

TYC BROTHER INDUSTRIAL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND 2024
WITH
REVIEW REPORT OF INDEPENDENT AUDITORS

The reader is advised that these financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.

Independent Auditors' Review Report

To TYC BROTHER INDUSTRIAL CO., LTD.

Introduction

We have reviewed the accompanying consolidated balance sheets of TYC BROTHER INDUSTRIAL CO., LTD. (the "Company") and its subsidiaries as of March 31, 2025 and 2024, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of Review

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

Basis for Qualified Opinion

As explained in Note IV.3 to the consolidated financial statements, the financial statements of certain insignificant subsidiaries were not reviewed by independent auditors. Those statements reflect total assets of NT\$6,625,140 thousand and NT\$6,511,621 thousand, constituting 22% and 25% of the consolidated total assets, and total liabilities of NT\$3,308,831 thousand and NT\$3,268,839 thousand, constituting 18% and 20% of the consolidated total liabilities as of March 31, 2025 and 2024, and total comprehensive income of NT\$49,810 thousand and NT\$36,054 thousand, constituting 9% and 5% of the consolidated total comprehensive income for the three-months periods then ended. In addition, as explained in Note VI.7, the balance of investments accounted for using equity method as of March 31, 2025 and 2024 amounting to NT\$2,229,988 thousand and NT\$2,045,322 thousand, respectively, the share of profit or loss of associates and joint ventures accounted for using equity method recognized for the three months ended March 31, 2025 and 2024 amounting to NT\$34,161

thousand and NT\$20,571 thousand, respectively, the share of other comprehensive income of associates and joint ventures accounted for using equity method amounting to NT\$26,094 thousand and NT\$25,896 thousand, respectively, which were based on the financial statements of those investee companies not reviewed by independent auditors. Besides, the information on the aforementioned subsidiaries and investee companies disclosed in Note 13 to the consolidated financial statements was not reviewed by independent auditors either.

Qualified Conclusion

Based on our reviews, except for the effect of such adjustments, if any, as might have been determined to be necessary had the financial statements of certain non-significant subsidiaries and the investee companies accounted for using equity method been reviewed by independent accountants as described in the preceding paragraph, that we might have become aware of had it not been for the situation described above, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of Quintain Steel Company Ltd.. and its subsidiaries as of March 31, 2025 and 2024, and of its consolidated financial performance as of and for the three-month periods ended March 31, 2025 and 2024, and its consolidated cash flows for the three months periods then ended in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Hu, Tzu-Ren

Hung, Kuo-Sen

Ernst & Young, Taiwan

8 May 2025

Notice to Readers :

The accompanying consolidated financial statements are intended only to present the 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.

Accordingly, the accompanying consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or the Standards on Auditing of the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

TYC BROTHER INDUSTRIAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

March 31, 2025, December 31, 2024, and March 31, 2024

(Expressed in Thousands of New Taiwan Dollars)

