

TXC Corporation and Subsidiaries

**Consolidated Financial Statements for the
Nine Months Ended September 30, 2025 and 2024**

TXC CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	September 30, 2025		December 31, 2024		September 30, 2024	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 4,023,822	19	\$ 3,906,374	18	\$ 4,323,822	20
Financial assets at fair value through profit or loss - current (Note 7)	1,700,130	8	1,467,890	7	1,698,945	8
Financial assets at amortized cost - current (Note 9)	267,374	1	104,092	-	100,847	-
Notes receivable (Note 10)	298,535	1	190,906	1	145,360	1
Trade receivables (Note 10)	3,459,191	16	3,560,547	16	3,454,713	16
Trade receivables from related parties (Notes 10 and 29)	10,467	-	8,903	-	10,633	-
Finance lease receivables - current (Note 11)	2,297	-	4,640	-	4,596	-
Other receivables	61,042	-	70,868	-	97,380	-
Other receivables from related parties (Note 29)	1,091	-	834	-	928	-
Current tax assets (Note 24)	89,682	1	78,982	-	29,256	-
Inventories (Note 12)	2,618,488	12	2,825,101	13	2,774,349	12
Other current assets	292,224	1	340,137	2	245,376	1
Total current assets	<u>12,824,343</u>	<u>59</u>	<u>12,559,274</u>	<u>57</u>	<u>12,886,205</u>	<u>58</u>
NON-CURRENT ASSETS						
Financial assets at fair value through other comprehensive income - non-current (Note 8)	346,011	2	400,903	2	353,468	2
Financial assets at amortized cost - non-current (Note 9)	68,047	-	215,803	1	212,111	1
Investments accounted for using the equity method (Note 14)	427,263	2	464,962	2	452,785	2
Property, plant and equipment (Note 15)	6,815,638	31	6,984,104	31	6,398,858	29
Right-of-use assets (Note 16)	189,284	1	208,109	1	209,214	1
Investment properties (Note 17)	559,153	2	610,690	3	611,359	3
Other intangible assets	43,356	-	42,044	-	41,216	-
Deferred tax assets (Note 24)	31,788	-	39,156	-	53,409	-
Finance lease receivables - non-current (Note 11)	-	-	2,444	-	2,421	-
Prepayments for equipment	576,536	3	628,193	3	882,410	4
Net defined benefit assets - non-current (Note 20)	5,613	-	5,227	-	8,184	-
Other non-current assets	15,811	-	9,617	-	9,234	-
Total non-current assets	<u>9,078,500</u>	<u>41</u>	<u>9,611,252</u>	<u>43</u>	<u>9,234,669</u>	<u>42</u>
TOTAL	<u>\$ 21,902,843</u>	<u>100</u>	<u>\$ 22,170,526</u>	<u>100</u>	<u>\$ 22,120,874</u>	<u>100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Note 18)	\$ 724,617	4	\$ 206,126	1	\$ 159,443	1
Financial liabilities at fair value through profit or loss - current (Note 7)	-	-	-	-	3,315	-
Contract liabilities - current (Notes 12 and 22)	-	-	42	-	41	-
Trade payables	1,556,317	7	1,689,082	8	1,859,964	9
Trade payables to related parties (Note 29)	5,614	-	1,767	-	1,179	-
Other payables (Note 19)	1,192,846	6	1,311,297	6	1,052,354	5
Other payables to related parties (Note 29)	890	-	16,989	-	23,972	-
Current tax liabilities (Note 24)	45,100	-	96,968	1	-	-
Lease liabilities - current (Note 16)	6,644	-	8,400	-	8,971	-
Deferred revenue - current (Note 19)	50,968	-	44,746	-	44,319	-
Current portion of long-term liabilities (Note 18)	477,551	2	728,189	3	1,116,072	5
Other current liabilities	222,336	1	95,303	-	77,257	-
Total current liabilities	<u>4,282,883</u>	<u>20</u>	<u>4,198,909</u>	<u>19</u>	<u>4,346,887</u>	<u>20</u>
NON-CURRENT LIABILITIES						
Long-term borrowings (Note 18)	2,096,000	9	1,187,027	5	1,765,334	8
Deferred tax liabilities (Note 24)	105,031	-	139,428	1	109,544	-
Lease liabilities - non-current (Note 16)	2,833	-	8,349	-	9,569	-
Deferred revenue - non-current (Note 19)	148,166	1	62,028	-	72,518	-
Guarantee deposits received	125,034	1	130,606	1	129,049	1
Total non-current liabilities	<u>2,477,064</u>	<u>11</u>	<u>1,527,438</u>	<u>7</u>	<u>2,086,014</u>	<u>9</u>
Total liabilities	<u>6,759,947</u>	<u>31</u>	<u>5,726,347</u>	<u>26</u>	<u>6,432,901</u>	<u>29</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 21)						
Share capital						
Ordinary shares	3,429,930	16	3,429,930	15	3,429,930	16
Capital surplus	4,622,037	21	4,622,137	21	4,622,137	21
Retained earnings						
Legal reserve	2,653,110	12	2,437,715	11	2,437,715	11
Special reserve	222,793	1	527,767	3	527,767	2
Unappropriated earnings	5,042,923	23	5,379,666	24	4,812,992	22
Total retained earnings	<u>7,918,826</u>	<u>36</u>	<u>8,345,148</u>	<u>38</u>	<u>7,778,474</u>	<u>35</u>
Other equity						
Exchange differences on translation of the financial statements of foreign operations	(768,760)	(3)	(140,531)	-	(232,950)	(1)
Unrealized gain on financial assets at fair value through other comprehensive income	91,304	-	67,671	-	24,231	-
Total other equity	<u>(677,456)</u>	<u>(3)</u>	<u>(72,860)</u>	<u>-</u>	<u>(208,719)</u>	<u>(1)</u>
Treasury shares	(264,096)	(1)	-	-	-	-
Total equity attributable to owners of the Company	<u>15,029,241</u>	<u>69</u>	<u>16,324,355</u>	<u>74</u>	<u>15,621,822</u>	<u>71</u>
NON-CONTROLLING INTERESTS	<u>113,655</u>	<u>-</u>	<u>119,824</u>	<u>-</u>	<u>66,151</u>	<u>-</u>
Total equity	<u>15,142,896</u>	<u>69</u>	<u>16,444,179</u>	<u>74</u>	<u>15,687,973</u>	<u>71</u>
TOTAL	<u>\$ 21,902,843</u>	<u>100</u>	<u>\$ 22,170,526</u>	<u>100</u>	<u>\$ 22,120,874</u>	<u>100</u>

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

TXC CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
SALES REVENUE (Notes 22 and 29)	\$ 3,491,645	100	\$ 3,668,273	100	\$ 10,024,635	100	\$ 9,344,576	100
COST OF GOODS SOLD (Notes 12, 23 and 29)	<u>(2,403,443)</u>	<u>(69)</u>	<u>(2,386,377)</u>	<u>(65)</u>	<u>(6,684,512)</u>	<u>(67)</u>	<u>(5,988,954)</u>	<u>(64)</u>
GROSS PROFIT	<u>1,088,202</u>	<u>31</u>	<u>1,281,896</u>	<u>35</u>	<u>3,340,123</u>	<u>33</u>	<u>3,355,622</u>	<u>36</u>
OPERATING EXPENSES (Notes 23 and 29)								
Selling and marketing expenses	135,662	4	135,028	4	406,439	4	385,813	4
General and administrative expenses	200,687	6	179,164	5	583,445	6	520,635	6
Research and development expenses	259,222	7	280,342	7	792,462	8	783,778	8
Expected credit loss	<u>1,672</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,672</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total operating expenses	<u>597,243</u>	<u>17</u>	<u>594,534</u>	<u>16</u>	<u>1,784,018</u>	<u>18</u>	<u>1,690,226</u>	<u>18</u>
PROFIT FROM OPERATIONS	<u>490,959</u>	<u>14</u>	<u>687,362</u>	<u>19</u>	<u>1,556,105</u>	<u>15</u>	<u>1,665,396</u>	<u>18</u>
NON-OPERATING INCOME AND EXPENSES								
Interest income (Note 23)	9,794	-	15,630	-	39,280	1	55,588	1
Other income (Notes 23 and 29)	67,267	2	36,999	1	138,785	1	98,772	1
Other gains and losses (Notes 23 and 29)	78,569	2	(122,917)	(3)	(81,777)	(1)	95,056	1
Finance costs (Note 23)	(19,732)	-	(14,171)	-	(47,845)	-	(44,524)	(1)
Share of profits of associates and joint ventures (Note 14)	<u>1,751</u>	<u>-</u>	<u>5,198</u>	<u>-</u>	<u>7,775</u>	<u>-</u>	<u>10,102</u>	<u>-</u>
Total non-operating income and expenses	<u>137,649</u>	<u>4</u>	<u>(79,261)</u>	<u>(2)</u>	<u>56,218</u>	<u>1</u>	<u>214,994</u>	<u>2</u>
PROFIT BEFORE INCOME TAX	628,608	18	608,101	17	1,612,323	16	1,880,390	20
INCOME TAX EXPENSE (Note 24)	<u>(116,665)</u>	<u>(3)</u>	<u>(95,888)</u>	<u>(3)</u>	<u>(260,339)</u>	<u>(3)</u>	<u>(311,971)</u>	<u>(3)</u>
NET PROFIT FOR THE PERIOD	<u>511,943</u>	<u>15</u>	<u>512,213</u>	<u>14</u>	<u>1,351,984</u>	<u>13</u>	<u>1,568,419</u>	<u>17</u>
OTHER COMPREHENSIVE INCOME								
Items that will not be reclassified subsequently to profit or loss:								
Remeasurement of defined benefit plans	-	-	-	-	-	-	18,922	-
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	(63)	-	(14,930)	-	27,655	-	(30,647)	-
Share of the other comprehensive income (loss) of associates and joint ventures accounted for using the equity method	<u>53</u>	<u>-</u>	<u>(1)</u>	<u>-</u>	<u>15</u>	<u>-</u>	<u>(64)</u>	<u>-</u>
	<u>(10)</u>	<u>-</u>	<u>(14,931)</u>	<u>-</u>	<u>27,670</u>	<u>-</u>	<u>(11,789)</u>	<u>-</u>

(Continued)

TXC CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translation of the financial statements of foreign operations	\$ 217,462	6	\$ (65,214)	(2)	\$ (620,971)	(6)	\$ 337,322	3
Share of the other comprehensive (loss) income of associates and joint ventures accounted for using the equity method	<u>9,718</u>	<u>-</u>	<u>4,280</u>	<u>-</u>	<u>(21,407)</u>	<u>-</u>	<u>12,434</u>	<u>-</u>
	<u>227,180</u>	<u>6</u>	<u>(60,934)</u>	<u>(2)</u>	<u>(642,378)</u>	<u>(6)</u>	<u>349,756</u>	<u>3</u>
Other comprehensive (loss) income for the period, net of income tax	<u>227,170</u>	<u>6</u>	<u>(75,865)</u>	<u>(2)</u>	<u>(614,708)</u>	<u>(6)</u>	<u>337,967</u>	<u>3</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 739,113</u>	<u>21</u>	<u>\$ 436,348</u>	<u>12</u>	<u>\$ 737,276</u>	<u>7</u>	<u>\$ 1,906,386</u>	<u>20</u>
NET (LOSS) PROFIT ATTRIBUTABLE TO:								
Owners of the Company	\$ 511,097	15	\$ 513,921	14	\$ 1,353,204	13	\$ 1,568,355	17
Non-controlling interests	<u>846</u>	<u>-</u>	<u>(1,708)</u>	<u>-</u>	<u>(1,220)</u>	<u>-</u>	<u>64</u>	<u>-</u>
	<u>\$ 511,943</u>	<u>15</u>	<u>\$ 512,213</u>	<u>14</u>	<u>\$ 1,351,984</u>	<u>13</u>	<u>\$ 1,568,419</u>	<u>17</u>
TOTAL COMPREHENSIVE (LOSS) INCOME ATTRIBUTABLE TO:								
Owners of the Company	\$ 739,392	21	\$ 438,056	12	\$ 752,645	7	\$ 1,906,322	20
Non-controlling interests	<u>(279)</u>	<u>-</u>	<u>(1,708)</u>	<u>-</u>	<u>(15,369)</u>	<u>-</u>	<u>64</u>	<u>-</u>
	<u>\$ 739,113</u>	<u>21</u>	<u>\$ 436,348</u>	<u>12</u>	<u>\$ 737,276</u>	<u>7</u>	<u>\$ 1,906,386</u>	<u>20</u>
EARNINGS PER SHARE (Note 25)								
From continuing operations								
Basic	<u>\$ 1.49</u>		<u>\$ 1.50</u>		<u>\$ 3.95</u>		<u>\$ 4.93</u>	
Diluted	<u>\$ 1.49</u>		<u>\$ 1.48</u>		<u>\$ 3.92</u>		<u>\$ 4.79</u>	

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

(Concluded)

