975)	$592,092
1-90 days	10%	-	-	-
91-180 days	50%	-	-	-
Over 180 days	100%	-	-	-
Total		$595,067	$(2,975)	$592,092

September 30, 2024	Expected credit loss rate	Gross carrying amount	Loss allowance (Lifetime ECL)	Amortized cost
Not past due	0.5%~1%	$716,500	$(3,582)	$712,918
1-90 days	10%	-	-	-
91-180 days	50%	-	-	-
Over 180 days	100%	-	-	-
Total		$716,500	$(3,582)	$712,918

(5) The movements of the loss allowances for notes receivable and accounts receivable were as follows:

	Nine Months Ended September 30	
	2025	2024
Beginning balance	$2,975	$6,114
Recognition (Reversal) of impairment losses	(290)	(2,532)
Less: Amounts written off	-	-
Ending balance	$2,685	$3,582

These amounts were recognized considering all other credit enhancements held by the Company. The other enhancements, such as letter of credits, held by the Company for these accounts receivable amounted to $510,089 thousand, $342,434 thousand and $613,528 thousand as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively.

The Company writes off an accounts receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. However, the Company continues to engage in enforcement activity to recover the receivables due. Any recovered amounts are recognized in profit or loss. The Company has written off $0 thousand for the nine months ended September 30, 2025 and 2024.

(6) Please refer to Note 12 for information on related credit risk management and evaluation method.

6.4 Inventories and costs of goods sold

Item	September 30, 2025	December 31, 2024	September 30, 2024
Raw materials	$502,632	$840,223	$958,773
Supplies	419,425	406,158	361,349
Work in process	1,251,639	2,405,966	2,048,105
Finished goods	802,720	643,699	903,806
Other inventories	682	782	942
Total	$2,977,098	$4,296,828	$4,272,975

(1) The related inventory gains (losses) recognized as costs of goods sold for the current year:

	Three Months Ended September 30	
Items	2025	2024
Cost of goods sold	$1,652,884	$2,234,155
Unallocated overheads	88,352	5,787
Total operating costs	$1,741,236	$2,239,942

Items	Nine Months Ended September 30	
	2025	2024
Cost of goods sold	$5,944839	$7,357,404
Unallocated overheads	163,663	14,622
Total operating costs	$6,108,502	$7,372,026

(2) The Company recognized inventory valuation loss (gain) of $0 thousand for the three months and nine months ended September 30, 2025 and 2024, respectively, due to inventory's write-down to net rea.

(3) The Company had no inventories pledged to others.

6.5 Prepayments

Item	September 30, 2025	December 31, 2024	September 30, 2024
Overpaid sales tax	$-	$38,456	$40,457
Prepayments to supplies	28,512	53,906	210,463
Prepaid expenses	40,350	26,061	30,196
Input Tax	8,378	14,013	15,554
Other prepayments	7,428	25,567	19,805
Total	$84,668	$158,003	$316,475

6.6 Financial assets at fair value through other comprehensive income

Item	September 30, 2025	December 31, 2024	September 30, 2024
Noncurrent			
Equity instruments			
Domestic unlisted shares	$5,732	$5,732	$5,732
Domestic listed shares	15,187	15,187	15,187
Subtotal	$20,919	$20,919	$20,919
Valuation adjustment	357,210	373,427	344,740
Total	$378,129	$394,346	$365,659

(1) Investments in domestic listed and unlisted stocks are held for medium to long-term strategic purposes and are expected to be profitable through long-term investments. Accordingly, the management elected to designate these equity investments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Company's strategy of holding these investments for long-term purposes.

(2) Please refer to Note 12 for information on related credit risk management and evaluation method.

6.7 Property, plant and equipment

Item	September 30, 2025	December 31, 2024	September 30, 2024
Land	$1,745,971	$1,745,971	$1,168,179
Buildings	1,384,700	1,375,487	1,375,487
Machinery	5,871,049	5,735,797	5,456,341
Other equipment	1,185,567	1,180,468	1,180,468
Equipment to be inspected and construction in progress	286,300	233,572	516,864
Total cost	$10,473,587	$10,271,295	$9,697,339
Less: Accumulated depreciation	(6,326,721)	(6,044,475)	(5,951,313)
Accumulated impairment	-	-	-
Total	$4,146,866	$4,226,820	$3,746,026

	Land	Buildings	Machinery	Other equipment	Equipment to be inspected and construction in progress	Total
Cost						
Balance at January 1, 2025	$1,745,971	$1,375,487	$5,735,797	$1,180,468	$233,572	$10,271,295
Additions	-	4,980	67,196	1,222	175,260	248,658
Disposals	-	-	-	(2,765)	-	(2,765)
Reclassification	-	4,233	111,657	6,642	(122,532)	-
Equipment spare parts are transferred to the material inventory	-	-	(43,601)	-	-	(43,601)
Balance at September 30, 2025	$1,745,971	$1,384,700	$5,871,049	$1,185,567	$286,300	$10,473,587
Accumulated depreciation and impairment						
Balance at January 1, 2025	$ -	$1,027,595	$3,954,094	$1,062,786	$ -	$6,044,475
Depreciation expense	-	21,410	220,674	42,927	-	285,011
Disposals	-	-	-	(2,765)	-	(2,765)
Balance at September 30, 2025	$ -	$1,049,005	$4,174,768	$1,102,948	$ -	$6,326,721

	Land	Buildings	Machinery	Other equipment	Equipment to be inspected and construction in progress	Total
Cost						
Balance at January 1, 2024	$1,150,473	$1,375,487	$5,087,161	$1,160,929	$624,697	$9,398,747
Additions	14,166	-	66,898	9,335	281,702	372,101
Reclassification	3,540	-	375,791	10,204	(389,535)	-
Transfer to expenses	-	-	(14,421)	-	-	(14,421)

	Land	Buildings	Machinery	Other equipment	Equipment to be inspected and construction in progress	Total
Equipment spare parts are transferred to the material inventory	-	-	(59,088)	-	-	(59,088)
Balance at September 30, 2024	$1,168,179	$1,375,487	$5,456,341	$1,180,468	$516,864	$9,697,339
Accumulated depreciation and impairment						
Balance at January 1, 2024	$ -	$998,626	$3,699,717	$994,907	$ -	$5,693,250
Depreciation expense	-	21,743	185,235	51,085	-	258,063
Balance at September 30, 2024	$ -	$1,020,369	$3,884,952	$1,045,992	$ -	$5,951,313

1. Please refer to Note 6.27 for information on interest capitalization.
2. Please refer to Note 8 for information on the property, plant and equipment that were pledged to others.
3. Property, plant and equipment are depreciated using the straight-line method to allocate their cost over their estimated useful lives. The estimated useful lives are as follows:

Building and structure	
Main buildings including plant and office building	21 to 56 years
Equipment of electromechanical dynamic force	9 to 46 years
Others	2 to 16 years
Machinery	2 to 36 years
Other equipment	2 to 36 years

4. The Company is unable to register the land under its name due to restrictions by laws and regulations. Therefore, the land is temporarily registered under the name of an individual. The amounts for the land as of September 30, 2025, December 31, 2024 and September 30, 2024 are all $165,972 thousand, respectively. Accordingly, the ownership was registered under the name of an individual with an affidavit as safeguard measures, when the restriction was cancelled, the land will be unconditionally transfer to the Company. As of September 30, 2025, the mortgage rights of the above-mentioned assets have been set up. The obligee is the Company or used as collateral for the Company's loans.