ASSETS			31-Mar-25		31-Dec-24		31-Mar-24	
Code	ITEMS	Notes	Amount	%	Amount	%	Amount	%
	Current assets							
1100	Cash and cash equivalents	IV/VI.1	\$3,013,465	10	\$1,540,242	6	\$1,617,083	6
1110	Financial assets at fair value through profit or loss, current	IV	40	-	-	-	-	-
1136	Financial assets measured at amortized cost, current	IV/VI.3.15	92,554	1	90,514	-	90,373	-
1150	Notes receivable, net	IV/VI.4.15	5,692	-	6,874	-	12,340	-
1160	Notes receivable-related parties, net	IV/VI.4.15/VII	5,115	-	4,107	-	1,131	-
1170	Accounts receivable, net	IV/VI.5.15/VIII	4,152,777	14	3,885,517	14	3,897,127	15
1180	Accounts receivable-related parties, net	IV/VI.5.15/VII	71,077	-	67,531	-	56,293	-
1200	Other receivables	IV/VII	396,458	1	405,367	2	156,542	1
130x	Inventories	IV/VI.6/VIII	5,795,793	20	5,496,707	20	5,352,346	20
1479	Other current assets - others		394,467	1	360,900	2	337,774	1
11xx	Total current assets		13,927,438	47	11,857,759	44	11,521,009	43
	Non-current assets							
1517	Financial assets at fair value through other comprehensive income, non-current	IV/VI.2	170,146	1	167,628	1	216,619	1
1550	Investments accounted for under the equity method	IV/VI.7	2,229,988	8	2,163,163	8	2,045,322	8
1600	Property, plant and equipment	IV/VI.8/VIII	8,581,107	29	8,541,802	31	8,156,015	32
1755	Right-of-use asset	IV/VI.16	1,880,726	6	1,892,012	7	2,183,566	8
1780	Intangible assets	IV	59,779	-	57,286	-	53,732	-
1840	Deferred tax assets	IV/VI.20	604,412	2	582,845	2	497,540	2
1915	Prepayment for equipments		1,945,046	7	1,880,706	7	1,703,884	6
1995	Other non-current assets-others	VIII	75,959	-	76,194	-	104,275	-
15xx	Total non-current assets		15,547,163	53	15,361,636	56	14,960,953	57
1xxx	Total assets		\$29,474,601	100	\$27,219,395	100	\$26,481,962	100

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

Chairman :

Manager :

Accounting officer :

TYC BROTHER INDUSTRIAL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (CONT.)
March 31, 2025, December 31, 2024, and March 31, 2024
(Expressed in Thousands of New Taiwan Dollars)

LIABILITIES AND EQUITY			31-Mar-25		31-Dec-24		31-Mar-24	
Code	ITEMS	Notes	Amount	%	Amount	%	Amount	%
	Current liabilities							
2100	Short-term borrowings	IV/VI.9	\$2,584,364	9	\$2,033,171	8	\$2,373,947	9
2110	Short-term notes and bills payable	IV/VI.10	419,821	1	39,968	-	79,903	-
2120	Financial liabilities at fair value through profit or loss, current	IV	4,985	-	7,598	-	3,657	-
2150	Notes payable		356,762	1	339,701	1	318,541	1
2170	Accounts payable		2,590,527	9	2,468,962	9	2,406,497	9
2180	Accounts payable-related parties	VII	508,411	2	493,095	2	476,878	2
2200	Other payables		1,648,230	6	1,758,879	7	930,010	4
2230	Current tax liabilities	IV	247,719	1	238,636	1	493,171	2
2280	Lease liabilities, current	IV/VI.16	299,444	1	284,589	1	262,222	1
2322	Current portion of long-term liabilities	IV/VI.11	591,730	2	645,152	2	833,023	3
2399	Other current liabilities		584,900	2	595,884	2	534,715	2
21xx	Total current liabilities		9,836,893	34	8,905,635	33	8,712,564	33
	Non-current liabilities							
2540	Bonds payable	IV/VI.11	6,929,530	24	6,114,817	23	5,545,346	21
2570	Long-term borrowings	IV/VI.20	122,210	-	104,850	-	70,962	-
2580	Deferred tax liabilities	IV/VI.16	1,412,899	5	1,450,573	5	1,737,969	7
2640	Lease liabilities, non-current	IV/VI.12	69,724	-	74,565	-	107,915	-
2670	Net defined benefit liabilities, non-current		82,852	-	81,620	-	52,306	-
25xx	Other non-current liabilities-others		8,617,215	29	7,826,425	28	7,514,498	28
2xxx	Total non-current liabilities		18,454,108	63	16,732,060	61	16,227,062	61
	Total liabilities							
3100	Equity attributable to the parent company							
3110	Capital	IV/VI.13	3,128,979	11	3,128,979	12	3,128,979	12
3120	Common stock		300,000	1	300,000	1	300,000	1
3200	Preferred stock		2,582,447	9	2,582,447	9	2,580,579	10
3300	Capital surplus	IV/VI.13						
3310	Retained earnings	IV/VI.13	1,030,881	3	1,030,881	4	924,137	3
3320	Legal reserve		269,742	1	269,742	1	153,990	1
3350	Special reserve		3,450,985	11	3,016,955	11	2,992,238	11
3400	Unappropriated earnings							
3410	Other equity	IV/VI.19	5,913	-	(96,830)	-	(159,331)	(1)
3420	Exchange differences resulting from translating the financial statements of foreign operations		(80,666)	-	(62,947)	-	(22,877)	-
3500	Unrealized gains or losses on financial assets measured at fair value through other comprehensive income		(5,996)	-	(5,996)	-	(5,996)	-
31xx	Treasury stock	IV/VI.13	10,682,285	36	10,163,231	38	9,891,719	37
36xx	Total equity attributable to the parent company		338,208	1	324,104	1	363,181	2
3xxx	Non-controlling interests	IV/VI.13	11,020,493	37	10,487,335	39	10,254,900	39
	Total equity		\$29,474,601	100	\$27,219,395	100	\$26,481,962	100
	Total liabilities and equity							