TXC CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company											Non-controlling Interests	Total Equity
	Shares (In Thousands)	Share Capital			Retained Earnings			Other Equity		Treasury Shares	Total		
		Ordinary Shares	Bond Conversion Entitlement Certificates	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income				
BALANCE AT JANUARY 1, 2024	309,758	\$ 3,097,570	\$ 9	\$ 1,718,693	\$ 2,243,247	\$ 143,071	\$ 5,198,793	\$ (582,706)	\$ 54,939	\$ -	\$ 11,873,616	\$ -	\$ 11,873,616
Appropriation of 2023 earnings (Note 21)													
Legal reserve	-	-	-	-	194,468	-	(194,468)	-	-	-	-	-	-
Special reserve	-	-	-	-	-	384,696	(384,696)	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	-	(1,393,911)	-	-	-	(1,393,911)	-	(1,393,911)
Net profit for the nine months ended September 30, 2024	-	-	-	-	-	-	1,568,355	-	-	-	1,568,355	64	1,568,419
Other comprehensive income (loss) for the nine months ended September 30, 2024, net of income tax	-	-	-	-	-	-	18,919	349,756	(30,708)	-	337,967	-	337,967
Total comprehensive income (loss) for the nine months ended September 30, 2024	-	-	-	-	-	-	1,587,274	349,756	(30,708)	-	1,906,322	64	1,906,386
Convertible bonds converted to ordinary shares	8,235	82,360	(9)	816,091	-	-	-	-	-	-	898,442	-	898,442
Donations from shareholders	-	-	-	(147)	-	-	-	-	-	-	(147)	-	(147)
Issuance of ordinary shares for cash	25,000	250,000	-	2,087,500	-	-	-	-	-	-	2,337,500	-	2,337,500
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	66,087	66,087
BALANCE AT SEPTEMBER 30, 2024	<u>342,993</u>	<u>\$ 3,429,930</u>	<u>\$ -</u>	<u>\$ 4,622,137</u>	<u>\$ 2,437,715</u>	<u>\$ 527,767</u>	<u>\$ 4,812,992</u>	<u>\$ (232,950)</u>	<u>\$ 24,231</u>	<u>\$ -</u>	<u>\$ 15,621,822</u>	<u>\$ 66,151</u>	<u>\$ 15,687,973</u>
BALANCE AT JANUARY 1, 2025	342,993	\$ 3,429,930	\$ -	\$ 4,622,137	\$ 2,437,715	\$ 527,767	\$ 5,379,666	\$ (140,531)	\$ 67,671	\$ -	\$ 16,324,355	\$ 119,824	\$ 16,444,179
Appropriation of 2024 earnings (Note 21)													
Legal reserve	-	-	-	-	215,395	-	(215,395)	-	-	-	-	-	-
Special reserve	-	-	-	-	-	(304,974)	304,974	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	-	(1,783,563)	-	-	-	(1,783,563)	-	(1,783,563)
Net profit for the nine months ended September 30, 2025	-	-	-	-	-	-	1,353,204	-	-	-	1,353,204	(1,220)	1,351,984
Other comprehensive income (loss) for the nine months ended September 30, 2025, net of income tax	-	-	-	-	-	-	53	(628,229)	27,617	-	(600,559)	(14,149)	(614,708)
Total comprehensive income (loss) for the nine months ended September 30, 2025	-	-	-	-	-	-	1,353,257	(628,229)	27,617	-	752,645	(15,369)	737,276
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	-	3,984	-	(3,984)	-	-	-	-
Donations from shareholders	-	-	-	(100)	-	-	-	-	-	-	(100)	-	(100)
Buy-back of ordinary share	-	-	-	-	-	-	-	-	-	(264,096)	(264,096)	-	(264,096)
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	9,200	9,200
BALANCE AT SEPTEMBER 30, 2025	<u>342,993</u>	<u>\$ 3,429,930</u>	<u>\$ -</u>	<u>\$ 4,622,037</u>	<u>\$ 2,653,110</u>	<u>\$ 222,793</u>	<u>\$ 5,042,923</u>	<u>\$ (768,760)</u>	<u>\$ 91,304</u>	<u>\$ (264,096)</u>	<u>\$ 15,029,241</u>	<u>\$ 113,655</u>	<u>\$ 15,142,896</u>

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

TXC CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Nine Months Ended September 30	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 1,612,323	\$ 1,880,390
Adjustments for:		
Depreciation expenses	923,349	868,226
Amortization expenses	11,197	13,868
Expected credit loss recognized	1,672	-
Net gain on fair value change of financial assets and liabilities at fair value through profit or loss	(21,846)	(15,047)
Finance costs	47,845	44,524
Interest income	(39,280)	(55,588)
Dividend income	(922)	(4,491)
Share of profits of associates and joint ventures	(7,775)	(10,102)
Gain on disposal of property, plant and equipment	(7,959)	(57)
Impairment losses (reversed) recognized on property, plant and equipment	36	(7,093)
Write-down of inventories	8,436	7,429
Changes in operating assets and liabilities		
Notes receivable	(107,629)	(57,789)
Trade receivables	99,910	(295,449)
Trade receivables from related parties	(1,564)	(2,256)
Other receivables	11,444	(64,803)
Other receivables from related parties	(257)	265
Inventories	198,692	(378,307)
Other current assets	51,515	(136,177)
Decrease in finance lease receivables	4,399	4,155
Contract liabilities - current	(42)	-
Trade payables	(132,765)	445,006
Trade payables to related parties	3,847	209
Other payables	(119,425)	(50,330)
Other payables to related parties	(16,099)	21,983
Other current liabilities	127,033	9,609
Net defined benefit assets/liabilities - non-current	(386)	(4,637)
Deferred revenue	92,360	(2,047)
Cash generated from operations	2,738,109	2,211,491
Interest paid	(46,871)	(37,412)
Income taxes paid	(346,233)	(319,263)
Net cash generated from operating activities	<u>2,345,005</u>	<u>1,854,816</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through profit or loss	(371,375)	(1,039,058)
Proceeds from sale of financial assets at fair value through other comprehensive income	64,340	-

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TXC CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Nine Months Ended September 30	
	2025	2024
Purchase of financial assets at amortized cost	\$ (49,517)	\$ (3,072)
Payments for property, plant and equipment	(1,056,588)	(1,362,893)
Proceeds from disposal of property, plant and equipment	94,422	49,486
Payments for intangible assets	(14,464)	(8,901)
Increase in other non-current assets	(6,194)	-
Decrease in other non-current assets	-	455
Increase in prepayments for equipment	-	(534,391)
Interest received	37,502	54,932
Dividend received	<u>23,087</u>	<u>22,215</u>
Net cash used in investing activities	<u>(1,278,787)</u>	<u>(2,821,227)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	518,628	-
Repayments of short-term borrowings	-	(90,687)
Repayments of bonds payable	-	(301,400)
Proceeds from long-term borrowings	2,876,690	3,255,778
Repayments of long-term borrowings	(2,154,667)	(2,960,729)
Proceeds from guarantee deposits received	-	49,258
Refund in guarantee deposits received	(5,572)	-
Repayment of the principal portion of lease liabilities	(6,980)	(6,367)
Dividends paid to owners of the company	(1,783,563)	(1,393,911)
Proceeds from issuance of ordinary shares	-	2,337,500
Payments for buy-back of ordinary shares	(264,096)	-
Changes in non-controlling interests	9,200	66,087
Other changes in capital surplus	<u>(100)</u>	<u>(147)</u>
Net cash (used in) generated from financing activities	<u>(810,460)</u>	<u>955,382</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>(138,310)</u>	<u>130,582</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	117,448	119,553
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>3,906,374</u>	<u>4,204,269</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 4,023,822</u>	<u>\$ 4,323,822</u>

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

(Concluded)

TXC CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

TXC Corporation (the “Company”) was incorporated in the Republic of China (ROC) on December 28, 1983.

TXC specializes in producing high quality crystals and crystal oscillator (CXO) as well as develops a variety of sensors by core technology to satisfy the market demand. Sensors are applied to various applications including mobile communication, information and storage device, internet of things, vehicle electronics, telecommunication equipment, smart home, AI, medical care, and 5G, etc.

TXC’s shares have been listed on the Taiwan Stock Exchange since August 26, 2002.

The consolidated financial statements are presented in the Company’s functional currency, the New Taiwan dollar.

To ensure the rights and interests of investors through full disclosure of operational governance, the Company applied for the Corporate Governance Assessment held by the Taiwan Corporate Governance Association (TCGA). For the “Corporate Governance Evaluation” jointly held by the Taiwan Stock Exchange Corporation (TWSE) and Taipei Exchange, under the category of listed companies, the company was awarded as the top 20 percent in 2014, top 5 percent from 2015 to 2017, and top 6 to 20 percent from 2018 to 2024. The Company will continue to strengthen corporate governance with the intention to achieve international standards for protection of public interest. Since 2009, the Company prepared Corporate Social Responsibility Report in accordance with GRI Standards every year, officially established ESG Committee in 2021. Meanwhile, The Company prepared ESG Report to acquire the third party (BSI) certification, initially introduced TCFD and SASB, implemented sustainable development based on scientific methods which met international mainstream, and implementation of human rights equality, gender-friendly workplace and fulfilled the responsibilities as a global citizen.

Beginning this year, the company has actively embraced sustainability trends and rising client expectations, aspiring to elevate its sense of corporate social responsibility by fully implementing the ISO 20400 sustainable procurement standard. The associated operational procedures have been successfully introduced and are undergoing continual refinement, with certification anticipated in the fourth quarter - further strengthening our commitment to, and embodiment of, sustainable enterprise.

Moreover, the Company actively responds to climate change issues, had established an ISO50001 energy management system, completed the interrogation of ISO14064-1 organizational greenhouse gas, and had begun to implement the interrogation of ISO14067 product carbon footprint. The Company comprehensively applying systematic management methods, collecting and monitoring energy data. At the same time, renewable energy initiatives are promoted through dual approaches: Procuring external renewable energy and independently building solar power systems. These efforts effectively advance energy conservation and emission reduction through multiple channels. As of the third quarter of this year, the renewable energy usage rate has reached 14.6%.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company’s board of directors on November 3, 2025.

3. APPLICATION OF NEW, AMEND AND REVISED STANDARDS, AND INTERPRETATIONS

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

Amendments to IAS 21 “Lack of Exchangeability”

The initial application of the Amendments to IAS 21 “Lack of Exchangeability” did not have a material impact on the Group’s accounting policies.

- b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2025

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

Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” - the amendments to the application guidance of classification of financial assets

The amendments mainly amend the requirements for the classification of financial assets, including:

- 1) If a financial asset contains a contingent feature that could change the timing or amount of contractual cash flows and the contingent event itself does not relate directly to changes in basic lending risks and costs (e.g., whether the debtor achieves a contractually specified reduction in carbon emissions), the financial asset has contractual cash flows that are solely payments of principal and interest on the principal amount outstanding if, and only if,
 - In all possible scenarios (before and after the occurrence of a contingent event), the contractual cash flows are solely payments of principal and interest on the principal amount outstanding; and
 - In all possible scenarios, the contractual cash flows would not be significantly different from the contractual cash flows on a financial instrument with identical contractual terms, but without such a contingent feature.
- 2) To clarify that a financial asset has non-recourse features if an entity’s ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.
- 3) To clarify that the characteristics of contractually linked instruments include a prioritization of payments to the holders of financial assets using multiple contractually linked instruments (tranches) established through a waterfall payment structure, resulting in concentrations of credit risk and a disproportionate allocation of cash shortfalls from the underlying pool between the tranches.

An entity shall apply the amendments retrospectively but is not required to restate prior periods. The effect of initially applying the amendments shall be recognized as an adjustment to the opening balance at the date of initial application. An entity may restate prior periods if, and only if, it is possible to do so without the use of hindsight.

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

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

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note 1)
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 in Financial Statements"	January 1, 2027 (Note 2)
IFRS 19 "Subsidiaries without Public Accountability: Disclosures" (including the 2025 amendments to IFRS 19)	January 1, 2027

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

Note 2: On September 25, 2025, the FSC announced that IFRS 18 will take effect starting from January 1, 2028. Domestic entities could elect to apply IFRS 18 for an earlier period after the endorsement of IFRS 18 by the FSC.

IFRS 18 "Presentation and Disclosure in Financial Statements"

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

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discontinued operations categories.
- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.
- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as "other" only if it cannot find a more informative label.
- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management's view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the other impacts of the above amended standards and interpretations on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

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

b. Basis of preparation

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

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

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

c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries, including structured entities).

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions.

d. Other material accounting policies

Except for the following, please refer to the consolidated financial statements for the year ended December 31, 2024.

1) Retirement benefits

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 plan amendments, settlements, or other significant one-off events.

2) Other long-term employee benefits

Other long-term employee benefits are accounted for in the same way as the accounting required for defined benefit plans except that remeasurement is recognized in profit or loss.

