Stock Code: 4720

Tex Year Industries Inc. and Subsidiaries

Consolidated Financial Report and Independent Auditor's Review Report

Third Quarter of 2024 and 2023

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Independent Auditor's Review Report

To: Tex Year Industries Inc.

Foreword

The consolidated balance sheet of Tex Year Industries Inc. and its subsidiaries as of September 30, 2024 and 2023, the consolidated comprehensive income statement from July 1 to September 30, 2024 and 2023, and the consolidated statement of changes in equity and consolidated cash flow statement from January 1 to September 30, 2024, and 2023, as well as notes to the consolidated financial statements (including the summary of significant accounting policies) have been duly verified by us. The management shall be responsible for preparing the financial statements fairly presented based on the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Accounting Standards No. 34 "Interim Financial Reporting," recognized and released by the Financial Supervisory Commission. We are only responsible for concluding the financial statements based on the result of the review.

Scope

Except retaining the statement in the basic paragraph of the conclusion, we conducted the review in accordance with the "Review of Financial Statements" of the Auditing Standards Bulletin No. 2410. The procedures to review the consolidated financial statements include inquiry (mainly with the person in charge of financial and accounting affairs), analytical procedures, and other review procedures. The scope of the review work is significantly smaller than that of the audit work, so we may not be able to detect all significant matters that can be identified through the audit work. Therefore, we cannot express an audit opinion.

Basis of Reserved Opinion

As stated in notes 12 and 13 to the consolidated financial statements, among the financial statements of the subsidiaries and investees included in the consolidated financial statements mentioned above, some of the non-significant subsidiaries and investments under the equity method during the same period have not been verified by us. The total assets of the non-significant subsidiaries above as of September 30, 2024 and 2023 were NT$689,270 thousand and NT$646,218 thousand, respectively, accounting for 21.25% and 20.11% of the total consolidated assets, respectively; the total liabilities were NT$115,866 thousand and NT$116,859 thousand respectively, accounting for 7.57% and 6.88% of the total consolidated liabilities respectively; the total comprehensive income from July 1 to September 30, 2024 and 2023, from January 1 to September 30, 2024 and 2023 were losses of NT$26,604 thousand and losses of NT$20,549 thousand, and losses of NT46,652 thousand and losses of NT$37,743 thousand, respectively, accounting for (44.89)%, (23.05)%, (25.52)%, and (40.88)% of the total consolidated comprehensive income, respectively. The above-mentioned investment balances by the equity method as of September 30, 2024 and 2023 were NT$51,107 thousand and NT$43,377 thousand, respectively, accounting for 1.58% and 1.35% of the total consolidated assets; the comprehensive gains and losses by the equity method from July 1 to September 30, 2024 and 2023 and from January 1 to September 30, 2024 and 2023 were gains of NT$196 thousand, gains of NT$2,652 thousand, gains of NT$4,620 thousand and losses of NT$494 thousand, respectively, accounting for 0.33%, 2.97%, 2.53%, and (0.54)% of the total consolidated comprehensive income, respectively.

Reserved Conclusion

According to our review results, except that the financial statements of some non-important subsidiaries and investees under the equity method mentioned in the Basis of Qualified Conclusion, which may lead to adjustments to the consolidated financial statements if reviewed by us, it is not found that the consolidated financial statements above have not been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" approved and promulgated by the Financial Supervisory Commission which may lead to the inability to properly express the consolidated financial status of Tex Year Industries Inc. and its subsidiaries as of September 30, 2024 and 2023, the consolidated financial performance from July 1 to September 30, 2024 and 2023, and the consolidated financial performance and consolidated cash flow from January 1 to September 30, 2024 and 2023.

The engagement partners on the reviews resulting in this independent auditors' review report are Tsai, Yu-Ling and Chuang, Pi-Yu.

Deloitte & Touche
Taipei, Taiwan
Republic of China

November 14, 2024

Notice to Readers

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

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

Tex Year Industries Inc. and Subsidiaries

Consolidated Balance Sheet

September 30, 2024 and December 31 and September 30, 2023

Unit: NT$ Thousand

Code	Asset	September 30, 2024 Amount	%	December 31, 2023 Amount	%	September 30, 2023 Amount	%
	Current Assets						
1100	Cash and cash equivalents (note 6)	$ 584,932	18	$ 522,197	17	$ 535,665	17
1110	Current financial assets at fair value through profit or loss (note 7)	-	-	30,393	1	17,944	-
1136	Current financial assets at amortised cost (note 9)	31,850	1	21,450	1	16,590	-
1150	Notes receivable (note 10)	32,672	1	29,984	1	23,782	1
1170	Accounts receivable (note 10)	628,670	20	573,063	19	599,619	19
1180	Accounts receivable due from related parties (notes 10 and 31)	62,692	2	56,966	2	52,704	2
1200	Other receivables (note 10)	12,063	-	11,412	1	122,405	4
1210	Increase in other receivables due from related parties (notes 10 and 31)	2,905	-	6,419	-	2,120	-
130X	Inventory (notes 11 and 32)	617,405	19	489,550	16	517,526	16
1470	Other current assets (note 17)	42,804	1	38,505	1	36,644	1
11XX	Total current assets	2,015,993	62	1,779,939	59	1,924,999	60
	Non-current assets						
1510	Non-current financial assets at fair value through profit or loss (note 7)	35,645	1	23,476	1	23,444	1
1535	Non-current financial assets at amortised cost (notes 9 and 32)	40,000	1	40,000	1	42,732	1
1550	Investment under the equity method (note 13)	51,107	2	42,440	1	43,377	1
1600	Property, plant and equipment (notes 14, 18, and 32)	964,933	30	976,708	33	987,369	31
1755	Right-of-use assets (note 15)	78,770	2	76,263	3	86,432	3
1780	Intangible assets (note 16)	11,136	-	12,669	-	24,208	1
1840	Deferred income tax assets (notes 4 and 27)	17,399	1	30,510	1	30,896	1
1915	Prepayments for business facilities	9,742	-	9,572	-	33,149	1
1990	Other non-current assets (note 10 and 17)	18,968	1	17,282	1	17,281	-
15XX	Total non-current assets	1,227,700	38	1,228,920	41	1,288,888	40
1XXX	Total assets	$ 3,243,693	100	$ 3,008,859	100	$ 3,213,887	100

Code	Liabilities and equities	September 30, 2024 Amount	%	December 31, 2023 Amount	%	September 30, 2023 Amount	%
	Current liabilities						
2100	Short-term borrowings (notes 18 and 32)	$ 591,498	18	$ 486,023	16	$ 584,765	18
2150	Notes payable	693	-	-	-	-	-
2170	Accounts payable - related parties (notes 20 and 31)	364,594	11	293,405	10	339,288	11
2200	Other payables (notes 21 and 31)	159,436	5	159,417	5	142,481	4
2230	Current tax liabilities (notes 4 and 27)	24,613	1	32,470	1	50,469	2
2250	Current provisions (note 22)	-	-	-	-	16	-
2280	Current lease liabilities (note 15)	7,270	-	6,237	-	9,580	-
2320	Long-term loans due within one year and corporate bonds payable (notes 18, 19 and 32)	81,245	3	195,945	7	49,568	2
2399	Other current liabilities, others (note 21)	69,011	2	75,848	3	61,064	2
21XX	Total current liabilities	1,298,360	40	1,249,345	42	1,237,231	39
	Non-current liabilities						
2530	Corporate bonds payable (note 19)	-	-	-	-	149,484	5
2540	Long-term borrowings (notes 18 and 32)	127,680	4	157,506	5	195,895	6
2570	Deferred tax liabilities (notes 4 and 27)	73,908	2	81,874	3	78,408	2
2580	Non-current lease liabilities (note 15)	6,490	-	6,819	-	12,021	-
2630	Deferred revenues – non-current	1,687	-	1,778	-	1,867	-
2640	Non-current net defined benefit liability (notes 4 and 23)	20,810	1	23,422	1	22,603	1
2670	Other non-current liabilities	846	-	764	-	782	-
25XX	Total non-current liabilities	231,421	7	272,163	9	461,060	14
2XXX	Total Liabilities	1,529,781	47	1,521,508	51	1,698,291	53
	Equity attributable to owners of the Company (notes 8, 12, 13, 19, 24, 27, and 30)						
	Share capital						
3110	Ordinary share	1,067,090	33	1,037,563	34	1,037,563	32
3130	Certificate of entitlement to new shares from convertible bond	42,142	1	-	-	-	-
3100	Total share capital	1,109,232	34	1,037,563	34	1,037,563	32
3200	Capital surplus	110,019	4	80,767	3	80,767	3
	Retained earnings						
3310	Legal reserve	145,746	5	138,235	5	138,235	4
3320	Special reserve	99,396	3	97,894	3	97,894	3
3350	Unappropriated retained earnings	170,356	5	106,614	3	112,259	4
3300	Total retained earnings	415,498	13	342,743	11	348,388	11
	Other equity interest						
3410	Exchange differences on translation of foreign financial statements	(42,895)	(1)	(86,810)	(3)	(70,348)	(2)
3420	Unrealised gains (losses) from financial assets at fair value through other comprehensive income	(12,586)	(1)	(12,586)	-	(12,586)	(1)
3400	Total other equity interest	(55,481)	(2)	(99,396)	(3)	(82,934)	(3)
31XX	Total owner's equity of the Company	1,579,268	49	1,361,677	45	1,383,784	43
36XX	Non-controlling interests	134,644	4	125,674	4	131,812	4
3XXX	Total equity	1,713,912	53	1,487,351	49	1,515,596	47
	Total liabilities and equity	$ 3,243,693	100	$ 3,008,859	100	$ 3,213,887	100

The accompanying notes are an integral part of the consolidated financial statements.
(Please refer to the Independent Auditor's Review Report of Deloitte Taiwan on November 14, 2024)

Chairman: Hsiao, Hsiang-Chih　　President: Hsiao, Hsiang-Chih　　Accounting Manager: Kao, Chih-Wen

Tex Year Industries Inc. and Subsidiaries

Consolidated Statement of Comprehensive Income

From July 1 to September 30, 2023 and 2024 January 1 to September 30, 2023 and 2024.

Unit: NT$ thousand
NT$ for earnings per share

Code		July 1 to September 30, 2024		July 1 to September 30, 2023		January 1 to September 30, 2024		January 1 to September 30, 2023	
		Amount	%	Amount	%	Amount	%	Amount	%
	Operating revenue (notes 25, 31 and 36)								
4110	Total operating revenue	$ 943,070	101	$ 855,583	101	$2,725,354	101	$2,459,336	101
4170	Less: Sales returns	6,643	1	7,901	1	25,206	1	23,634	1
4190	Less: Sales discounts and allowances	79	-	1	-	777	-	(54)	-
4000	Net operating revenue	936,348	100	847,681	100	2,699,371	100	2,435,756	100
	Operating costs (notes 11, 14, 22, 23, 26 and 31)								
5110	Costs of good sold	717,820	76	662,267	78	2,055,376	76	1,955,434	80
5900	Gross profit from operations	218,528	24	185,414	22	643,995	24	480,322	20
5910	Realized gain from investments and joint ventures	57	-	(101)	-	(13)	-	48	-
5950	Gross profit from operations	218,585	24	185,313	22	643,982	24	480,370	20
	Operating expenses (notes 10, 15, 23, 26 and 31)								
6100	Selling expenses	102,542	11	88,185	10	282,628	11	252,702	10
6200	Administrative expenses	47,784	5	47,835	6	138,877	5	121,620	5
6300	Research and development expenses	30,074	3	29,517	4	81,918	3	69,491	3
6450	Expected credit (reversal gains) impairment losses	(3,248)	-	(1,179)	-	(362)	-	443	-
6000	Total operating expenses	177,152	19	164,358	20	503,061	19	444,256	18
6900	Net-operating income	41,433	5	20,955	2	140,921	5	36,114	2
	Non-operating income and expenses								
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method (note 13)	1,280	-	352	-	4,002	-	(1,772)	-
7010	Other income (notes 26 and 31)	16,212	2	11,385	1	23,753	1	20,257	1
7020	Other gains and losses (note 26)	(1,141)	-	687	-	-	-	2,881	-
7100	Interest income (note 26)	1,505	-	4,179	1	5,782	-	9,948	-
7230	Foreign exchange (loss) gains - net (note 34)	(1,107)	-	10,373	1	11,854	-	13,672	1
7510	Financial cost (notes 18, 19 and 26)	(3,717)	(1)	(5,456)	-	(11,357)	-	(18,197)	(1)
7590	Miscellaneous disbursements	(1,685)	-	(1,299)	-	(4,856)	-	(5,065)	-
7625	(Losses) gains on disposal of investment (Note 13)	(69)	-	60,801	7	(2,410)	-	60,801	2
7000	Total non-operating income and expenses	11,278	1	81,022	10	26,768	1	82,525	3
7900	Net profit before tax	52,711	6	101,977	12	167,689	6	118,639	5
7950	Income tax expense (notes 4 and 27)	(8,951)	(1)	(35,065)	(4)	(34,013)	(1)	(45,165)	(2)
8200	Net profit of the current period	43,760	5	66,912	8	133,676	5	73,474	3

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Code		July 1 to September 30, 2024 Amount	%	July 1 to September 30, 2023 Amount	%	January 1 to September 30, 2024 Amount	%	January 1 to September 30, 2023 Amount	%
	Other Comprehensive Income (notes 4, 12, 13, and 27)								
	Components of other comprehensive income that will be reclassified to profit or loss								
8361	Exchange differences on translation of foreign financial statements	$ 18,117	2	$ 24,490	3	$ 59,310	2	$ 20,997	1
8370	Share of other comprehensive income of joint venture under the equity method	(1,355)	(1)	2,875	-	772	-	1,597	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	(1,261)	-	(5,130)	-	(10,979)	-	(3,740)	-
8360		15,501	1	22,235	3	49,103	2	18,854	1
8300	Total other comprehensive income	15,501	1	22,235	3	49,103	2	18,854	1
8500	Total comprehensive income of the current period	$ 59,261	6	$ 89,147	11	$ 182,779	7	$ 92,328	4
	Net profit attributable to								
8610	owners of the Company	$ 43,725	5	$ 68,287	8	$ 129,894	5	$ 80,757	3
8620	Non-controlling interests	35	-	(1,375)	-	3,782	-	(7,283)	-
8600		$ 43,760	5	$ 66,912	8	$ 133,676	5	$ 73,474	3
	Total comprehensive income attributable to								
8710	owners of the Company	$ 57,412	6	$ 88,803	11	$ 173,809	7	$ 95,717	4
8720	Non-controlling interests	1,849	-	344	-	8,970	-	(3,389)	-
8700		$ 59,261	6	$ 89,147	11	$ 182,779	7	$ 92,328	4
	Earnings per share (note 28)								
9710	Basic	$ 0.40		$ 0.66		$ 1.23		$ 0.78	
9810	Dilute	$ 0.38		$ 0.60		$ 1.14		$ 0.71	

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

(Please refer to the Independent Auditor's Review Report of Deloitte Taiwan on November 14, 2024)

Chairman: Hsiao, Hsiang-Chih President: Hsiao, Hsiang-Chih Accounting Manager: Kao, Chih-Wen

Tex Year Industries Inc. and Subsidiaries

Consolidated Statement of Changes in Equity

January 1 to September 30, 2024 and 2023

Unit: NT$ Thousand

		Equity attributable to owners of the Company (notes 8, 12, 13, 19, 24, 27, and 30)									
		Share capital			Retained earnings			Other equity interest items		Non-controlling interests	
Code		Ordinary share	Certificate of entitlement to new shares from convertible bond	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) from financial assets at fair value through other comprehensive income	(note 12)	Total equity
A1	Balance on January 1, 2023	$ 1,033,548	$ 4,015	$ 80,531	$ 135,480	$ 118,648	$ 34,254	($ 85,308)	($ 12,586)	$ 137,092	$ 1,445,674
	Appropriation and distribution of retained earnings for 2022										
B1	Legal reserve appropriated	-	-	-	2,755	-	(2,755)	-	-	-	-
B3	Special reserve reversed	-	-	-	-	(20,754)	20,754	-	-	-	-
B9	Cash dividends of ordinary share	-	-	-	-	-	(20,751)	-	-	-	(20,751)
B5	Changes in non-controlling interests	-	-	-	-	-	-	-	-	(1,313)	(1,313)
M7	Changes in ownership interests in subsidiaries	-	-	236	-	-	-	-	-	(236)	-
I3	Conversion of certificates of bonds-to-share capital	4,015	(4,015)	-	-	-	-	-	-	-	-
D1	Net profit from January 1 to September 30, 2023	-	-	-	-	-	80,757	-	-	(7,283)	73,474
D3	Other comprehensive income after tax from January 1 to September 30, 2023	-	-	-	-	-	-	14,960	-	3,894	18,854
D5	Total comprehensive income from January 1 to September 30, 2023	-	-	-	-	-	80,757	14,960	-	(3,389)	92,328
O1	Change in non-controlling interests	-	-	-	-	-	-	-	-	(342)	(342)
Z1	Balance on September 30, 2023	$ 1,037,563	$ -	$ 80,767	$ 138,235	$ 97,894	$ 112,259	($ 70,348)	($ 12,586)	$ 131,812	$ 1,515,596
A1	Balance on January 1, 2024	$ 1,037,563	$ -	$ 80,767	$ 138,235	$ 97,894	$ 106,614	($ 86,810)	($ 12,586)	$ 125,674	$ 1,487,351
	Appropriation and distribution of retained earnings for 2023										
B1	Legal reserve appropriated	-	-	-	7,511	-	(7,511)	-	-	-	-
B3	Special reserve appropriated	-	-	-	-	1,502	(1,502)	-	-	-	-
B5	Cash dividends of ordinary share	-	-	-	-	-	(57,139)	-	-	-	(57,139)
I3	Conversion of certificates of bonds-to-share capital	29,527	42,142	29,252	-	-	-	-	-	-	100,921
D1	Net profit from January 1 to September 30, 2024	-	-	-	-	-	129,894	-	-	3,782	133,676
D3	Other comprehensive income after tax from January 1 to September 30, 2024	-	-	-	-	-	-	43,915	-	5,188	49,103
D5	Total comprehensive income from January 1 to September 30, 2024	-	-	-	-	-	129,894	43,915	-	8,970	182,779
Z1	Balance on September 30, 2024	$ 1,067,090	$ 42,142	$ 110,019	$ 145,746	$ 99,396	$ 170,356	($ 42,895)	($ 12,586)	$ 134,644	$ 1,713,912