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

Chairman :

Manager :

Accounting officer :

TYC BROTHER INDUSTRIAL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the three month ended March 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)

Code	ITEMS	Notes	For the three months ended March 31, 2025		For the three months ended March 31, 2024	
			Amount	%	Amount	%
4000	Operating revenues	IV/VI.14/VII	\$4,912,745	100	\$5,116,170	100
5000	Operating costs	IV/VI.6.16.17/VII	(3,445,635)	(70)	(3,573,477)	(70)
5900	Gross profit		1,467,110	30	1,542,693	30
5910	Unrealized profit on sales		(5,186)	-	-	-
5920	Realized profit on sales		5,208	-	-	-
5950	Net gross profit		1,467,132	30	1,542,693	30
6000	Operating expenses	IV/VI.16.17				
6100	Sales and marketing expenses		(505,320)	(10)	(472,718)	(9)
6200	General and administrative expenses		(295,883)	(6)	(254,238)	(5)
6300	Research and development expenses		(103,312)	(2)	(98,559)	(2)
6450	Expected credit impairment losses	IV/VI.15	(1,349)	-	(3,581)	-
	Subtotal		(905,864)	(18)	(829,096)	(16)
6900	Operating income		561,268	12	713,597	14
7000	Non-operating income and expenses					
7010	Other income	VI.18	22,208	-	23,154	-
7020	Other gains and losses	VI.18	21,667	-	170,183	4
7050	Finance costs	VI.18	(80,018)	(2)	(90,623)	(2)
7060	Share of profit of associates and joint ventures accounted for using the equity method	IV/VI.7	34,161	1	20,571	-
	Subtotal		(1,982)	(1)	123,285	2
7900	Net income before income tax		559,286	11	836,882	16
7950	Income tax expense	IV/VI.20	(111,576)	(2)	(187,089)	(3)
8200	Net income		447,710	9	649,793	13
8300	Other comprehensive income (loss)	IV/VI.19				
8310	Items that will not be reclassified subsequently to profit or loss					
8316	Unrealized gains (losses) from equity instruments investments measured at fair value through other comprehensive income		(17,719)	-	(15,571)	-
8360	Item that may be reclassified subsequently to profit or loss					
8361	Exchange differences resulting from translating the financial statements of foreign operations		96,235	2	99,269	2
8370	Share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method		32,618	1	32,370	-
8399	Income tax related to items that may be reclassified subsequently		(25,686)	(1)	(25,776)	(1)
	Total other comprehensive income (loss), net of tax		85,448	2	90,292	1
8500	Total comprehensive income (loss)		\$533,158	11	\$740,085	14
8600	Net income attributable to:					
8610	Stockholders of the parent		\$434,030	9	\$628,143	13
8620	Non-controlling interests		13,680	-	21,650	-
			\$447,710	9	\$649,793	13
8700	Total comprehensive income attributable to:					
8710	Stockholders of the parent		\$519,054	11	\$715,677	14
8720	Non-controlling interests		14,104	-	24,408	-
			\$533,158	11	\$740,085	14
	Earnings per share (NTD)					
9750	Earnings per share-basic	IV/VI.21	\$1.39		\$2.01	
9850	Earnings per share-diluted	IV/VI.21	\$1.39		\$2.01	