3) Income tax expense

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

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

When developing material accounting estimates, the Group considers the possible impact of US reciprocal tariffs and other possible impacts on the cash flow projection, growth rates, discount rates, profitability and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

6. CASH AND CASH EQUIVALENTS

	September 30, 2025	December 31, 2024	September 30, 2024
Cash on hand	\$ 664	\$ 725	\$ 809
Checking accounts and demand deposits	2,803,158	2,760,490	2,693,013
Cash equivalents (investments with original maturities less than three months)			
Time deposits	1,150,000	1,045,159	1,400,000
Repurchase agreements collateralized by bonds	<u>70,000</u>	<u>100,000</u>	<u>230,000</u>
	<u>\$ 4,023,822</u>	<u>\$ 3,906,374</u>	<u>\$ 4,323,822</u>

The market rate intervals of cash in bank at the end of the reporting period were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Demand deposits	0.05%-3.3%	0.0001%-3.76%	0.001%-3.50%
Time deposits	1.62%-1.7%	1.50%-4.61%	1.54%-1.65%
Repurchase agreements collateralized by bonds	1.4%	1.47%	1.42%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Financial assets at FVTPL - current</u>			
Financial assets mandatorily classified as at FVTPL			
Derivative financial instruments (not under hedge accounting)			
Foreign exchange forward contracts and exchange contracts (a)	\$ 5,145	\$ 1,415	\$ -
Non-derivative financial assets			
Listed shares	-	43,000	-
Beneficiary certificate	293	308	304
Hybrid financial assets			
Floating income financial products	1,677,462	1,405,617	1,688,291
Convertible bonds	<u>17,230</u>	<u>17,550</u>	<u>10,350</u>
	<u>1,694,985</u>	<u>1,466,475</u>	<u>1,698,945</u>
	<u>\$ 1,700,130</u>	<u>\$ 1,467,890</u>	<u>\$ 1,698,945</u>

Financial liabilities at FVTPL - current

Financial liabilities mandatorily classified as at FVTPL

Derivative financial instruments (not under hedge accounting)

Foreign exchange forward contracts and exchange contracts (a)

\$ -	\$ -	\$ 3,315
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- a. At the end of the reporting period, outstanding foreign exchange forward contracts and exchange contracts not under hedge accounting were as follows:

	Currency	Maturity Date	Contract Amount (In Thousands)
<u>September 30, 2025</u>			
Knock-out forward	USD/RMB	2025.10.20-2026.01.19	USD17,000/RMB122,397
Exchange contracts	USD/NTD	2025.10.07-2026.01.14	USD11,000/NTD325,072
Foreign currency options	USD/NTD	2025.11.10-2026.01.20	USD16,000/NTD490,400
Sell	USD/RMB	2025.09.26-2025.11.26	USD500/RMB3,555
<u>December 31, 2024</u>			
Knock-out forward	USD/RMB	2025.01.13	USD4,000/RMB29,030
Exchange contracts	USD/NTD	2025.01.21-2025.02.04	USD7,000/NTD222,583
Foreign currency options	USD/NTD	2025.01.03-2025.02.05	USD7,000/NTD225,900
<u>September 30, 2024</u>			
Knock-out forward	USD/JPY	2024.10.07-2024.10.28	USD3,500/JPY520,950
Exchange contracts	USD/NTD	2024.10.21-2024.12.18	USD20,000/NTD634,094

The Group entered into foreign exchange forward contracts and exchange contracts during the nine months ended September 30, 2025 and 2024 to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities. However, those contracts did not meet the criteria of hedge effectiveness and therefore were not accounted for by using hedge accounting.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Non-current</u>			
Domestic investments			
Listed shares			
Win Win Precision Technology Co., Ltd.	\$ -	\$ 40,678	\$ 42,197
Unlisted shares	<u>49,292</u>	<u>49,292</u>	<u>68,056</u>
	<u>49,292</u>	<u>89,970</u>	<u>110,253</u>
Foreign investments			
Unlisted shares	<u>296,719</u>	<u>310,933</u>	<u>243,215</u>
	<u>\$ 346,011</u>	<u>\$ 400,903</u>	<u>\$ 353,468</u>

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

In the first half of 2025, the Group sold its shares in Win Win Precision Technology Co., Ltd. in order to manage credit concentration risk. The shares sold had a fair value of \$64,340 thousand and its related unrealized gain of \$3,984 thousand was transferred from other equity to retained earnings.

9. FINANCIAL ASSETS AT AMORTIZED COST

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Current</u>			
Domestic investments			
Pledge deposits (a)	\$ 87,898	\$ 104,092	\$ 100,847
Pledged time deposits (a and b)	40,000	-	-
Time deposits with original maturity of more than one year (c)	<u>139,476</u>	<u>-</u>	<u>-</u>
	<u>\$ 267,374</u>	<u>\$ 104,092</u>	<u>\$ 100,847</u>
<u>Non-current</u>			
Domestic investment			
Time deposits with original maturities of more than one year (c)	<u>\$ 68,047</u>	<u>\$ 215,803</u>	<u>\$ 212,111</u>

- a. Refer to Note 30 for information relating to investments in financial assets at amortized cost pledged as security.
- b. As of September 30, 2025, the range of interest rates for pledged time deposits was 0.66%.
- c. The ranges of interest rates for time deposits with original maturities of more than three months were approximately 2.9%-3.3%, 2.9%-3.3% and 1.54%-4.54% per annum as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively.

10. NOTES RECEIVABLE, TRADE RECEIVABLES AND OTHER RECEIVABLES

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Notes receivable</u>			
At amortized cost			
Gross carrying amount	\$ 298,535	\$ 190,906	\$ 145,360
Less: Allowance for impairment loss	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 298,535</u>	<u>\$ 190,906</u>	<u>\$ 145,360</u>
<u>Trade receivables (including related parties)</u>			
At amortized cost			
Gross carrying amount	\$ 3,484,036	\$ 3,582,382	\$ 3,478,660
Less: Allowance for impairment loss	<u>(14,378)</u>	<u>(12,932)</u>	<u>(13,314)</u>
	<u>\$ 3,469,658</u>	<u>\$ 3,569,450</u>	<u>\$ 3,465,346</u>

In order to minimize credit risk, the management of the Company has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Company credit risk was significantly reduced.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix prepared by reference to the past default experience of the customer, the customer's current financial position, economic condition of the industry in which the customer operates, as well as the GDP forecasts and industry outlook. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base. The Group recognizes 100% loss allowance for trade receivables of greater than 120 days past due and unsecured.

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

The following table details the loss allowance of notes receivable and trade receivables based on the Group's provision matrix.

September 30, 2025

	Not Past Due	1 to 60 Days	61 to 120 Days	121 to 180 Days	Over 180 Days	Total
Expected credit loss rate	0.40%	0.01%-0.42%	1.74%-2.61%	100%	100%	
Gross carrying amount	\$ 3,624,717	\$ 157,803	\$ 51	\$ -	\$ -	\$ 3,782,571
Loss allowance (Lifetime ECL)	<u>(14,360)</u>	<u>(17)</u>	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>(14,378)</u>
Amortized cost	<u>\$ 3,610,357</u>	<u>\$ 157,786</u>	<u>\$ 50</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,768,193</u>

December 31, 2024

	Not Past Due	1 to 60 Days	61 to 120 Days	121 to 180 Days	Over 180 Days	Total
Expected credit loss rate	0.36%	0.04%-0.6%	100%	100%	100%	
Gross carrying amount	\$ 3,560,024	\$ 213,264	\$ -	\$ -	\$ -	\$ 3,773,288
Loss allowance (Lifetime ECL)	<u>(12,831)</u>	<u>(101)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(12,932)</u>
Amortized cost	<u>\$ 3,547,193</u>	<u>\$ 213,163</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,760,356</u>

September 30, 2024

	Not Past Due	1 to 60 Days	61 to 120 Days	121 to 180 Days	Over 180 Days	Total
Expected credit loss rate	0.38%	0.06%-0.52%	100%	100%	100%	
Gross carrying amount	\$ 3,481,527	\$ 142,493	\$ -	\$ -	\$ -	\$ 3,624,020
Loss allowance (Lifetime ECL)	<u>(13,224)</u>	<u>(90)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(13,314)</u>
Amortized cost	<u>\$ 3,468,303</u>	<u>\$ 142,403</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,610,706</u>

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

	For the Nine Months Ended September 30	
	2025	2024
Balance at January 1	\$ 12,932	\$ 13,442
Add: Net remeasurement of loss allowance	1,672	-
Less: Amounts written off	-	(267)
Foreign exchange losses and gains	<u>(226)</u>	<u>139</u>
Balance at September 30	<u>\$ 14,378</u>	<u>\$ 13,314</u>

11. FINANCE LEASE RECEIVABLES

	September 30, 2025	December 31, 2024	September 30, 2024
Undiscounted lease payments			
Year 1	\$ 2,338	\$ 4,846	\$ 4,799
Year 2	-	2,486	2,463
Year 3	-	-	-
Year 4	-	-	-
Year 5	-	-	-
Year 6 onwards	-	-	-
	<u>2,338</u>	<u>7,332</u>	<u>7,262</u>
Less: Unearned finance income	<u>(41)</u>	<u>(248)</u>	<u>(245)</u>
Net investment in leases presented as finance lease receivable	<u>\$ 2,297</u>	<u>\$ 7,084</u>	<u>\$ 7,017</u>

12. INVENTORIES

	September 30, 2025	December 31, 2024	September 30, 2024
Finished goods	\$ 464,360	\$ 620,191	\$ 521,012
Work in process	831,618	703,672	647,719
Raw materials	617,232	672,994	721,095
Supplies and spare parts	131,275	142,292	148,863
Merchandise	406,646	507,971	559,377
Buildings and land held for sale	<u>167,357</u>	<u>177,981</u>	<u>176,283</u>
	<u>\$ 2,618,488</u>	<u>\$ 2,825,101</u>	<u>\$ 2,774,349</u>

The cost of crystal inventories recognized as cost of goods sold for the three and the nine months ended September 30, 2025 and 2024 included \$2,403,443 thousand, \$2,386,377 thousand, \$6,684,512 thousand and \$5,988,954 thousand, respectively.

The cost of goods sold for the three and the nine months ended September 30, 2025 and 2024 included inventory write-downs of \$0 thousand, \$1,411 thousand, \$8,436 thousand and \$7,429 thousand, respectively.

The details of the buildings and land held for sale are as follows:

Area	September 30, 2025	
	Buildings and Land Held for Sale	Contract Liabilities - Current
Jing Yuan	<u>\$ 167,357</u>	<u>\$ -</u>

Area	December 31, 2024	
	Buildings and Land Held for Sale	Contract Liabilities - Current
Jing Yuan	\$ 177,981	\$ 42

Area	September 30, 2024	
	Buildings and Land Held for Sale	Contract Liabilities - Current
Jing Yuan	\$ 176,283	\$ 41

13. SUBSIDIARIES

Subsidiaries Included in the Consolidated Financial Statements

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

Investor	Investee	Nature of Activities	Proportion of Ownership			Remark
			September 30, 2025	December 31, 2024	September 30, 2024	
TXC Corporation (TXC)	Taiwan Crystal Technology International Limited (TCTI)	Investment management	100%	100%	100%	a
	TXC Technology, Inc.	Marketing activities	100%	100%	100%	b
	TXC Japan Corporation	Marketing activities	100%	100%	100%	c
	Taiwan Crystal Technology (HK) Limited (TCT-HK)	International trading	100%	100%	100%	e
	TXC Europe GmbH	Marketing activities	100%	100%	100%	j
Taiwan Crystal Technology International Limited	TXC (Ningbo) Corporation (TXC-Ningbo)	Research and development, manufacture, and sale of quartz elements and related electronic products	100%	100%	100%	d
TXC (Ningbo) Corporation	TXC (Chongqing) Corporation (TXC-Chongqing)	Research and development, manufacture, and sale of quartz elements and related electronic products	100%	100%	100%	f
	Chongqing Zhongyang Properties Co., Ltd. (Chongqing Zhongyang)	Properties development	100%	100%	100%	g
	Ningbo Beilun Jingyu Trading Corporation (Beilun Jingyu)	International trading	100%	100%	100%	h
	Ningbo Meishan Free Trade Port Area Ding Kai Investment Management Company Limited (Ding Kai Investment)	Investment management	100%	100%	100%	i
	TETC Corp. Ningbo (TETC-Ningbo)	Research and development, manufacture, and sale of quartz elements and related electronic products	100%	100%	100%	l
	PT TXC Technology Indonesia (SUB)	Research and development, manufacture, and sale of quartz elements and related electronic products	80%	81%	80%	n
	Chongqing Zhongyang Properties Co., Ltd.	ChongQing Dingsen Commercial Management Co., Ltd	Property management	100%	100%	100%
TETC Corp. Ningbo	Shanghai JCH Co., Ltd (JCH)	Marketing activities and technical services	100%	100%	100%	m

- a. Taiwan Crystal Technology International Limited was incorporated on December 23, 1998 in Samoa.
- b. TXC Technology, Inc. was incorporated on December 1, 2000 in California, U.S.A.
- c. TXC Japan Corporation was incorporated on September 13, 2005 in Yokohama, Japan.
- d. TXC (Ningbo) Corporation was incorporated on March 12, 1999 in Ningbo, China.

- e. Taiwan Crystal Technology (HK) Limited was incorporated on July 6, 2010 in Hong Kong Special Administrative Region, China.
- f. TXC (Chongqing) Corporation was incorporated on October 11, 2010 in Chongqing, China.
- g. Chongqing Zhongyang Properties Co., Ltd. was incorporated on February 14, 2011 in Chongqing, China.
- h. Ningbo Beilun Jingyu Trading Corporation was incorporated on September 7, 2011 in Ningbo, China.
- i. Ningbo Meishan Free Trade Port Area Ding Kai Investment Management Company Limited was incorporated on May 12, 2017 in Beilun District, Ningbo, China.
- j. TXC Europe GmbH was founded in Germany on August 17, 2018.
- k. ChongQing Dingsen Commercial Management Co., Ltd. was incorporated on February 21, 2019 in Chongqing, China.
- l. TETC Corp. Ningbo was incorporated on December 30, 2020 in Ningbo, China.
- m. Shanghai JCH Co., Ltd. was registered on October 13, 2022 in Shanghai, China.
- n. PT TXC Technology Indonesia was registered on March 6, 2024 in Surabaya, Indonesia.
- o. Except for the financial statements for the nine months ended September 30, 2025 and 2024 of Taiwan Crystal Technology International Limited, TXC (Ningbo) Corporation, TXC (Chongqing) Corporation, Chongqing Zhongyang Properties Co., Ltd., and TETC CORP. Ningbo, all companies are immaterial subsidiaries, and their financial statements have not been reviewed.

14. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	September 30, 2025	December 31, 2024	September 30, 2024
Investments in associates and joint venture	<u>\$ 427,263</u>	<u>\$ 464,962</u>	<u>\$ 452,785</u>
a. Investment in associates			
	September 30, 2025	December 31, 2024	September 30, 2024
Associates that are not individually material	<u>\$ 403,746</u>	<u>\$ 428,728</u>	<u>\$ 414,663</u>

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
The Group's share of:				
Profit from continuing operations	\$ 5,048	\$ 8,427	\$ 18,415	\$ 21,945
Other comprehensive (loss) income	<u>9,771</u>	<u>4,279</u>	<u>(21,392)</u>	<u>12,370</u>
Total comprehensive (loss) income for the period	<u>\$ 14,819</u>	<u>\$ 12,706</u>	<u>\$ (2,977)</u>	<u>\$ 34,315</u>

Refer to Table 4 “name, locations, and related information of investees on which the Company exercises significant influence” for the nature of activities, principal place of business and country of incorporation of the associates.

b. Investment joint ventures

	September 30, 2025	December 31, 2024	September 30, 2024	
Joint ventures that are not individually material	<u>\$ 23,517</u>	<u>\$ 36,234</u>	<u>\$ 38,122</u>	
	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
The Group's share of:				
Loss from continuing operations	<u>\$ (3,297)</u>	<u>\$ (3,229)</u>	<u>\$ (10,640)</u>	<u>\$ (11,843)</u>
Total comprehensive loss for the period	<u>\$ (3,297)</u>	<u>\$ (3,229)</u>	<u>\$ (10,640)</u>	<u>\$ (11,843)</u>

Refer to Table 5 “information on investment in mainland China” for the nature of activities, principal place of business and country of incorporation of the joint ventures.