5. Reconciliation of current additions and the acquisition of property, plant and equipment in statement of cash flows is as follows:

Items	Nine Months Ended September 30 2025	Nine Months Ended September 30 2024
Increase in property, plant and equipment	$248,658	$372,101
Decrease (increase) in purchase of equipment payable	(19,160)	14,581
Cash paid for acquisition of property, plant and equipment	$229,498	$386,682

6.8 Lease agreements

(1) Right-of-use assets

Item	September 30, 2025	December 31, 2024	September 30, 2024
Land	$63,807	$63,807	$63,807
Transportation equipment	622	622	622
Total cost	$64,429	$64,429	$64,429
Less: Accumulated depreciation	(34,624)	(30,846)	(29,587)
Right-of-use assets, net	$29,805	$33,583	$34,842

Cost	Land	Transportation Equipment	Total
Balance at January 1, 2025	$63,807	$622	$64,429
Additions	-	-	-
Balance at September 30, 2025	$63,807	$622	$64,429
Accumulated Depreciation			
Balance at January 1, 2025	$30,224	$622	$30,846
Depreciation	3,778	-	3,778
Balance at September 30, 2025	$34,002	$622	$34,624

Cost	Land	Transportation Equipment	Total
Balance at January 1, 2024	$63,807	$622	$64,429
Additions	-	-	-
Balance at September 30, 2024	$63,807	$622	$64,429
Accumulated Depreciation			
Balance at January 1, 2024	$25,187	$622	$25,809
Depreciation	3,778	-	3,778
Balance at September 30, 2024	$28,965	$622	$29,587

(2) Lease liabilities

Item	September 30, 2025	December 31, 2024	September 30, 2024
Carrying amount of lease liabilities			
Current	$5,142	$5,034	$4,999
Noncurrent	$27,510	$31,380	$32,652

The ranges of discount rates for the lease liabilities:

Item	September 30, 2025	December 31, 2024	September 30, 2024
Land/Transportation equipment	2.68% ~ 2.83%	2.68% ~ 2.83%	2.68% ~ 2.83%

Please refer to Note 12(3) for information on the maturity analysis of the lease liabilities.

C. Material lease-in activities and terms

The Company leases land and transportation equipment for the use of plants and official vehicles. The lease terms range from 1 to 3 years. The Company has an option to renew part of the leases at the end of the lease terms. The company recognizes the lease renewal rights as lease liabilities. There was no indication of impairment for right-of-use assets as of September 30, 2025, December 31, 2024 and September 30, 2024. Therefore, no impairment assessment was performed for these assets.

D. Subleases of right-of-use assets: None.

E. Other lease information:

Cash outflow relating to leases for the year is as follows:

Item	Three Months Ended September 30	
	2025	2024
Expenses relating to short-term leases	$679	$619
Expenses relating to low-value asset leases	$ -	$ -
Expenses relating to variable lease payments not included in the measurement of lease liabilities	$ -	$ -
Total cash outflow for leases (Note)	$(1,942)	$(1,847)

Item	Nine Months Ended September 30	
	2025	2024
Expenses relating to short-term leases	$2,390	$1,956
Expenses relating to low-value asset leases	$ -	$ -
Expenses relating to variable lease payments not included in the measurement of lease liabilities	$ -	$ -
Total cash outflow for leases (Note)	$(6,152)	$(5,613)

(Note): Payments of the principal portion of lease liabilities are included.

The Company elected to apply the recognition exemption for short-term leases and low-value asset leases for the three months and nine months ended September 30, 2025 and 2024 and, thus, did not recognize right-of-use assets and lease liabilities.

6.9 Investment properties

Items	September 30, 2025	December 31, 2024	September 30, 2024
Land	$2,709	$2,709	$2,709
Building	5,320	5,320	5,320
Total costs	$8,029	$8,029	$8,029
Less: accumulated depreciation and impairment	(8,029)	(8,029)	(8,029)
Net	$ -	$ -	$ -

6.10 Intangible Assets

Item	September 30, 2025	December 31, 2024	September 30, 2024
Computer software	$3,882	$3,179	$3,179
Less: Accumulated amortization	(3,251)	(3,002)	(2,937)
Net	$631	$177	$242

	Nine Months Ended September 30	
Cost	2025	2024
Opening balance	$3,179	$3,179
Additions	703	-
Ending balance	$3,882	$3,179
Accumulated amortization and impairment		
Opening balance	$3,002	$2,600
Amortization	249	337
Ending balance	$3,251	$2,937

6.11 Short-term loans

	September 30, 2025	
The Nature of loans	Amount	Interest rate
Raw Materials Purchase loans	$175,674	2.23%-5.07%
Unsecured loans	170,000	2.17%-2.37%
Total	$345,674	

The interest rate of New Taiwan dollar borrowing is 2.17%-2.37%, the interest rate of US dollar borrowing is 5.07%.

The Nature of loans	December 31, 2024 Amount	Interest rate
Raw Materials Purchase loans	$769,282	2.23%-5.51%
Unsecured loans	423,901	1.95%-2.36%
Total	$1,193,183	

The interest rate of New Taiwan dollar borrowing is 1.95%~2.43%, the interest rate of US dollar borrowing is 5.51%.

The Nature of loans	September 30, 2024 Amount	Interest rate
Raw Materials Purchase loans	$774,326	2.18%-5.66%
Unsecured loans	683,201	1.95%-2.34%
Total	$1,457,527	

The interest rate of New Taiwan dollar borrowing is 1.95%~2.43%, the interest rate of US dollar borrowing is 5.66%.

6.12 Short-term notes and bills payable

Item	September 30, 2025	December 31, 2024	September 30, 2024
Commercial paper	$230,000	$550,000	$530,000
Less: unamortized discount	(147)	(965)	(462)
Net	$229,853	$549,035	$529,538
Interest Rate Range	1.67%-1.80%	1.56%-1.87%	2.07%-2.13%

6.13 Other payables

Item	September 30, 2025	December 31, 2024	September 30, 2024
Water and electricity charges	$88,853	$75,915	$84,673
Accrued payroll	49,449	56,494	62,228
Equipment payable	36,332	17,172	21,304
Interest payable	1,877	2,774	2,575
Slag cleaning freight	68,942	79,533	91,552
Quantity discounts	1,047	6,477	3,172
Bonus to employees and remuneration to directors - last period	69	40	59
Bonus to employees and remuneration to directors - current period	851	9,317	8,400
Dividends payable	-	97,207	97,207
Purchase bonus	15,604	38,378	21,015
Other payables	26,304	19,428	17,804
Total	$289,328	$402,735	$409,989

6.14 Provisions - current

Item	September 30, 2025	December 31, 2024	September 30, 2024
Employee benefits	$16,905	$14,905	$14,935
Onerous purchase contracts	3,600	-	-
Total	$20,505	$14,905	$14,935

Item	Employee benefits	Onerous Purchase contracts	Total
January 1, 2025	$14,905	$ -	$14,905
Recognized during the period	16,905	3,600	20,505
Used during the period	(14,905)	-	(14,905)
September 30, 2025	$16,905	$3,600	$20,505

Items	Employee benefits	Onerous purchase contract	Total
January 1, 2024	$13,979	$ -	$13,979
Recognized during the period	14,935	-	14,935
Used during the period	(13,979)	-	(13,979)
September 30, 2024	$14,935	$ -	$14,935

1. Provision for employee benefits is an estimate of employee's vested short-service leave.
2. Provision for carbon fees: The Company plans to submit a self-reduction plan and an application for identification as a high carbon leakage risk industry in May 2025. The Company comprehensively considers the available internal and external information, evaluates whether preferential rates and emission adjustment coefficients should be applicable, and estimates the carbon fee liability provision based on the ratio of emissions from January to September 2025 to the estimated carbon emissions for 2025. According to regulations, the carbon fee for 2025 should be paid in May 2026.

6.15 Long-term loans and current portion

Item	September 30, 2025	December 31, 2024	September 30, 2024
Unsecured loans	$853,579	$460,006	$805,460
Secured loans	1,069,655	1,537,460	805,800
Subtotal	$1,923,234	$1,997,466	$1,611,260
Less: Current portion	(229,611)	(191,979)	(183,409)
Less: Unamortized discount	(1,452)	(3,155)	(3,722)
Total	$1,692,171	$1,802,332	$1,424,129
Interest rate range	1.5950%-2.5290%	1.72%-2.5284%	1.5950%-2.5010%

1. According to loan agreements, the Company shall set up a special account for operating receipts in Mega International Commercial Bank, and promise that the cumulative amount of remittance (deposit) shall not be less than a certain amount every quarter from the day of drawing, and the average balance of the special account shall not be less than a certain amount in 3 months. Except for the quarter of the day of drawing, the review date will be the end of each quarter. If the Company does not meet the above creteria, the interest rate will be increased by another 0.1% from the next day of the quarter until the creteria is met. The Company has met the creteria of the contract in the recent quarter.

2. According to loan agreements, the Company shall maintain specific current ratios, debt ratios and interest coverage ratios after loan disbursement. After the day of drawing, the above-mentioned financial ratios of the annual financial reports shall be reviewed by the end of May each year, and the short-term borrowing limit shall not exceed $30,000 thousand if the above-mentioned financial ratios of the annual financial reports do not meet the creteria. The above-mentioned financial ratios of the second quarter financial reports shall continue to be reviewed, and if they do not meet the creteria, the short-term borrowing limit shall be reviewed. After reviewing the 2024 annual financial report, the financial ratios met the requirements of the loan contract.