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

(Please refer to the Independent Auditor’s Review Report of Deloitte Taiwan on November 14, 2024)

Chairman: Hsiao, Hsiang-Chih

President: Hsiao, Hsiang-Chih

Accounting Manager: Kao, Chih-Wen

Tex Year Industries Inc. and Subsidiaries

Consolidated Cash Flow Statement

January 1 to September 30, 2024 and 2023

Unit: NT$ Thousand

Code		January 1 to September 30, 2024	January 1 to September 30, 2023
	Cash flow from business activities		
A00010	Net profit before tax	$ 167,689	$ 118,639
A20010	Adjustments to reconcile profit (loss)		
A20100	Depreciation expenses	73,292	75,788
A20200	Amortization expenses	4,597	5,325
A20300	Expected credit (reversal gains) impairment losses	(362)	443
A20400	Gain on financial instruments measured at fair value through the income statement	(91)	(2,667)
A20900	Finance costs	11,357	18,197
A21200	Interest income	(5,782)	(9,948)
A21300	Dividend income	(787)	-
A22300	Share of loss (profit) of associates and joint ventures accounted for using equity method	(4,002)	1,772
A22500	Loss (gain) on disposal of property, plan and equipment	117	(214)
A23700	Impairment loss recognised in profit or loss, property, plant and equipment	4,349	-
A22900	Gain on lease modification	(26)	-
A23800	Impairment loss on non-financial assets	39	9,078
A23900	Unrealized (realized) Gain From Joint Ventures	13	(48)
A24100	Unrealized foreign exchange gains	(2,194)	(3,185)
A29900	Reversal of provision for liabilities	-	(165)
A23200	Losses (gains) on disposal of investments	2,410	(60,801)
A29900	Deferred revenues (reversed) appropriated	(169)	251
A30000	Changes in operating assets and liabilities		
A31115	Financial instruments measured at fair value through the income statement	31,256	34,822
A31130	Notes receivable	(2,688)	(4,881)
A31150	Accounts receivable	(51,458)	26,033
A31160	Accounts receivable due from related parties	(5,961)	(5,967)
A31180	Other receivables	(5,216)	(14,819)
A31190	Increase in other receivables due from related parties	3,486	(1,428)
A31200	Inventories	(126,805)	133,727
A31240	Other current assets	(2,593)	(4,583)

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Code		January 1 to September 30, 2024	January 1 to September 30, 2023
A32130	Notes payable	$ 693	$ -
A32150	Accounts payable	71,738	25,790
A32180	Other payables	4,298	14,188
A32230	Other current liabilities	(6,837)	10,130
A32240	Non-current net defined benefit liability	(2,612)	(2,550)
A33000	Cash inflow generated from operations	157,751	362,927
A33100	Interest received	6,532	9,464
A33300	Interest paid	(10,262)	(16,576)
A33500	Income tax paid	(47,704)	(23,072)
AAAA	Net cash flow from operating activities	106,317	332,743
	Cash flows from (used in) investing activities		
B00040	Acquisition of financial assets at amortised cost	(10,400)	(57,061)
B00100	Acquisition of financial assets at fair value through profit or loss	(12,078)	(7,000)
B01900	Acquisition of investments accounted for using equity method	(3,907)	(1,321)
B02700	Acquisition of property, plant and equipment	(43,568)	(21,161)
B02800	Proceeds From Disposal of Property, Plants, and Equipment	1,100	467
B04500	Acquisition of intangible assets	(1,838)	(2,219)
B06700	Increase in other non-current assets	(2,580)	(3,001)
B07100	Increase in prepayments for business facilities	-	(8,811)
B07600	Dividends received	-	7,900
B09900	Dividend received	787	-
BBBB	Net cash outflow from investment activities	(72,484)	(92,207)
	Cash flows from (used in) financing activities		
C00100	Increase in short-term loans	1,370,315	1,871,293
C00200	Decrease in short-term loans	(1,268,808)	(2,007,229)
C01700	Repayment of long-term debt	(44,828)	(80,105)
C04020	Payments of lease liabilities	(6,254)	(6,757)
C04400	Increase in other non-current liabilities	82	582
C04500	Cash dividends paid	(57,139)	(20,751)
C05800	Cash dividends from non-controlling interests paid	-	(1,313)
C09900	Change in non-controlling interests	-	(342)
CCCC	Cash outflow from (used in) financing activities	(6,632)	(244,622)
DDDD	Effect of exchange rate changes on cash and cash equivalents	35,534	(17,469)

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Code		January 1 to September 30, 2024	January 1 to September 30, 2023
EEEE	Increase (decrease) in cash and cash equivalents	$ 62,735	($ 21,555)
E00100	Cash and cash equivalents at beginning of period	522,197	557,220
E00200	Cash and cash equivalents at end of period	$ 584,932	$ 535,665

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

(Please refer to the Independent Auditor's Review Report of Deloitte Taiwan on November 14, 2024)

Chairman: Hsiao, Hsiang-Chih President: Hsiao, Hsiang-Chih Accounting Manager: Kao, Chih-Wen

Tex Year Industries Inc. and Subsidiaries

Notes to Consolidated Financial Statements

January 1 to September 30, 2024 and 2023

(unless otherwise specified, the amount unit is in NT$ Thousand)

1. Company History and Business Scope

Tex Year Industries Inc. (hereinafter referred to as the "Company") was established on June 28, 1976 with the approval of the Ministry of Economic Affairs. The main business items are the manufacturing and trading of glues, adhesives, hot-melt glues and medical equipment.

The Company's shares were listed and traded on the Taipei Exchange (OTC) Securities Market of the Republic of China on March 16, 2001, and delisted on the Taipei Exchange (OTC) Securities Market on June 24, 2015 and listed and traded on the Taiwan Stock Exchange on the same day.

The consolidated financial statements are expressed in NT$, the functional currency of the Company.

2. Date and Procedure of Adoption of Financial Statements

The consolidated financial statements were adopted and issued by the board meeting on November 14, 2024.

3. Application of New and Revised Standards and Interpretations

(1) The International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations (IFRIC) and Interpretations (SIC) (hereinafter referred to as "IFRS Accounting Standards") recognized and issued by the Financial Supervisory Commission (hereinafter referred to as the "FSC") are applied for the first time.

The application of revised IFRS Accounting Standards approved and issued by the FSC will not result in significant changes in the accounting policies of Tex Year Industries Inc. and its subsidiaries (hereinafter referred to as the "Consolidated Company").

(2) Applicable IFRSs approved by the IFSC for 2025

New/amended/revised criteria and interpretation	Effective date of IASB release
Amendments to IAS 21 "Lack of Exchangeability"	January 1, 2025 (note 1)

Note 1: Applicable to the annual reporting period beginning after January 1, 2025. Upon the initial application of the amendment, the comparison period cannot be restated, and the effects shall be recognized as the exchange difference of foreign operations (as appropriate) and relevant assets and liabilities affected under the retained earnings or equity on the date of initial application.

The consolidated company continues to evaluate the impact of other standards and amendments to the interpretation on the financial status and financial performance as of the date of approval and publication of the consolidated financial statements, and the relevant impact will be disclosed when the evaluation is completed.

(3) IFRS Accounting Standards issued by IASB but not approved and effective by the IFSC

New/amended/revised criteria and interpretation	The effective date promulgated by IASB (note 1)
"IFRS Annual Improvements - Volume 11"	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"	January 1, 2026
The amendments to IFRS 10 and IAS 28, “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	Undetermined
IFRS 17 “Insurance contracts”	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendment to "Initial application of IFRS 17 and IFRS 9 - comparative information” of IFRS 17.	January 1, 2023
IFRS 18 "Presentation and Disclosures of Financial Statements"	January 1, 2027
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027

Note 1: Unless otherwise noted, the above-mentioned new/ amended/ revised standards or interpretations shall come into effect during the annual reporting period starting after that date.

IFRS 18 "Presentation and Disclosures of Financial Statements"

IFRS 18 will supersede IAS 1 “Presentation of Financial Statements,” and the main changes of the standard include:

- The income statement shall divide items of income and expenses into operating, investing, fundraising, income tax, and suspended operation categories.
- The income statements shall report the subtotal and total of operating profit or loss, fundraising, profit or loss before tax, and profit or loss.
- Provide guidelines to enhance the summarizing and separation requirements: The consolidated company shall identify assets, liabilities, equity, gains, expenses, and cash flow from individual transactions or other matters and carry out the classification and summary based on the common characteristics to allow the single line items reported in the major financial statements have at least one similar characteristic. Items with different characteristics shall be separated in the major financial statements and notes. The consolidated company may only mark such items as “others” when it is unable to find a more informative name.

- Addition of disclosures of performance measurement defined by the management: When the consolidated company is carrying out public communications other than financial statements and when users of financial statements are communicating with the management from the perspective of a certain aspect of the overall financial performance of the consolidated company, relevant information on the performance measurement defined by the management shall be disclosed in a single note in the financial statements, including the description of the measurement, the calculation method, the reconciliation of it and the subtotal or total stipulated in the IFRSs, and the effects of relevant reconciliation items on income tax and non-controlling interest.
  Except for the abovementioned effects, if the consolidated Company continues to evaluate the impact of other standards and amendments to the interpretation of the financial status and financial performance as of the date of approval of the consolidated financial statements for publication, the relevant impacts shall be disclosed when the evaluation is completed.

4. Summary of Significant Accounting Policies

(1) Declaration of Compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" approved and issued by the FSC. The consolidated financial statements do not contain all IFRS Accounting Standards disclosures required by the entire annual financial statements.

(2) Basis of Preparation

In addition to financial instruments measured at fair value and net defined benefit liabilities recognized at the present value of defined benefit obligations less the fair value of planned assets, the consolidated financial statements are prepared based on historical cost.

Fair value measurement is divided into levels 1 to 3 according to the observability and importance of relevant input values:

1. Level 1 input value: refers to the quoted price (unadjusted) of the same assets or liabilities available in the active market on the measurement date.
2. Level 2 input value: refers to the directly (i.e. price) or indirectly (i.e. derived from price) observable input value of assets or liabilities other than the quotation of level 1.
3. Level 3 input value: refers to the unobservable input value of assets or liabilities.

(3) Basis of Consolidation

The consolidated financial statements include the financial statements of the Company and the entities (subsidiaries) controlled by the Company. In the consolidated statement of comprehensive income, the operating income of the acquired or affiliated subsidiaries since the acquisition date or until the disposal date has been included. The financial statements of the subsidiaries have been adjusted so that their accounting policies are consistent with those of the consolidated Company. In the preparation of the consolidated financial statements, all transactions, account balances, gains and expense losses among the entities have been eliminated. The total comprehensive income of the subsidiaries is attributable to the owners and is the non-controlling interest of the Company, even if the non-controlling interest becomes a loss.

Where the change of ownership rights of the subsidiaries of the consolidated company does not result in a loss of control, it shall be treated as an equity transaction. The book amounts of the consolidated company and non-controlling interests have been adjusted to reflect the change in the relative interests in subsidiaries. The difference between the adjusted amount of non-controlling interests and the fair value of the consideration paid or received is directly recognized as equity and belongs to the owners of the Company.
For details of subsidiaries, shareholding ratio and business items, please refer to note 12, schedule 6 and schedule 7.

(4) Other Significant Accounting Policies
Except the following notes, please refer to Summary of Significant Accounting Policies in the consolidated financial report of 2023.

1. Criteria for distinguishing between current and non-current assets and liabilities
   Current assets include:
   (1) Assets held primarily for trading purposes;
   (2) Assets expected to be realized within 12 months of the balance sheet date; and
   (3) Cash and cash equivalents (other than those restricted from being exchanged or settled more than 12 months after the balance sheet date).

   Current liabilities include:
   (1) Liabilities held primarily for trading purposes;
   (2) Liabilities to be settled within 12 months after the balance sheet date (even if a long-term refinancing or rearranged payment agreement is completed after the balance sheet date and before the approval for the publication of the financial, they are classified as current liabilities); and
   (3) Liabilities for which the Company has no substantive right to defer the settlement period to at least 12 months after the balance sheet date on the balance sheet date.

   Current assets or liabilities that are not classified as current assets or liabilities are classified as non-current assets or non-current liabilities. When the terms of liabilities may be settled by transferring the equity instruments of the consolidated company based on the option of the counterparty of the transaction, if the consolidated company classify the option as equity instruments, such terms have no effects on the classification of current or non-current liabilities.
2. Defined benefits and post-retirement benefits
   The pension cost of the interim period is calculated based on the pension cost rate determined by actuarial calculation from the end of the previous year to the end of the current period, and adjusted for major market fluctuations of the current period, as well as major plan amendments, repayments or other major one-off events.
3. Income tax expense
   Income tax expense is the sum of current income tax and deferred income tax. The income tax of the interim period is assessed on an annual basis, and the profit before tax of the interim period is calculated at the tax rate applicable to the expected annual total earnings.

5. Main Sources of Uncertainty in Significant Accounting Judgments, Estimates and Assumptions

When developing material estimates, the consolidated company referred to the main sources of significant accounting judgments, estimates and assumptions in the consolidated financial statements of 2023.

6. Cash and cash equivalents

	September 30, 2024	December 31, 2023	September 30, 2023
Cash on hand and petty cash	$ 1,857	$ 1,997	$ 2,422
Bank checks and demand deposits	496,876	330,223	290,160
Cash equivalents			
Bank term deposits with original maturity in 3 months	86,199	189,977	243,083
	$ 584,932	$ 522,197	$ 535,665

The interest rate ranges of demand deposits and time deposits on the balance sheet date are as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Demand deposits	0.001%～1.15%	0.001%～1.45%	0.001%～1.45%
Time deposit	0.65%～4.8%	1.155%～4.7%	1.155%～5.39%

7. Financial Instruments Measured at Fair Value through Income Statement

	September 30, 2024	December 31, 2023	September 30, 2023
Financial assets - current			
Compulsory Measurement at Fair Value Through Profit and Loss			
Non-derivative financial assets			
- Wealth management products	$ -	$ 30,393	$ 17,944
Financial assets - non-current			
Compulsory Measurement at Fair Value Through Profit and Loss			
Non-derivative financial assets			
- Limited partnership funds	$ 35,645	$ 23,476	$ 23,444

Wealth management products are investment products undertaken by subsidiaries with banks. The details on the balance sheet date are as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Expected annual rate of return	-	1.5%～2.07%	1.12%～2.15%

8. Financial assets at fair value through other comprehensive income

Non-current equity investments

The consolidated company invests in the common shares of Acute Touch Technology Co., Ltd. for medium and long-term strategic purposes, and expects to make profits through long-term investment. In the opinion of the management of the consolidated company, if the short-term fair value fluctuation of such investment is included in the income, it is not consistent with the aforesaid long-term investment plan, so they chose to designate such investment as measured at fair value through other comprehensive income.

Considering the operation and net equity value of Acute Touch Technology Co., Ltd, the consolidated company may have a significant impairment in the recoverable amount of its relevant investment, and the carrying value is all zero as of September 30, 2024, and December 31 and September 30, 2023.

9. Financial assets at amortised cost

	September 30, 2024	December 31, 2023	September 30, 2023
Current			
Time deposits with original maturity more than 3 months	$ 31,850	$ 21,450	$ 16,590
Non-current			
Restricted bank deposits	$ 40,000	$ 40,000	$ 42,732

Restricted bank deposits are guarantees provided by the Company to banks for endorsements and guarantees in favor of joint ventures.
Please refer to note 32 for information on pledged financial assets at amortised cost.

10. Notes receivable, accounts receivable and other receivables (including those of related parties)

	September 30, 2024	December 31, 2023	September 30, 2023
Notes receivable			
Measured at cost after amortization			
Total carrying value	$ 32,672	$ 29,984	$ 23,782
Accounts receivable			
Measured at cost after amortization			
Total carrying value	$ 652,163	$ 598,640	$ 633,094
Less: provision for loss	(23,493)	(25,577)	(33,475)
	$ 628,670	$ 573,063	$ 599,619
Accounts receivable due from related parties			
Measured at cost after amortization			
Total carrying value	$ 63,190	$ 57,229	$ 52,776
Less: provision for loss	(498)	(263)	(72)
	$ 62,692	$ 56,966	$ 52,704
Other receivables			
Equity sales receivable (note 13)	$ 3,817	$ 6,227	$ 98,775
Tax refund receivable	5,179	1,377	6,548
Others	5,819	4,899	18,208
Less: provision for loss	(2,752)	(1,091)	(1,126)
	$ 12,063	$ 11,412	$ 122,405
Increase in other receivables due from related parties	$ 2,937	$ 6,423	$ 2,120
Less: provision for loss	(32)	(4)	-
	$ 2,905	$ 6,419	$ 2,120

(1) Notes receivable and accounts receivable

The average credit period of the Consolidated Company for commodity sales is 60 days, and the notes and accounts receivable are not subject to interest.