Except for investments of Ningbo Longying Semiconductor Co., Ltd., which were accounted for using the equity method and the share of profit or loss and other comprehensive income of those investments were calculated based on financial statements which have been reviewed. Management believes there is no material impact on the equity method of accounting or the calculation of the share of profit or loss and other comprehensive income from the financial statements of Ningbo Longying Semiconductor Co., Ltd. which have not been reviewed.

15. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land	Land Improvements	Buildings	Machinery and Equipment	Transportation Equipment	Office Equipment	Property under Construction	Total
Cost								
Balance at January 1, 2024	\$ 621,855	\$ 3,024	\$ 2,898,736	\$ 11,137,193	\$ 24,059	\$ 433,368	\$ 283,196	\$ 15,401,431
Additions	78,949	-	110,020	443,885	3,334	167,337	559,368	1,362,893
Disposals	-	-	(3,097)	(300,121)	-	(7,341)	-	(310,559)
Reclassified from intangible assets	-	-	-	-	-	6,150	-	6,150
Reclassified	-	-	90	5,040	-	(5,040)	(90)	-
Effect of foreign currency exchange differences	3,443	-	54,626	263,646	968	14,546	22,691	359,920
Balance at September 30, 2024	<u>\$ 704,247</u>	<u>\$ 3,024</u>	<u>\$ 3,060,375</u>	<u>\$ 11,549,643</u>	<u>\$ 28,361</u>	<u>\$ 609,020</u>	<u>\$ 865,165</u>	<u>\$ 16,819,835</u>
Accumulated depreciation and impairment								
Balance at January 1, 2024	\$ -	\$ 1,898	\$ 1,476,351	\$ 7,817,454	\$ 18,861	\$ 316,536	\$ -	\$ 9,631,100
Disposals	-	-	(3,097)	(250,840)	-	(7,193)	-	(261,130)
Depreciation expenses	-	238	100,437	704,511	2,222	36,779	-	844,187
Impairment losses reversed	-	-	-	(7,093)	-	-	-	(7,093)
Effect of foreign currency exchange differences	-	-	28,161	175,968	772	9,012	-	213,913
Balance at September 30, 2024	<u>\$ -</u>	<u>\$ 2,136</u>	<u>\$ 1,601,852</u>	<u>\$ 8,440,000</u>	<u>\$ 21,855</u>	<u>\$ 355,134</u>	<u>\$ -</u>	<u>\$ 10,420,977</u>
Carrying value at September 30, 2024	<u>\$ 704,247</u>	<u>\$ 888</u>	<u>\$ 1,458,523</u>	<u>\$ 3,109,643</u>	<u>\$ 6,506</u>	<u>\$ 253,886</u>	<u>\$ 865,165</u>	<u>\$ 6,398,858</u>
Cost								
Balance at January 1, 2025	\$ 703,244	\$ 3,024	\$ 3,225,504	\$ 12,226,188	\$ 29,097	\$ 593,996	\$ 903,728	\$ 17,684,781
Additions	-	-	102,216	897,901	164	36,622	19,685	1,056,588
Disposals	-	(1,599)	(18,463)	(381,464)	-	(12,388)	-	(413,914)
Transfer to investment properties	-	-	(8,490)	-	-	-	-	(8,490)
Reclassified	-	-	865,813	-	-	338	(869,753)	(3,602)
Transfer from prepayment for equipment	-	-	-	51,657	-	-	-	51,657
Effect of foreign currency exchange differences	(9,251)	-	(100,898)	(448,296)	(1,670)	(26,250)	(51,803)	(638,168)
Balance at September 30, 2025	<u>\$ 693,993</u>	<u>\$ 1,425</u>	<u>\$ 4,065,682</u>	<u>\$ 12,345,986</u>	<u>\$ 27,591</u>	<u>\$ 592,318</u>	<u>\$ 1,857</u>	<u>\$ 17,728,852</u>
Accumulated depreciation and impairment								
Balance at January 1, 2025	\$ -	\$ 2,210	\$ 1,644,846	\$ 8,661,407	\$ 22,718	\$ 369,496	\$ -	\$ 10,700,677
Disposals	-	(1,599)	(18,463)	(296,261)	-	(11,128)	-	(327,451)
Depreciation expenses	-	162	139,295	708,007	1,855	48,411	-	897,730
Impairment losses recognized	-	-	-	36	-	-	-	36
Transfer to investment properties	-	-	(6,136)	-	-	-	-	(6,136)
Effect of foreign currency exchange differences	-	-	(46,916)	(287,579)	(1,316)	(15,831)	-	(351,642)
Balance at September 30, 2025	<u>\$ -</u>	<u>\$ 773</u>	<u>\$ 1,712,626</u>	<u>\$ 8,785,610</u>	<u>\$ 23,257</u>	<u>\$ 390,948</u>	<u>\$ -</u>	<u>\$ 10,913,214</u>
Carrying value at December 31, 2024 and January 1, 2025	<u>\$ 703,244</u>	<u>\$ 814</u>	<u>\$ 1,580,658</u>	<u>\$ 3,564,781</u>	<u>\$ 6,379</u>	<u>\$ 224,500</u>	<u>\$ 903,728</u>	<u>\$ 6,984,104</u>
Carrying value at September 30, 2025	<u>\$ 693,993</u>	<u>\$ 652</u>	<u>\$ 2,353,056</u>	<u>\$ 3,560,376</u>	<u>\$ 4,334</u>	<u>\$ 201,370</u>	<u>\$ 1,857</u>	<u>\$ 6,815,638</u>

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

Land improvements	5-7 years
Buildings	3-51 years
Equipment	
Major production equipment	3-15 years
Temperature control systems	4-7 years
Transportation equipment	4-7 years
Transportation equipment	4-5 years
Office equipment	3-5 years

Property, plant and equipment pledged as collateral for bank borrowings were set out in Note 30.

16. LEASE ARRANGEMENTS

a. Right-of-use assets

	September 30, 2025	December 31, 2024	September 30, 2024	
<u>Carrying amounts</u>				
Land use right	\$ 181,683	\$ 196,807	\$ 196,116	
Buildings	4,501	6,430	7,637	
Transportation equipment	<u>3,100</u>	<u>4,872</u>	<u>5,461</u>	
	<u>\$ 189,284</u>	<u>\$ 208,109</u>	<u>\$ 209,214</u>	
		For the Nine Months Ended September 30		
		2025	2024	
Additions to right-of-use assets		<u>\$ -</u>	<u>\$ 11,923</u>	
	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Depreciation charge for right-of-use assets				
Land use right	\$ 1,100	\$ 1,183	\$ 3,405	\$ 3,505
Buildings	643	643	1,929	1,952
Transportation equipment	<u>590</u>	<u>590</u>	<u>1,771</u>	<u>1,303</u>
	<u>\$ 2,333</u>	<u>\$ 2,416</u>	<u>\$ 7,105</u>	<u>\$ 6,760</u>
Income from the subleasing of right-of-use assets (presented in other income)	<u>\$ (260)</u>	<u>\$ (279)</u>	<u>\$ (804)</u>	<u>\$ (827)</u>

Right-of-use assets pledged as collateral for bank borrowings are set out in Note 30.

b. Lease liabilities

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Carrying amounts</u>			
Current	\$ 6,644	\$ 8,400	\$ 8,971
Non-current	<u>2,833</u>	<u>8,349</u>	<u>9,569</u>
	<u>\$ 9,477</u>	<u>\$ 16,749</u>	<u>\$ 18,540</u>

Range of discount rate for lease liabilities was as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Buildings	2.49%-3.45%	1.27%-3.85%	1.27%-3.85%
Transportation equipment	3%-3.14%	3%-3.14%	3%-3.14%

c. Material lease-in activities and terms

The Group purchased the land use right for the construction of plants, offices and retail stores with use term of 50 years in mainland China and its payments was paid fully at the time of contract signed and can be renewed upon the expiration of the period. The Group does not have purchase options to acquire the land and buildings at the end of the contract.

d. Other lease information

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Expenses relating to short-term leases	<u>\$ 147</u>	<u>\$ 135</u>	<u>\$ 295</u>	<u>\$ 280</u>
Total cash outflow for leases			<u>\$ (7,275)</u>	<u>\$ (6,647)</u>

The Group leases certain buildings, which qualify as short-term leases. The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

17. INVESTMENT PROPERTIES

	Completed Investment Properties
<u>Cost</u>	
Balance at January 1, 2024	\$ 627,280
Transferred from inventory	66,262
Effect of foreign currency exchange differences	<u>25,473</u>
Balance at September 30, 2024	<u>\$ 719,015</u>
<u>Accumulated depreciation and impairment</u>	
Balance at January 1, 2024	\$ (87,038)
Depreciation expenses	(17,279)
Effect of foreign currency exchange differences	<u>(3,339)</u>
Balance at September 30, 2024	<u>\$ (107,656)</u>
Carrying amounts at September 30, 2024	<u>\$ 611,359</u>

(Continued)

	Completed Investment Properties
<u>Cost</u>	
Balance at January 1, 2025	\$ 725,665
Disposals	(239)
Transfer from property, plant and equipment	8,490
Effect of foreign currency exchange differences	<u>(41,677)</u>
Balance at September 30, 2025	<u>\$ 692,239</u>
<u>Accumulated depreciation and impairment</u>	
Balance at January 1, 2025	\$ (114,975)
Disposals	239
Transfer from property, plant and equipment	(6,136)
Depreciation expenses	(18,514)
Effect of foreign currency exchange differences	<u>6,300</u>
Balance at September 30, 2025	<u>\$ (133,086)</u>
Carrying amounts at September 30, 2025	<u>\$ 559,153</u> (Concluded)

The investment real estate held by the combined company is mainly located in Pingzhen District of Taoyuan City and Ningbo City, Mainland China, and some of the factories and offices are leased to collect rents. The other part of the investment real estate is located in Chongqing City, mainland China, and is mainly self-built shopping malls to collect rents.

The investment properties held by the Group are depreciated using the straight-line method over their useful lives of 3-60 years.

The fair value of the Group's investment properties as of September 30, 2025, December 31, 2024 and September 30, 2024 was \$1,488,101 thousand, \$1,209,444 thousand and \$1,222,528 thousand, respectively. The determination of fair value was not performed by independent qualified professional valuers; however, the management of the Group used the valuation model that market participants would use in determining the fair value. The valuation was arrived at by reference to market evidence of transaction prices for similar properties.

All of the Group's investment properties were freehold properties. The investment properties pledged as collateral for bank borrowing are set out in Note 30.

18. BORROWINGS

a. Short-term borrowings

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Unsecured borrowings</u>			
Bank loans	\$ 629,464	\$ 135,441	\$ 89,433
Letters of credit	<u>95,153</u>	<u>70,685</u>	<u>70,010</u>
	<u>\$ 724,617</u>	<u>\$ 206,126</u>	<u>\$ 159,443</u>

The interest rate on the bank loans and letters of credit were 1.70%-4.75%, 2.20%-3.20% and 2.20%-3.20% per annum as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively.

b. Long-term borrowings

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Secured borrowings (Note 30)</u>			
Bank loans	\$ 42,881	\$ 493,627	\$ 516,019
Less: Current portions	<u>(2,144)</u>	<u>(59,284)</u>	<u>(56,460)</u>
	<u>40,737</u>	<u>434,343</u>	<u>459,559</u>
<u>Unsecured borrowings</u>			
Bank loans	2,530,670	1,421,589	2,365,387
Less: Current portions	<u>(475,407)</u>	<u>(668,905)</u>	<u>(1,059,612)</u>
	<u>2,055,263</u>	<u>752,684</u>	<u>1,305,775</u>
Long-term borrowings	<u>\$ 2,096,000</u>	<u>\$ 1,187,027</u>	<u>\$ 1,765,334</u>
Detail of borrowings			
Interest rate	0.98%-2.85%	0.98%-3.85%	0.98%-6.45%
Maturity date	Due by December 2029	Due by October 2028	Due by October 2028

19. OTHER LIABILITIES

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Current</u>			
Other payables			
Payables for bonuses to employees and directors	\$ 207,191	\$ 281,492	\$ 213,333
Payables for commissions	24,574	20,655	17,412
Payables for salaries	177,396	185,907	175,601
Payables for bonuses	390,229	510,759	365,727
Payables for annual leave	47,978	48,950	41,960
Payables for purchases of equipment	137,817	95,250	74,109
Others	<u>207,661</u>	<u>168,284</u>	<u>164,212</u>
	<u>\$ 1,192,846</u>	<u>\$ 1,311,297</u>	<u>\$ 1,052,354</u>
Deferred revenue			
Arising from government grants (Note 26)	\$ 50,082	\$ 43,616	\$ 43,199
Others	<u>886</u>	<u>1,130</u>	<u>1,120</u>
	<u>\$ 50,968</u>	<u>\$ 44,746</u>	<u>\$ 44,319</u>
<u>Non-current</u>			
Deferred revenue			
Arising from government grants (Note 26)	\$ 148,166	\$ 61,369	\$ 71,585
Others	<u>-</u>	<u>659</u>	<u>933</u>
	<u>\$ 148,166</u>	<u>\$ 62,028</u>	<u>\$ 72,518</u>

20. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

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

The employees of the Group's subsidiaries in mainland China are members of a state-managed retirement benefit plan operated by the government of China. The subsidiaries are required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

b. Defined benefit plans

Employee benefit expense for the three and the nine months ended September 30, 2025 and 2024 were \$157 thousand, \$185 thousand, \$470 thousand and \$2,297 thousand, respectively. Employee benefit expense was calculated on the basis of the actuarial valuations in December 31, 2024 and 2023.