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

Chairman :

Manager :

Accounting officer :

TYC BROTHER INDUSTRIAL CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the three month ended March 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

ITEMS		Equity attributable to the parent company										Non-controlling interests	Total equity
		Capital		Capital surplus	Retained Earnings			Other equity		Treasury stock	Total		
		Common stock	Preferred stock		Legal reserve	Special reserve	Unappropriated earnings	Exchange differences resulting from translating the financial statements of foreign operations	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income				
Code		3110	3120	3200	3310	3320	3350	3410	3420	3500	31XX	36XX	3XXX
A1	Balance as of 1 January 2024	\$3,128,979	\$300,000	\$2,580,384	\$924,137	\$153,990	\$2,364,095	\$(262,436)	\$(7,306)	\$(5,996)	\$9,175,847	\$338,773	\$9,514,620
D1	Net income for the three months ended March 31, 2024	-	-	-	-	-	628,143	-	-	-	628,143	21,650	649,793
D3	Other comprehensive income (loss) for the three months ended March 31, 2024	-	-	-	-	-	-	103,105	(15,571)	-	87,534	2,758	90,292
D5	Total comprehensive income (loss)	-	-	-	-	-	628,143	103,105	(15,571)	-	715,677	24,408	740,085
T1	Others	-	-	195	-	-	-	-	-	-	195	-	195
Z1	Balance as of March 31, 2024	<u>\$3,128,979</u>	<u>\$300,000</u>	<u>\$2,580,579</u>	<u>\$924,137</u>	<u>\$153,990</u>	<u>\$2,992,238</u>	<u>\$(159,331)</u>	<u>\$(22,877)</u>	<u>\$(5,996)</u>	<u>\$9,891,719</u>	<u>\$363,181</u>	<u>\$10,254,900</u>
A1	Balance as of 1 January 2025	\$3,128,979	\$300,000	\$2,582,447	\$1,030,881	\$269,742	\$3,016,955	\$(96,830)	\$(62,947)	\$(5,996)	\$10,163,231	\$324,104	\$10,487,335
D1	Net income for the three months ended March 31, 2025	-	-	-	-	-	434,030	-	-	-	434,030	13,680	447,710
D3	Other comprehensive income (loss) for the three months ended March 31, 2025	-	-	-	-	-	-	102,743	(17,719)	-	85,024	424	85,448
D5	Total comprehensive income (loss)	-	-	-	-	-	434,030	102,743	(17,719)	-	519,054	14,104	533,158
Z1	Balance as of March 31, 2025	<u>\$3,128,979</u>	<u>\$300,000</u>	<u>\$2,582,447</u>	<u>\$1,030,881</u>	<u>\$269,742</u>	<u>\$3,450,985</u>	<u>\$5,913</u>	<u>\$(80,666)</u>	<u>\$(5,996)</u>	<u>\$10,682,285</u>	<u>\$338,208</u>	<u>\$11,020,493</u>

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

Chairman :

Manager :

Accounting officer :

TYC BROTHER INDUSTRIAL CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the three month ended March 31, 2024 and 2023
(Expressed in Thousands of New Taiwan Dollars)