3. Please refer to Note 8 for collaterals pledged for long-term borrowings.

6.16 Long-term deferred revenue

Item	September 30, 2025	December 31, 2024	September 30, 2024
Deferred revenue:			
Equipment subsidy	$5,000	$ -	$ -
Less: cumulated recognized revenue	(375)	-	-
Less: reclassified advance receipts (current portion)	(500)	-	-
Ending balance	$4,125	$ -	$ -

Our company obtained the waste heat and waste cold recovery technology demonstration application project subsidy - steel drum preheater regenerative combustion and fuel conversion project through the Ministry of Economic Affairs, and received the equipment purchase subsidy in February 2025.

6.17 Pension

1. Defined contribution plans
   (1) The employee pension plan under the Labor Pension Act of the R.O.C. (the Act) is a defined contribution plan. Pursuant to the plan, the Company makes monthly contributions of 6% of each individual employee's salary or wage to employees' pension accounts.
   (2) The amount to be contributed under the defined contribution plans was recognized as expense in the statements of comprehensive income, totaled $2,467 thousand, $2,462 thousand, $7,358 thousand and $7,449 thousand for the three months and Nine months ended September 30, 2025 and 2024 respectively.

2. Defined benefit plans
   (1) Employee benefit expenses in respect of the Company's defined benefit plan were $113 thousand, $118 thousand, $337 thousand and $355 thousand for the three months and Nine months ended September 30, 2025 and 2024, and were calculated using the actuarially determined pension cost rates as of December 31, 2024 and 2023.
   (2) The Company estimated that the Labor Retirement Account is insufficient to pay the labor pension that is expected to meet the retirement conditions next year at the year end of 2024 and 2023, and funded the difference to reduce net defined benefit liability are $0 thousand as of March 31, 2025 and 2024.

6.18 Share capital

1. The movements in the number of the Company’s ordinary shares outstanding are as follows:

Item	September 30, 2025	December 31, 2024	September 30, 2024
ordinary shares outstanding(in thousands)	325,715	325,715	325,715
paid-in capital	$3,257,148	$3,257,148	$3,257,148

2. As of September 30, 2025, the authorized capital amount of the Company is $7,200,000 thousand, consisting of 720,000 thousand shares, at par value of $10 per share. The Company’s paid-in capital is $3,257,148 thousand, consisting of ordinary shares..

6.19 Retained earnings and dividend policy

1. According to the earnings distribution policy of the Company's articles, the Company's surplus earnings distribution or loss make-up can be done after the end of each quarter. If there is a surplus in the quarterly final accounts, it should first estimate and retain the tax payable, make up for the accumulated losses, estimate and retain the employee's remuneration and director's remuneration, and add 10% to the statutory reserve. When the legal reserve equals the Company’s paid-in capital, 10% of the remaining amount is no longer to be set aside as legal reserve. The special earnings reserve shall be recognized or reversed in accordance with laws and regulations. If there is still a earnings, the balance shall be added to the accumulated undistributed earnings of the previous quarter, and the board of directors shall prepare a earnings distribution proposal. When earnings are distributed in cash, it shall be subject to a resolution of the board of directors, and when earnings are distributed in the form of new shares, it shall be submitted to the shareholders' meeting for resolution.

   The Company's dividend policy is based on current and future development plans, consideration of the investment environment, domestic and foreign competition conditions, and maintenance of a sound long-term financial structure, as well as factors such as shareholders' interests. The total expected dividend distribution in cash is not less than 30% of the current after-tax net profit after making up for past losses, deducting legal reserve and the provision or reversal of special earnings reserve in accordance with laws and regulations. Except for improving the financial structure and meeting the capital needs of major capital expenditures, cash dividends shall not be less than 10% of the total dividends distributed in the current year.

2. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is limited to the portion in excess of 25% of the Company’s paid-in capital.

3. The appropriation of earnings and dividends per share for the fourth quarter of 2023 had been resolved at the shareholders' meetings on June 20, 2024. Details were summarized below:

Item	Appropriation of Earnings	Dividends Per Share (NT$)
Legal reserve	$9,625	
Cash dividends	97,207	$0.30
Total	$106,832	

4. The appropriation of earnings and dividends per share for the fourth quarter of 2024 had been resolved the shareholders' meetings on June 18, 2025 and the second quarter of 2024 had been resolved at the board of directors on August 13, 2024. Details were summarized below:

	Appropriation of Earnings			2024
Item	The second quarter of 2024	The fourth quarter of 2024	Total	Dividends Per Share (NT$)
Legal reserve	$24,491	$7,850	$32,341	
Cash dividends	97,207	-	97,207	$0.30
Total	$121,698	$7,850	$129,548	

5. Information on the resolution of the board of directors' and shareholders' meetings regarding the appropriation of earnings is available from the "Market Observation Post System" on the website of the TWSE.

6. The appropriations of the earnings for the second and third quarters of 2025 were resolved by the Board of Directors on August 11 and November 11, 2025, respectively, deciding not to distribute the earnings.

7. The declared dividends and the adjustments for cash dividends in the cash flow statement are as follows:

	Nine Months Ended September 30	
Item	2025	2024
Cash dividends	$-	$194,414
Decrease (Increase) in dividends payable	97,207	65,018
Cash amount distributed in dividends	$97,207	$259,432

6.20 Other Equity Items

Item	Unrealized gains (losses) on valuation of financial assets at FVTOCI	
	Nine Months Ended September 30	
	2025	2024
Beginning balance	$373,427	$292,105
Unrealized gains (losses) on valuation financial assets at FVTOCI	(16,217)	52,635
Ending balance	$357,210	$344,740

6.21 Treasury stock

1. Reasons for share repurchase and movements in the number of the treasury shares are as follows:

   Nine months ended September 30, 2025:

   Unit: in thousand

Reasons for share repurchase	Nine Months Ended September 30, 2025			
	January 1	Increase during the year	Decrease during the year	September 30
To be reissued to employees	1,693	-	-	1,693

   Nine Months Ended September 30, 2024:

   Unit: in thousand

Reasons for share repurchase	Nine Months Ended September 30, 2024			
	January 1	Increase during the year	Decrease during the year	September 30
To be reissued to employees	1,583	110	-	1,693

   (1) The Company repurchased 2,000 thousand shares of ordinary stock from August 12, 2022 to October 11, 2022 at a price range of $18 to $28 per share by resolution of the Board of Directors on August 11, 2022 to motivate employees and retain outstanding talent. However, if the share price falls below the lower limit of the originally agreed range, the Company will continue to buy back the Company's shares, and as of October 11, 2022, the expiration date of the repurchase period, the Company has repurchased a total of 1,005 thousand shares.

   (2) The Company repurchased 1,000 thousand shares of ordinary shares from November 11, 2022 to January 9, 2023 at a price range of $18 to $24 per share by resolution of the Board of Directors on November 10, 2022 to motivate employees and retain outstanding talent. However, if the share price falls below the lower limit

of the originally agreed range, the Company will continue to buy back the Company's shares, and as of December 31, 2022, a total of 259 thousand shares have been repurchased. In addition, as of January 9, 2023, the expiration date of the repurchase period, the Company executed the repurchase of a total of 259 thousand shares.

(3) The Company repurchased 2,000 thousand shares of ordinary shares from November 13, 2023 to January 12, 2024 at a price range of $18 to $25 per share by resolution of the Board of Directors on November 10, 2023 to motivate employees and retain outstanding talent. However, if the share price falls below the lower limit of the originally agreed range, the Company will continue to buy back the Company's shares, and as of January 12, 2024, the expiration date of the repurchase period, the Company executed the repurchase of a total of 429 thousand shares.

2. Pursuant to the R.O.C. Securities and Exchange Law, the number of shares bought back as treasury share should not exceed 10% of the number of the Company’s issued, outstanding shares and the amount bought back should not exceed the sum of retained earnings, paid-in capital in excess of par value and realised capital surplus.

3. Pursuant to the R.O.C. Securities and Exchange Law, treasury shares should not be pledged as collateral and are not entitled to dividends before they are reissued.

4. Pursuant to the R.O.C. Securities and Exchange Law, treasury shares should be reissued to the employees within five years from the repurchase date and shares not reissued within the five-year period are to be retired. Treasury shares for protecting the Company’s credit rating and the stockholders’ interest should be retired within six months of repurchase.