21. EQUITY

a. Share capital

Ordinary shares

	September 30, 2025	December 31, 2024	September 30, 2024
Shares authorized (in thousands of shares)	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
Shares authorized, par value \$10 (in thousands of dollars)	<u>\$ 5,000,000</u>	<u>\$ 5,000,000</u>	<u>\$ 5,000,000</u>
Shares issued and fully paid (in thousands of shares)	<u>342,993</u>	<u>342,993</u>	<u>342,993</u>
Shares issued and fully paid (in thousands of dollars)	<u>\$ 3,429,930</u>	<u>\$ 3,429,930</u>	<u>\$ 3,429,930</u>

In order to align with long-term operational development, the Company introduced strategic partners, strengthened operational capital, and enhanced its financial structure. Considering the cost of raising funds and the timeliness and convenience of the introduction, the shareholders' meeting held on May 28, 2024, approved a private placement of up to 25,000 thousand shares of common stock through a cash capital increase. On June 20, 2024, the Board of Directors approved the issuance of 25,000 thousand common shares through a cash capital increase, with all shares to be subscribed for in cash by specific individuals, at a premium price of \$93.5 per share. The total amount raised through the private placement was \$2,337,500 thousand. The capital increase was registered and completed with the effective date set as July 2, 2024.

Fully paid ordinary shares, which have a par value of \$10, carry one vote per share and carry a right to dividends.

The Company's 30,000 thousand shares authorized were reserved for the issuance of convertible bonds and employee share options.

b. Capital surplus

	September 30, 2025	December 31, 2024	September 30, 2024
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital*			
Issuance of ordinary shares	\$ 2,699,275	\$ 2,699,275	\$ 2,699,275
Conversion of bonds	1,814,500	1,814,500	1,814,500
Overdue options	80,518	80,518	80,518
The difference between consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal or acquisition	331	331	331
<u>May only be used to offset a deficit</u>			
Share of changes in capital surplus of associates or joint venture	23,981	23,981	23,981
Others	3,432	3,532	3,532
	<u>\$ 4,622,037</u>	<u>\$ 4,622,137</u>	<u>\$ 4,622,137</u>

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

c. Retained earnings and dividend policy

The shareholders of the Company held their regular meeting on May 27, 2025 and in that meeting, resolved the amendments to the Articles. The amendments explicitly stipulate that the proposal for profit distribution or offsetting of losses should be made at the end of six months of the fiscal year. The board of directors is authorized to adopt a special resolution to distribute dividends and bonuses in cash and a report of such distribution should be submitted in the shareholders' meeting.

Under the dividends policy as set forth in the amended Articles, profit distribution or offset of deficit can be made after the end of each half of the fiscal year, relevant proposals shall be formulated by the Board of Directors and, in accordance with applicable laws, regulations, and the principles set forth in the Articles of Incorporation, be reported to or submitted for approval at the shareholders' meeting.

Under the dividends policy as set forth in the Articles before the amendments, where the Company made profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for distribution of dividends and bonuses to shareholders.

For the policies on distribution of employees' compensation and remuneration of directors and supervisors before and after amendment, refer to compensation of employees and remuneration of directors and supervisors in Note 23(g).

The Corporation's dividend policy takes into account the current and future investment environment, funding requirements, domestic and international competitiveness, and capital budgeting, while balancing shareholder interests and the Corporation's long-term financial planning. Accordingly, distributable earnings for the year shall be allocated as shareholders' dividends, which may be distributed in the form of cash or stock. Among them, cash dividends shall not be less than 50% of the total dividends.

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

When distributing the surplus, the Company is required to set aside additional special reserve equivalent to the net debit balance of the other equity interests in accordance with legal provisions (e.g., exchange differences on the translation of financial statements of foreign operating institutions, accumulated balances of unrealized gains and losses on financial assets at fair value through other comprehensive income). If there is a subsequent decrease in the amount of deductions from other equity items, the decrease can be transferred back to unappropriated earnings from the special surplus reserve.

The appropriations of earnings for 2024 and 2023 that were proposed and approved in the shareholders' meetings on May 27, 2025 and May 28, 2024, respectively. The appropriations and dividends per share were as follows:

	Appropriation of Earnings		Dividends Per Share (NT\$)	
	For Fiscal Year 2024	For Fiscal Year 2023	For Fiscal Year 2024	For Fiscal Year 2023
Legal reserve	\$ 215,395	\$ 194,468	\$ -	\$ -
(Reversed) allocated special reserve	(304,974)	384,696	-	-
Cash dividends	1,783,563	1,393,911	5.2	4.5

d. Other equity items

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

	For the Nine Months Ended September 30	
	2025	2024
Balance on January 1	\$ (140,531)	\$ (582,706)
Exchange differences on the translation of the financial statements of foreign operations	(606,822)	337,322
Share from associates accounted for using the equity method	<u>(21,407)</u>	<u>12,434</u>
Balance on September 30	<u>\$ (768,760)</u>	<u>\$ (232,950)</u>

2) Unrealized gain (loss) on financial assets at FVTOCI

	For the Nine Months Ended September 30	
	2025	2024
Balance on January 1	\$ 67,671	\$ 54,939
Recognized during the period		
Unrealized gain (loss) - equity instruments	27,655	(30,647)
Share from associates accounted for using the equity method	<u>(38)</u>	<u>(61)</u>
Other comprehensive income (loss) recognized in the period	<u>27,617</u>	<u>(30,708)</u>
Cumulative unrealized gain of equity instruments transferred to retained earnings due to disposal	<u>(3,984)</u>	<u>-</u>
Balance on September 30	<u>\$ 91,304</u>	<u>\$ 24,231</u>

3) Non-controlling interests

	For the Nine Months Ended September 30	
	2025	2024
Balance on January 1	\$ 119,824	\$ -
Share in (loss) profit for the year	(1,220)	64
Other comprehensive loss during the year		
Exchange differences on translating the financial statements of foreign entities	(14,149)	-
Increase in non-controlling interests	<u>9,200</u>	<u>66,087</u>
Balance on September 30	<u>\$ 113,655</u>	<u>\$ 66,151</u>

e. Treasury stock

Reasons for the Retraction	Subsidiary Holding of Parent Company's Stock (Thousand Shares)
Number of shares as of January 1, 2025	-
Increase during the current year	<u>3,000</u>
Number of shares as of September 30, 2025	<u>3,000</u>

Under the Securities and Exchange Act, the Company shall neither pledge treasury shares nor exercise shareholders' rights on these shares, such as the rights to dividends and to vote.

22. REVENUE

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Revenue from contracts with customers				
Revenue from sale of goods	\$ 3,488,165	\$ 3,664,670	\$ 10,013,560	\$ 9,334,561
Construction contract revenue	<u>3,480</u>	<u>3,603</u>	<u>11,075</u>	<u>10,015</u>
	<u>\$ 3,491,645</u>	<u>\$ 3,668,273</u>	<u>\$ 10,024,635</u>	<u>\$ 9,344,576</u>
Contract Balances				
	September 30, 2025	December 31, 2024	September 30, 2024	January 1, 2024
Trade receivables (Note 10)	<u>\$ 3,469,658</u>	<u>\$ 3,569,450</u>	<u>\$ 3,465,346</u>	<u>\$ 3,167,780</u>
Contract liabilities				
Construction of properties	\$ -	\$ 42	\$ 41	\$ 40
Sale of goods	<u>16,556</u>	<u>17,886</u>	<u>22,871</u>	<u>31,550</u>
	<u>\$ 16,556</u>	<u>\$ 17,928</u>	<u>\$ 22,912</u>	<u>\$ 31,590</u>

The contract liabilities were unearned sales revenue and accounted for other current liabilities.

23. NET PROFIT FROM CONTINUING OPERATIONS

Net profit from continuing operations was attributable to:

a. Interest income

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Bank deposits	\$ 6,204	\$ 10,432	\$ 27,573	\$ 38,003
Financial assets at amortized cost	1,574	1,914	4,647	5,490
Others	<u>2,016</u>	<u>3,284</u>	<u>7,060</u>	<u>12,095</u>
	<u>\$ 9,794</u>	<u>\$ 15,630</u>	<u>\$ 39,280</u>	<u>\$ 55,588</u>

b. Other income

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Income from government grants	\$ 26,500	\$ 28,252	\$ 79,723	\$ 69,906
Dividends income	-	200	922	4,491
Project income of equipment procurement service	26,422	-	26,422	-
Others	<u>14,345</u>	<u>8,547</u>	<u>31,718</u>	<u>24,375</u>
	<u>\$ 67,267</u>	<u>\$ 36,999</u>	<u>\$ 138,785</u>	<u>\$ 98,772</u>

c. Other gains and losses

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Gain (loss) on disposal of property, plant and equipment	\$ 3,773	\$ (904)	\$ 7,959	\$ 57
Fair value changes of financial assets and financial liabilities				
Financial assets and liabilities mandatorily at FVTPL	38,609	3,761	21,846	15,047
Net foreign exchange (losses) gains	40,898	(133,934)	(95,708)	97,806
Property, plant and equipment impairment reversed (losses)	169	4,139	(36)	7,093
Depreciation of investment properties	(1,400)	(1,401)	(4,321)	(4,168)
Others	<u>(3,480)</u>	<u>5,422</u>	<u>(11,517)</u>	<u>(20,779)</u>
	<u>\$ 78,569</u>	<u>\$ (122,917)</u>	<u>\$ (81,777)</u>	<u>\$ 95,056</u>

d. Finance costs

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Interest on bank loans	\$ 19,618	\$ 13,282	\$ 47,505	\$ 38,091
Interest on convertible bonds	-	680	-	6,022
Interest on lease liabilities	<u>114</u>	<u>209</u>	<u>340</u>	<u>411</u>
	<u>\$ 19,732</u>	<u>\$ 14,171</u>	<u>\$ 47,845</u>	<u>\$ 44,524</u>

e. Depreciation and amortization

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Property, plant and equipment	\$ 297,376	\$ 284,188	\$ 897,730	\$ 844,187
Investment properties	5,977	5,954	18,514	17,279
Right-of-use assets	2,333	2,416	7,105	6,760
Intangible assets	<u>3,557</u>	<u>4,278</u>	<u>11,197</u>	<u>13,868</u>
	<u>\$ 309,243</u>	<u>\$ 296,836</u>	<u>\$ 934,546</u>	<u>\$ 882,094</u>
An analysis of deprecation by function				
Operating costs	\$ 227,410	\$ 216,226	\$ 680,190	\$ 645,022
Operating expenses	76,876	74,931	238,838	219,036
Other gains and losses	<u>1,400</u>	<u>1,401</u>	<u>4,321</u>	<u>4,168</u>
	<u>\$ 305,686</u>	<u>\$ 292,558</u>	<u>\$ 923,349</u>	<u>\$ 868,226</u>
An analysis of amortization by function				
Operating costs	\$ 428	\$ 30	\$ 1,304	\$ 99
Operating expenses	<u>3,129</u>	<u>4,248</u>	<u>9,893</u>	<u>13,769</u>
	<u>\$ 3,557</u>	<u>\$ 4,278</u>	<u>\$ 11,197</u>	<u>\$ 13,868</u>

f. Employee benefits expense

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Post-employment benefits (Note 20)				
Defined contribution plans	\$ 37,254	\$ 34,727	\$ 112,085	\$ 96,983
Defined benefit plans	<u>157</u>	<u>185</u>	<u>470</u>	<u>2,297</u>
	<u>37,411</u>	<u>34,912</u>	<u>112,555</u>	<u>99,280</u>
Other employee benefits				
Payroll expense	734,055	685,386	2,198,326	2,015,105
Labor and health insurance	45,319	36,506	137,289	108,165
Others	<u>32,663</u>	<u>31,208</u>	<u>98,691</u>	<u>85,289</u>
	<u>812,037</u>	<u>753,100</u>	<u>2,434,306</u>	<u>2,208,559</u>
	<u>\$ 849,448</u>	<u>\$ 788,012</u>	<u>\$ 2,546,861</u>	<u>\$ 2,307,839</u>
An analysis of employee benefits expense by function				
Operating costs	\$ 508,206	\$ 460,162	\$ 1,532,721	\$ 1,344,538
Operating expenses	<u>341,242</u>	<u>327,850</u>	<u>1,014,140</u>	<u>963,301</u>
	<u>\$ 849,448</u>	<u>\$ 788,012</u>	<u>\$ 2,546,861</u>	<u>\$ 2,307,839</u>

g. Compensation and remuneration of directors

The Company accrued compensation of employees and remuneration of directors at the rates no less than 3% and no higher than 2%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors. The shareholders of the Company resolved the amendments to the Company's Articles at their 2025 regular meeting. The amendments explicitly stipulate the allocation of no less than 35% of the compensation of employees as compensation distributions for non-executive employees. The compensation of employees and remuneration of directors for the three and nine months ended September 30, 2025 and 2024, respectively, were as follows:

Accrual rate

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Compensation of employees	9.0%	9.0%	9.0%	9.0%
Remuneration of directors	1.5%	1.5%	1.5%	1.5%

Amount

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Compensation of employees	<u>\$ 58,623</u>	<u>\$ 57,522</u>	<u>\$ 149,574</u>	<u>\$ 176,108</u>
Remuneration to directors	<u>\$ 9,771</u>	<u>\$ 9,587</u>	<u>\$ 24,929</u>	<u>\$ 29,351</u>

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

The compensation of employees and remuneration of directors for the years ended December 31, 2024 and 2023 which were approved by the Company's board of directors on March 10, 2025 and March 11, 2024, respectively, were as follows:

	For the Year Ended December 31			
	2024		2023	
	Cash	Share	Cash	Share
Compensation of employees	\$ 241,279	\$ -	\$ 194,831	\$ -
Remuneration of directors	40,213	-	32,472	-

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

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

24. INCOME TAXES RELATING TO CONTINUING OPERATIONS

a. Income tax recognized in profit or loss

Major components of tax expense were as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Current tax				
In respect of the current year	\$ 65,602	\$ 88,095	\$ 292,844	\$ 320,675
Income tax on				
unappropriated earnings	-	-	7,750	-
Adjustments for prior year	23	(4)	(14,122)	(15,565)
Deferred tax				
In respect of the current year	<u>51,040</u>	<u>7,797</u>	<u>(26,133)</u>	<u>6,861</u>
Income tax expense recognized in profit or loss	<u>\$ 116,665</u>	<u>\$ 95,888</u>	<u>\$ 260,339</u>	<u>\$ 311,971</u>

b. Income tax assessments

The income tax returns through 2022 had been assessed by the tax authorities.