Code	ITEMS	For the three months ended March 31, 2025	For the three months ended March 31, 2024	Code	ITEMS	For the three months ended March 31, 2025	For the three months ended March 31, 2024
		Amount	Amount			Amount	Amount
AAAA	Cash flows from operating activities:			BBBB	Cash flows from investing activities:		
A10000	Net income before tax	\$559,286	\$836,882	B00010	Acquisition of financial assets at fair value through other comprehensive income	(20,237)	(7,064)
A20000	Adjustments for:			B00040	Acquisition of financial assets measured at amortized cost	(1,479)	(418)
A20010	Income and expense adjustments:			B00050	Proceeds from disposal of financial assets measured at amortized cost	-	55,386
A20100	Depreciation	436,410	403,600	B01800	Acquisition of investments accounted for using the equity method	-	(25,102)
A20200	Amortization	7,233	6,900	B02700	Acquisition of property, plant and equipment	(447,146)	(622,246)
A20300	Expected credit impairment losses	1,349	3,581	B02800	Proceeds from disposal of property, plant and equipment	966	764
A20900	Interest expense	80,018	90,623	B03800	Decrease in refundable deposits	300	5,872
A21200	Interest income	(2,380)	(7,522)	B04500	Acquisition of intangible assets	(9,466)	(3,505)
A22300	Share of profit (loss) of associates and joint ventures accounted for using the equity method	(34,161)	(20,571)	B06800	Decrease in other non-current assets	327	918
A22500	(Gains) on disposal and scrap of property, plant and equipment	(89)	(406)	BBBB	Net cash used in investing activities	(476,735)	(595,395)
A23900	Unrealized profit on sales	5,186	-				
A24000	Realized (profit) on sales	(5,208)	-				
A30000	Changes in operating assets and liabilities:			CCCC	Cash flows from financing activities:		
A31115	Financial assets mandatorily measured at fair value through profit or loss	(40)	509	C00100	Increase in short-term borrowings	592,155	180,425
A31130	Notes receivable	1,183	(1,762)	C00200	Decrease in short-term borrowings	(66,165)	(100,000)
A31140	Notes receivable-related parties	(1,008)	1,602	C00500	Increase in short-term notes and bills payable	380,000	50,000
A31150	Accounts receivable	(268,573)	(505,113)	C00600	Decrease in short-term notes and bills payable	(147)	(130,022)
A31160	Accounts receivable-related parties	(3,583)	5,729	C01600	Proceeds from long-term borrowings	868,520	241,038
A31180	Other receivables	(3,332)	54,913	C01700	Repayment of long-term borrowings	(111,275)	(471,653)
A31200	Inventories	(299,086)	(104,472)	C03000	Increase in guaranteed deposit	-	69
A31240	Other current assets	(33,567)	(55,138)	C03100	Decrease in guaranteed deposit	(2,391)	-
A32110	Financial liabilities held for sale	(2,613)	3,657	C04020	Cash payment for the principal portion of the lease liabilities	(73,020)	(63,318)
A32130	Notes payable	17,061	22,827	C09900	Collection of overdue dividends	-	195
A32150	Accounts payable	121,565	99,145	CCCC	Net cash provided by (used in) financing activities	1,587,677	(293,266)
A32160	Accounts payable-related parties	15,316	(13,426)				
A32180	Other payable	(113,031)	(161,025)				
A32230	Other current liabilities	(10,984)	28,284	DDDD	Effect of exchange rate changes on cash and cash equivalents	95,757	120,809
A32240	Net defined benefit pension liabilities	(4,841)	(32,486)	EEEE	Net increase (decrease) in cash and cash equivalents	1,473,223	(241,121)
A32990	Other non-current liabilities	2,019	(434)	E00100	Cash and cash equivalents at the beginning of the year	1,540,242	1,858,204
A33000	Cash generated from operations	464,130	655,897	E00200	Cash and cash equivalents at end of the year	\$3,013,465	\$1,617,083
A33100	Interest received	2,380	7,522				
A33300	Interest paid	(83,560)	(95,827)				
A33500	Income tax paid	(116,426)	(40,861)				
AAAA	Net cash provided by operating activities	266,524	526,731				