6.22 Operating Revenue

	Three Months Ended September 30	
Item	2025	2024
Revenue from contracts with customers		
Sales of products	$1,750,856	$2,328,593
Sales of scraps	1,156	824
Total sales revenue from contracts with customers	$1,752,012	$2,349,417
Less: Sales return	(1,399)	(491)
Sales discount	(6,288)	(17,127)
Net sales revenue from contracts with customers	$1,744,325	$2,331,799

Item	Nine Months Ended September 30 2025	2024
Revenue from contracts with customers		
Sales of products	$6,342,029	$7,860,638
Sales of scraps	3,169	2,962
Total sales revenue from contracts with customers	$6,345,198	$7,863,600
Less: Sales return	(3,170)	(2,242)
Sales discount	(19,443)	(24,602)
Net sales revenue from contracts with customers	$6,322,585	$7,836,756

(1) Description of contract revenue

Sales and processing income of steel rebars and steel billets, wire rods and bars steel are mainly to traders and downstream manufacturers, and are sold at fixed prices per contractual terms, according to business practices, offer quantity discount for some products.

(2) Contract revenue details as follows:

The Company disaggregated revenue from contracts with customers into primary geographical markets and major goods line as follows:

Region	Three Months Ended September 30 2025	2024
Taiwan	$1,608,825	$2,183,580
Australia	135,500	148,219
Total	$1,744,325	$2,331,799
Service		
Bars steel	$172,080	$247,420
Wire rods	83,799	98,914
Steel billets	-	698
Steel rebars	1,486,558	1,983,023
Others	1,888	1,744
Total	$1,744,325	$2,331,799
Timing of revenue recognition		
Revenue recognition at a specific timing	$1,744,325	$2,331,799
Revenue recognition over time	-	-
Total	$1,744,325	$2,331,799

Region	Nine Months Ended September 30 2025	Nine Months Ended September 30 2024
Taiwan	$5,634,760	$7,555,101
Australia	687,825	281,655
Total	$6,322,585	$7,836,756

Service	2025	2024
Bars steel	$643,124	$721,893
Wire rods	329,416	324,132
Steel billets	646	91,847
Steel rebars	5,344,822	6,694,343
Others	4,577	4,541
Total	$6,322,585	$7,836,756

Timing of revenue recognition	2025	2024
Revenue recognition at a specific timing	$6,322,585	$7,836,756
Revenue recognition over time	-	-
Total	$6,322,585	$7,836,756

(3) Contract balances

The Company recognized the accounts receivable, contract assets and contract liabilities related to customer contract revenue as follows:

	September 30, 2025	December 31, 2024	September 30, 2024	January 1, 2024
Accounts receivable	$534,277	$592,092	$712,918	$1,216,707
Contract Assets	-	-	-	-
Total	$534,277	$592,092	$712,918	$1,216,707
Contract liabilities	$388,014	$378,720	$283,549	$29,999

(4) Significant change in contract assets and contract liabilities

The change in contract assets and contract liabilities primarily result from the timing difference between the satisfaction of performance obligation and the customer's payment.

(5) The allowance for contract assets: None.

(6) Amount of satisfaction of performance obligations from previous period and beginning contract liabilities recognized in the current period as income were as follows:

Revenue in the current period	Nine Months Ended September 30	
	2025	2024
From beginning contract liabilities - goods sale	$348,268	$19,593
From the previous period’s satisfied performance	$ -	$ -

6.23 Employee benefits, depreciation and amortization expense

Nature	Three Months Ended September 30, 2025		
	Operating costs	Operating expenses	Total
Employee benefits			
Salary	$53,694	$10,366	$64,060
Insurance	5,497	1,522	7,019
Pension	2,135	445	2,580
Other	11,966	778	12,744
Depreciation	92,976	2,085	95,061
Amortization	-	122	122
Total	$166,268	$15,318	$181,586

Nature	Three Months Ended September 30, 2024		
	Operating costs	Operating expenses	Total
Employee benefits			
Salary	$58,736	$16,431	$75,167
Insurance	5,316	1,976	7,292
Pension	2,059	521	2,580
Other	12,520	1,233	13,753
Depreciation	89,034	2,289	91,323
Amortization	-	101	101
Total	$167,665	$22,551	$190,216

Nature	Nine Months Ended September 30, 2025		
	Operating costs	Operating expenses	Total
Employee benefits			
Salary	$163,749	$41,888	$205,637
Insurance	16,402	4,544	20,946
Pension	6,325	1,370	7,695
Other	39,563	3,083	42,646
Depreciation	282,208	6,581	288,789
Amortization	-	249	249
Total	$508,247	$57,715	$565,962

Nature	Nine Months Ended September 30, 2024		
	Operating costs	Operating expenses	Total
Employee benefits			
Salary	$176,114	$53,435	$229,549
Insurance	16,069	4,807	20,876
Pension	6,201	1,603	7,804
Other	41,019	4,054	45,073
Depreciation	254,831	7,010	261,841
Amortization	-	337	337
Total	$494,234	$71,246	$565,480

1. In accordance with the Company's Articles of Incorporation, if there is profit in a given year after offsetting accumulated losses, 2% to 5% of the remaining earnings shall be allocated as employee remuneration, of which no less than 60% shall be distributed to general employees, either in shares or cash as resolved by the Board of Directors. Additionally, up to 2% of the profit may be allocated as director remuneration. For the three-month and nine month periods ended September 30, 2025, the estimated employee remuneration amounts to $0 thousand and $681 thousand, respectively, and the estimated director remuneration amounts to $0 thousand and $170 thousand, respectively. For the corresponding periods in 2024, the estimated employee remuneration was $520 thousand and $6,720 thousand, and the estimated director remuneration was $122 thousand and $1,680 thousand, respectively. Any difference between the estimated and actual amounts, upon approval and issuance of the financial statements, will be treated as a change in accounting estimates and adjusted in the subsequent year.

2. The employees' compensation and remuneration to directors for the years ended December 31, 2024 and 2023 had been approved by the Board meeting held on March 12, 2025 and March 15, 2024, respectively, and the relevant amounts recognized in the parent company only financial statement were as follows:

	Year Ended December 31			
	2024		2023	
	Employees' compensation	Remuneration to directors	Employees' compensation	Remuneration to directors
Resolution amount of allotment	$7,454	$1,863	$4,992	$2,496
Recognized in the annual financial statements	7,454	1,863	4,034	1,008
Difference	$-	$-	$958	$ 1,488

(1) The above-mentioned difference between the resolution situation in 2023 and the amount recognized in the financial report is mainly the difference in estimation, which has been adjusted in the profit and loss in 2024.

3. Information about the appropriation of employees' compensation and directors' remuneration by the Company as proposed by the Board of Directors are posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

6.24 Interest income

	Three Months Ended September 30	
Item	2025	2024
Interest on bank deposits	$32	$23
Others	8	10
Total	$40	$33

	Nine Months Ended September 30	
Item	2025	2024
Interest on bank deposits	$702	$796
Others	26	25
Total	$728	$821

6.25 Other income

Item	Three Months Ended September 30	
	2025	2024
Dividends	$701	$488
Income from disposal of iron scraps	940	133
Income from subsidy of government	125	-
Income from contract cancellation compensation	-	-
Others	69	132
Total	$1,835	$753

Item	Nine Months Ended September 30	
	2025	2024
Dividends	$20,810	$14,899
Income from disposal of iron scraps	2,631	1,090
Income from subsidy of government	375	888
Income from contract cancellation compensation	-	14,952
Others	217	310
Total	$24,033	$32,139

6.26 Other gains and losses

Item	Three Months Ended September 30	
	2025	2024
Net gain (loss) on foreign exchange	$1,878	$(4,806)
Gain (loss) on disposal of property, plant and equipment	-	-
Others	(1,147)	(2,426)
Total	$731	$(7,232)

Item	Nine Months Ended September 30	
	2025	2024
Net gain (loss) on foreign exchange	$(9,820)	$7,390
Gain (loss) on disposal of property, plant and equipment	30	-
Others	(3,667)	(6,001)
Total	$(13,457)	$1,389

6.27 Finance costs

Item	Three Months Ended September 30	
	2025	2024
Interest on loans	$13,950	$15,819
Lease liabilities	238	272
Subtotal	$14,188	$16,091
Less: Qualified asset capitalization	(1,419)	(1,890)
Finance costs	$12,769	$14,201

Item	Nine Months Ended September 30	
	2025	2024
Interest on loans	$48,779	$41,880
Lease liabilities	738	842
Subtotal	$49,517	$42,722
Less: Qualified asset capitalization	(3,425)	(6,028)
Finance costs	$46,092	$36,694

6.28 Income tax

1. Income tax expense

(1) Components of income tax expenses:

Item	Three Months Ended September30	
	2025	2024
Current income tax		
Current income tax on profits for the year	$(10,020)	$(3,009)
Adjustments for prior periods	-	(6,135)
Income tax expense recognized in profit or loss	$(10,020)	(9,144)
Deferred income tax		
Origination and reversal of temporary differences	$(28)	$7,743
Deferred income tax expense	$(28)	$7,743
Income tax expense (benefit)	$(10,048)	$(1,401)

Item	Nine Months Ended September 30	
	2025	2024
Current income tax		
Current income tax on profits for the year	$562	$58,776
Adjustments for prior periods	217	(6,135)
Income tax expense recognized in profit or loss	$779	$52,641
Deferred income tax		
Origination and reversal of temporary differences	$1,817	$3,053
Deferred income tax expense	$1,817	$3,053
Income tax expense (benefit)	$2,596	$55,694

(2) Income tax expenses (benefit) relating to other comprehensive income: None.