25. EARNINGS PER SHARE

The earnings and weighted average number of ordinary shares outstanding used in the computation of earnings per share from continuing operations were as follows:

Net Profit for the Period

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Profit for the period attributable to owners of the Company	\$ 511,097	\$ 513,921	\$ 1,353,204	\$ 1,568,355
Interest on convertible bonds after tax	<u>-</u>	<u>544</u>	<u>-</u>	<u>4,817</u>
Earnings used in the computation of diluted earnings per share	<u>\$ 511,097</u>	<u>\$ 514,465</u>	<u>\$ 1,353,204</u>	<u>\$ 1,573,172</u>

Weighted average number of ordinary shares outstanding (in thousand shares):

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Weighted average number of ordinary shares in the computation of basic earnings per share	341,968	342,118	342,646	317,917
Effect of potentially dilutive ordinary shares:				
Convertible bonds	-	3,204	-	8,469
Compensation of employees	<u>1,645</u>	<u>1,616</u>	<u>2,254</u>	<u>2,101</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>343,613</u>	<u>346,938</u>	<u>344,900</u>	<u>328,487</u>

The Group may settle the compensation paid to employees by cash or shares; therefore, the Group presumes that the entire amount of the compensation will be settled in shares and the resulting potential shares will be included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, if the shares had a dilutive effect. Such dilutive effect of the potential shares was included in the computation of diluted earnings per share until the shareholders resolve the number of shares to be distributed to employees at their meeting in the following year.

26. GOVERNMENT GRANTS

For the first three quarter of 2025 and 2024, the Group received a government grant of \$124,906 thousand and \$23,860 thousand for its investment of equipment. The amount was recognized as deferred revenue and subsequently transferred to profit or loss over the useful life of the related asset.

27. CAPITAL MANAGEMENT

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

The capital structure of the Group consists of net debt (borrowings offset by cash and cash equivalents) and equity attributable to owners of the Company (comprising issued capital, reserves, retained earnings and other equity).

The Group is not subject to any externally imposed capital requirements.

28. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments not measured at fair value

The management believes the carrying amounts of financial assets and financial liabilities recognized in the consolidated financial statements approximate their fair values.

b. Fair value of financial instruments measured at fair value on a recurring basis

1) Fair value hierarchy

September 30, 2025

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Foreign exchange forward contracts and exchange contracts	\$ -	\$ 5,145	\$ -	\$ 5,145
Beneficiary certificate	293	-	-	293
Floating income financial products	-	1,677,462	-	1,677,462
Convertible bonds	<u>17,230</u>	<u>-</u>	<u>-</u>	<u>17,230</u>
	<u>\$ 17,523</u>	<u>\$ 1,682,607</u>	<u>\$ -</u>	<u>\$ 1,700,130</u>

Financial assets at FVTOCI

Investments in equity instruments				
Domestic unlisted shares	\$ -	\$ -	\$ 49,292	\$ 49,292
Foreign unlisted shares	<u>-</u>	<u>-</u>	<u>296,719</u>	<u>296,719</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 346,011</u>	<u>\$ 346,011</u>

December 31, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Domestic listed shares	\$ 43,000	\$ -	\$ -	\$ 43,000
Foreign exchange forward contracts and exchange contracts	-	1,415	-	1,415
Beneficiary certificate	308	-	-	308
Floating income financial products	-	1,405,617	-	1,405,617
Convertible bonds	<u>17,550</u>	<u>-</u>	<u>-</u>	<u>17,550</u>
	<u>\$ 60,858</u>	<u>\$ 1,407,032</u>	<u>\$ -</u>	<u>\$ 1,467,890</u>

Financial assets at FVTOCI

Investments in equity instruments				
Domestic listed shares	\$ 40,678	\$ -	\$ -	\$ 40,678
Domestic unlisted shares	-	-	49,292	49,292
Foreign unlisted shares	<u>-</u>	<u>-</u>	<u>310,933</u>	<u>310,933</u>
	<u>\$ 40,678</u>	<u>\$ -</u>	<u>\$ 360,225</u>	<u>\$ 400,903</u>

September 30, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTPL</u>				
Beneficiary certificate	\$ 304	\$ -	\$ -	\$ 304
Floating income financial products	-	1,688,291	-	1,688,291
Convertible bonds	<u>10,350</u>	<u>-</u>	<u>-</u>	<u>10,350</u>
	<u>\$ 10,654</u>	<u>\$ 1,688,291</u>	<u>\$ -</u>	<u>\$ 1,698,945</u>
<u>Financial assets at FVTOCI</u>				
Investments in equity instruments				
Domestic listed shares	\$ 42,197	\$ -	\$ -	\$ 42,197
Domestic unlisted shares	-	-	68,056	68,056
Foreign unlisted shares	<u>-</u>	<u>-</u>	<u>243,215</u>	<u>243,215</u>
	<u>\$ 42,197</u>	<u>\$ -</u>	<u>\$ 311,271</u>	<u>\$ 353,468</u>
<u>Financial liabilities at FVTPL</u>				
Foreign exchange forward contracts and exchange contracts	<u>\$ -</u>	<u>\$ 3,315</u>	<u>\$ -</u>	<u>\$ 3,315</u>

For the nine months ended September 30, 2025 and 2024, there were no transfer between Level 1 and Level 2.

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

For the nine months ended September 30, 2025

Financial Assets	Financial Assets at FVTOCI Equity Instruments
Balance at January 1, 2025	\$ 360,225
Recognized in other comprehensive income (including in unrealized gain on financial assets at FVTOCI)	3,993
Effect of foreign currency exchange differences	<u>(18,207)</u>
Balance at September 30, 2025	<u>\$ 346,011</u>

For the nine months ended September 30, 2024

Financial Assets	Financial Assets at FVTOCI
	Equity Instruments
Balance at January 1, 2024	\$ 302,913
Effect of foreign currency exchange differences	<u>8,358</u>
Balance at September 30, 2024	<u>\$ 311,271</u>

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

<u>Financial Instruments</u>	<u>Valuation Techniques and Inputs</u>
Derivatives - foreign exchange forward contracts and exchange contracts	Discounted cash flow. Future cash flows are estimated based on observable forward exchange rates at the end of the reporting period and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.
Floating income financial products	Discounted cash flow. Future cash flows are discounted at a rate that reflects current borrowing interest rates of the bond issuers at the end of the reporting period.

4) Valuation techniques and inputs applied for the purpose of measuring Level 3 fair value measurement

The Group uses price-book ratio approach, comparing the net value per share with other public companies among similar industries or evaluating share price based on average price-book ratio of other competitors, to capture the present value of the expected future economic benefits to be derived from the ownership of these investees.

The fair values of unlisted equity securities - ROC were determined using income approach. In this approach, the discounted cash flow method was used to capture the present value of the expected future economic benefits to derived from the ownership of these investees. The significant unobservable inputs used are listed in the table below. An increase in long-term revenue growth rates or long-term pre-tax operating margin or a decrease in the WACC or discount for lack of marketability used in isolation would result in increase in the fair value.

c. Categories of financial instruments

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Financial assets</u>			
FVTPL			
Mandatorily at FVTPL (1)	\$ 1,700,130	\$ 1,467,890	\$ 1,698,945
Financial assets at amortized cost (2)	8,196,054	8,064,873	8,351,772
Financial assets at FVTOCI			
Equity instruments	346,011	400,903	353,468
<u>Financial liabilities</u>			
FVTPL			
Mandatorily at FVTPL (3)	-	-	3,315
Amortized cost (4)	6,178,869	5,271,083	6,107,367

- 1) The balances included the carrying amount of beneficiary certificate, foreign exchange forward contracts and exchange contracts, floating income financial products and equity instrument investments.
- 2) The balances included financial assets measured at amortized cost, which comprise cash and cash equivalents, notes receivable, trade receivables, other receivables and refundable deposits.
- 3) The balances included the carrying amount of foreign exchange forward contract and exchange contracts.
- 4) The balances included financial liabilities measured at amortized cost, which comprise short-term and long-term loans, notes payable and trade payables, other payables and guarantee deposits received.

d. Financial risk management objectives and policies

The Group's major financial instruments included equity and debt investments, notes receivable, accounts receivable, other receivables, notes payable and trade payables, other payables and borrowings. The Group's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, and monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group sought to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives was governed by the Group's policies approved by the board of directors, which provided written principles on foreign currency risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits was reviewed by the internal auditors on a continuous basis. The Group did not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The corporate treasury function reported quarterly to the Group's risk management committee, an independent body that monitors risks and policies implemented to mitigate risk exposures.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below) and interest rates (see (b) below). The Group entered into a variety of derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk, including: Foreign exchange forward contracts to hedge the exchange rate risk arising on the Group's foreign currency monetary.

There has been no change to the Group's exposure to market risks or the manner in which these risks are managed and measured.

a) Foreign currency risk

Several subsidiaries of the Company had foreign currency sales and purchases, which exposed the Group to foreign currency risk.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) at the end of the reporting period (see Note 33).

Sensitivity analysis

The Group was mainly exposed to the USD and JPY.

The following table details the Group's sensitivity to a 1% increase and decrease in the New Taiwan dollar (the functional currency) against the relevant foreign currencies. The sensitivity rate used when reporting foreign currency risk internally to key management personnel and representing management's assessment of the reasonably possible change in foreign exchange rates is 1%. The sensitivity analysis included only outstanding foreign currency denominated monetary items and foreign exchange forward contracts designated as cash flow hedges, and adjusts their translation at the end of the reporting period for a 1% change in foreign currency rates. The sensitivity analysis included external loans/borrowings as well as loans/borrowings to foreign operations within the Group where the denomination of the loan is in a currency other than the functional currency of the lender or the borrower. A positive number below indicates an increase in post-tax profit and other equity associated with the New Taiwan dollar weakening 1% against the relevant currency. For a 1% strengthening of the New Taiwan dollar against the relevant currency, there would be an equal and opposite impact on post-tax profit and other equity and the balances below would be negative.

NTD

	USD Impact		JPY Impact	
	For the Nine Months Ended		For the Nine Months Ended	
	September 30		September 30	
	2025	2024	2025	2024
Profit or loss	\$ 20,749	\$ 28,518	\$ (1,096)	\$ (3,166)

- i. The result was mainly attributable to the exposure on outstanding monetary item in USD that were not hedged at the end of the reporting period.
- ii. The result was mainly attributable to the exposure on outstanding monetary item in JPY that were not hedged, at the end of the reporting period.

b) Interest rate risk

The Group is exposed to interest rate risk because entities in the Group deposit and borrow funds at floating interest rates.

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

	September 30, 2025	December 31, 2024	September 30, 2024
Fair value interest rate risk			
Financial assets	\$ 1,540,641	\$ 1,414,244	\$ 1,893,899
Financial liabilities	724,617	242,126	231,443
Cash flow interest rate risk			
Financial assets	2,817,938	2,811,300	2,742,072
Financial liabilities	2,573,551	1,879,216	2,809,406

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate assets and liabilities, the analysis was prepared assuming the amount of each liability outstanding at the end of the reporting period was outstanding for the whole year. A 25 basis point increase or decrease was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 25 basis points higher/lower and all other variables were held constant, the Group's pre-tax profit for the nine months ended September 30, 2025 and 2024 would increase/(decrease) by \$458 thousand and \$(126) thousand, which was mainly attributable to the Group's exposure to interest rates on its floating rate bank deposits and bank borrowings.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. As at the end of the reporting period, the Group's maximum exposure to credit risk, which would cause a financial loss to the Group due to the failure of the counterparty to discharge its obligation and due to the financial guarantees provided by the Group, could be equal to the total of the following:

- a) The carrying amount of the respective recognized financial assets as stated in the balance sheets; and
- b) The maximum amount the entity would have to pay if the financial guarantee is called upon, irrespective of the likelihood of the guarantee being exercised.

3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

The Group relies on bank borrowings as a significant source of liquidity. As of September 30, 2025, December 31, 2024 and September 30, 2024, the Group had available unutilized short-term and long-term bank loan facilities of approximately \$8,394,471 thousand, \$9,135,693 thousand and \$7,735,893 thousand, respectively.