In order to reduce credit risk, the management of the consolidated company has assigned a special team to be responsible for the decision of credit facilities, credit approval and other monitoring procedures to ensure that appropriate actions have been taken for the recovery of overdue receivables. In addition, the consolidated company will review the recoverable amounts of the receivables one by one on the balance sheet date to ensure that appropriate impairment loss has been provided for the receivables that cannot be recovered. Therefore, the management of the consolidated company thinks that the credit risk of the consolidated company has been significantly reduced.

The Consolidated Company shall recognize the provision for loss of notes and accounts receivable according to the expected credit loss during the period of existence. The expected credit loss during the existence period is calculated by the preparation matrix, which considers the past default records of customers and their current financial situation, the industrial economic situation, as well as the GDP forecast and industrial outlook. As the historical experience of credit loss of the consolidated company shows that there is no significant difference in the loss pattern of different customer groups, the preparation matrix does not further distinguish customer groups and only uses the overdue days of notes and accounts receivable to determine the expected credit loss rate.

If there is evidence that the counterparty is facing serious financial difficulties and the Consolidated Company cannot reasonably expect the recoverable amount, for example, if the transaction counterparty is in liquidation, the consolidated company will directly write off the relevant notes and accounts receivables, but will continue the recourse activities, and the amount recovered due to recourse will be recognized as income.

The Consolidated Company measures the provision for loss of notes and accounts receivable (including those of related parties) according to the preparation matrix as follows:

September 30, 2024

	Not overdue	1~60 days overdue	61~120 days overdue	121~150 days overdue	151~180 days overdue	181~365 days overdue	More than 366 days overdue	Total
Expected credit loss rate	0%	0%~10%	5%~30%	20%~40%	50%~100%	100%	100%	
Total carrying value	$658,524	$ 59,806	$ 7,463	$ 299	$ 16	$ 3,693	$ 18,224	$748,025
Provision for loss (expected credit loss during the period of existence)	-	(1,002)	(946)	(118)	(8)	(3,693)	(18,224)	(23,991)
Cost after amortization	$658,524	$ 58,804	$ 6,517	$ 181	$ 8	$ -	$ -	$724,034

December 31, 2023

	Not overdue	1~60 days overdue	61~120 days overdue	121~150 days overdue	151~180 days overdue	181~365 days overdue	More than 366 days overdue	Total
Expected credit loss rate	0%	0%～10%	5%～30%	20%～40%	50%～100%	100%	100%	
Total carrying value	$593,695	$ 57,794	$ 9,709	$ 811	$ 1,695	$ 580	$ 21,569	$685,853
Provision for loss (expected credit loss during the period of existence)	-	(882)	(1,092)	(227)	(1,490)	(580)	(21,569)	(25,840)
Cost after amortization	$593,695	$ 56,912	$ 8,617	$ 584	$ 205	$ -	$ -	$660,013

September 30, 2023

	Not overdue	1~60 days overdue	61~120 days overdue	121~150 days overdue	151~180 days overdue	181~365 days overdue	More than 366 days overdue	Total
Expected credit loss rate	0%	0%～10%	5%～30%	20%～40%	50%～100%	100%	100%	
Total carrying value	$617,304	$ 53,414	$ 5,268	$ 1,308	$ 1,541	$ 3,723	$ 27,094	$709,652
Provision for loss (expected credit loss during the period of existence)	-	(555)	(634)	(408)	(1,133)	(3,723)	(27,094)	(33,547)
Cost after amortization	$617,304	$ 52,859	$ 4,634	$ 900	$ 408	$ -	$ -	$676,105

Information on changes in the provision for losses of notes and accounts receivable (including those of related parties) is as follows:

	January 1 to September 30, 2024	January 1 to September 30, 2023
Equity at beginning of period	$ 25,840	$ 34,626
Less: impairment loss provision (reversals) in the current period	(1,967)	(286)
Less: actual write off in the current period	(272)	(1,238)
Foreign currency translation difference	390	445
Period-end balance	$ 23,991	$ 33,547

(2) Collection

The information about the change of provision for collection loss is as follows

	January 1 to September 30, 2024	January 1 to September 30, 2023
Equity at beginning of period	$ 9,078	$ 3,449
Actual write-off in the current period	(9,078)	-
Foreign currency translation difference	-	226
Period-end balance	$ -	$ 3,675

Overdue receivables are included in other non-current assets, and the provision for impairment losses has been fully made.

(3) Other receivables

Information about the change of provision for losses of other receivables is as follows:

	January 1 to September 30, 2024	January 1 to September 30, 2023
Equity at beginning of period	$ 1,095	$ 394
Add: impairment loss in the current period	1,605	729
Foreign currency translation difference	84	3
Period-end balance	$ 2,784	$ 1,126

11. Inventory

	September 30, 2024	December 31, 2023	September 30, 2023
Finished products	$ 236,486	$ 220,925	$ 214,771
Semi-finished products	19,766	16,684	20,085
Raw materials	247,584	146,881	179,312
Merchandise inventory	113,569	105,060	103,358
	$ 617,405	$ 489,550	$ 517,526

The cost of goods sold related to inventory from July 1 to September 30 in 2024 and 2023 and January 1 to September 30 in 2024 and 2023 is NT$717,820 thousand, NT$662,267 thousand, NT$2,055,376 thousand and NT$1,955,434 thousand, respectively. The cost of goods sold includes inventory falling price loss, which are NT$1,199 thousand, NT$639 thousand, NT$39 thousand and NT$9,078 thousand, respectively.

Please refer to note 32 for the amount of inventory pledged by the consolidated company as collateral for loans.

12. Subsidiaries

(1) Subsidiaries included in the consolidated financial statements

The consolidated financial statements are prepared by:

Name of investment company	Name of subsidiary	Nature of business	Percentage of equity held			Explanation
			September 30, 2024	December 31, 2023	September 30, 2023	
Tex Year Industries Inc.	Tex Year International (SAMOA) Corp.	Holding company	100%	100%	100%	Note 5
Tex Year Industries Inc.	Tex Year (Hong Kong) Ltd.	Sales of hot melt adhesive, adhesive and various appliances	100%	100%	100%	Note 1
Tex Year Industries Inc.	Tex Year Vietnam Co., Ltd.	Manufacturing and trading of hot melt adhesives and water adhesives	80%	80%	80%	Note 1
Tex Year Industries Inc.	Tex Year Europe Sp. z o. o.	R&D, production and sales of hot melt adhesives	80%	80%	80%	Note 1
Tex Year Industries Inc.	Tex Year Minima Technology Inc.	Investment and international trading company	81%	81%	81%	Note 1 and 2
Tex Year Minima Technology Inc.	Tex Year Minima Technology Europe Sp. z o. o. (Tex Year Minima Technology)	Production, sales and development of biodegradable materials and products	100%	100%	100%	Note 1 and 3
Tex Year International (SAMOA) Corp.	Tex Year Technology (Samoa) Corp.	Holding company	96.08%	96.08%	96.08%	Note 6
Tex Year (Hong Kong) Ltd.	Tex Year Technology (Samoa) Corp.	Holding company	3.92%	3.92%	3.92%	Note 6
Tex Year Technology (Samoa) Corp.	Tex Year Fine Chemical (Guangzhou) Co., Ltd.	R&D, production and sales of hot melt adhesives	100%	100%	100%	-
Tex Year Technology (Samoa) Corp.	Tex Year Technology (Jiangsu) Co., Ltd.	R&D, production and sales of hot melt adhesives	100%	100%	100%	-
Tex Year Fine Chemical (Guangzhou) Co., Ltd.	Wuxi Tex Year International Trading Co., Ltd.	Sales of chemical products and adhesives	100%	100%	100%	Note 1
Tex Year Fine Chemical (Guangzhou) Co., Ltd.	Shanghai C&M Filtration Solutions Limited	R&D and Sales of Eco-friendly Filter Materials	50.10%	50.10%	50.10%	Note 1 and 4
Shanghai C&M Filtration Solutions Limited	Jiangsu C&M Filtration Solutions Limited (Jiangsu C&M)	R&D and Manufacturing of Eco-friendly Filter Materials	100%	100%	100%	Note 1 and 7
Shanghai C&M Filtration Solutions Limited	Huzhou Yachuang Tech Ltd.	R&D and Sales in Eco-friendly Filter Materials, and Rental of Self-owned Houses	100%	100%	100%	Note 1

Note 1: It is a non-important subsidiary and its financial statements have not been reviewed by a certified public accountant.

Note 2: Tex Year Minima Technology Inc. handled cash increase of NT$51,540 thousand in January 2023. After the capital increase, the total paid in capital of Tex Year Minima Technology Inc. was NT$67,540 thousand. The Company did not subscribe according to the original shareholding ratio, resulting in a decrease in the shareholding ratio of Tex Year Minima Technology Inc. from 100% to 81%. Because the transaction did not change the consolidated company's control over Tex Year Minima Technology Inc., it is treated as an equity transaction. The difference generated by the consolidated company through the aforementioned equity transaction is adjusted as an increase in the capital surplus by NT$236 thousand.

Note 3: Tex Year Minima Technology performed a capital increase in cash of US$1,650 thousand, and there was no change in the shareholding ratio after the capital increase. However, due to changes in the green policy of the EU, the Company's Board resolved to cease the operation of Tex Year Minima Technology and carry out the liquidation on March 15, 2024. Nonetheless, the liquidation procedures have not been completed as of November 14, 2024.

Note 4: To align with the future operating layout and plans, Shanghai C&M Filtration Solutions Limited. performed a capital reduction in cash in the amount of RMB6,000 thousand in July 2023, and the shareholding ratio remained unchanged after the capital reduction.

Note 5: To align with the future operating layout and plans, Tex Year International (SAMOA) Corp. performed a capital reduction in cash in the amount of US$1,115 thousand in October 2023, and the shareholding ratio remained unchanged after the capital reduction.

Note 6: To align with the future operating layout and plans, Tex Year Technology (Samoa) Corp. performed a capital reduction in cash in the amount of US$1,160 thousand in October 2023, and the shareholding ratio remained unchanged after the capital reduction.

Note 7: Jiangsu C&M performed a capital increase in cash of RMB1,660 thousand in April 2024, and there was no change in the shareholding ratio after the capital increase.

(2) Information of subsidiaries with significant non-controlling interests

		Proportion of shares and voting rights held by non-controlling interests		
Name of subsidiary	Main business premises	September 30, 2024	December 31, 2023	September 30, 2023
Tex Year Europe Sp. z o.o.	Poland	20%	20%	20%
Shanghai C&M Filtration Solutions Limited	Shanghai	49.9%	49.9%	49.9%

Name of subsidiary	Profit (loss) distributed to non-controlling interests July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023	Non-controlling interests September 30, 2024	December 31, 2023	September 30, 2023
Tex Year Europe Sp. z o. o.	$ 942	($ 462)	$ 1,984	($ 5,720)	$ 33,135	$ 29,680	$ 27,300
Shanghai C&M Filtration Solutions Limited	326	(353)	434	(107)	79,714	75,635	75,168

The aggregate financial information of the following subsidiaries is based on the amounts before inter-company transaction cancellation:

Tex Year Europe Sp. z o. o.

	September 30, 2024	December 31, 2023	September 30, 2023
Current Assets	$ 163,058	$ 96,147	$ 122,069
Non-current assets	123,134	108,105	103,455
Current liabilities	(119,852)	(54,746)	(61,062)
Non-current liabilities	(663)	(927)	(27,796)
Equity	$ 165,677	$ 148,579	$ 136,666
Equity attributable to:			
Owners of the Company	$ 132,542	$ 118,899	$ 109,366
Non-controlling interests	33,135	29,680	27,300
	$ 165,677	$ 148,579	$ 136,666

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Net profit (loss) of the current period	$ 4,713	($ 2,788)	$ 9,742	($ 28,435)
Net profit (loss) attributable to:				
Owners of the Company	$ 3,771	($ 2,230)	$ 7,794	($ 22,748)
Non-controlling interests	942	(558)	1,948	(5,687)
	$ 4,713	($ 2,788)	$ 9,742	($ 28,435)

Shanghai C&M Filtration Solutions Limited and its subsidiaries

	September 30, 2024	December 31, 2023	September 30, 2023
Current Assets	$ 127,504	$ 131,881	$ 130,341
Non-current assets	93,183	95,866	99,830
Current liabilities	(60,888)	(76,199)	(79,578)
Equity	$ 159,799	$ 151,548	$ 150,593
Equity attributable to:			
Owners of the Company	$ 80,085	$ 75,913	$ 75,425
Non-controlling interests	79,714	75,635	75,168
	$ 159,799	$ 151,548	$ 150,593

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Net profit (loss) of the current period	$ 602	($ 707)	$ 870	($ 214)
Net profit (loss) attributable to:				
Owners of the Company	$ 276	($ 354)	$ 436	($ 107)
Non-controlling interests	326	(353)	434	(107)
	$ 602	($ 707)	$ 870	($ 214)

13. Investment under the equity method

	September 30, 2024	December 31, 2023	September 30, 2023
Investment in affiliated enterprises	$ 4,725	$ 5,143	$ 5,563
Investments and joint ventures	46,382	37,297	37,814
	$ 51,107	$ 42,440	$ 43,377

(1) Investment in affiliated enterprises

	September 30, 2024	December 31, 2023	September 30, 2023
Non-important affiliated enterprises			
Huzhou Xiling Tech Ltd.	$ 4,725	$ 5,143	$ 5,563

Percentages of equity and voting rights held by the consolidated company in affiliated enterprises on the balance sheet date are as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Huzhou Xiling Tech Ltd.	30%	30%	30%

In addition, a capital increase in cash in the amount of RMB300 thousand was performed by the consolidated company for the company in March 2023. After the investment of funds, the shareholding ratio did not change.

(2) Investment in joint ventures

	September 30, 2024	December 31, 2023	September 30, 2023
Individual non-significant joint ventures			
Tex Year Industrial Adhesives Pvt. Ltd.	$ 46,382	$ 37,297	$ 37,814

The percentage of shares and voting rights held by the consolidated company in the joint venture on the balance sheet date is as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Individual non-significant joint ventures			
Tex Year Industrial Adhesives Pvt. Ltd.	50%	50%	50%

1. Significant joint ventures

Wuxi More Tex Technology Co., Ltd. (January 1 to September 30, 2024: None)

	July 1 to September 30, 2023	January 1 to September 30, 2023
Operating revenue	$ 35,590	$ 114,055
Net profit (loss) of the current period	$ 2,231	($ 588)
Total comprehensive income	$ 2,231	($ 588)

A significant joint venture company; as no future cash inflow is expected from part of the machinery used for product production, the recoverable amount is less than the carrying amount. Therefore, the cost and expenses to be borne by the cash-generating unit to which the asset belongs is recognized by taking into account the impairment losses of the machinery and equipment and the agreement. Therefore, impairment losses of NT$1,849 thousand and NT$3,545 thousand were recognized from July 1 to September 30, and January 1 to September 30, 2023, respectively.

In September 2023, the consolidated company disposed of the equity of Wuxi More Tex Technology Co., Ltd. at a consideration of RMB22,640 thousand (NT$99,775 thousand) and recognized the gains on disposal of RMB60,801 thousand after the estimation of taxable to be borne. According to the contractual agreements, the Consolidated Company has collected RMB21,000 thousand in October 2023 (NT$92,548 thousand), and the remaining amount is to be received after the completion of tax clearance by Wuxi More Tex Technology Co., Ltd.. The additional tax levied to be borne recognized from January 1 to September 30, 2024 was RMB750 thousand (accounted for as losses on disposals of investments).

2. Summary of non-important joint ventures

Tex Year Industrial Adhesives Pvt. Ltd.

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Share of consolidated company				
Profit from continuing operations	$ 1,580	$ 1,252	$ 4,657	$ 2,622
Other comprehensive income	(1,592)	837	535	1,527
Total comprehensive income	($ 12)	$ 2,089	$ 5,192	$ 4,149

In addition, a capital increase in cash in the amount of US$120 thousand was performed by the consolidated company for the company in April 2024. After the investment of funds, the shareholding ratio did not change.

The annual financial statements of Tex Year Industrial Adhesives Pvt. Ltd. ended on March 31. As it is difficult in practice to require the Company to prepare additional financial statements covering the period from January 1 to September 30, the consolidated company used the financial statements of the Company covering the balance sheet dates of March 31, 2024 and 2023. It also adjusted the significant transactions from April 1 to September 30, 2024 and 2023.

The share of income and other comprehensive income enjoyed by the joint venture and consolidated company under the equity method are calculated based on the financial statements that have not been audited by a certified public accountant.

Please refer to Table 6 “Name, location, …. of the investee company” for the business nature, main business premises and country of incorporation of the joint ventures above, and Table 7 “Mainland China investment information”.