The applicable business tax rate used by the Company is 20%. In addition, the tax rate applicable to unappropriated earning is 5%.

2. The Company's tax returns through 2023 have been assessed by the tax authorities.

6.29 Other comprehensive income (loss)

Nature	Three Months Ended September 30, 2025		
	Amount before tax	Income tax benefit (expense)	Net after tax
Items that will not be reclassified subsequently to profit or loss:			
Unrealized gain (loss) on equity instruments at fair value through other comprehensive income	$13,804	$ -	$13,804
Recognized in other comprehensive income (loss)	$13,804	$ -	$13,804

Nature	Three Months Ended September 30, 2024		
	Amount before tax	Income tax benefit (expense)	Net after tax
Items that will not be reclassified subsequently to profit or loss:			
Unrealized gain (loss) on equity instruments at fair value through other comprehensive income	$3,495	$ -	$3,495
Recognized in other comprehensive income (loss)	$3,495	$ -	$3,495

	Nine Months Ended September 30, 2025		
Nature	Amount before tax	Income tax benefit (expense)	Net after tax
Items that will not be reclassified subsequently to profit or loss:			
Unrealized gain (loss) on equity instruments at fair value through other comprehensive income	($16,217)	$ -	($16,217)
Recognized in other comprehensive income (loss)	($16,217)	$ -	($16,217)

	Nine Months Ended September 30, 2024		
Nature	Amount before tax	Income tax benefit (expense)	Net after tax
Items that will not be reclassified subsequently to profit or loss:			
Unrealized gain (loss) on equity instruments at fair value through other comprehensive income	$52,635	$ -	$52,635
Recognized in other comprehensive income (loss)	$52,635	$ -	$52,635

6.30 Earnings per share

	Three Months Ended September30	
Item	2025	2024
A.Basic earnings (loss) per share		
Net income (loss)	$(40,298)	$26,616
Weighted average number of outstanding shares (thousand shares)	324,022	324,027
Basic earnings (loss) per share (after tax) (NT$)	$(0.13)	$0.08
B.Diluted earnings (loss) per share		
Net income (loss)	$(40,298)	$26,616
Effect of the dilutive potential ordinary shares	-	-
Net income for calculating diluted earnings per share	$(40,298)	$26,616
Weighted average number of outstanding shares (thousand shares)	324,022	324,027
Effect of employees' compensation (thousand shares) (Note)	40	244
Weighted average number of ordinary shares outstanding after dilution (thousand shares)	324,062	324,271
Diluted earnings (loss) per share (after tax) (NT$)	$(0.13)	$0.08

Item	Nine Months Ended September 30	
	2025	2024
A.Basic earnings (loss) per share		
Net income	$30,695	$271,521
Weighted average number of outstanding shares (thousand shares)	324,022	324,027
Basic earnings (loss) per share (after tax) (NT$)	$0.09	$0.84
B.Diluted earnings (loss) per share		
Net income	$30,605	$271,521
Effect of the dilutive potential ordinary shares	-	-
Net income for calculating diluted earnings per share	$30,605	$271,521
Weighted average number of outstanding shares (thousand shares)	324,022	324,027
Effect of employees' compensation (thousand shares) (Note)	129	296
Weighted average number of ordinary shares outstanding after dilution (thousand shares)	324,151	324,323
Diluted earnings (loss) per share (after tax) (NT$)	$0.09	$0.84

(Note) Since the Company offered to settle compensation paid to employees in cash or shares, the Company assumed the entire amount of the compensation would be settled in shares and the resulting potential shares were included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

7. RELATED PARTY TRANSACTIONS

7.1 Parent and ultimate controller:

The Company does not have parent and ultimate controller.

7.2 Related party name and category:

Related Party Name	Related Party Category
Kuo Su-Hui	Main management
Kuo Shin-Hsien	Main management
Dai Ruei-Yi	Other related parties
Kuo Wen-Zhen	Other related parties
We Can Steel Co., Ltd.	Other related parties
Chien Yao Technology Co., Ltd.	Other related parties

7.3 Significant transactions with related parties:

(1) Sales:

Related Party Category	Three Months Ended September 30 2025	Three Months Ended September 30 2024
Other related party		
Other	$15	$ -

Related Party Category	Nine Months Ended September 30 2025	Nine Months Ended September 30 2024
Other related party		
Other	$15	$15

Selling price and trading terms to the Company's related parties were the same with those to other customers. Payment terms were 10 days settlement once, 20 days TT. In addition, both parties can agree to postpone the payment.

(2) Purchase

Type of related parties	Three Months Ended September 30 2025	Three Months Ended September 30 2024
Other related parties		
Other	$73,325	$91,676

Type of related parties	Nine Months Ended September 30 2025	Nine Months Ended September 30 2024
Other related parties		
Other	$236,783	$261,397

The purchase prices with the related parties are equivalent to those with ordinary suppliers. Payment terms were 10 days settlement once, 20 days TT. However, both parties can agree to postpone the payments.

(3) Contract assets: None.

(4) Contract liabilities

Type of related parties	September 30, 2025	December 31, 2024	September 30, 2024
Other related parties			
Other	$63	$1,512	$1,515

(5) Receivables from related parties (excluding loans to related parties and contract assets): None.

(6) Payables to related parties (excluded loans from related parties)

Item	Related party category/Name	September 30, 2025	December 31, 2024	September 30, 2024
Accounts payable	Other related parties Other	$15,358	$30,681	$37,215

(7) Prepayments: None.

(8) Asset transaction: None.

(9) Lessee agreement:

A. Acquisition of right-of-use asset: None.

B. Lease liabilities

Type of related party	Lease target	September 30, 2025	December 31, 2024	September 30, 2024
Lease liabilities				
Other related party /Dai Ruiyi	Land in NanBu Section	$ -	$14,930	$15,437
Other related party / Kuo Wen-Zhen	Land in NanBu Section	32,652	21,484	22,214
Total		$32,652	$36,414	$37,651

Above lease terms were based on the contract, and effective June 1, 2025, the lessor of the aforementioned Land in NanBu Section was changed from Dai Ruiyi to Kuo Wen-Zhen under the new agreement.

C. Lease liabilities - Interest expense

Related Party Category	Three Months Ended September 30	
	2025	2024
Other related parties	$238	$272

Related Party Category	Nine Months Ended September 30	
	2025	2024
Other related parties	$738	$842

Above lease terms were based on the contract, and rent was paid monthly.

(10) Loans to related parties: None.

(11) Borrowing to related parties: None.

(12) Endorsements and guarantees: None.

(13) Others

A. Miscellaneous income

Related party category/Name	Three Months Ended September 30	
	2025	2024
Other related parties	$ -	$ -

Related party category/Name	Nine Months Ended September 30	
	2025	2024
Other related parties	$25	$16

These were mainly related to steel products cutting and other income.

B. Others

Type of related parties	Significant Transactions
Key management of the Company	The Company's land amounting to $165,972 thousand as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively, is unable to be registered under the name of the Company due to regulatory restriction. Accordingly, the ownership was registered under the name of an individual with an affidavit as safeguard measures, when the restriction was cancelled, the land will be unconditionally transfer to the Company. As of September 30, 2025, the mortgage rights of the above-mentioned assets have been set up. The obligee is the Company or used as collateral for the Company's loans.