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

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

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

September 30, 2025

	Weighted Average Effective Interest Rate (%)	Less than 1 Year	2-3 Years	4-5 Years	5+ Years	Total
<u>Non-derivative financial liabilities</u>						
Trade payables	-	\$ 1,561,931	\$ -	\$ -	\$ -	\$ 1,561,931
Other payables	-	1,193,736	-	-	-	1,193,736
Lease liabilities	2.49-3.45	6,644	2,833	-	-	9,477
Variable interest rate liabilities	0.98-2.85	477,551	2,078,994	17,006	-	2,573,551
Fixed interest rate liabilities	1.70-4.75	724,617	-	-	-	724,617

December 31, 2024

	Weighted Average Effective Interest Rate (%)	Less than 1 Year	2-3 Years	4-5 Years	5+ Years	Total
<u>Non-derivative financial liabilities</u>						
Trade payables	-	\$ 1,690,849	\$ -	\$ -	\$ -	\$ 1,690,849
Other payables	-	1,328,286	-	-	-	1,328,286
Lease liabilities	1.27-3.85	8,400	8,349	-	-	16,749
Variable interest rate liabilities	0.98-3.85	692,189	1,071,323	115,704	-	1,879,216
Fixed interest rate liabilities	1.22-3.2	242,126	-	-	-	242,126

September 30, 2024

	Weighted Average Effective Interest Rate (%)	Less than 1 Year	2-3 Years	4-5 Years	5+ Years	Total
<u>Non-derivative financial liabilities</u>						
Trade payables	-	\$ 1,861,143	\$ -	\$ -	\$ -	\$ 1,861,143
Other payables	-	1,076,326	-	-	-	1,076,326
Lease liabilities	1.27-3.85	8,971	9,569	-	-	18,540
Variable interest rate liabilities	0.98-6.45	1,044,072	1,551,489	213,845	-	2,809,406
Fixed interest rate liabilities	1.23-3.2	231,443	-	-	-	231,443

The amounts included above for variable interest rate instruments for both non-derivative financial assets and liabilities are subject to change if changes in variable interest rates differ from those estimates of interest rates determined at the end of the reporting period.

b) Liquidity and interest rate risk tables for derivative financial liabilities

The following table details the Group's liquidity analysis for its derivative financial instruments. The table is based on the undiscounted contractual net cash inflows and outflows on derivative instruments that settle on a net basis, and the undiscounted gross inflows and outflows on those derivatives that require gross settlement.

September 30, 2025

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
<u>Net settled</u>					
Foreign exchange forward contracts and exchange contracts	<u>\$ 6,453</u>	<u>\$ (1,148)</u>	<u>\$ (160)</u>	<u>\$ -</u>	<u>\$ -</u>

December 31, 2024

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
<u>Net settled</u>					
Foreign exchange forward contracts and exchange contracts	<u>\$ 519</u>	<u>\$ 896</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

September 30, 2024

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
<u>Net settled</u>					
Foreign exchange forward contracts and exchange contracts	<u>\$ (841)</u>	<u>\$ (2,474)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

29. TRANSACTIONS WITH RELATED PARTY

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed as follows.

a. Related party name and category

<u>Name</u>	<u>Relationship with the Group</u>
Tai-Shing Electronics Components Corp.	Associate
TSE Technology (Ningbo) Co., Ltd.	Associate
EcLife Co., Ltd.	Other associate
Ningbo Longying Semiconductor Co., Ltd.	Other associate
PETER LIN	Chairman of the Company

b. Sale of goods

Line Items	Related Party Categories	For the Three Months Ended September 30		For the Nine Months Ended September 30	
		2025	2024	2025	2024
Sales	Associate	\$ 7,844	\$ 8,836	\$ 20,050	\$ 21,476
	Other associate	<u>1,949</u>	<u>1,547</u>	<u>4,980</u>	<u>5,224</u>
		<u>\$ 9,793</u>	<u>\$ 10,383</u>	<u>\$ 25,030</u>	<u>\$ 26,700</u>

Selling prices and payment terms offered to related parties were similar to those offered to third parties.

c. Purchase of goods

Related Party Categories	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Associates	\$ 3,983	\$ 290	\$ 4,486	\$ 290
Other associates	<u>1,762</u>	<u>1,911</u>	<u>3,778</u>	<u>3,717</u>
	<u>\$ 5,745</u>	<u>\$ 2,201</u>	<u>\$ 8,264</u>	<u>\$ 4,007</u>

Purchase prices and payment terms offered by related parties were similar to those offered by third parties.

d. Operating expenses

Related Party Categories	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Other associate	<u>\$ 407</u>	<u>\$ 448</u>	<u>\$ 1,973</u>	<u>\$ 1,053</u>

e. Commission revenue

Related Party Categories	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Associate	\$ 20	\$ 382	\$ 65	\$ 1,133

f. Rental income

Related Party	Location	Rent Collection	For the Three Months Ended September 30		For the Nine Months Ended September 30		Amount	Amount	% to Total Account Balance	% to Total Account Balance
			2025	2024	2025	2024				
TSE Technology (Ningbo) Co., Ltd.	Building P5, 1F., No. 189, Huangshan W. Rd., Beilun Dist., Ningbo City	Based on contract, and paid on a monthly basis	\$ 2,137	-	\$ 1,159	-	\$ 6,620	-	\$ 3,433	-
Ningbo Longying Semiconductor Co., Ltd.	Building D4, No. 189, Huangshan W. Rd., Beilun Dist., Ningbo City	Based on contract, and paid on a monthly basis	89	-	96	-	277	-	285	-
Tai-Shing Electronics Components Corporation	6F., No. 4, Gongye 6th Rd., Pingzhen Dist., Taoyuan City 324, Taiwan	Based on contract, and paid on a monthly basis	925	-	910	-	2,771	-	2,712	-
			<u>\$ 3,151</u>	<u>-</u>	<u>\$ 2,165</u>	<u>-</u>	<u>\$ 9,668</u>	<u>-</u>	<u>\$ 6,430</u>	<u>-</u>

There is no significant difference in transaction terms between related parties and unrelated parties.

g. Receivables from related parties (excluding loans to related parties)

Related Party Categories	September 30, 2025	December 31, 2024	September 30, 2024
Associate	\$ 8,429	\$ 7,638	\$ 9,072
Other associate	2,106	1,333	1,629
Less: Allowance for impairment loss	(68)	(68)	(68)
	<u>\$ 10,467</u>	<u>\$ 8,903</u>	<u>\$ 10,633</u>

The outstanding trade receivables from related parties are unsecured.

h. Payables to related parties (excluding loans from related parties)

Related Party Categories	September 30, 2025	December 31, 2024	September 30, 2024
Associate	\$ 4,095	\$ 1,458	\$ 303
Other associate	1,519	309	876
	<u>\$ 5,614</u>	<u>\$ 1,767</u>	<u>\$ 1,179</u>

The outstanding trade payables to related parties are unsecured.

Payment terms of the transactions to related parties were similar to those for third parties.

i. Other receivables from related parties

Related Party Categories	September 30, 2025	December 31, 2024	September 30, 2024
Associate	\$ 1,077	\$ 820	\$ 923
Other associate	<u>14</u>	<u>14</u>	<u>5</u>
	<u>\$ 1,091</u>	<u>\$ 834</u>	<u>\$ 928</u>

j. Other payables to related parties

Related Party Categories	September 30, 2025	December 31, 2024	September 30, 2024
Other associate	\$ 728	\$ 16,817	\$ 22,916
Chairman of the Company	<u>162</u>	<u>172</u>	<u>1,056</u>
	<u>\$ 890</u>	<u>\$ 16,989</u>	<u>\$ 23,972</u>

k. Prepayments

Related Party Categories	September 30, 2025	December 31, 2024	September 30, 2024
Other associate	<u>\$ -</u>	<u>\$ 809</u>	<u>\$ 5,107</u>

l. Acquisitions of property, plant and equipment

Related Party Categories	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Others associate	<u>\$ 667</u>	<u>\$ 21,339</u>	<u>\$ 8,555</u>	<u>\$ 23,456</u>

m. Lease arrangement - Group is lessee

Line Item	Related Party Categories	September 30, 2025	December 31, 2024	September 30, 2024
Lease liabilities - current	Chairman of the Company PETER LIN	<u>\$ 864</u>	<u>\$ 1,735</u>	<u>\$ 1,735</u>
Lease liabilities - non-current	Chairman of the Company PETER LIN	<u>\$ -</u>	<u>\$ 910</u>	<u>\$ 910</u>

Related Party Categories/Name	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
<u>Interest expense</u>				
Chairman of the Company	\$ <u>27</u>	\$ <u>60</u>	\$ <u>73</u>	\$ <u>131</u>
<u>Lease expense</u>				
Chairman of the Company	\$ <u>848</u>	\$ <u>886</u>	\$ <u>1,734</u>	\$ <u>1,707</u>

n. Remuneration of key management personnel

For the nine month ended September 30, 2025 and 2024, the remuneration of directors and other members of key management personnel were as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Short-term employee benefits	\$ 42,577	\$ 39,867	\$ 117,894	\$ 113,444
Post-employment benefits	<u>610</u>	<u>776</u>	<u>1,610</u>	<u>2,472</u>
	\$ <u>43,187</u>	\$ <u>40,643</u>	\$ <u>119,504</u>	\$ <u>115,916</u>

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

30. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for bank borrowings:

	September 30, 2025	December 31, 2024	September 30, 2024
Building and equipment, net	\$ 249,703	\$ 294,997	\$ 301,515
Investment property	10,547	10,266	10,581
Pledged deposits	87,898	104,092	100,847
Pledged time deposits	40,000	-	-
Right-of-use assets	<u>9,420</u>	<u>10,307</u>	<u>10,304</u>
	\$ <u>397,568</u>	\$ <u>419,662</u>	\$ <u>423,247</u>

31. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant contingencies and unrecognized commitments of the Group as of September 30, 2025 and 2024 were as follows:

- a. On November 8, 2021, the board of directors of the Company approved its subsidiary TETC CORP. NINGBO to construct a plant project, with an estimated investment of RMB145,000 thousand. On April 19, 2022, the Company signed a construction contract. On June 25, 2024, due to a modification of the project design, an additional amount append to RMB123,000 thousand was recorded. The total contract amount divided into paid and unpaid is as follows:

	Contract Amount (Tax Included)	Paid Amount (Tax Included)	Unpaid Amount (Tax Included)
Property, plant and equipment (Thousands)	<u>RMB 123,000</u>	<u>RMB 110,109</u>	<u>RMB 12,891</u>

- b. As of September 30, 2024, unrecognized commitments of the Group unrecognized commitments were as follows:

Unit: In Thousands of Foreign Currencies and New Taiwan Dollars

	Contract Amount	Paid Amount	Unpaid Amount
Acquisition of machinery and equipment	<u>\$ 520,706</u>	<u>\$ 417,041</u>	<u>\$ 103,665</u>
Acquisition of machinery and equipment	<u>RMB 160,795</u>	<u>RMB 28,754</u>	<u>RMB 132,041</u>
Acquisition of machinery and equipment	<u>JPY 545,335</u>	<u>JPY 432,138</u>	<u>JPY 113,197</u>
Acquisition of machinery and equipment	<u>US\$ 2,305</u>	<u>US\$ 2,138</u>	<u>US\$ 167</u>
Acquisition of machinery and equipment	<u>IDR40,103,126</u>	<u>IDR37,869,349</u>	<u>IDR 2,233,777</u>

32. OTHER ITEMS

On February 15, 2023, the president of the ROC announced the amendments to the “Climate Change Response Act”, which added the provision of carbon fee collection. Subsequently, the Ministry of Environment announced the “Regulations Governing the Collection of Carbon Fees”, “Regulations for Administration of Voluntary Reduction Plans” and “Designated Greenhouse Gas Reduction Goal for Entities Subject to Carbon Fees” on August 29, 2024 and the carbon fee rate on October 21, 2024. The fee will be levied starting from January 1, 2025. Based on the emissions of the Group in 2023, the Group expects that it will not be the entity subject to carbon fees.

33. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies of the entities in the Group and the related exchange rates between the foreign currencies and the respective functional currencies were as follows:

September 30, 2025

	Foreign Currencies	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 87,511	30.469 (USD:NTD)	\$ 2,666,373
USD	8,628	7.1055 (USD:RMB)	262,887
USD	574	16,927 (USD:IDR)	17,489
JPY	1,562,593	0.2058 (JPY:NTD)	321,582
JPY	1,281,722	0.0480 (JPY:RMB)	263,778
JPY	293,924	0.0068 (JPY:USD)	60,490

Financial liabilities

Monetary items			
USD	26,897	30.469 (USD:NTD)	819,525
USD	1,206	7.1055 (USD:RMB)	36,746
USD	510	16,927 (USD:IDR)	15,539
JPY	1,465,464	0.2058 (JPY:NTD)	301,592
JPY	1,992,333	0.0480 (JPY:RMB)	410,022
JPY	213,096	0.0068 (JPY:USD)	43,855

December 31, 2024

	Foreign Currencies	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 93,304	32.7810 (USD:NTD)	\$ 3,058,598
USD	10,218	7.1883 (USD:RMB)	334,956
JPY	1,409,219	0.2098 (JPY:NTD)	295,654
JPY	977,152	0.0460 (JPY:RMB)	205,006
JPY	635,293	0.0064 (JPY:USD)	133,284

Financial liabilities

Monetary items			
USD	8,959	32.7810 (USD:NTD)	293,685
USD	1,196	7.1883 (USD:RMB)	39,206
JPY	1,340,041	0.2098 (JPY:NTD)	281,141
JPY	2,054,247	0.0460 (JPY:RMB)	430,981
JPY	168,827	0.0064 (JPY:USD)	35,420

September 30, 2024

	Foreign Currencies	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 90,385	31.6510 (USD:NTD)	\$ 2,860,776
USD	13,489	7.0074 (USD:RMB)	426,940
JPY	1,390,527	0.2223 (JPY:NTD)	309,114
JPY	632,595	0.0492 (JPY:RMB)	140,625
JPY	246,483	0.0070 (JPY:USD)	54,793
<u>Financial liabilities</u>			
Monetary items			
USD	11,358	31.6510 (USD:NTD)	359,492
USD	2,416	7.0074 (USD:RMB)	76,469
JPY	1,452,358	0.2223 (JPY:NTD)	322,859
JPY	1,883,549	0.0492 (JPY:RMB)	418,713
JPY	357,828	0.0070 (JPY:USD)	79,545

For the three and the nine months ended September 30, 2025 and 2024, realized and unrealized net foreign exchange gains (losses) were \$40,898 thousand, \$(133,934) thousand, \$(95,708) thousand and \$97,806 thousand, respectively. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the group entities.

34. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions:

- 1) Financing provided to others. (None)
- 2) Endorsements/guarantees provided. (None)
- 3) Significant marketable securities held. (Table 1)
- 4) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20 percent of the paid-in capital. (Table 2)
- 5) Receivables from related parties amounting to at least NT\$100 million or 20 percent of the paid-in capital. (Table 3)
- 6) Intercompany relationship and significant intercompany transactions. (Table 7)

b. Information on investees. (Table 4)

c. Information on investments in mainland China

- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area. (Table 5)
- 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses (Table 6)
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.
 - c) The amount of property transactions and the amount of the resultant gains or losses.
 - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.
 - e) The highest balance, the ending balance, the interest rate range, and total current period interest with respect to financing of funds.
 - f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services.

35. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. Specifically, the Group's reportable segments under IFRS 8 "Operating Segments" were as follows:

a. Crystal

The chief operating decision maker see every crystal selling unit in Taiwan and China as an operating segment. While preparing the financial report, the Group considers the following reasons:

- 1) The similar gross profit between the selling units.
- 2) The similar product's nature and manufacturing process.
- 3) The same product's delivery type.

b. Real estate development segment

The department and sales of real estate, along with mall space leasing in Chongqing is considered a separate operating segment by the chief operating decision maker (CODM).

Segment Revenue and Results

	Segment Revenue		Segment Profit	
	For the Nine Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Crystal segment	\$ 10,013,560	\$ 9,334,561	\$ 1,569,491	\$ 1,681,600
Real estate development segment	11,075	10,015	(13,386)	(16,204)
Continuing operations	\$ 10,024,635	\$ 9,344,576	1,556,105	1,665,396
Interest income			39,280	55,588
Other income			138,785	98,772
Other gains and losses			(81,777)	95,056
Finance costs			(47,845)	(44,524)
Share of profit of associates and joint ventures accounted for using the equity method			7,775	10,102
Profit before tax (continuing operations)			\$ 1,612,323	\$ 1,880,390

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales for the nine months ended September 30, 2025 and 2024.

Segment profit represents the profit before tax earned by each segment without allocation of central administration costs and directors' salaries, share of profit of associates, gains recognized on disposal of interests in former associates, lease income, interest income, gains or losses on disposal of property, plant and equipment, gains or losses on disposal of financial instruments, exchange gains or losses, valuation gains or losses on financial instruments, finance costs and income tax expense. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

TXC CORPORATION AND SUBSIDIARIES

SIGNIFICANT MARKETABLE SECURITIES HELD

SEPTEMBER 30, 2025

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2025				Note
				Shares	Carrying Amount	Percentage of Ownership	Fair Value	
TXC (Ningbo) Corporation	<u>Shares overseas - unlisted company</u> Ningbo SJ Electronics Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	567	\$ 161,550	5	\$ 161,550	
	<u>Floating income financial products</u> Agricultural Bank of China Limited	None	Financial assets at fair value through profit or loss - current	RMB 60,851	260,934	-	260,934	
	Bank of Ningbo Co., Ltd.	"	"	RMB 50,426	216,234	-	216,234	
	Bank of Communications Co., Ltd.	"	"	RMB 50,364	215,967	-	215,967	
	Cathay United Bank	"	"	RMB 20,042	85,941	-	85,941	
TXC (Chongqing) Corporation	<u>Floating income financial products</u> China Construction Bank Corporation	None	Financial assets at fair value through profit or loss - current	RMB 16,472	70,635	-	70,635	
	China CITIC Bank Corporation Limited	"	"	RMB 35,101	150,518	-	150,518	
	Bank of China Limited	"	"	RMB 69,469	297,889	-	297,889	
	China Everbright Bank Company Limited	"	"	RMB 16,013	68,666	-	68,666	
	Hua Xia Bank Co., Limited	"	"	RMB 10,001	42,885	-	42,885	
	China Merchants Bank Co., Ltd.	"	"	RMB 4,877	20,913	-	20,913	
Ningbo Meishan Free Trade Port Area Ding Kai Investment Management Company Limited	<u>Shares overseas - unlisted company</u> Zhejiang Bright Semiconductor Technology Co., Ltd.	None	Financial assets at fair value through other comprehensive income - non-current	7,004	128,746	3	128,746	
Chongqing Zhongyang Properties Co., Ltd.	<u>Floating income financial products</u> Chongqing Rural Commercial Bank	None	Financial assets at fair value through profit or loss - current	RMB 9,093	38,992	-	38,992	
	China Construction Bank Corporation	"	"	RMB 6,133	26,298	-	26,298	
ChongQing Dingsen Commercial Management Co., Ltd.	<u>Floating income financial products</u> China Construction Bank Corporation	None	Financial assets at fair value through profit or loss - current	RMB 1,406	6,027	-	6,027	
TETC Corp. Ningbo	<u>Floating income financial products</u> Agricultural Bank of China Limited	None	Financial assets at fair value through profit or loss - current	RMB 30,722	131,737	-	131,737	
	Bank of Ningbo Co., Ltd.	"	"	RMB 10,220	43,826	-	43,826	

TXC CORPORATION AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST \$100 MILLION OR 20% OF THE PAID-IN CAPITAL FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025
(In Thousands of New Taiwan Dollars)

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
TXC Corporation	TXC (Ningbo) Corporation	Subsidiary	Purchase	\$ 1,859,878	35	No significant differences with the third parties.	Its trading price depends on its function within the Group	No significant differences with the third parties.	\$ (673,253)	(40)	
	TXC (Ningbo) Corporation	"	Sale	717,760	10	"	"	"	289,881	10	
	TXC (Chongqing) Corporation	"	Purchase	992,853	19	"	"	"	(316,746)	(19)	
	TETC CORP. NINGBO	"	Purchase	350,170	7	"	"	"	(108,856)	(6)	
	TETC CORP. NINGBO	"	Sale	224,153	3	"	"	"	49,203	2	
TXC (Ningbo) Corporation	TXC (Chongqing) Corporation	"	Purchase	314,657	15	"	"	"	(163,111)	(18)	

TXC CORPORATION AND SUBSIDIARIES

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

SEPTEMBER 30, 2025

(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Action Taken		
TXC Corporation	TXC (Ningbo) Corporation	Subsidiary	\$ 289,881	3.43	\$ -	-	\$ 78,713	\$ -
TXC (Ningbo) Corporation	TXC Corporation	Parent entity	673,253	3.75	-	-	156,797	-
TXC (Chongqing) Corporation	TXC Corporation	Parent entity	316,746	4.08	-	-	89,972	-
TETC Corp. Ningbo	TXC Corporation	Parent entity	108,856	4.18	-	-	18,671	-
TXC (Chongqing) Corporation	TXC (Ningbo) Corporation	Parent	163,111	3.84	-	-	35,192	-

TXC CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTEEES
 FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025
 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of September 30, 2025			Net Income (Losses) of the Investee	Share of Profits (Loss)	Note
				September 30, 2025	December 31, 2024	Shares (In Thousands)	Percentage of Ownership	Carrying Value			
TXC Corporation	Taiwan Crystal Technology International Ltd.	Western Samoa	Investment management	\$ 1,390,461	\$ 1,390,461	42,835	100.00	\$ 8,741,934	\$ 875,653	\$ 898,299	
	Taiwan Crystal Technology (HK) Limited	Hong Kong	International trading	2,371	2,371	80	100.00	199,451	4,624	4,624	
	TXC Japan Corporation	Japan	Marketing activities	6,172	6,172	2	100.00	30,539	98	98	
	TXC Technology Inc.	U.S.A.	Marketing activities	9,879	9,879	300	100.00	23,524	1,173	1,173	
	Tai-Shing Electronics Components Corporation	Taiwan	Manufacture and sales of electronics products	373,432	373,432	8,802	33.34	403,746	55,232	18,415	
	TXC Europe GmbH	Germany	Marketing activities	1,746	1,746	50	100.00	19,193	5,278	5,278	
TXC (Ningbo) Corporation	PT TXC Technology Indonesia	Indonesia	Research and development, manufacture, and sale of quartz elements and related electronic products	517,840	517,840	16,000	80.00	454,620	(6,330)	(5,110)	

TXC CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025
(In Thousands of New Taiwan Dollars or U.S. Dollars)

1. Name of the investees in mainland China, main businesses and products, paid-in capital, method of investment, information on inflow or outflow of capital, percentage of ownership, investment income or loss, ending balance of investment, dividends remitted by the investee, and the limit of investment in mainland China:

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investments from Taiwan as of January 1, 2025	Remittance of Funds		Accumulated Outward Remittance for Investments from Taiwan as of September 30, 2025	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss)	Carrying Amount as of September 30, 2025	Accumulated Repatriation of Investment Income as of September 30, 2025
					Outflow	Inflow						
TXC (Ningbo) Corporation	Research and development, manufacture, and sale of quartz elements and related electronic products	\$ 2,350,052	Indirect investment of the Corporation in mainland China through the Corporation's subsidiary in a third region	\$ 1,427,630	\$ -	\$ -	\$ 1,427,630	\$ 875,642	100.00	\$ 875,642	\$ 8,795,178	\$ 2,159,384
TXC (Chongqing) Corporation	Research and development, manufacture, and sale of quartz elements and related electronic products	1,162,074	Other investment of the Corporation in mainland China	-	-	-	-	180,971	100.00	180,971	1,862,622	306,500
TETC CORP. NINGBO	Research and development, manufacture, and sale of quartz elements and related electronic products	656,740	Other investment of the Corporation in mainland China	-	-	-	-	337,611	100.00	337,611	2,080,269	-
Chongqing Zhongyang Properties Co., Ltd.	Properties development	684,908	Other investment of the Corporation in mainland China	-	-	-	-	(11,819)	100.00	(11,819)	735,973	-
Ningbo Beilun Jingyu Trading Corporation	International trading	7,090	Other investment of the Corporation in mainland China	-	-	-	-	2	100.00	2	6,274	-
Ningbo Longying Semiconductor Co., Ltd.	Research and development in integrated circuit	246,257	Other investment of the Corporation in mainland China	-	-	-	-	(36,227)	29.37	(10,640)	23,517	-
Ningbo Meishan Free Trade Port Area Ding Kai Investment Management Company Limited	Investment management	160,043	Other investment of the Corporation in mainland China	-	-	-	-	-	100.00	-	129,010	-
ChongQing Dingsen Commercial Management Co., Ltd.	Property management	4,390	Other investment of the Corporation in mainland China	-	-	-	-	2,585	100.00	2,585	3,826	-
Shanghai JCH Co., Ltd.	Marketing activities and technical services	2,238	Other investment of the Corporation in mainland China	-	-	-	-	3,095	100.00	3,095	21,804	-

2.

Accumulated Outward Remittance for Investments in Mainland China as of September 30, 2025	Investment Amounts Authorized by the Investments Commission, MOEA	Upper Limit on the Amount of Investments Stipulated by Investment Commission, MOEA
\$ 1,427,630	\$ 2,350,052	\$ -

Note: The investment in mainland China has no maximum limit since the Company has acquired the approval from the Industrial Development Bureau for the establishment of the Company's operating headquarters in Taiwan.

TXC CORPORATION AND SUBSIDIARIES

SIGNIFICANT TRANSACTIONS WITH INVESTEE COMPANIES IN MAINLAND CHINA, EITHER DIRECTLY OR INDIRECTLY THROUGH A THIRD PARTY, AND THEIR PRICES, PAYMENT TERMS, AND UNREALIZED GAINS OR LOSSES FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025
(In Thousands of New Taiwan Dollars)

Company Name	Investee Company	Transaction Type	Purchase/Sale		Price	Transaction Details		Notes/Accounts Receivable (Payable)		Unrealized (Gain) Loss	Note
			Amount	%		Payment Term	Comparison with Normal Transaction	Ending Balance	%		
TXC Corporation	TXC (Ningbo) Corporation	Purchase	\$ 1,859,878	35	Its trading price depends on its function within the Group	Similar with third parties	Its trading price depends on its function within the Group	\$ (673,253)	(40)	\$ 29,763	
	TXC (Ningbo) Corporation	Sale	717,760	10	"	"	"	289,881	10	9,576	
	TXC (Chongqing) Corporation	Purchase	992,853	19	"	"	"	(316,746)	(19)	6,502	
	TETC Corp. Ningbo	Purchase	350,170	7	"	"	"	(108,856)	(6)	5,871	
	TETC Corp. Ningbo	Sale	224,153	3	"	"	"	49,203	2	2,629	

1. The transactions of properties and the profit or loss: None.
2. Endorsements guarantees or collateral directly or indirectly provided to the investees: None.
3. Financing directly or indirectly provided to the investees: None.
4. Other transactions that significantly impacted the current year's profit or loss or financial position: None.

TXC CORPORATION AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025
(In Thousands of New Taiwan Dollars)

No.	Company Name	Counterparty	Nature of Relationship (Note 1)	Intercompany Transactions			
				Accounts	Amount	Terms (Notes 1 and 2)	Percentage of Consolidated Total Gross Sales or Total Assets (%)
0	TXC Corporation	TXC (Ningbo) Corporation	a	Sales	\$ 717,760	a	7
				Purchase	1,859,878	a	19
				Trade receivables	289,881	a	1
		TXC (Chongqing) Corporation	a	Trade payables	673,253	a	3
				Purchase	992,853	a	10
				Trade payables	316,746	a	1
		TETC Corp. Ningbo	a	Sales	224,153	a	2
				Purchase	350,170	a	3
				Trade receivables	49,203	a	-
				Trade payables	108,856	a	-
1	TXC (Ningbo) Corporation	TXC (Chongqing) Corporation	c	Purchase	314,657	c	3
				Trade payables	163,111	c	1

Note 1: a. Represent the transactions from parent company to subsidiary.
c. Represent the transactions between subsidiaries.

Note 2: For the nine months ended September 30, 2025, the selling price and purchasing price were not significantly different from those of third parties, except for TXC (Ningbo) Corporation, TXC (Chongqing) Limited and TETC CORP. NINGBO which is depending on its function within the Group.

Note 3: The company may decide whether to list the material transactions in this table according to the principle of materiality.