14. Property, plant and equipment

	Self-own land	Revaluation and appreciation of land	Houses and buildings	Machinery and equipment	Office equipment	Other facilities	Unfinished construction	Total
Cost								
Balance on January 1, 2023	$ 55,204	$ 45,324	$ 883,154	$ 708,063	$ 33,975	$ 109,855	$ 964	$ 1,836,539
Addition	-	-	779	13,423	6,669	317	551	21,739
Disposal	-	-	(261)	(7,391)	(1,143)	(624)	-	(9,419)
Reclassification	-	-	-	278	(2,412)	2,404	(270)	-
Net exchange differences	595	-	5,398	6,041	57	806	25	12,922
Balance on September 30, 2023	$ 55,799	$ 45,324	$ 889,070	$ 720,414	$ 37,146	$ 112,758	$ 1,270	$ 1,861,781
Accumulated depreciation and impairment								
Balance on January 1, 2023	$ -	$ -	$ 347,630	$ 352,526	$ 26,320	$ 83,219	$ -	$ 809,695
Disposal	-	-	(261)	(7,164)	(1,117)	(624)	-	(9,166)
Depreciation expenses	-	-	23,045	36,963	3,064	4,706	-	67,778
Reclassification	-	-	-	1,499	(2,579)	1,080	-	-
Net exchange differences	-	-	739	4,697	45	624	-	6,105
Balance on September 30, 2023	$ -	$ -	$ 371,153	$ 388,521	$ 25,733	$ 89,005	$ -	$ 874,412
Net amount on September 30, 2023	$ 55,799	$ 45,324	$ 517,917	$ 331,893	$ 11,413	$ 23,753	$ 1,270	$ 987,369
Cost								
Balance on January 1, 2024	$ 56,406	$ 45,324	$ 890,130	$ 711,852	$ 37,112	$ 108,945	$ 37,056	$1,886,825
Addition	-	-	3,012	11,689	2,191	7,149	15,376	39,417
Disposal	-	-	(196)	(1,424)	(3,037)	(1,362)	(195)	(6,214)
Reclassification	-	-	370	2,162	(231)	1,295	(5,293)	(1,697)
Net exchange differences	518	-	18,901	20,665	588	3,410	1,858	45,940
Balance on September 30, 2024	$ 56,924	$ 45,324	$ 912,217	$ 744,944	$ 36,623	$ 119,437	$ 48,802	$1,964,271
Accumulated depreciation and impairment								
Balance on January 1, 2024	$ -	$ -	$ 376,521	$ 394,438	$ 25,530	$ 86,666	$ 26,962	$ 910,117
Disposal	-	-	(196)	(404)	(2,997)	(1,312)	(88)	(4,997)
Depreciation expenses	-	-	23,430	34,903	3,060	4,378	-	65,771
Impairment Loss	-	-	-	-	-	-	4,349	4,349
Net exchange differences	-	-	7,748	11,710	446	2,821	1,373	24,098
Balance on September 30, 2024	$ -	$ -	$ 407,503	$ 440,647	$ 26,039	$ 92,553	$ 32,596	$ 999,338
Net amount on September 30, 2024	$ 56,924	$ 45,324	$ 504,714	$ 304,297	$ 10,584	$ 26,884	$ 16,206	$ 964,933
Net amount on December 31, 2023 and January 1, 2024	$ 56,406	$ 45,324	$ 513,609	$ 317,414	$ 11,582	$ 22,279	$ 10,094	$ 976,708

There is no sign of impairment in the assessment from January 1 to September 30, 2023, so no impairment loss is recognized.

Due to the changes in the green policies of the EU, the biodegradable materials and products produced by Tex Year Minima Technology have a poor market prospect. The production lines of the main plants suspended the trial production. The Board of the Company resolved to suspend the operation of Tex Year Minima Technology and carry out the liquidation. In addition, the future cash inflow that the Consolidated Company expects to use in the production lines of such products decreased, resulting in the recoverable amount being less than the carrying amount; therefore, impairment losses of NT$4,349 thousand and NT$25,584 thousand were recognized from January 1 to September 30, 2024 and in 2023, respectively, and the impairment losses were included under the cost of goods sold in consolidated statement of comprehensive income.

Depreciation expenses are accrued on a straight-line basis based on the following number of years of service life:

Houses and buildings	
Main building of plant	3 to 40 years
Electromechanical and other equipment	3 to 40 years
Machinery and equipment	2 to 20 years
Office equipment	3 to 10 years
Other facilities	3 to 15 years

Please refer to note 32 for the amount of property, plant and equipment pledged by the consolidated company as collateral for loans and letters of credit.

15. Lease agreements

(1) Right-of-use assets

	September 30, 2024	December 31, 2023	September 30, 2023
Carrying value of right-of-use assets			
Land	$ 64,656	$ 62,988	$ 64,678
Buildings	6,459	6,152	14,455
Transportation equipment	6,187	5,521	5,719
Other facilities	1,468	1,602	1,580
	$ 78,770	$ 76,263	$ 86,432

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Addition of right-of-use assets			$ 7,995	$ 16,843
Depreciation expenses of right-of-use assets				
Land use rights	$ 462	$ 447	$ 1,366	$ 1,349
Buildings	1,060	1,854	3,149	4,201
Transportation equipment	946	821	2,802	2,378
Other facilities	69	48	204	82
	$ 2,537	$ 3,170	$ 7,521	$ 8,010

(2) Lease liabilities

	September 30, 2024	December 31, 2023	September 30, 2023
Carrying value of lease liabilities			
Current	$ 7,270	$ 6,237	$ 9,580
Non-current	$ 6,490	$ 6,819	$ 12,021

The range of discount rate of lease liabilities is as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Buildings	2.02%～6.25%	1.55%～4.20%	1.55%～6.87%
Transportation equipment	1.27%～3.88%	1.27%～3.88%	1.27%～3.88%
Other facilities	1.45%	1.45%	1.45%

(3) Other lease information

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Short term rental expenses	$ 3,314	$ 2,797	$ 9,380	$ 9,076
Total cash (outflow) from lease			($ 16,002)	($ 16,328)

The consolidated company chooses to exempt the recognition of buildings, office equipment and transportation equipment conforming to the short-term lease. It does not recognize the relevant right-of-use assets and lease liabilities.

16. Intangible assets

	Patent rights	Computer software	Total
Cost			
Balance on January 1, 2023	$ 29,858	$ 35,236	$ 65,094
Acquisition	-	2,219	2,219
Disposal	-	(5,668)	(5,668)
Reclassification	13,043	(16)	13,027
Net exchange differences	529	95	624
Balance on September 30, 2023	$ 43,430	$ 31,866	$ 75,296
Accumulated depreciation and impairment			
Balance on January 1, 2023	$ 24,099	$ 27,972	$ 52,071
Amortization expenses	1,767	2,759	4,526
Disposal	-	(5,668)	(5,668)

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	Patent rights	Computer software	Total
Reclassification	$ -	($ 16)	($ 16)
Net exchange differences	80	95	175
Balance on September 30, 2023	$ 25,946	$ 25,142	$ 51,088
Net amount on September 30, 2023	$ 17,484	$ 6,724	$ 24,208
Cost			
Balance on January 1, 2024	$ 43,436	$ 34,435	$ 77,871
Acquisition	-	1,838	1,838
Disposal	-	(6,112)	(6,112)
Net exchange differences	2,555	121	2,676
Balance on September 30, 2024	$ 45,991	$ 30,282	$ 76,273
Accumulated depreciation and impairment			
Balance on January 1, 2024	$ 38,786	$ 26,416	$ 65,202
Amortization expenses	773	2,823	3,596
Disposal	-	(6,112)	(6,112)
Net exchange differences	2,345	106	2,451
Balance on September 30, 2024	$ 41,904	$ 23,233	$ 65,137
Net amount on September 30, 2024	$ 4,087	$ 7,049	$ 11,136
Net amount on December 31, 2023 and January 1, 2024	$ 4,650	$ 8,019	$ 12,669

Amortization expenses are accrued on a straight-line basis based on the following years of service life:

Patent rights	3 to 20 years
Computer software	1 to 10 years

17. Other assets

	September 30, 2024	December 31, 2023	September 30, 2023
Other prepaid expenses	$ 14,635	$ 8,962	$ 12,887
Refundable deposit	12,254	12,655	11,656
Advance payment for goods	12,053	16,326	8,727
Provisional payment	3,555	2,459	6,085
Long-term prepaid expenses	6,714	4,627	4,998

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	September 30, 2024	December 31, 2023	September 30, 2023
Excess business tax paid	$ 5,363	$ 4,901	$ 2,688
Others	7,198	5,857	6,884
	$ 61,772	$ 55,787	$ 53,925
Current	$ 42,804	$ 38,505	$ 36,644
Non-current	18,968	17,282	17,281
	$ 61,772	$ 55,787	$ 53,925

18. Borrowings

(1) Short-term borrowings

	September 30, 2024	December 31, 2023	September 30, 2023
Secured loans (note 32)			
Bank loans	$ 52,434	$ 54,803	$ 64,695
Unsecured loans			
Credit loans	539,064	431,220	520,070
	$ 591,498	$ 486,023	$ 584,765
Borrowing rates	1.80%～3.45%	1.74%～3.65%	1.74%～3.65%

(2) Long-term loans

	September 30, 2024	December 31, 2023	September 30, 2023
Secured loans (note 32)			
Bank loans	$ 158,665	$ 203,493	$ 245,463
Less: The portion listed as due within one year	(30,985)	(45,987)	(49,568)
Long-term loan	$ 127,680	$ 157,506	$ 195,895
Borrowing rates	2.125%～2.178%	2.0%～2.053%	2.0%～5.55%

The consolidated company has entered into mid-to-long-term secured loan agreements with Taiwan Business Bank, ING Bank, and Taiwan Cooperative Bank. The loan amount is to be repaid in installments in accordance with the credit loan agreements, with the latest expiry date of December 2032.

The consolidated company has provided certain land and buildings as collateral. Please refer to note 32.

19. Corporate bonds payable

	September 30, 2024	December 31, 2023	September 30, 2023
Domestic secured convertible corporate bonds	$ 50,300	$ 151,500	$ 151,500
Less: convertible bond discounts	(40)	(1,542)	(2,016)
Less: The portion listed as due within one year	(50,260)	(149,958)	-
	$ -	$ -	$ 149,484

The relevant information of domestic convertible corporate bonds issued by the Company is as follows:

The conditions for the issuance of the Company's second secured domestic convertible corporate bond are as follows: the Company has been approved by the competent authority to raise and issue the second secured domestic convertible corporate bond, with a total issuance amount of NT$200,000 thousand and a coupon rate of 0%. The term is five years, and the circulation period is from October 23, 2019 to October 23, 2024. It was listed on the GreTai Securities Exchange of the Republic of China on October 23, 2019. When the convertible bond is due, it shall be paid in cash at one time according to the face value of the bonds. The holders of the convertible bond may, from three months after the day following the issuance date of this bond to the maturity date, request conversion into the common shares of the company at any time, except for the period during which the transfer of ownership shall be suspended in accordance with the relevant measures or laws and regulations. The conversion price of the convertible corporate bond is set in accordance with the pricing model prescribed in the conversion method, with the conversion price of NT$15.7 per share. In case of any anti-dilution provisions of the Company, the subsequent conversion price shall be adjusted in accordance with the pricing model prescribed in the conversion method.

From the day following 3 months after the issuance of the convertible corporate bonds to 40 days before the expiry of the issuance period, if the closing price of the Company's ordinary shares exceeds the current conversion price by more than 30% (inclusive) for 30 consecutive business days, or if the outstanding balance of the convertible corporate bonds is less than 10% of the original total amount, the Company may recall all the bonds in cash according to the bond’s face value.

The consolidated company provides a demand deposit of NT$200,000 thousand as a guarantee for the issuance of corporate bonds. The guarantee was exempted after the agreement with Taiwan Business Bank on July 7, 2020.

Due to the Company’s ex-dividend operation in 2024 and 2023, the conversion prices have been adjusted to NT$14 and NT$14.3 from the ex-dividend date of July 31, 2024 and August 9, 2023, in accordance with the issuance regulations.

The above-mentioned convertible corporate bonds include the conversion right of the main contractual debt instrument, the sale/redemption derivative instrument and the equity component, which are expressed under the equity by capital surplus - conversion rights. The effective interest rate originally recognized for the liability component is 1.26%.

The changes in the main contractual debt instrument are as follows:

	January 1 to September 30, 2024	January 1 to September 30, 2023
Component of liabilities at the beginning of the period	$ 149,958	$ 148,085
Interest calculated at an effective interest rate in the current period	1,223	1,399
Common shares converted from payable corporate bonds	(100,921)	-
Component of liabilities at the end of the period	$ 50,260	$ 149,484

The changes in the sale/redemption of derivative are as follows (January 1 to September 30, 2024: None):

	January 1 to September 30, 2023
Equity at beginning of period	$ 50
Loss from changes in fair value	(50)
Period-end balance	$ -

The change of conversion right (under capital surplus) of the equity component is as follows:

	January 1 to September 30, 2024	January 1 to September 30, 2023
Equity at beginning of period	$ 6,609	$ 6,609
Common shares converted from payable corporate bonds	(4,414)	-
Period-end balance	$ 2,195	$ 6,609

20. Accounts payable

	September 30, 2024	December 31, 2023	September 30, 2023
Accounts payable (including related parties)			
Arising from business	$ 364,594	$ 293,405	$ 339,288

21. Other liabilities

	September 30, 2024	December 31, 2023	September 30, 2023
Current			
Other payables (including related parties)			
Bonus payable	$ 45,008	$ 50,744	$ 35,810
Salary payable	26,465	23,854	24,584
Remuneration payable to employees, directors and supervisors	11,603	9,154	8,921
Leave payment payable	8,591	7,948	7,608

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	September 30, 2024	December 31, 2023	September 30, 2023
Payable on machinery and equipment	$ 2,668	$ 6,819	$ 5,277
Other expenses payable	65,101	60,898	60,281
	$ 159,436	$ 159,417	$ 142,481
Other liabilities			
Contractual liabilities	$ 49,053	$ 66,074	$ 43,711
Collection on behalf of others	1,691	802	826
Others	18,267	8,972	16,527
	$ 69,011	$ 75,848	$ 61,064

22. Current provisions (September 30, 2024 and December 31, 2023: None)

	September 30, 2023
Warranty	$ 16

	January 1 to September 30, 2023
Equity at beginning of period	$ 181
Reversal in the period	(165)
Period-end balance	$ 16

The provision for warranty liabilities is the present value of the best estimate of the outflow of future economic benefits caused by the warranty obligation from the management of the consolidated company in accordance with the contract for the sale of goods. This estimate is based on historical warranty experience, taking into account the adjustment for new raw materials, process changes or other factors affecting product quality.

23. Post-retirement benefit plans

(1) Defined contribution plan

The pension system of the “Labor Pension Act” is applicable to the Company of the consolidated company and is a defined contribution plan managed by the government. The pension is allocated to the individual account of the Labor Insurance Bureau at 6% of the employee’s monthly salary.

The employees of the subsidiaries of the consolidated company in China and Vietnam are members of the local government operated retirement benefit plan. The subsidiary is required to allocate a specific proportion of the cost of salaries to the retirement benefit plan to fund the plan. The obligation of the consolidated company to the retirement benefit plan operated by the government is only the allocation of a specific amount.

(2) Defined benefit plan

The Company of the consolidated group implements a pension system of defined benefit plans managed by the government as prescribed in the “Labor Standards Act”. The relevant pension costs of the defined benefit plan recognized from July 1 to September 30, 2024 and 2023 and January 1 to September 30, 2024 and 2023 are calculated based on the pension cost rate determined by actuarial calculation on December 31, 2023 and 2022, and the amounts are NT$159 thousand, NT$170 thousand, NT$478 thousand and NT$510 thousand, respectively.

24. Equity

(1) Share capital

1. Common stock

	September 30, 2024	December 31, 2023	September 30, 2023
Authorized number of shares (1000 shares)	150,000	150,000	150,000
Authorized share capital	$ 1,500,000	$ 1,500,000	$ 1,500,000
Number of issued shares fully paid for (1000 shares)	106,709	103,757	103,757
Capital of issued shares	$ 1,067,090	$ 1,037,563	$ 1,037,563

The par value of each issued common share is NT$10. Each share has one voting right and the right to receive dividends.

2. Certificate of entitlement to new shares from convertible bond

	September 30, 2024	December 31, 2023	September 30, 2023
Number of shares converted but not yet registered for change (1000 shares)	4,214	-	-
Share capital converted but not yet registered for change	$ 42,142	$ -	$ -

As of September 30, 2024, shares issued due to the exercise of the conversion rights by the bondholders of convertible corporate bonds that have not completed the alteration registration were 4,214 thousand shares (December 31 and June 30, 2023: None), and November 14, 2024 is the base day for the capital increase.

(2) Capital surplus

	September 30, 2024	December 31, 2023	September 30, 2023
Can be used to cover losses, issue cash or supplement share capital (1)			
Premium from share issuance	$ 22,142	$ 22,142	$ 22,142
Premium from convertible bond conversion	79,110	45,444	45,444
The conversion right shall be paid off at maturity	6,307	6,307	6,307
can only be used to cover losses (2)			
Changes in net equity of subsidiaries and joint ventures recognized under the equity method	265	265	265
and cannot be used for any other purpose.			
Conversion right	2,195	6,609	6,609
	$ 110,019	$ 80,767	$ 80,767

1. Such capital surplus may be used to make up for losses, and may also be used to distribute cash or be allocate as share capital when the Company has no losses, provided that the share capital allocation is limited to a certain proportion of the paid-in capital each year.
2. For the investment under the equity method, the capital surplus due to the change of the Company's equity in subsidiaries shall not be used for any purpose other than making up losses.

(3) Retained earnings and dividend policy

According to the provisions of the earnings distribution policy in the Company's articles of association, if there is a surplus in the annual final accounts, taxes shall be paid in accordance with the law, and after making up the cumulative loss, 10% shall be set aside as the legal reserve, and the rest shall be appropriated as or reversed from special reserve according to laws and regulations. If there is still a balance, the board meeting shall formulate an earnings distribution proposal for it together with the cumulative unappropriated retained earnings, and submit it to the shareholders' meeting for a resolution to distribute dividends to shareholders. If the shareholder's dividend is paid in cash, the Board is authorized to resolve the distribution with the consent of over half of the attending Directors at a meeting attended by over two-thirds of Directors, and it shall be reported to the shareholders’ meeting. Please refer to note 26(7) employees’ remuneration and directors’ and supervisors’ remuneration for the distribution policy of employees’ remuneration and directors’ and supervisors’ remuneration stipulated in the Articles of Association.