7.4 Information about remunerations to the major management:

Item	Three Months Ended September 30	
	2025	2024
Salary and other short-term employee benefits	$3,806	$5,925
Benefits after retirement	27	27
Other long-term employee benefits	-	-
Total	$3,833	$5,952

Item	Nine Months Ended September 30	
	2025	2024
Salary and other short-term employee benefits	$9,519	$11,205
Benefits after retirement	81	81
Other long-term employee benefits	-	-
Total	$9,600	$11,286

8. PLEDGED ASSETS

The following assets have been pledged as collateral for long-term and short-term loans:

Item	September 30, 2025	December 31, 2024	September 30, 2024
Other financial assets – current	$111,877	$39,527	$39,442
Property, plant and equipment (net)	1,994,498	2,023,870	1,283,429
Total	$2,106,375	$2,063,397	$1,322,871

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

(1) Guarantee notes issued to banks by the Company for loans totaled $1,415,197 thousand, $1,378,742 thousand and $1,378,742 thousand as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively, and recognized as deposit guarantee notes and guarantee notes payable.

(2) Guarantee notes received by the Company for its performance totaled $165,299 thousand and $199,586 thousand and $198,535 thousand as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively, and recognized as guaranteed notes received and guaranteed notes receivable.

(3) The unused letters of credit as of September 30, 2025, December 31, 2024 and September 30, 2024 were as follows:

Unit: in thousands

Item	September 30, 2025		December 31, 2024		September 30, 2024	
L/C Amount	EUR	51	EUR	85	EUR	103
	USD	15,906	USD	9,336	USD	11,638
	JPY	116,403	JPY	2,964	JPY	19,760

(4) Capital expenditures committed but not yet incurred are as follows:

Related Party Category	September 30, 2025	December 31, 2024	September 30, 2024
Property, plant and equipment - equipment	$267,024	$179,225	$254,836
Property, plant and equipment - land	-	-	450,400
Total	$267,024	$179,225	$705,236

(5) In order to comply with the government's 2050 net zero carbon emissions policy goal and fulfill corporate social responsibility, the Company plans to implement energy-saving and carbon-reducing equipment to improve manufacturing efficiency and process, reducing carbon emission per unit, and invest in solar photovoltaic. The duration of the plan is from October 2022 to September 2027. In investment plan, the Comapny expects to purchase

machinery and equipment of $1,496,269 thousand, and as of September 30, 2025, the Company has invested $1,102,240 thousand (including amounts of installed equipment). In order to cooperate with the installation and commissioning of energy-saving and carbon-reducing equipment, the company's steelmaking and rolling production lines are expected to be temporarily shut down for about one month and half a month from July 21 and August 5, 2025, respectively. The fixed cost loss during the shutdown period is estimated to be about $80,350 thousand (recorded under Cost of Goods Sold – Unallocated Manufacturing Expenses). However, after the equipment is installed, in addition to improving the energy-saving and carbon-reducing efficiency of the equipment, increasing production capacity and production efficiency, which is conducive to reducing production costs, it can also reduce the unit carbon emissions of products and relatively reduce future environmental protection-related costs, which will help improve the company's competitiveness and fulfill its corporate social responsibility.

(6) The Company's board of directors passed a resolution on May 13, 2024, that in order to meet the needs of plant expansion and energy transformation, the Company plans to purchase 21 parcels including land number 1173 in the Fu'an section of Guantian District, Tainan City, and 4 parcels including land number 1681 in the NanBu section of Guantian District, Tainan City. The Company authorized the chairman to handle relevant matters within the range of the appraisal amount of $581,046 thousand and within 5% exceeding the appraisal amount. The Company entered into a sales contract with the landowners Mr.Yang and Mr.Guo on June 6, 2024. The total contract price was $563,000 thousand. As of December 31, 2024, the transaction price has been fully paid.
The Company's board of directors passed a resolution on November 11, 2024, that in order to response to the expansion of demand for moulded products, the Company plans to expand the cutting plant on the land purchased on June 6, 2024 in the Fu'an section of Guantian District, Tainan City, and is expected to invest approximately 805,000 thousand (including the land price of 563,000 thousand) between 2024 and 2027 years. As of September 30, 2025, an amount of $576,636 thousand had been invested., in addition, in response to the global environmental protection awareness and actively promote the energy transition, The Company also plans to install solar photovoltaic equipment on the rooftop of the cutting plant to be expanded on the land in the Fu'an section of Guantian District., with an estimated investment of about 80,000 thousand, in an effort to achieve the sustainable development goals.

(7) The Company entered into a sales contract with the landowners Mr. Huang and 2 other people purchase land number 30 and 30-2 in the NanBu section of Guantian District, Tainan City on December 10, 2023. The total contract price was $17,706 thousand. As of December 31, 2024, the transaction price has been fully paid.
The Company entered into a sales contract with the landowners Mr. Chen purchase land number 1261 in the Fu'an section of Guantian District, Tainan City on October 14, 2024. The total contract price was $7,000 thousand. As of December 31, 2024, the transaction price has been fully paid.

10. SIGNIFICANT DISASTER LOSS: NONE.

11. SIGNIFICANT SUBSEQUENT EVENTS:NONE.

12. OTHERS

(1) Seasonality or periodicity of operations

The operation of the Company is not influenced by seasonality and periodicity.

(2) Capital risk management

There were no significant changes in the Company's policies for capital risk management for the nine months ended September 30, 2025 as compared with the financial statements for the year ended December 31, 2024. Please refer to Note 12(1) of the financial statements for the year ended December 31, 2024 for the related information.

(3) Financial Instruments

A. Financial risk of financial instruments

Financial risk management policies

The Company's daily operations are affected by various financial risks, e.g. market risk (including exchange rate, interest rate and price risks), credit risk and liquidity risk. The Company is devoted to identify, assess and avoid market uncertainties in order to eliminate the potential adverse effects of market changes on the financial performance. Before engaging in significant transactions, due approval process by the Board of Directors must be carried out based on related protocols and internal control procedures. While the financial plan is underway, the Company shall comply with relevant financial operation procedures on the overall financial risk management and segregation of duties at all times.

The nature and degree of significant financial risks

(1) Market risks

a. Foreign exchange rate risk:

(a) There were no significant changes in the nature and degree of material financial risk for the nine months ended September 30, 2025 as compared with the financial statements for the year ended December 31, 2024. Please refer to Note 12(2) of the financial statements for the year ended December 31, 2024 for the related information.

(b) Exchange rate exposure and sensitivity analysis

	Amount in Foreign currency	Exchange rate	September 30, 2025			
			Presented amount (NTD)	Sensitivity analysis		
				Range of variation	Effect on profit or loss	Effect on equity
(Foreign currency: Functional currency)						
Financial assets						
Monetary items						
USD : NTD	2,524	30.445	76,850	Appreciate by 1%	769	-
Financial liabilities						
Monetary items						
USD : NTD	2,064	30.445	62,846	Appreciate by 1%	(628)	-

	Amount in Foreign currency	Exchange rate	December 31, 2024			
			Presented amount (NTD)	Sensitivity analysis		
				Range of variation	Effect on profit or loss	Effect on equity
(Foreign currency: Functional currency)						
Financial assets						
Monetary items						
USD : NTD	1,587	32.785	52,024	Appreciate by 1%	520	-
Financial liabilities						
Monetary items						
USD : NTD	844	32.785	27,273	Appreciate by 1%	(273)	-

	Amount in Foreign currency	Exchange rate	September 30, 2024			
			Presented amount (NTD)	Sensitivity analysis		
				Range of variation	Effect on profit or loss	Effect on equity
(Foreign currency: Functional currency)						
Financial assets						
Monetary items						
USD : NTD	508	31.65	16,063	Appreciate by 1%	161	-
Financial liabilities						
Monetary items						
USD : NTD	703	31.65	22,443	Appreciate by 1%	(224)	-

(c) Due to the exchange rate volatility, total exchange gains and losses (including realized and unrealized) from the Company's monetary items amounted to $1,878 thousand, $(4,806) thousand, $(9,820) thousand and $7,390 thousand for the three months and nine months ended September 30, 2025 and 2024, respectively.

b. Price risk

Since the Company holds equity instrument investments, the company is exposed to the price risk of equity instruments. The Company's equity instruments invested in the balance sheet are classified as financial assets measured at FVOCI.

The Company mainly invests in domestic listed and unlisted equity instruments. The price of such securities can be affected by changes in future value of those investment targets.