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

Chairman :

Manager :

Accounting officer :

English Translation of Financial Statements Originally Issued in Chinese
TYC BROTHER INDUSTRIAL CO., LTD. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
31 March 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars Unless Otherwise Stated)

I. HISTORY AND ORGANIZATION

TYC BROTHER INDUSTRIAL CO., LTD. (the “Company”) was incorporated under the laws of the Republic of China on Taiwan (the “ROC”) on 9 September 1986. The Company’s registered office and the main business location is at No.72-2, Xinle Rd., Tainan City Taiwan (R.O.C). The Company’s main profitable business projects are the manufacture, trading, import and export of automobiles, motorcycles and other automobile parts and supplies. The Company became a listed company on the Taiwan Stock Exchange on 6 October 1997.

II. DATE AND PROCEDURES OF AUTHORIZATION OF FINANCIAL STATEMENTS FOR ISSUE

The consolidated financial statements of the Company and subsidiaries (hereinafter referred to as the “Group”) 31 March 2025 and 2024 for the three months ended 31 March 2025 and 2024 were authorized for issue in accordance with a resolution of the board of directors on 8 May 2025.

III. NEWLY ISSUED OR REVISED STANDARDS AND INTERPRETATIONS

1. Changes in accounting policies resulting from applying for the first-time certain standards and amendments

The Group applied for the first-time International Financial Reporting Standards, International Accounting Standards, and Interpretations issued, revised or amended which are recognized by Financial Supervisory Commission (“FSC”) and become effective for annual periods beginning on or after 1 January 2025. The adoption of these new standards and amendments had no material impact on the Group.

2. As of the date the financial statements are authorized for issue, the Group did not adopt the Q&A of election of early application concerning partial amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” issued by the FSC.

In the Q&A, application guidance of section 4.1 (Classification of Financial Assets) is allowed to be early applied since January 1, 2025, the regulations in paragraph 20B, 20C, and 20D in IFRS 7 shall be applied simultaneously. And the truth of early application of the contents shall be disclosed in the financial statements.

3. As of the date the financial statements are authorized for issue, standards or interpretations issued, revised or amended, by International Accounting Standards Board (“IASB”) which are endorsed by FSC, and not yet adopted by the Group are listed below.

Items	New, Revised or Amended Standards and Interpretations	Effective Date issued by IASB
1	IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures” — Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures	To be determined by IASB
2	IFRS 17 “Insurance Contracts”	1 January 2023
3	IFRS 18 “Presentation and Disclosure in Financial Statements”	1 January 2027
4	Disclosure Initiative – “Subsidiaries without Public Accountability” (IFRS 19)	1 January 2027
5	“Classification and Measurement of Financial Instruments” (Amendments to IFRS 9 and IFRS 7)	1 January 2026
6	Annual Improvements to IFRS Accounting Standards— Volume 11	1 January 2026

(1) IFRS 18 “Presentation and Disclosure in Financial Statements”

The primary changes of the new standard are as follows:

a) Increasing comparability of the income statements

Items in the statement of profit or loss will need to be classified into categories: operating, investing, financing, income taxes and discontinued operations. The first three categories are new, to improve the structure of income statements. The standard also requires entities to provide newly defined subtotals (including operating profit). The standard improves the income statement’s structure and newly defined subtotals, which makes companies' financial performance easier to compare and provides a consistent starting point for investors' analysis