The company’s products are diversified, its profits are stable, and its financial structure is sound. The dividend policy is based on the consideration of significant expansion plans and capital expenditures in the next few years. The board of directors shall propose the actual distribution to the shareholders’ meeting according to the company's operating conditions. The distribution of dividends to shareholders shall be at least 50% of the distributable earnings of the current year after deducting the legal reserve and special reserve. The cash dividend shall account for more than 20% of the total amount of dividends, but if the cash dividend per share is less than NT$0.5 (inclusive), it may be distributed in the form of a stock dividend instead.

The legal reserve shall be allocated until its balance reaches the total paid-in share capital of the Company. The legal reserve may be used to make up for losses. When the Company has no loss, the part of the legal reserve exceeding 25% of the total paid-in share capital may be distributed in cash in addition to being appropriated as share capital.

The Company's proposal for earning distribution for 2023 and 2022 is as follows:

	2023	2022
Legal reserve	$ 7,511	$ 2,755
Special reserve reversed	$ 1,502	($ 20,754)
Cash dividends	$ 57,139	$ 20,751
Cash dividend per share (NT$)	$ 0.55	$ 0.2

The cash dividends have been decided to be distributed by the board meeting on March 15, 2024 and March 29, 2023, and other earnings distribution items for 2023 and 2022 were resolved by the annual shareholders' meeting held on June 24, 2024 and June 26, 2023.

25. Revenue

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Revenue from goods sold	$ 936,348	$ 847,681	$2,699,371	$2,435,756

Please refer to notes 10 and 21 for the contract balance.

26 Net profit and other comprehensive income

(1) Interest income

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Bank deposits	$ 1,505	$ 4,179	$ 5,782	$ 9,948

(2) Other income

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Compensation income	$ 8,890	$ -	$ 8,890	$ -
Government subsidy income	4,296	9,404	8,176	15,587
Management and technical service income	249	255	753	751
Rental income	18	45	179	126
Dividend income	787	-	787	-
Others	1,972	1,681	4,968	3,793
Total	$ 16,212	$ 11,385	$ 23,753	$ 20,257

(3) Other benefits and (loss)

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Net loss (profit) from financial assets and liabilities at fair value through profit or loss	($ 958)	$ 497	$ 91	$ 2,667
(Losses) gains from disposal of property, plant and equipment	(209)	190	(117)	214
Gain on lease modification	26	-	26	-
Total	($ 1,141)	$ 687	$ -	$ 2,881

(4) Financial cost

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Interest on bank loan	$ 3,295	$ 4,774	$ 9,766	$ 16,303
Interest on lease liabilities	125	209	368	495
Convertible corporate bond interest (note 19)	297	473	1,223	1,399
Total	$ 3,717	$ 5,456	$ 11,357	$ 18,197

(5) Depreciation and amortization

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Property, plant and equipment	$ 22,263	$ 22,150	$ 65,771	$ 67,778
Intangible assets	1,198	1,588	3,596	4,526
Long-term prepaid expenses	313	395	1,001	799
Right-of-use assets	2,537	3,170	7,521	8,010
Total	$ 26,311	$ 27,303	$ 77,889	$ 81,113
Depreciation expenses summary by function				
Operating cost	$ 17,277	$ 18,365	$ 51,396	$ 55,699
Operating expenses	7,523	6,955	21,896	20,089
	$ 24,800	$ 25,320	$ 73,292	$ 75,788
Amortized expenses summary by function				
Operating cost	$ 122	($ 36)	$ 425	$ 512
Operating expenses	1,389	2,019	4,172	4,813
	$ 1,511	$ 1,983	$ 4,597	$ 5,325

(6) Employee benefits

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Short-term employee benefits				
Salary expense	$ 106,316	$ 108,698	$ 306,849	$ 282,975
Labor and health insurance expenses	10,637	8,552	29,937	26,286
	116,953	117,250	336,786	309,261
Post retirement benefits (note 23)				
Defined contribution plan	5,989	5,885	17,087	17,984
Defined benefit plan	159	170	478	510
	6,148	6,055	17,565	18,494
Other employee benefits	5,901	4,701	16,816	15,067
Total employee benefit expenses	$ 129,002	$ 128,006	$ 371,167	$ 342,822
Summary by function				
Operating cost	$ 43,166	$ 39,854	$ 124,652	$ 109,939
Operating expenses	85,836	88,152	246,515	232,883
	$ 129,002	$ 128,006	$ 371,167	$ 342,822

(7) Remuneration payable to employees, directors and supervisors

In accordance with the Articles of Association, after making up the losses with the before-tax net profit of the current year, the Company appropriates 1% to 10% of the balance as the employees’ remuneration, and no more than 3% as the directors' and supervisors' remuneration. From July 1 to September 30, 2024 and 2023 and January 1 to September 30, 2024 and 2023, the estimated employees’ remuneration and the Director's and supervisor's remuneration are as follows:

Estimation ratio

	January 1 to September 30, 2024	January 1 to September 30, 2023
Employees’ remuneration	6%	6%
Directors and supervisors’ remuneration	2%	2%

Amount

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Employees’ remuneration	$ 2,684	$ 5,711	$ 8,702	$ 6,691
Directors and supervisors’ remuneration	$ 895	$ 1,903	$ 2,901	$ 2,230

If there is any change in the amount of the annual consolidated financial statements after the date of issuance, it shall be handled according to the change in accounting estimates and recorded in the next year.

The board meetings of the Company were held on March 15, 2024 and March 29, 2023, respectively, and the following resolutions on employees' remuneration and directors' and supervisors' remuneration for 2023 and 2022 were passed:

	Cash	
	2023	2022
Employees' remuneration	$ 6,354	$ 2,162
Directors and supervisors' remuneration	2,800	720

There is no difference between the actual distribution amount of employees' remuneration and directors' and supervisors' remuneration in 2023 and 2022 and the amount recognized in the consolidated financial statements of 2023 and 2022.
For information on the employees' remuneration and directors' and supervisors' remuneration resolved by the board of directors' meetings, please visit "MOPS" of the Taiwan Stock Exchange.

27. Income tax

(1) Income tax recognized in income

The major components of income tax expense are as follows:

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Income tax of the current period				
Generated in the current period	$ 12,151	$ 40,808	$ 37,692	$ 50,989
Surtax on unappropriated retained earnings	-	-	448	-
Adjustment for previous years	(10,393)	-	2,012	(5,076)
	1,758	40,808	40,152	45,913
Deferred income tax				
Generated in the current period	1,152	(5,743)	(222)	(969)
Adjustment for previous years	6,041	-	(5,917)	221
	7,193	(5,743)	(6,139)	(748)
Income tax expenses recognized in income	$ 8,951	$ 35,065	$ 34,013	$ 45,165

(2) Income tax recognized in other comprehensive income

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Deferred income tax				
Generated in the current period				
-Conversion of foreign operating organizations	$ 1,261	$ 5,130	$ 10,979	$ 3,740

(3) Verification of income tax

The Company's filings prior to 2022 have been approved by the tax authorities; the profit-seeking enterprise income tax returns of the subsidiary Tex Year Minima have not been approved by the tax authorities.

28. Earnings per share

Unit: NT$ per share

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Basic earnings per share	$ 0.40	$ 0.66	$ 1.23	$ 0.78
Diluted earnings per share	$ 0.38	$ 0.60	$ 1.14	$ 0.71

The earnings used for calculating earnings per share and weighted average number of common shares are as follows:

Net profit of the current period

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Net profit attributable to owners of the Company	$ 43,725	$ 68,287	$ 129,894	$ 80,757
Net profit used to calculate basic earnings per share	$ 43,725	$ 68,287	$ 129,894	$ 80,757
Effect of potential common stock with dilution:				
After-tax interest on convertible bonds	237	378	978	1,119
After-tax evaluation loss of convertible bond put/call rights	-	8	-	40
Net profit used to calculate diluted earnings per share	$ 43,962	$ 68,673	$ 130,872	$ 81,916

Number of shares

Unit: 1000 shares

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
To calculate the weighted average number of shares of common stock for basic earnings per share	108,666	103,756	105,268	103,756
Effect of potential common stock with dilution:				
Corporate bond conversion	6,696	10,448	9,310	10,448
Employees' remuneration	413	69	523	520
To calculate the weighted average number of shares of common stock for diluted earnings per share	115,775	114,273	115,101	114,724

Suppose the consolidated company has the option to pay employees' remuneration in shares or cash. In that case, the calculation of diluted earnings per share is based on the assumption that the employees' remuneration will be issued in shares. The weighted average number of outstanding shares will be included in the calculation of diluted earnings per share when the potential common shares are diluted. When calculating the diluted earnings per share before the issuance of employees' remuneration shares in the next annual resolution, the dilution effect of such potential common shares shall also be considered.

29. Capital risk management

The purpose of the company's capital management policy is to protect the company's ability to continue as a going concern in order to provide returns to shareholders and benefits to other equity interest holders as much as possible. To ensure that the above objectives are achieved, the consolidated company must maintain a large amount of capital to meet the needs of the expansion and upgrading of plant and equipment. Therefore, the capital management of the consolidated company is to ensure that necessary financial resources and operation plans are available to meet the needs of working capital, capital expenditure, research and development expenses, debt repayment and dividend expenditure in the next 12 months. The consolidated company is not subject to other external capital requirements.

30. Financial Instruments

(1) Fair value information - financial instruments not measured at fair value

September 30, 2024

	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Financial liability					
Financial liabilities measured at cost after amortization					
- Second domestic secured convertible corporate bonds	$ 50,260	$ -	$ 50,268	$ -	$ 50,268

December 31, 2023

	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Financial liability					
Financial liabilities measured at cost after amortization					
- Second domestic secured convertible corporate bonds	$ 149,958	$ -	$ 149,803	$ -	$ 149,803

September 30, 2023

	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Financial liability					
Financial liabilities measured at cost after amortization					
- Second domestic secured convertible corporate bonds	$ 149,484	$ -	$ 149,282	$ -	$ 149,282

In addition to the above, the management of the consolidated company believes that the carrying value of financial assets and financial liabilities not measured at fair value approaches their fair value or their fair value cannot be reliably measured.

(2) Fair value information - financial instruments measured at fair value on a recurring basis

1. Fair value hierarchy

September 30, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Limited partnership funds	$ -	$ -	$ 35,645	$ 35,645

December 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Wealth management products	$ -	$ 30,393	$ -	$ 30,393
Limited partnership funds	-	-	23,476	23,476
	$ -	$ 30,393	$ 23,476	$ 53,869

September 30, 2023

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Wealth management products	$ -	$ 17,944	$ -	$ 17,944
Limited partnership funds	-	-	23,444	23,444
	$ -	$ 17,944	$ 23,444	$ 41,388

There was no transfer between level 1 and level 2 fair value measurements from January 1 to September 30, 2024 and 2023.

2. Adjustment of financial instruments measured at level 3 fair value

January 1 to September 30, 2024

Financial asset	Measured at fair value through profit and loss	
	Derivatives	Limited partnership funds
Equity at beginning of period	$ -	$ 23,476
Purchase	-	12,840
Returned during the period	-	(762)
Recognized in income	-	91
Period-end balance	$ -	$ 35,645

January 1 to September 30, 2023

Financial asset	Measured at fair value through profit and loss	
	Derivatives	Limited partnership funds
Equity at beginning of period	$ 50	$ 13,727
Purchase	-	7,000
Recognized in income	(50)	2,717
Period-end balance	$ -	$ 23,444

3. Evaluation technology and input value of level 2 fair value measurement

Types of financial instruments	Evaluation technology and input value
Wealth management products	Discounted Cash Flow Method: discount according to the discount rate reflecting the final return rate of the financial product issuer.

4. Evaluation technology and input value of level 3 fair value measurement

(1) For derivative instrument - repurchase/resale right, the fair value is measured under the Binomial Tree Model and the important unobservable inputs are adopted as the stock price volatility. When volatility in stock price increases, the fair value of such derivative instruments increases relatively.

(2) Domestic unlisted (or non-OTC) stocks are evaluated by the asset method, and their fair value is determined by reference to the latest net value of the invested company and the observable financial and business conditions of the Company; when the liquidity discount decreases, the fair value of such investment will increase.

(3) Types of financial instruments

	September 30, 2024	December 31, 2023	September 30, 2023
Financial asset			
Measured at fair value through profit and loss	$ 35,645	$ 53,869	$ 41,388
Measured at cost after amortization (note 1)	1,402,859	1,272,769	1,400,725
Financial liability			
Measured at cost after amortization (note 2)	1,325,992	1,293,060	1,462,263

Note 1: Balance refers to financial assets measured at cost after amortization, including cash and cash equivalents, financial assets at amortised cost, notes receivable, accounts receivable (including those of related parties), other receivables (including those of related parties, excluding tax refunds receivable) and refundable deposits.

Note 2: The balance is composed of financial liabilities at amortized cost, including short-term borrowings, notes payable, accounts payable (including related parties), other payables (including related parties), bonds payable (including current portion), long-term borrowings (including current portion), and guarantee deposits.

(4) Purpose and policy of financial risk management

The main financial instruments of the consolidated company include equity investment, accounts receivable, accounts payable, corporate bonds payable, loans and lease liabilities. The financial management department of the consolidated company provides services for all business units, coordinates the entry into domestic and international financial markets, and supervises and manages the financial risks related to the operation of the consolidated company by analyzing the internal risk report of the exposure according to the risk level and breadth. These risks include market risk (including exchange rate risk and interest rate risk), credit risk and liquidity risk.

1. Market risk

   The main financial risk caused by the operating activities of the consolidated company to the consolidated company is the foreign currency exchange rate change risk (refer to (1) below) and the interest rate change risk (refer to (2) below).
   There is no change in the exposure of the consolidated company to the market risk of financial instruments and the management and measurement of such exposure.

   (1) Exchange rate risk

   Part of the cash inflow and outflow of the consolidated company is in foreign currency, so it has the effect of natural hedging; the exchange rate risk management of the consolidated company is for the purpose of hedging, not for the purpose of profit.
   Please refer to note 34 for the carrying value of monetary assets and monetary liabilities (including monetary items written off under non-functional currency in the consolidated financial statements) of the consolidated company denominated in non-functional currency on the balance sheet date.

   <u>Sensitivity analysis</u>

   The consolidated company is mainly affected by the exchange rate fluctuations of the USD, RMB and EUR.

   The table below details the sensitivity analysis of the consolidated company when the exchange rate of the New Taiwan dollar (functional currency) changes 1% against relevant foreign currencies. The sensitivity analysis only includes the monetary items that are in circulation, and the conversion at the end of the period is adjusted by 1% of the exchange rate change. The positive numbers in the following table represent the amount of net profit before tax that will increase when NT$ depreciates by 1% relative to each foreign currency; when NT$ appreciates by 1% relative to each relevant foreign currency, its impact on the net profit before tax will be a negative number of the same amount.

	The effect of USD/RMB/EUR (note)	
	January 1 to September 30, 2024	January 1 to September 30, 2023
Profit and loss	$ 2,191	$ 3,248

Note: It mainly comes from the consolidated company’s cash and cash equivalents, accounts receivable, other receivables, short-term loans, accounts payable and other payables denominated in foreign currencies that are still outstanding on the balance sheet date without cash flow hedging.

The management believes that the sensitivity analysis cannot represent the inherent risk of exchange rate, because the foreign currency exposure on the balance sheet date cannot reflect the medium-term exposure. Therefore, the management will still conduct exchange rate risk management in accordance with the policies of the consolidated company.

(2) Interest rate risk

Interest rate exposure is caused by the fact that entities in the consolidated company borrow funds at fixed and floating rates and hold current and foreign currency bank deposits. The management of the consolidated company shall regularly monitor the interest rate risk. If required, necessary measures shall be taken for significant interest rate risks to control risks arising from the change of market interest rate.

The carrying amounts of the financial assets and financial liabilities of the consolidated company subject to interest rate exposure on the balance sheet date are as follows:

	September 30, 2024	December 31, 2023	September 30, 2023
Interest rate risks with fair value			
- Financial assets	$ 158,048	$ 251,427	$ 302,405
- Financial liabilities	655,518	649,037	755,850
Interest rate risks with cash flow			
- Financial assets	492,739	329,045	289,363
- Financial liabilities	158,665	203,493	245,463

Sensitivity analysis

The following sensitivity analysis is based on the interest rate exposure of non-derivative instruments on the balance sheet date. For floating rate assets and liabilities, it is assumed that the amount of assets and liabilities outstanding on the balance sheet date is also outstanding during the reporting period.

If the interest rate increases/decreases by 0.1% and all other variables remain unchanged, the pre-tax net profit of the consolidated company from January 1 to September 30, 2024 and 2023 will increase/decrease by NT$251 thousand and NT$33 thousand, respectively, mainly due to the interest rate risk of floating interest rate assets and liabilities of the consolidated company.

2. Credit risk

Credit risk refers to the risk of financial loss caused by default of contractual obligations of the counterparty. As of the balance sheet date, the maximum credit risk exposures (excluding collateral or other credit enhancement tools, and the maximum amount of irrevocable exposure) of the consolidated company that may cause financial losses due to the failure of the counterparty and the financial guarantee provided by the consolidated company mainly come from:

(1) Book value of financial assets recognized in the consolidated balance sheet.
(2) The amount of contingent liabilities arising from the financial guarantee provided by the consolidated company.

Operation related credit risk and financial risk are managed separately.

<u>Operation related credit risk</u>

In order to maintain the quality of accounts receivable, the consolidated company has established operations related procedures for credit risk management.

The risk assessment of an individual customer is to consider many factors that may affect the customer's ability to pay, including the customer's financial status, the credit rating by credit rating agencies, the consolidated company's internal credit rating, the historical transaction records and current economic conditions. The consolidated company will also use certain credit enhancement tools, such as advance payment, at the appropriate time to reduce the credit risk of specific customers.