If the equity instrument price goes up or down by 1%, the post-tax other comprehensive income for the nine months ended September 30, 2025 and 2024 will increase or decrease by $3,781 thousand and $3,657 thousand due to the increase or decrease of the fair value of financial assets measured at FVTOCI.

c. Interest rate risk

The carrying amount of the Company's financial assets and financial liabilities that are exposed to interest rate risk at the reporting date is stated as follows:

	Carrying Amount		
Item	September 30, 2025	December 31, 2024	September 30, 2024
With fair value interest rate risk			
Financial assets	$ -	$ -	$ -
Financial liabilities	(262,505)	(585,449)	(567,189)
Net	$(262,505)	$(585,449)	$(567,189)
With cash flow interest rate risk			
Financial assets	$232,712	$179,159	$165,152
Financial liabilities	(2,267,456)	(3,187,494)	(3,065,065)
Net	$(2,034,744)	$(3,008,335)	$(2,899,913)

(a) Sensitivity analysis of those with fair value interest rate risk:

The Company does not classify any financial assets and liabilities with fixed interest rates as financial assets measured at fair value through other comprehensive loss periods, and does not specify derivatives (interest rate exchange) as a fair value hedge accounting model The following hedging tools. Therefore, changes in the reported daily interest rate will not affect profit or loss.

(b) Sensitivity analysis of those with cash flow interest rate risk:

The interest-fluctuate instruments possessed by the Company were floating-interest assets (liabilities). Therefore, the effective interest rate, as well as the future cash flows, changes along with the market movement. Every one percent increase (reduce) in the market interest will increase (decrease) the net profit by $(15,261) thousand and $(21,749) thousand for the nine months ended September 30, 2025 and 2024, respectively.

(2) Credit risk

Credit risk refers to the risk of financial loss to the Company arising from default by counterparties of financial instruments on the contract obligations. Credit risk of the Company mainly comes from receivables under operating activities and bank deposits and other financial instruments under investing activities. Credit risks related to operation and finance risks are managed separately.

a. Credit risk related to operation

To maintain the quality of accounts receivable, the Company has established the procedures for credit risk management with regards to its operations.

Risk assessment on individual customer includes factors that could affect the customer's ability to pay, such as the customer's financial status, the Company's internal credit ratings, historical transactions and current economic conditions.

b. Financial credit risk

The credit risk of bank deposits and other financial instruments is measured and monitored by the Company's financial departments. The Company does not expect significant credit risk because the counterparties are creditworthy and investment-graded financial institutions, companies and government agencies without any significant default concerns. In addition, the Company does not have any debt instrument investments that are either measured at amortized cost, or at FVTOCI.

(A) Credit concentration risk

As of September 30, 2025, December 31, 2024 and September 30, 2024, the top ten clients accounted for 71.96%, 78.84% and 64.50% of the Company's accounts receivable, indicating a credit concentration risk. However, no significant credit concentration risk was shown from the remaining accounts receivables.

(B) Measurement of expected credit impairment loss

(a) Accounts receivables and contract assets apply the simplified approach. Please refer to Note 6.3 for details.

(b) Indications for determining whether the credit risk is increased significantly: None (the Company does not have any debt instrument investments that are either measured at amortized cost, or at FVTOCI).

(C) Collaterals and other credit enhancement held to avoid credit risks from financial assets

The following table shows the maximum exposure to credit risk regarding financial assets recognized in the balance sheets, pledged collateral, the general agreements on net settlements and other credit enhancement held by the Company:

September 30, 2025	Carrying Amount	Decreased amount of maximum exposure to credit risks			
		Collateral	Net Settlement Agreement	Other Credit Enhancement	Total
Credit-impaired financial instruments to which impairment requirements of IFRS9 are applicable	$ -	$ -	$ -	$ -	$ -
Financial instruments to which the impairment requirements of IFRS 9 are not applicable：					
Financial assets measured at FVTOCI	378,129	-	-	-	-
Total	$378,129	$ -	$ -	$ -	$ -

December 31, 2024	Carrying Amount	Decreased amount of maximum exposure to credit risks			
		Collateral	Net Settlement Agreement	Other Credit Enhancement	Total
Credit-impaired financial instruments to which impairment requirements of IFRS9 are applicable	$ -	$ -	$ -	$ -	$ -
Financial instruments to which the impairment requirements of IFRS 9 are not applicable：					
Financial assets measured at FVTOCI	394,346	-	-	-	-
Total	$394,346	$ -	$ -	$ -	$ -

September 30, 2024	Carrying Amount	Decreased amount of maximum exposure to credit risks			
		Collateral	Net Settlement Agreement	Other Credit Enhancement	Total
Credit-impaired financial instruments to which impairment requirements of IFRS9 are applicable	$ -	$ -	$ -	$ -	$ -
Financial instruments to which the impairment requirements of IFRS 9 are not applicable：					
Financial assets measured at FVTOCI	365,659	-	-	-	-
Total	$365,659	$ -	$ -	$ -	$ -

(3) Liquidity risk

a. Liquidity risk management:

There were no significant changes in the Company's objects and policies for liquidity risk management for the nine months ended September 30, 2025. Please refer to Note 12(2) of the financial statements for the year ended December 31, 2024 for the related information.

b. Maturity analysis of financial liabilities:

The table below shows an analysis of the financial liabilities held by the Company with defined repayment terms based on maturity dates and undiscounted payment at maturity:

Non-derivative financial Liabilities	September 30, 2025						
	Within 6 months	7-12 months	1-2 years	2-5 years	Over 5 years	Contractual cash flows	Carrying amount
Short-term loans	$345,674	$ -	$ -	$ -	$ -	$345,674	$345,674
Short-term notes and bills payable	230,000	-	-	-	-	230,000	229,853
Notes payable	125,746	-	-	-	-	125,746	125,746
Accounts payable	348,876	-	-	-	-	348,876	348,876
Other payables	289,328	-	-	-	-	289,328	289,328
Lease Liabilities	3,000	3,000	6,000	18,000	5,500	35,500	32,652
Long-term loans (including current portion)	98,343	131,441	355,712	1,233,552	104,186	1,923,234	1,921,782
Guarantee deposits	-	-	-	-	1,020	1,020	1,020
Total	$1,440,967	$134,441	$361,712	$1,251,552	$110,706	$3,299,378	$3,294,931

Further information on the maturity analysis of lease liabilities was as follows:

	Less than 1 year	1-5 years	5-10 years	10-15 years	15-20 years	Over 20 years	Total undiscounted lease payments
Lease liabilities	$6,000	$24,000	$5,500	$ -	$ -	$ -	$35,500

Non-derivative financial Liabilities	December 31, 2024						
	Within 6 months	7-12 months	1-2 years	2-5 years	Over 5 years	Contractual cash flows	Carrying amount
Short-term loans	$1,193,183	$ -	$ -	$ -	$ -	$1,193,183	$1,193,183
Short-term notes and bills payable	550,000	-	-	-	-	550,000	549,035
Notes payable	142,530	-	-	-	-	142,530	142,530
Accounts payable	485,761	-	-	-	-	485,761	485,761
Other payables	402,735	-	-	-	-	402,735	402,735
Lease Liabilities	3,000	3,000	6,000	18,000	10,000	40,000	36,414
Long-term loans (including current portion)	96,084	96,199	238,038	1,343,956	223,189	1,997,466	1,994,311
Guarantee deposits	-	-	-	-	1,020	1,020	1,020
Total	$2,873,293	$99,199	$244,038	$1,361,956	$234,209	$4,812,695	$4,804,989

Further information on the maturity analysis of lease liabilities was as follows:

	Less than 1 year	1-5 years	5-10 years	10-15 years	15-20 years	Over 20 years	Total undiscounted lease payments
Lease liabilities	$6,000	$24,000	$10,000	$ -	$ -	$ -	$40,000

Non-derivative financial Liabilities	September 30, 2024 Within 6 months	7-12 months	1-2 years	2-5 years	Over 5 years	Contractual cash flows	Carrying amount
Short-term loans	$1,457,527	$ -	$ -	$ -	$ -	$1,457,527	$1,457,527
Short-term notes and bills payable	530,000	-	-	-	-	530,000	529,538
Notes payable	154,835	-	-	-	-	154,835	154,835
Accounts payable	498,664	-	-	-	-	498,664	498,664
Other payables	409,989	-	-	-	-	409,989	409,989
Lease Liabilities	3,000	3,000	6,000	18,000	11,500	41,500	37,651
Long-term loans (including current portion)	91,917	91,917	201,447	1,032,513	193,466	1,611,260	1,607,538
Guarantee deposits	-	-	-	-	1,020	1,020	1,020
Total	$3,145,932	$94,917	$207,447	$1,050,513	$205,986	$4,704,795	$4,696,762

Further information for lease liabilities with repayment periods was as follows:

Item	Within 1 year	1-5 years	5-10 years	10-15 years	15-20 years	Over 20 years	Undiscounted payments
Lease liabilities	$6,000	$24,000	$11,500	$ -	$ -	$ -	$41,500

The Company does not expect a maturity analysis of which the cash flows timing would be significantly earlier or the actual amount would be significantly different.

B. Types of Financial instruments

Financial assets	September 30, 2025	December 31, 2024	September 30, 2024
Financial assets measured at amortized cost			
Cash and cash equivalents	$121,707	$140,444	$126,168
Notes receivable and accounts receivable	534,277	592,092	712,918
Other receivables	638	8,605	3,973
Other financial assets - current	111,877	39,527	39,442
Refundable deposits	3,178	1,555	1,538
Financial assets at fair value through other comprehensive income or loss - noncurrent	378,129	394,346	365,659
Financial liabilities			
Financial liabilities measured at amortized costs			
Short-term loans	345,674	1,193,183	1,457,527
Short-term notes and bills payable	229,853	549,035	529,538

Notes payable and accounts payable (including related parties)	474,622	628,291	653,499
Other payables	289,328	402,735	409,989
Long-term liabilities-current portion	229,611	191,979	183,409
Long-term liabilities	1,692,171	1,802,332	1,424,129
Lease liabilities (including current portion)	32,652	36,414	37,651
Deposits received	1,020	1,020	1,020

(4) Fair value information:

A. For information on fair value of financial assets and financial liabilities not measured at fair value, please refer to Note 12.(3).C.

B. Definition of the three levels in fair value:

Level 1:

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

Level 2

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

Level 3

Unobservable inputs for the asset or liability. The fair value of the Company's investment in some derivative instruments and equity investment without active market is included in Level 3.

C. Financial instruments not measured at fair value

The Company's financial instruments not measured at fair value, including cash and cash equivalents, accounts receivable, other financial assets, refundable deposits, short term loans, notes payable and, notes receivables and accounts payable, lease liabilities (including current and non-current), long-term loans (including current portion), and guarantee deposits are reasonably approximate to the fair value.

D. Fair value hierarchy:

The fair value hierarchy of financial instrument is measured at fair value on a recurring basis. Information about the Company's fair value hierarchy was disclosed in the following table:

Item	September 30, 2025 Level 1	Level 2	Level 3	Total
Assets:				
Recurring fair value				
Financial assets measured at FVTOCI				
Domestic listed stocks	$370,335	$ -	$ -	$370,335
Domestic unlisted stocks	-	-	7,794	7,794
Total	$370,335	$ -	$7,794	$378,129

Item	December 31, 2024 Level 1	Level 2	Level 3	Total
Assets:				
Recurring fair value				
Financial assets measured at FVTOCI				
Domestic listed stocks	$385,417	$ -	$ -	$385,417
Domestic unlisted stocks	-	-	8,929	8,929
Total	$385,417	$ -	$8,929	$394,346

Item	September 30, 2024 Level 1	Level 2	Level 3	Total
Assets:				
Recurring fair value				
Financial assets measured at FVTOCI				
Domestic listed stocks	$358,605	$ -	$ -	$358,605
Domestic unlisted stocks	-	-	7,054	7,054
Total	$358,605	$ -	$7,054	$365,659

E. Fair value valuation technique for instruments measured at fair value:

The fair value of financial instruments with quoted prices in active markets is the quoted market prices. Market prices published by major trading centers and exchanges for popular central government bonds are the basis for the fair value of listed equity instruments and debt instruments with quoted prices in active markets. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. If one of the conditions is not met, the market is not deemed active. In general, indications of an inactive market include a wide bid-ask spread, a significant increase in the bid-ask spread and low level of trading volume. The fair value of financial instruments with active markets held by the Company are stated by their natures and types as follows:

a. Listed stocks: closing prices.

b. Except for financial assets with an active market, the fair value of other financial assets is obtained either based on the valuation technique or by reference to the quotes from counter-parties. Fair value can be obtained by using a valuation technique that refers to the fair value of financial instruments having substantially the same terms and characteristics, the discounted cash flow method, or other valuation technique e.g. the one that applies market information available on the balance sheet date to a pricing model for calculation.

The fair value of the Company's holding of unlisted stocks for which no active market exists is estimated by using the market approach, which refers to the valuation of similar entities, quoted prices from a third party, the net worth of an entity and the operating performance. Significant unobservable inputs used to measure fair value are listed in the table below:

September 30, 2025：

Item	Measurement technique	Major unobservable input value	Interval	Relationship between input value and fair value
Financial assets at fair value through other comprehensive income or loss - stock	Market Approach	Market liquidity discount rate	29.20%	The higher the degree of lack of liquidity, the lower the fair value estimate

December 31, 2024：

Item	Measurement technique	Major unobservable input value	Interval	Relationship between input value and fair value
Financial assets at fair value through other comprehensive income or loss - stock	Market Approach	Market liquidity discount rate	29.06%	The higher the degree of lack of liquidity, the lower the fair value estimate

September 30, 2024：

Item	Measurement technique	Major unobservable input value	Interval	Relationship between input value and fair value
Financial assets at fair value through other comprehensive income or loss - stock	Market Approach	Market liquidity discount rate	27.17%	The higher the degree of lack of liquidity, the lower the fair value estimate

F. Transfers between Level 1 and Level 2 fair value hierarchy: None.

G. Statement of changes in Level 3 fair value hierarchy-Financial assets measured at FVTOCI-unlisted stocks

Item	Investment in unquoted financial instruments Nine Months Ended September 30 2025	2024
January 1	$8,929	$6,032
Additions	-	-
Recognized in other comprehensive income	(1,135)	1,022
September 30	$7,794	$7,054

H. Valuation process for Level 3 fair value measurement:

Valuation process regarding fair value Level 3 is conducted by the Company's financial department with independent verification using information from independent sources in order to make the valuation results close to market conditions. Such valuation results are regularly reviewed so as to ensure their reasonableness.

(5) Transfer of financial assets: None.

(6) Offsetting financial assets and financial liabilities: None.

13. SUPPLEMENTARY DISCLOSURES

A. Significant transactions information

(a) Financings provided: None.

(b) Endorsements and guarantees provided to others: None.

(c) Marketable securities held (excluding investments in subsidiaries and associates) at the end of the period: Please see Table 1 attached.

(d) Total purchases from or sales to related parties of at least NT$100 million or 20% of the paid-in capital: Please see Table 2 attached.

(e) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital: None.

B. Information on investees: None.

C. Information on investment in Mainland China: None.

Table 1

Wei Chih Steel Industrial Co., Ltd.

Marketable securities held at the end of the period

September 30, 2025

(Amounts in Thousands of New Taiwan Dollars)

Securities held	Marketable securities	Relationship with the securities issuer	General Ledger Account	Ending balance				Note
				Shares (in thousands)	Carrying amount	Percentage of Ownership	Fair value	
Wei Chih Steel Industrial Co., Ltd.	Stock - Xiao Gang Warehousing Co., Ltd.	-	Financial assets at fair value through other comprehensive income	733	7,794	8.15%	7,794	
Wei Chih Steel Industrial Co., Ltd.	Stock- Taiwan Steel Union Co., Ltd.	-	Financial assets at fair value through other comprehensive income	3,351	370,335	3.01%	370,335	

Table 2

Wei Chih Steel Industrial Co., Ltd.

Total Purchases from or Sales to Related Parties of at Least NT$100 Million or 20% of the Paid-in Capital

September 30, 2025

(Amounts in Thousands of New Taiwan Dollars)

Purchaser/ Seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Note
Wei Chih Steel Industrial Co., Ltd.	Chien Yao Technology Co., Ltd.	The chairman of Chien Yao Technology Co., Ltd. is within the second degree of kinship of the chairman of the Company	Purchases	236,783	6.53%	Settlement at 10 Days TT 20 Days	Equivalent	The purchase prices with the related parties are equivalent to those with ordinary suppliers. Payment terms were 10 days settlement once, 20 days TT. However, both parties can agree to postpone the payments.	Accounts payable 15,358	3.24%	

14. SEGMENT INFORMATION

(1) Segment Financial Information:
The Company operates single industry only, mainly for the steel processing and manufacturing of steel rebar, bar steels, billet steels, and wire rods. The end uses of the products are similar, and the operating decision maker of the Company assesses the overall performance and resource allocation. It is identified that the Company has only a single reporting segment.

(2) Geographical Information:
No disclosure requirement for Interim financial statements.

(3) Major customer information:
No disclosure requirement for Interim financial statements.