<u>Financial credit risk</u>

The credit risk of bank deposits, fixed income investments and other financial instruments is measured and monitored by the financial department of the consolidated company. Since the trading partners and performing parties of the consolidated company are all banks and financial institutions with good credit, company organizations and government agencies which have no significant performance concern, there is no significant credit risk.

3. Liquidity risk

The objective of the consolidated company on the management of the liquidity risk is to maintain the cash and cash equivalents, high liquidity securities and sufficient bank credit facilities required for operation, so as to ensure that the consolidated company has sufficient financial flexibility.

The consolidated company shall regularly review the inventory level, turnover rate of various types of inventory, credit conditions of customers and turnover rate of accounts receivable to control the size of working capital. The cash and cash equivalent level of the group remains moderately loose, and funds are raised in advance according to capital demand and a low debt ratio and financial flexibility are maintained, so as to effectively control the liquidity risk.

(1) Statement of liquidity and interest rate risk of non-derivative financial liabilities

The maturity analysis of the remaining contracts of non-derivative financial liabilities is based on the undiscounted cash flow (including principal and estimated interest) of financial liabilities on the earliest possible repayment date of the consolidated company. Therefore, the series of bank loans that the consolidated company may be required to repay immediately shall not take into account the probability of the bank executing the right immediately in the earliest period in the table below; the maturity analysis of other non-derivative financial liabilities shall be prepared according to the agreed repayment date.

September 30, 2024

	Less than 1 month	1 ~ 3 months	3 months ~ 1 year	1 ~ 5 years	More than 5 years	Total
Non-derivative financial liabilities						
No-interest bearing liabilities	$ 266,363	$ 173,914	$ 107,946	$ 1,113	$ -	$ 549,336
Lease liabilities	593	1,587	5,415	6,653	-	14,248
Floating rate liabilities	-	8,546	25,527	88,933	47,111	170,117
Fixed rate liabilities	300,547	140,422	205,072	-	-	646,041
	$ 567,503	$ 324,469	$ 343,960	$ 96,699	$ 47,111	$ 1,379,742

December 31, 2023

	Less than 1 month	1 ~ 3 months	3 months ~ 1 year	1 ~ 5 years	More than 5 years	Total
Non-derivative financial liabilities						
No-interest bearing liabilities	$ 232,667	$ 150,169	$ 102,062	$ 394	$ -	$ 485,292
Lease liabilities	565	1,455	4,507	7,008	-	13,535
Floating rate liabilities	-	12,430	37,185	109,332	58,287	217,234
Fixed rate liabilities	80,069	113,223	447,953	-	-	641,245
	$ 313,301	$ 277,277	$ 591,707	$ 116,734	$ 58,287	$ 1,357,306

September 30, 2023

	Less than 1 month	1 ~ 3 months	3 months ~ 1 year	1 ~ 5 years	More than 5 years	Total
Non-derivative financial liabilities						
No-interest bearing liabilities	$ 243,562	$ 175,409	$ 112,870	$ 397	$ -	$ 532,238
Lease liabilities	852	2,094	7,335	12,442	-	22,723
Floating rate liabilities	-	13,797	41,199	156,363	55,622	266,981
Fixed rate liabilities	30,027	260,555	299,035	151,500	-	741,117
	$ 274,441	$ 451,855	$ 460,439	$ 320,702	$ 55,622	$ 1,563,059

(2) Credit facilities

	September 30, 2024	December 31, 2023	September 30, 2023
Bank credit facilities			
- Amount used	$ 938,760	$ 978,126	$ 1,140,403
- Amount unused	912,231	977,438	996,227
	$ 1,850,991	$ 1,955,564	$ 2,136,630

31. Related party transactions

Transactions, account balances, gains and expenses between the Company and its subsidiaries (which are related parties of the Company) are eliminated in full at the time of consolidation, so they are not disclosed in this note. The transactions between the consolidated company and other related parties are as follows:

(1) Name and relationship of related parties

Name of related party	Relationship with the consolidated company
Adhesive Technologies, Inc. (Adhesive Technologies)	Corporate director of the Company
Huzhou Xiling Tech Ltd.	Affiliated enterprise
Wuxi More Tex Technology Co., Ltd. (Wuxi More Tex)	Joint venture before the disposal in September 2023
Tex Year Industrial Adhesives Pvt. Ltd. (Tex Year Industrial Adhesives)	Joint venture
Tex Year Technologies India Private Limited (Tex Year Technologies India)	Subsidiary under joint investments
Taicera Enterprise Company	The chairman of the company is a director of this company.
Wood Glue Industrial Co., Ltd.	The chairman of the company is a director of this company.
JPT CORPORATION	The chairman of the company is a director of this company.
Vic Hung Petroleum Chemical Co., Ltd	The chairman of the company is a director of our Company.
Tex Year Social Welfare Association	Other related parties

(2) Operating revenue

Account items	Category/name of related party	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Sales revenue	Corporate director of the Company				
	Adhesive Technologies	$ 25,589	$ 28,299	$ 73,038	$ 45,949
	Joint venture				
	Tex Year Industrial Adhesives	10,002	6,123	23,417	16,855
	The chairman of the company is a director of this company.	153	96	470	259
	Affiliated enterprise	290	460	861	1,027
	Other related parties	-	-	5	-
		$ 36,034	$ 34,978	$ 97,791	$ 64,090

For related parties, except part of the products which have the same selling prices as those of general customers, the selling prices of other products are increased by a certain proportion according to the product type and cost and based on the individual credit conditions of related parties.

(3) Purchase

Category/name of related party	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Joint venture	$ -	$ 185	$ -	$ 185
The chairman of the company is a director of this company.	14	13	15	13
Affiliated enterprise	514	52	816	106
	$ 528	$ 250	$ 831	$ 304

The purchase price of related parties is equal to that of general manufacturers, and a certain proportion increases the remaining purchase price.

(4) Receivables from related parties

Account items	Category/name of related party	September 30, 2024	December 31, 2023	September 30, 2023
Accounts receivable - Related parties	Corporate director of the Company			
	Adhesive Technologies	$ 41,804	$ 42,938	$ 40,683
	Joint venture			
	Tex Year Industrial Adhesives	20,801	13,876	11,999
	The chairman of the company is a director of this company.	87	41	22
	Affiliated enterprise	-	111	-
		$ 62,692	$ 56,966	$ 52,704

The consolidated company sells goods to the corporate director of the Company, and the term of collection is 70-day T/T remittance upon arrival of goods; the consolidated company sells goods to the joint venture partner, and the term of collection is 90-day T/T remittance upon arrival of goods.

Guarantees for the outstanding receivables from related parties are not collected.

(5) Payables to related parties

Account items	Category/name of related party	September 30, 2024	December 31, 2023	September 30, 2023
Accounts payable - Related parties	Joint venture			
	Tex Year Industrial Adhesives	$ -	$ -	$ 192
	The chairman of the company is a director of this company.	1	14	14
		$ 1	$ 14	$ 206

The payment terms are 60 days per month for purchases by the consolidated company from a company whose chairman is a director of the Company. The payment terms are 30 days per month for purchases by the consolidated company from an affiliated enterprise.

Guarantees for the balance of outstanding payables to related parties are not collected.

(6) Endorsements and guarantees

Endorsements/guarantees for others

Category/name of related party	September 30, 2024	December 31, 2023	September 30, 2023
Joint venture			
Secured by property	$ 51,145	$ 49,425	$ 50,170
Actual drawdown amount	(51,145)	(49,425)	(50,170)
	$ -	$ -	$ -

(7) Others

The balance of other receivables from related parties on the balance sheet date is as follows:

Category/name of related party	September 30, 2024	December 31, 2023	September 30, 2023
Joint venture			
Tex Year Industrial Adhesives	$ 646	$ 5,266	$ 1,192
Corporate director of the Company	164	-	-
Affiliated enterprise	2,095	1,153	928
	$ 2,905	$ 6,419	$ 2,120

Other receivables are funds and advances for technical management services provided by the consolidated company.

The balance of other payables to related parties on the balance sheet date is as follows:

Category/name of related party	September 30, 2024	December 31, 2023	September 30, 2023
The chairman of the company is a director of this company.			
JPT CORPORATION	$ 217	$ 39	$ 189
Other related parties	16	-	-
	$ 233	$ 39	$ 189

Income from management and technical service fees (listed under other income):

Category/name of related party	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Joint venture				
Tex Year Industrial Adhesives	$ 249	$ 255	$ 753	$ 751

Operating expenses:

Category/name of related party	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Joint venture				
Tex Year Industrial Adhesives	$ -	$ -	$ -	$ 26
Wuxi More Tex	-	-	-	498
The chairman of the company is a director of this company.				
JPT CORPORATION	307	-	307	-
Other related parties	16	-	156	-
	$ 323	$ -	$ 463	$ 524

(8) Remuneration of key management

	July 1 to September 30, 2024	July 1 to September 30, 2023	January 1 to September 30, 2024	January 1 to September 30, 2023
Short-term employee benefits	$ 10,268	$ 12,039	$ 31,603	$ 25,514
Post-employment benefits	583	443	1,533	1,347
	$ 10,851	$ 12,482	$ 33,136	$ 26,861

The compensation of directors and other key management is determined by the Compensation Committee in accordance with individual performance and market trends.

32. Pledged assets

The following assets of the consolidated company are provided as collateral for bank loans, letters of credit and convertible corporate bonds:

	September 30, 2024	December 31, 2023	September 30, 2023
Land	$ 102,248	$ 101,730	$ 101,122
Buildings and construction - net	426,112	433,230	434,135
Non-current financial assets at amortised cost	40,000	40,000	42,732
Inventories	-	-	29,610
	$ 568,360	$ 574,960	$ 607,599

33. Significant Contingent Liabilities and Unrecognized Contractual Commitments

Except as stated in other notes, the consolidated company has the following major commitments and contingencies on the balance sheet date:

(1) Amount of unused letter of credit opened:

	September 30, 2024	December 31, 2023	September 30, 2023
NTD	$ 10,950	$ 13,385	$ 17,616
USD	-	122	62
JPY	-	-	93,370

(2) The consolidated company appoints banks as the guarantors for contract performance, customs duty and goods tax bookkeeping. The guaranteed amount on September 30, 2024, and December 31 and September 30, 2023 are NT$26,000 thousand, NT$39,000 thousand and NT$17,000 thousand, respectively.

34. Foreign Currency Financial Assets and Liabilities with Significant Impact

The following information is summarized and expressed in foreign currencies other than the functional currencies of each entity of the consolidated company. The disclosed exchange rate refers to the exchange rate converted from such foreign currencies to the functional currencies. Foreign currency assets and liabilities with significant impact are as follows:

September 30, 2024

	Foreign currency	Exchange rate	Functional currency	NT$
Foreign currency assets				
Monetary items				
USD	$ 5,122	31.6700 (USD: NTD)	$ 162,200	$ 162,200
USD	1,302	7.7730 (USD : HKD)	10,119	41,224
USD	283	24,361.54 (USD: VND)	6,883,092	8,948
USD	1,417	7.0074 (USD : RMB)	9,926	44,986
EUR	2,684	35.3100 (EUR: NTD)	94,768	94,768
EUR	1,351	4.2791 (EUR : PLN)	5,783	47,513
EUR	27	7.8267 (EUR : RMB)	214	970
JPY	121,802	0.2218 (JPY: NTD)	27,016	27,016
JPY	5,041	0.0491 (JPY: RMB)	247	1,121
JPY	140,714	0.0543 (JPY: HKD)	7,641	31,129
RMB	10,558	4.5320 (RMB: NTD)	47,850	47,850
				$ 507,725
Non-monetary items				
Joint venture under the equity method				
INR	122,987	0.3768 (INR: NTD)	46,342	$ 46,342
Foreign currency liabilities				
Monetary items				
USD	1,287	31.6700 (USD: NTD)	40,763	$ 40,763
USD	281	7.7730 (USD : HKD)	2,182	8,889
USD	644	24,361.54 (USD: VND)	15,700,707	20,411
USD	2,031	7.0074 (USD : RMB)	14,234	64,508
EUR	2,619	4.2791 (EUR : PLN)	11,208	92,087
JPY	63,584	0.2218 (JPY: NTD)	14,103	14,103
JPY	81,124	0.0543 (JPY: HKD)	4,405	17,946
JPY	4,973	170.6154 (JPY : VND)	848,448	1,103
JPY	87,318	0.0491 (JPY: RMB)	4,285	19,421
RMB	413	4.5320 (RMB: NTD)	1,873	1,873
RMB	193	1.1088 (RMB: HKD)	214	870
GBP	150	42.3800 (GBP: NTD)	6,337	6,337
				$ 288,311

December 31, 2023

	Foreign currency	Exchange rate	Functional currency	NT$
Foreign currency assets				
Monetary items				
USD	$ 8,076	30.7100 (USD: NTD)	$ 248,029	$ 248,029
USD	1,435	7.8140 (USD: HKD)	11,214	44,117
USD	264	23,623.08 (USD: VND)	6,248,029	8,122
USD	1,184	7.0827 (USD: RMB)	8,388	36,254
EUR	1,503	34.0700 (EUR: NTD)	51,216	51,216
EUR	1,150	4.3480 (EUR: PLN)	5,002	39,196
JPY	9,683	0.2173 (JPY: NT$)	2,104	2,104
JPY	15,722	0.0502 (JPY: RMB)	789	3,412
JPY	50,720	0.0550 (JPY: HKD)	2,790	10,974
RMB	19,328	4.3220 (RMB: NTD)	83,537	83,537
RMB	204	1.1023 (RMB: HKD)	225	886
GBP	71	39.1676 (GBP: NTD)	2,794	2,794
PLN	400	7.8359 (PLN: NTD)	3,134	3,134
				$ 533,775
Non-monetary items				
Joint venture under the equity method				
INR	100,993	0.3693 (INR: NTD)	37,297	$ 37,297
Foreign currency liabilities				
Monetary items				
USD	1,173	30.7100 (USD: NTD)	36,016	$ 36,016
USD	520	7.8140 (USD: HKD)	4,061	15,977
USD	523	23,623.08 (USD: VND)	12,345,060	16,049
USD	1,099	7.0827 (USD: RMB)	7,787	33,657
USD	67	3.9350 (USD: PLN)	262	2,053
EUR	1,297	4.3480 (EUR: PLN)	5,638	44,177
JPY	9,493	0.2173 (JPY: NTD)	2,063	2,063
JPY	40,830	0.0550 (JPY: HKD)	2,246	8,834
JPY	3,973	167.1538 (JPY:VND)	664,081	863
JPY	23,854	0.0502 (JPY: RMB)	1,198	5,177
RMB	689	4.3220 (RMB: NTD)	2,978	2,978
RMB	149	1.1023 (RMB: HKD)	164	646
GBP	95	39.1676 (GBP: NTD)	3,714	3,714
				$ 172,204

September 30, 2023

	Foreign currency	Exchange rate	Functional currency	NT$
Foreign currency assets				
Monetary items				
USD	$ 7,931	32.2400 (USD: NTD)	$ 255,690	$ 255,690
USD	1,441	7.8207 (USD: HKD)	11,271	46,482
USD	207	23,028.57 (USD: VND)	4,758,996	6,663
USD	1,262	7.1717 (USD: RMB)	9,047	39,872
USD	82	4.3697 (USD: PLN)	357	2,636
EUR	1,113	34.0500 (EUR: NTD)	37,889	37,889
EUR	1,602	4.6356 (EUR: PLN)	7,428	54,902
JPY	34,107	0.2164 (JPY: NTD)	7,381	7,381
JPY	7,496	0.0485 (JPY: RMB)	364	1,602
RMB	14,799	4.4070 (RMB: NTD)	65,221	65,221
RMB	212	1.0713 (RMB: HKD)	227	935
GBP	78	39.1800 (GBP: NTD)	3,075	3,075
				$ 522,348
Non-monetary items				
Joint venture under the equity method				
INR	97,659	0.3872 (INR: NTD)	37,814	$ 37,814
Foreign currency liabilities				
Monetary items				
USD	1,557	32.2400 (USD: NTD)	50,183	$ 50,183
USD	506	7.8207 (USD: HKD)	3,955	16,310
USD	395	23,028.57 (USD: VND)	9,105,400	12,748
USD	1,054	7.1717 (USD: RMB)	7,558	33,309
USD	66	4.3697 (USD: PLN)	287	2,123
EUR	1,947	4.6356 (EUR: PLN)	9,028	66,721
JPY	10,854	0.2164 (JPY: NTD)	2,349	2,349
JPY	4,473	154.5714 (JPY:VND)	691,378	968
JPY	20,474	0.0522 (JPY: HKD)	1,069	4,407
RMB	747	4.4070 (RMB: NTD)	3,294	3,294
RMB	201	1.1073 (RMB: HKD)	216	890
GBP	60	39.1800 (GBP: NTD)	2,370	2,370
				$ 195,672

The foreign currency exchange (losses) gains (realized and unrealized) of the consolidated company from July 1 to September 30, 2024 and 2023 and January 1 to September 30, 2024 and 2023 were respectively NT$(1,107) thousand, NT$10,373 thousand, NT$11,854 thousand, and NT$13,672 thousand. Due to the wide variety of foreign currency transactions and functional currencies of the group entities, it is impossible to disclose the exchange gains and losses according to the foreign currencies that have a significant impact.

35. Disclosures in Notes

(1) Major transactions and (2) related information on reinvested enterprises:

1. Loan of funds to others (Table 1).
2. Endorsements/guarantees for others (Note 31 and Table 2).
3. Securities held at the end of the period (excluding investment in subsidiaries and affiliated enterprises and equity of joint ventures) (Table 3).
4. The accumulated amount of buying or selling the same securities amounts to NT$300 million or more than 20% of the paid-in capital: None.
5. The amount of property acquired reaches NT$300 million or more than 20% of the paid-in capital: None.
6. The amount of property disposed of reaches NT$300 million or more than 20% of the paid-in capital: None.
7. The amount of purchased or sales with related parties reaches NT$100 million or more than 20% of the paid-in capital: None.
8. Receivables from related parties reach NT$100 million or more than 20% of the paid-in capital: None.
9. Derivative transactions: None.
10. Others: business relationship between parent and subsidiary companies and among subsidiaries, as well as important transactions and amounts (Table 5).
11. Information of invested company (Table 6).

(3) Mainland China Investment Information:

1. Name of the invested company in mainland China, main business items, paid-in capital, investment method, capital emitted in and out, shareholding ratio, investment profit and loss, period-end investment carrying amount, repatriated investment profit or loss and investment limit in mainland China (Table 7).
2. Major transactions with the mainland China invested company directly or indirectly through a third region, and their prices, payment terms, unrealized profits and losses: (Table 1, Table 2, Table 4, and Table 5)

   (1) Purchase amount and percentage, and period-end balance and percentage of related payables.
   (2) Amount and percentage of goods sold, and period-end balance and percentage of related receivables.
   (3) The amount of asset transaction and the profit or loss arising therefrom.
   (4) The period-end balance and the purpose of bill endorsement / guarantee or provision of collateral.
   (5) The maximum balance of financing, the period-end balance, the interest rate range and the total interest of the current period.
   (6) Other transactions that have a significant impact on the current income or financial position.

(4) Information of major shareholders: names of shareholders with a shareholding ratio of more than 5% the number of shares held and the percentage (Table 8).

36. Segment Information

In accordance with the provisions of IFRS 8 “Operating segments”, the reporting segments of the Company and its subsidiaries shall include a total of the three segments including the chemical business in Taiwan, the mainland China business and others.

(1) Segment revenue and operating results

The revenue and operating results of the consolidated company are analyzed according to the reporting segment as follows:

January 1 to September 30, 2024

	Taiwan	Mainland China	Others	Adjustments and write-offs	Total
Revenue from external customers	$ 876,180	$ 1,493,517	$ 329,674	$ -	$ 2,699,371
Intersegmental revenue	117,048	446,309	27,390	(590,747)	-
Total revenue	$ 993,228	$ 1,939,826	$ 357,064	($ 590,747)	$ 2,699,371
Segment income	$ 19,374	$ 125,507	$ 18,806		$ 163,687
Share of joint venture income under the equity method					4,002
Net profit before tax					$ 167,689

January 1 to September 30, 2023

	Taiwan	Mainland China	Others	Adjustments and write-offs	Total
Revenue from external customers	$ 832,108	$ 1,328,144	$ 275,504	$ -	$ 2,435,756
Intersegmental revenue	103,834	305,168	31,303	(440,305)	-
Total revenue	$ 935,942	$ 1,633,312	$ 306,807	($ 440,305)	$ 2,435,756
Segment income	$ 40,004	$ 117,920	($ 37,513)		$ 120,411
Share of joint venture income under the equity method					(1,772)
Net profit before tax					$ 118,639

Segment income refers to the profit earned by each segment, excluding the share of affiliates and joint ventures income recognized by equity method and income tax expenses which are to be apportioned. This measured amount is to serve as a reference to key operational decision makers to allocate resources to segments and assess their performance.

(2) Total segment assets

	September 30, 2024	December 31, 2023	September 30, 2023
Segment assets			
Segments with continuing business			
Notes receivable			
- Taiwan	$ 13,384	$ 14,549	$ 13,238
- Mainland China	19,288	15,435	10,544
	32,672	29,984	23,782
Accounts receivable			
- Taiwan	142,773	155,429	149,271
- Mainland China	418,983	375,673	385,877
- Others	66,914	41,961	64,471
	628,670	573,063	599,619
Accounts receivable due from related parties			
- Taiwan	62,605	56,814	52,682
- Mainland China	-	111	-
- Others	87	41	22
	62,692	56,966	52,704
Inventories			
- Taiwan	180,536	167,581	167,724
- Mainland China	285,228	234,876	249,812
- Others	151,641	87,093	99,990
	617,405	489,550	517,526
Property, plant and equipment			
- Taiwan	499,750	513,378	523,218
- Mainland China	338,228	347,558	356,405
- Others	126,955	115,772	107,746
	964,933	976,708	987,369
Total unamortized assets	937,321	882,588	1,032,887
Total assets	$ 3,243,693	$ 3,008,859	$ 3,213,887

For the purposes of supervision of segmental performance and the allocation of resources to segments, except for cash and cash equivalents, current and non-current financial assets at fair value through profit or loss, current and non-current financial assets at amortised cost, other receivables (including those of related parties), other current assets, non-current financial assets at fair value through other comprehensive income, investments accounted for using the equity method, intangible assets, right-of-use assets, deferred income tax assets, prepayments for business facilities, and other non-current assets, all other assets shall be allocated to the respective segment to be reported. The assets shared by the reporting segments are to be shared based on the income earned by each reporting segment.

Tex Year Industries Inc. and Subsidiaries

Loans of funds to others

January 1 to September 30, 2024

Table 1

Unit: NT$ thousand unless otherwise specified.

Serial No. (note 1)	Lending company	Loan recipient	Transaction item (note 2)	Related party or not	Maximum balance of the current period (note 3)	Period-end balance (note 8)	Actual drawdown amount (note 9)	Interest rate range	Loan nature (note 4)	Business transaction amount (note 5)	Reason for short-term financing (note 6)	Provision for bad debts	Collateral		Loans and limits to individual objects (note 7)	Loans and total limit (note 7)	Remarks
													Name	Value			
0	Tex Year Industries Inc.	Tex Year Technology (Jiangsu) Co., Ltd.	Other receivables - related party - other	Yes	$ 35,000	$ -	$ -	2.5%-3%	Short term financing funds	$ -	Operation turnover	$ -	—	—	$ 315,853	$ 631,707	
0	Tex Year Industries Inc.	Tex Year Europe Sp. z o. o.	Other receivables - related party - other	Yes	71,000	71,000	56,496 (EUR 1,600 thousand)	2.5%~3%	Short term financing funds	-	Operation turnover	-	—	—	315,853	631,707	
1	Tex Year Technology (Samoa) Corp.	Tex Year Technology (Jiangsu) Co., Ltd.	Other receivables - related party - other	Yes	20,000	-	-	2.5%~3%	Short term financing funds	-	Operation turnover	-	—	—	1,049,760	1,049,760	

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

(1) Fill in 0 for the issuer.

(2) Investee companies are numbered in sequence in each company type starting from Arabic numeral 1.

Note 2: This field must be filled in for accounts receivable from affiliated enterprises, receivables from related parties, transactions with shareholders, prepayments, temporary debits, etc. if the nature is loan to others.

Note 3: The maximum balance of loans to others in the current year.

Note 4: The loan nature shall be filled in if it is a business transaction or if there is a need for short-term financing.

Note 5: Where the nature of the loan is a business transaction, the amount of the business transaction shall be filled in. The business transaction amount refers to the higher of the purchase or sales amount between the lender and the borrower.

Note 6: If the nature of the loan is necessary for short-term financing, the reason for the loan and the purpose of the loan borrower shall be specified, such as loan repayment, purchase of equipment, business turnover, etc.

Note 7: In accordance with the Company's Procedures for Loans to Others, the total amount of loans shall not exceed 50% of the Company's net value, but the total amount of loans to others due to the need for short-term financing between companies or with firms shall not exceed 40% of the Company's net value. The amount of individual loans to companies or firms that have the need for short-term financing shall not exceed 20% of the net value of the Company. When fund lending is needed due to short-term financing by a foreign company in which the Company directly or indirectly holds 100% of the voting shares, the loan amount is not subject to the restrictions above but shall not exceed the net value of the borrowing company. The limit of loans of Tex Year Technology (Samoa) Corp. is NT$1,049,760 thousand, and the difference of NT$2,525 thousand with the carrying amount held by the Company in Table 6 of NT$1,047,235 thousand is gross profit on unrealized sales.

Note 8: If a public company submits its lending to the board of directors' meeting for resolution one by one in accordance with paragraph 1, Article 14 of the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies, the amount of the resolution of the board of directors' meeting shall be included in the announced balance to disclose the risks it bears before the funds are lent out; if the funds are repaid later, the balance after repayment shall be disclosed to reflect the adjustment of risks. If the board of directors' meeting of a public company authorizes the chairman of the board to extend loans in several trenches or recycle the loan balance within a certain limit in a year in accordance with paragraph 2, Article 14 of the Regulations, the loan limit approved by the board of directors' meeting shall still be used as the balance for the public announcement and declaration. Although the funds will be repaid later, other loans may still be extended again, so the loan limit approved by the board of directors' meeting shall still be used as the balance for the public announcement and declaration.

Note 9: It is converted according to the exchange rate between RMB, USD and EUR as of September 30, 2024.

Tex Year Industries Inc. and Subsidiaries

Endorsements/guarantees for others

January 1 to September 30, 2024 雅萱

Table 2

Unit: NT$ thousand unless otherwise specified.

Serial No. (note 1)	Endorse/ Guarantor Name	Endorsement/guarantee object		Limit of endorsements/ guarantees for a single enterprise (note 3)	Maximum balance of endorsements/guarantees in the current period (note 4)	Ending balance of endorsements and guarantees (notes 5 and 8)	Actual drawdown amount (notes 6 and 8)	Endorsement/ guarantee amount secured by property	Accumulated endorsement/guarantee Amount to Net value in the latest financial statements Percentage %	Maximum endorsement/guarantee amount (note 3)	Endorsements/ guarantees of parent company to subsidiaries (note 7)	Endorsements/ guarantees of subsidiaries to parent company (note 7)	Endorsements/ guarantees for mainland China (note 7)	Remarks
		Name	Relationship (note 2)											
0	Tex Year Industries Inc.	Tex Year Fine Chemical (Guangzhou) Co., Ltd.	2	$ 315,853	$ 58,916 (RMB 13,000 thousand)	$ 58,916 (RMB 13,000 thousand)	$ 19,317 (USD 610 thousand)	$ -	3.73%	$ 789,634	Y	N	Y	
0	Tex Year Industries Inc.	Tex Year Technology (Jiangsu) Co., Ltd.	2	315,853	99,704 (RMB 22,000 thousand)	99,704 (RMB 22,000 thousand)	32,352 (USD 1,022 thousand)	-	6.31%	789,634	Y	N	Y	
0	Tex Year Industries Inc.	TEX YEAR TECHNOLOGIES INDIA PRIVATE LIMITED	1	315,853	15,835 (USD 500 thousand)	15,835 (USD 500 thousand)	15,835 (USD 500 thousand)	-	1.00%	789,634	N	N	N	
0	Tex Year Industries Inc.	TEX YEAR TECHNOLOGIES INDIA PRIVATE LIMITED	1	315,853	36,165 (EUR 1,000 thousand)	35,310 (EUR 1,000 thousand)	35,310 (EUR 1,000 thousand)	40,000	2.24%	789,634	N	N	N	
0	Tex Year Industries Inc.	Tex Year Vietnam Co., Ltd.	2	315,853	54,186 (USD 1,650 thousand)	52,256 (USD 1,650 thousand)	7,188 (USD 227 thousand)	-	3.31%	789,634	Y	N	N	
0	Tex Year Industries Inc.	Tex Year Europe Sp. z o. o.	2	315,853	65,823 (EUR 1,850 thousand)	65,324 (EUR 1,850 thousand)	60,027 (EUR 1,700 thousand)	-	4.14%	789,634	Y	N	N	
0	Tex Year Industries Inc.	Shanghai C&M Filtration Solutions Limited	2	315,853	1,813 (RMB 400 thousand)	1,813 (RMB 400 thousand)	1,813 (RMB 400 thousand)	-	0.11%	789,634	Y	N	Y	
1	Tex Year Fine Chemical (Guangzhou) Co., Ltd.	Tex Year Technology (Jiangsu) Co., Ltd.	4	473,780	16,315 (RMB 3,600 thousand)	16,315 (RMB 3,600 thousand)	-	-	1.03%	789,634	N	N	Y	

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

(1) Fill in 0 for the issuer.

(2) Investee companies are numbered in sequence in each company type starting from Arabic numeral 1.

Note 2: There are 7 kinds of relations between the endorsement guarantor and the endorsement/guarantee object indicated as follows:

(1) A company with business contacts.

(2) A company with more than 50% of its voting shares held by the Company.

(3) A company directly or indirectly holding more than 50% of the voting shares of the Company.

(4) Companies directly or indirectly holding more than 90% of the voting shares of each other..

(5) A company with mutual guarantees in accordance with the contract which is in the same industry or a joint producer for the purpose of contracting the project.

(6) A company that has been endorsed/guaranteed by all the contributing shareholders in accordance with their shareholding ratios due to a joint investment relationship.

(7) Joint and several guarantees for the performance of a contract for the sale of pre-sold houses among companies in the same industry in accordance with the provisions of the Consumer Protection Act.

Note 3: According to the Company's "Measures on Endorsements/guarantees," the total amount of external endorsements/guarantees shall not exceed 50% of the Company's net value, and the limit of endorsements/guarantees for a single enterprise shall not exceed 20% of the Company's net value. However, for subsidiaries directly or indirectly owned by the Company, the limit shall not exceed 30% of the Company's net value.

Note 4: The maximum balance of endorsements/guarantees for others in the current year.

Note 5: The amount approved by the board of directors' meeting shall be filled in. However, if the board of directors' meeting authorizes the chairman of the board to make a decision in accordance with paragraph 8, Article 12 of the Regulations Governing Loaning of Funds and Making of Endorsements/ Guarantees by Public Companies, it refers to the amount decided by the chairman of the board.

Note 6: The actual amount of the Company's disbursement within the range of using the balance of the endorsements/ guarantees shall be entered.

Note 7: Y is required only for those which are endorsements/guarantees of a listed parent company to subsidiaries, endorsements/guarantees of subsidiaries to a listed parent company, and endorsements/guarantees in mainland China.

Note 8: It is converted according to the exchange rate between RMB, USD and EUR as of September 30, 2024.

Tex Year Industries Inc. and Subsidiaries

Securities held at the end of the period

September 30, 2024

Table 3

Unit: NT$ thousand unless otherwise specified.

Holding company	Types and names of securities (note 1)	and securities Relationship with the issuer (note 2)	Account items	End of period				Remarks
				Number of units/number of shares (1000 shares)	Book amount (note 3)	Shareholding ratio (%)	Fair value	
Tex Year Industries Inc.	Acute Touch Technology Co., Ltd	-	Non-current financial assets at fair value through other comprehensive income	1,500	$ -	3.00	$ -	note 4
Tex Year Industries Inc.	Innolux Limited Partnership	-	Non-current financial assets at fair value through profit or loss	-	23,251	1.75	23,251	note 4
Tex Year Industries Inc.	Innolux Limited Partnership II	-	Non-current financial assets at fair value through profit or loss	-	12,394	0.94	12,394	note 4

Note 1: The term “securities” in this table refers to the stocks, bonds, beneficiary certificates and securities derived from the above items within the scope of IFRS 9 “Financial instruments.”

Note 2: If the issuer of securities is not a related party, this column is not required to be filled in.

Note 3: If measured at fair value, the book amount is the book balance after adjustment of fair value evaluation and deduction of loss provision; if not measured at fair value, the book amount is the book balance of cost after amortization (after deduction of loss provision).

Note 4: There is no pledge.

Note 5: Please refer to attached Tables 6 and 7 for information on investment in subsidiaries, affiliated enterprises and equity joint ventures.

Tex Year Industries Inc. and Subsidiaries

The amount of goods purchased or sold with related parties is NT$100 million or more than 20% of the paid-in capital:

January 1 to September 30, 2024

Table 4

Unit: NT$ thousand unless otherwise specified.

Purchase (Sales) company	Transaction counterparty	Relationship	Transaction situation				Trading conditions are different from normal trading Situation and reasons		Accounts and notes receivable (payable)		Remarks
			Purchase (Sales)	Amount	Amounted to purchase (sales) Percentage %	Credit period	Unit price	Credit period	Balance	Accounted to total accounts and notes receivable (payable) Percentage %	
Tex Year Fine Chemical (Guangzhou) Co., Ltd.	Tex Year Technology (Jiangsu) Co., Ltd.	Affiliated enterprise	Purchase	$ 166,946	9%	—	Cost markup	Credit on 120 days	($ 47,120)	(13%)	
Tex Year Technology (Jiangsu) Co., Ltd.	Tex Year Fine Chemical (Guangzhou) Co., Ltd.	Affiliated enterprise	Sales	(166,946)	(6%)	—	Cost markup	Credit on 120 days	47,120	7%	
Tex Year Fine Chemical (Guangzhou) Co., Ltd.	Tex Year (Hong Kong) Ltd.	Affiliated enterprise	Purchase	108,441	6%	—	Cost markup	Credit on 120 days	(19,801)	(5%)	
Tex Year (Hong Kong) Ltd.	Tex Year Fine Chemical (Guangzhou) Co., Ltd.	Affiliated enterprise	Sales	(108,441)	(4%)	—	Cost markup	Credit on 120 days	19,801	3%	

Tex Year Industries Inc. and Subsidiaries

Business relations and important transactions between the parent company and the subsidiaries and the amounts

January 1 to September 30, 2024

Table 5

Unit: NT$ thousand unless otherwise specified.

Serial No. (note 1)	Name of counterparty	Transaction counterparty	Relationship with the counterparty (note 2)	Transaction situation			
				Accounting subject	Amount (note 4)	Terms of transaction	Ratio to total consolidated revenue or total assets (notes 3 and 5)
0	Tex Year Industries Inc.	Tex Year (Hong Kong) Ltd.	1	Accounts receivable	$ 8,394	－	0.3%
0	Tex Year Industries Inc.	Tex Year (Hong Kong) Ltd.	1	Operating revenue	19,116	Cost markup	0.7%
0	Tex Year Industries Inc.	Tex Year Vietnam Co., Ltd.	1	Accounts payable	6,250	－	0.2%
0	Tex Year Industries Inc.	Tex Year Vietnam Co., Ltd.	1	Accounts receivable	3,291	－	0.1%
0	Tex Year Industries Inc.	Tex Year Vietnam Co., Ltd.	1	Operating revenue	6,649	Cost markup	0.2%
0	Tex Year Industries Inc.	Tex Year Vietnam Co., Ltd.	1	Purchase	25,974	Cost markup	1.0%
0	Tex Year Industries Inc.	Tex Year Europe Sp. z o. o.	1	Accounts receivable	10,767	－	0.3%
0	Tex Year Industries Inc.	Tex Year Europe Sp. z o. o.	1	Other receivables	57,894	－	1.8%
0	Tex Year Industries Inc.	Tex Year Europe Sp. z o. o.	1	Operating revenue	18,333	Cost markup	0.7%
0	Tex Year Industries Inc.	Tex Year Fine Chemical (Guangzhou) Co., Ltd.	1	Accounts payable	17,509	－	0.5%
0	Tex Year Industries Inc.	Tex Year Fine Chemical (Guangzhou) Co., Ltd.	1	Accounts receivable	16,906	－	0.5%
0	Tex Year Industries Inc.	Tex Year Fine Chemical (Guangzhou) Co., Ltd.	1	Operating revenue	71,594	Cost markup	2.7%
0	Tex Year Industries Inc.	Tex Year Fine Chemical (Guangzhou) Co., Ltd.	1	Purchase	43,125	Cost markup	1.6%
0	Tex Year Industries Inc.	Tex Year Technology (Jiangsu) Co., Ltd.	1	Purchase	5,209	Cost markup	0.2%
2	Tex Year Fine Chemical (Guangzhou) Co., Ltd.	Tex Year (Hong Kong) Ltd.	3	Accounts payable	19,801	－	0.6%
2	Tex Year Fine Chemical (Guangzhou) Co., Ltd.	Tex Year (Hong Kong) Ltd.	3	Purchase	108,441	Cost markup	4.0%
2	Tex Year Fine Chemical (Guangzhou) Co., Ltd.	Wuxi Tex Year International Trading Co., Ltd.	3	Accounts receivable	5,723	－	0.2%
2	Tex Year Fine Chemical (Guangzhou) Co., Ltd.	Wuxi Tex Year International Trading Co., Ltd.	3	Operating revenue	21,187	Cost markup	0.8%
2	Tex Year Fine Chemical (Guangzhou) Co., Ltd.	Tex Year Technology (Jiangsu) Co., Ltd.	3	Accounts payable	47,120	－	1.5%
2	Tex Year Fine Chemical (Guangzhou) Co., Ltd.	Tex Year Technology (Jiangsu) Co., Ltd.	3	Accounts receivable	10,780	－	0.3%
2	Tex Year Fine Chemical (Guangzhou) Co., Ltd.	Tex Year Technology (Jiangsu) Co., Ltd.	3	Operating revenue	37,989	Cost markup	1.4%
2	Tex Year Fine Chemical (Guangzhou) Co., Ltd.	Tex Year Technology (Jiangsu) Co., Ltd.	3	Purchase	166,946	Cost markup	6.2%
2	Tex Year Fine Chemical (Guangzhou) Co., Ltd.	Tex Year Vietnam Co., Ltd.	3	Accounts receivable	6,678	－	0.2%
2	Tex Year Fine Chemical (Guangzhou) Co., Ltd.	Tex Year Vietnam Co., Ltd.	3	Operating revenue	13,289	Cost markup	0.5%
3	Wuxi Tex Year International Trading Co., Ltd.	Tex Year Technology (Jiangsu) Co., Ltd.	3	Accounts payable	6,624	－	0.2%
3	Wuxi Tex Year International Trading Co., Ltd.	Tex Year Technology (Jiangsu) Co., Ltd.	3	Purchase	29,674	Cost markup	1.1%
5	Shanghai C&M Filtration Solutions Limited	Jiangsu C&M Filtration Solutions Limited	3	Accounts payable	49,939	－	1.5%
5	Shanghai C&M Filtration Solutions Limited	Jiangsu C&M Filtration Solutions Limited	3	Purchase	16,875	Cost markup	0.6%

Note 1: The business information between the parent company and the subsidiaries shall be indicated in the number column respectively, and the number shall be filled in as follows:

1. Fill in 0 for the parent company.
2. Subsidiaries are numbered in sequence in each company type starting from Arabic numeral 1.

Note 2: There are three types of relationship with the trading party; just indicate the type:

1. Parent company and subsidiary company.
2. Subsidiary company and parent company.
3. Subsidiary company and subsidiary company.

Note 3: For the calculation of the ratio of the transaction amount to the total consolidated revenue or total assets, if it belongs to the account of assets and liabilities, it shall be calculated in the way that the ending balance accounts for the total consolidated assets; if it belongs to the account of income, it shall be calculated in the way that the accumulated amount in the period accounts for the total consolidated revenue.

Note 4: The related transactions have been written off in the consolidated financial statements.

Note 5: All other transactions account for less than 0.1% of the total consolidated assets or total consolidated revenue, and are not disclosed.

Tex Year Industries Inc. and Subsidiaries

Name of investment company, location, etc.

January 1 to September 30, 2024

Table 6

Unit: NT$ thousand unless otherwise specified.

Name of investment company	Name of investee	Location	Main business items	Original investment amount (note 1)		Held at end of the period			Investee Profit (loss) of the current period	Recognized in the current period Investment profit (loss)	Remarks
				End of the period	End of last year	Number of shares (1000 shares)	Percentage %	Carrying amount (note 2)			
Tex Year Industries Inc.	Tex Year International (SAMOA) Corp.	Samoa	Holding company	$ 746,842 (USD 23,385 thousand)	$ 746,842 (USD 23,385 thousand)	-	100.00	$ 1,011,678	$ 90,973	$ 90,973	
	Tex Year (Hong Kong) Ltd.	Hong Kong	Sales of hot melt adhesive, adhesive and various appliances	33,735 (USD 1,000 thousand)	33,735 (USD 1,000 thousand)	8,010	100.00	96,985	5,497 (HKD 1,340 thousand)	5,497 (HKD 1,340 thousand)	
	Tex Year Vietnam Co., Ltd.	Vietnam	Manufacturing and trading of hot melt adhesives and water adhesives	44,920 (USD 1,440 thousand)	44,920 (USD 1,440 thousand)	-	80.00	84,516	15,188 (VND11,683,161 thousand)	12,150 (VND 9,346,528 thousand)	
	Tex Year Industrial Adhesives Pvt. Ltd.	India	Sales and manufacturing of hot melt adhesive, sales of adhesive and various appliances	24,692 (USD 822 thousand)	20,785 (USD 702 thousand)	102	50.00	46,382	9,316 (INR 24,254 thousand)	4,657 (INR 12,127 thousand)	
	Tex Year Europe Sp. z o. o.	Poland	R&D, production and sales of hot melt adhesives	145,537 (PLN17,600 thousand)	145,537 (PLN17,600 thousand)	17.6	80.00	132,086	9,742 (PLN 1,204 thousand)	7,923 (PLN 980 thousand)	(note 5)
	Tex Year Minima Technology Inc.	Taiwan	Investment and international trading company	54,707	54,707	5,471	81.00	2,403	(8,810)	(7,136)	
Tex Year International (SAMOA) Corp.	Tex Year Technology (Samoa) Corp.	Samoa	Holding company	746,842 (USD 23,685 thousand)	746,842 (USD 23,685 thousand)	-	96.08	1,011,673	90,973	90,973	(note 3)
Tex Year (Hong Kong) Ltd.	Tex Year Technology (Samoa) Corp.	Samoa	Holding company	33,029 (USD 955 thousand)	33,029 (USD 955 thousand)	-	3.92	35,562	90,973	-	(note 3)
Tex Year Minima Technology Inc.	Tex Year Minima Technology Europe Sp. z o.o.	Poland	Production, sales and development of biodegradable materials and products	64,956 (PLN 9,523 thousand)	64,956 (PLN 9,523 thousand)	9.253	100.00	4,708	(5,069) (PLN (626) thousand)	(5,069) (PLN (626) thousand)	(note 6)

Note 1: It is calculated according to the original investment cost.

Note 2: The unrealized gross profit of goods sold has been deducted.

Note 3: The total net profit of this period of Tex Year Technology (SAMOA) Corp. is recognized under Tex Year International (SAMOA) Corp.

Note 4: Please refer to Schedule 7 for information about reinvested companies in mainland China.

Note 5: The realized net profit of the adjusted side-flow transactions recognized in the current period is NT$129 thousand (PLN17 thousand). The carrying value of the investment at the end of the period is the balance after deducting the unrealized upstream transactions at the end of the period.

Note 6: The Company’s Board resolved to cease the operation of Tex Year Minima Technology and carry out the liquidation on March 15, 2024.

Tex Year Industries Inc. and Subsidiaries

Mainland China Investment Information

January 1 to September 30, 2024

Table 7

Unit: NT$ thousand unless otherwise specified.

Investee in mainland China Name of the Company	Main business items	Paid-in capital (note 1)	Investment mode	Beginning of the period Remitted from Taiwan Accumulated investment amount	Remitted out or recovered in Amount of investment		End of the period Remitted from Taiwan Accumulated investment amount	Investee Profit and loss of the current period	Shareholding ratio of direct or indirect investment of the Company	Recognized in the current period Profit and loss (note 10)	Investment at the end of the period Carrying amount	As of the current period Investment income repatriated	Remarks
					Outward remittance	Recovery							
Wuxi More Tex Technology Co., Ltd.	Development, production and sales of hot melt adhesives and lubricants	$ 100,581 (USD 3,000 thousand)	note 4	$ 50,291 (USD 1,500 thousand)	$ -	$ -	$ 50,291 (USD 1,500th	$ -	-	$ -	$ -	$ 148,643 (note 2)	note 8
Tex Year Chemistry Industry Technology (Shenzhen) Co., Ltd.	Development, production and sales of hot melt adhesives and lubricants	-	-	34,507 (USD 1,000 thousand)	-	-	34,507 (USD 1,000th	-	-	-	-	None.	note 8
Tex Year Business Machine (Shenzhen) Co., Ltd.	Development and production of laminators, shredders, and manufacturing and trading of various appliances.	-	-	34,726 (USD 1,000 thousand)	-	-	34,726 (USD 1,000th	-	-	-	-	None.	note 8
Tex Year Fine Chemical (Guangzhou) Co., Ltd.	R&D, production and sales of hot melt adhesives	389,798 (USD 12,000 thousand)	note 5	389,798 (USD 12,000 thousand)	-	-	389,798 (USD 12,000th	73,183 (RMB 16,465 thousand)	100%	73,144 (RMB 16,456 thousand)	669,342	30,863 (note 13)	Note 9 and 11
Wuxi Tex Year International Trading Co., Ltd.	Sales of chemical products and adhesives	14,265 (RMB 3,000 thousand)	note 6	-	-	-	-	4,206 (RMB 946 thousand)	100%	4,206 (RMB 946 thousand)	36,518	None.	note 9
Tex Year Technology (Jiangsu) Co., Ltd.	R&D, production and sales of hot melt adhesives	308,108 (USD 10,000 thousand)	note 7	308,108 (USD 10,000 thousand)	-	-	308,108 (USD 10,000th	19,210 (RMB 4,322 thousand)	100%	19,120 (RMB 4,302 thousand)	361,808	None.	Note 9 and 12
Shanghai C&M Filtration Solutions Limited	R&D and Sales of Eco-friendly Filter Materials	98,536 (RMB 21,298 thousand)	note 6	-	-	-	-	790 (RMB 177 thousand)	50.10%	436 (RMB 98 thousand)	80,085	None.	note 9
Jiangsu C&M Filtration Solutions Limited	R&D and Manufacturing of Eco-friendly Filter Materials	114,485 (RMB 25,000 thousand)	note 10	-	-	-	-	304 (RMB 68 thousand)	50.10%	304 (RMB 68 thousand)	117,514	None.	note 9
Huzhou Yachuang Tech Ltd.	R&D and Sales in Eco-friendly Filter Materials, and Rental of Self-owned Houses	32,595 (RMB 7,500 thousand)	note 10	-	-	-	-	(398) (RMB (90) thousand)	50.10%	(398) (RMB (90) thousand)	35,380	None.	note 9
Huzhou Xiling Tech Ltd.	Engineering and technical research, test and design	18,583 (RMB 4,200 thousand)	note 10	-	-	-	-	(2,185) (RMB (492) thousand)	15.03%	(655) (RMB (147) thousand)	4,725	None.	note 9

Accumulated amount of investment remitted from Taiwan to mainland China at the end of the period (note 1)	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (note 1)	In compliance with the mainland China investment limit set by the Investment Commission of the Ministry of Economic Affairs
NT$ 817,430 (USD25,500 thousand)	NT$894,394 (USD27,500 thousand)	(note 3)

Note 1: It is calculated based on the original investment cost.

Note 2: Wuxi More Tex Technology Co., Ltd. has repatriated the investment income of the Company through Tex Year Technology (Samoa) Corp. As of September 30, 2024, a total of NT$148,643 thousand has been repatriated.

Note 3: According to the letter of the Ministry of Economic Affairs referenced Jing-Shen No. 09704604680, it is calculated at 60% of the net value of the Company on September 30, 2024, except for the enterprises or subsidiaries of multinational enterprises in Taiwan approved by the Industrial Development Bureau of the Ministry of Economic Affairs, with the supporting documents of compliance with the operation scope of the operation headquarters issued by it. The Company obtained the certificate of compliance on the headquarters' operation scope (letter referenced Jing-Shou-Gong Zi No. 11120412400) issued by the Industrial Development Bureau of the Ministry of Economic Affairs on April 18, 2022. The period of validity is from April 11, 2022 to April 10, 2025, so it is not subject to the limit.

Note 4: The Company invested NT$50,291 thousand through Tex Year International (SAMOA) Corp., a third-region investment enterprise, and then indirectly invested in Wuxi More Tex Technology Co., Ltd. through Tex Year International (SAMOA) Corp.

Note 5: The Company invested NT$389,798 thousand through Tex Year International (SAMOA) Corp., a third-region investment enterprise, and then indirectly invested in Tex Year Fine Chemical (Guangzhou) Co., Ltd. through Tex Year International (SAMOA) Corp.

Note 6: Tex Year Fine Chemical (Guangzhou) Co., Ltd. directly invested in Wuxi Tex Year International Trading Co., Ltd. and Shanghai C&M Filtration Solutions Limited, for NT$14,265 thousand and NT$98,536 thousand.

Note 7: The Company invested NT$308,108 thousand through Tex Year International (SAMOA) Corp., a third-region investment enterprise, and then indirectly invested in Tex Year Technology (Jiangsu) Co., Ltd. through Tex Year Technology (SAMOA) Corp.

Note 8: As the operation of Deyuan Chemical Technology (Shenzhen) Co., Ltd. was incorporated into Tex Year Fine Chemical (Guangzhou) Co., Ltd., and the liquidation was completed in December 2012; Deyuan Business Machine (Shenzhen) Co., Ltd. completed the liquidation in September 2014. Wuxi More Tex Technology Co., Ltd. was disposed of in September 2023.

Note 9: For the investment profit or loss, except for Tex Year Fine Chemical (Guangzhou) Co., Ltd. and Tex Year Technology (Jiangsu) Co., Ltd., which are calculated according to the financial statements that have not been verified by independent auditors, the rest are calculated according to the financial statements that have been verified by independent auditors.

Note 10: Tex Year Fine Chemical (Guangzhou) Co., Ltd. directly invests in Shanghai Chuangzhi Environmental Tech Co., and indirectly invests in Jiangsu C&M Filtration Solutions Limited, Huzhou Yachuang Tech Ltd. and Huzhou Xiling Tech Ltd. through Shanghai Chuangzhi Environmental Tech Co., Ltd.

Note 11: It is the balance of the current recognized investment profit or loss after adjusting for the unrealized gains of NT$39 thousand (RMB9 thousand) from side flow transactions and the ending book value of the investment after deducting the unrealized side flow transactions and downstream transactions at the end of the period.

Note 12: It is the balance of the current recognized investment profit or loss after adjusting for the unrealized gains of NT$90 thousand (RMB20 thousand) from side flow transactions, and the ending book value of the investment after deducting the unrealized side flow transactions and downstream transactions at the end of the period.

Note 13: Tex Year Fine Chemical (Guangzhou) Co., Ltd. has repatriated the investment income of the Company through Tex Year Technology (Samoa) Corp. As of September 30, 2024, a total of NT$30,863 thousand has been repatriated.

Tex Year Industries Inc.

Information of major shareholders

September 30, 2024

Table 8

Name of major shareholders	Equity	
	Number of shares held	Shareholding ratio
Chin-Tsung Hsiao	15,737,570	14.18%
Tex Yuan Investment Co., Ltd.	7,356,119	6.63%
Hsiao, Hsiang-Chih	6,100,242	5.49%

Note: The major shareholder information in this schedule is based on the Central Depository's record of common shares and special shares of the Company (including treasury shares) held by shareholders, which reached 5% or more on the last business day at the end of the quarter. There may be a difference between the number of shares recorded in the Company's consolidated financial statements and the number of shares actually delivered for scrip less registration due to different calculation basis.