- b) Enhancing transparency of management performance measurement
Explanations on requiring entities to disclose specific indicators related to income statements (management-defined performance measures (MPM)).
 - c) Useful summary of financial information
The standard sets out enhanced guidance on how to organize information and whether to provide it in the primary financial statements or in the notes. The changes are expected to provide more detailed and useful information. The standard also requires entities to provide more transparency about operating expenses, helping investors to find and understand the information they need.
- (2) “Classification and Measurement of Financial Instruments” (Amendments to IFRS 9 and IFRS 7)
- The amendments include:
- a) Clarify that a financial liability is derecognized on the settlement date and describe the accounting treatment for settlement of financial liabilities using an electronic payment system before the settlement date.
 - b) Clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and government (ESG)-linked features and other similar contingent features.
 - c) Clarify the treatment of non-recourse assets and contractually linked instrument.
 - d) Require additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments fair value through other comprehensive income.

The abovementioned standards and interpretations issued by IASB have not yet endorsed by FSC at the date. The Group is assessing the potential impacts from new or amended standards or interpretations. The relevant impacts will be disclosed upon completion of the assessment. The other new or amended standards or interpretations have no significant impact on the Group.

IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Statement of Compliance

The Group’s consolidated financial statements for the three months ended 31 March 2025 and 2024 were prepared in accordance with the International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the FSC.

2. Basis of preparation

The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments that have been measured at fair value. The consolidated financial statements are expressed in thousands of New Taiwan Dollars (“NT\$”) unless otherwise stated.

3. Basis of consolidation

Preparation principle of consolidated financial statement

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- a. power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- b. exposure, or rights, to variable returns from its involvement with the investee, and
- c. the ability to use its power over the investee to affect its returns

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- a. the contractual arrangement with the other vote holders of the investee
- b. rights arising from other contractual arrangements
- c. the Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Subsidiaries are fully consolidated from the acquisition date, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using uniform accounting policies. All intra-group balances, income and expenses, unrealized gains and losses and dividends resulting from intra-group transactions are eliminated in full.

A change in the ownership interest of a subsidiary, without a change of control, is accounted for as an equity transaction.

Total comprehensive income of the subsidiaries is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

If the Group loses control of a subsidiary, it:

- derecognizes the assets (including goodwill) and liabilities of the subsidiary;
- derecognizes the carrying amount of any non-controlling interest;
- recognizes the fair value of the consideration received;
- recognizes the fair value of any investment retained;
- reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss, or transfer directly to retained earnings if required by other IFRSs; and
- recognizes any resulting difference in profit or loss.

The consolidated entities are as follows:

Investor Company	Investee Company	Major business	Percentage of ownership			Note
			March 31, 2025	December 31, 2024	March 31, 2024	
The Company	TI YUAN INVESTMENT CO., LTD. (TI YUAN)	Marketable securities trading business	100.00%	100.00%	100.00%	
The Company	TI FU INVESTMENT CO., LTD. (TI FU)	Marketable securities trading business	100.00%	100.00%	100.00%	
The Company	CONTEK CO., LTD. (CONTEK)	Reinvestment holding activities	100.00%	100.00%	100.00%	
The Company	SUPRA-ATOMIC CO., LTD. (SUPRA- ATOMIC)	Reinvestment holding activities	100.00%	100.00%	100.00%	
The Company	BESTE MOTOR CO., LTD. (BESTE)	Reinvestment holding activities	100.00%	100.00%	100.00%	
The Company	INNOVA HOLDING CORP. (INNOVA)	Reinvestment holding activities	100.00%	100.00%	100.00%	
The Company	JUOKU TECHNOLOGY CO., LTD. (JUOKU TECHNOLOGY)	Manufacturin g and sale of automobile parts	72.10%	72.10%	72.10%	
The Company	TYC VIETNAM INDUSTRIAL CO., LTD. (TYCVN)	Manufacture and sale of automobile lights	60.00%	60.00%	60.00%	

Investor Company	Investee Company	Major business	Percentage of ownership			
			March 31, 2025	December 31, 2024	March 31, 2024	Note
TI FU	DBM REFLEX OF TAIWAN CO., LTD. (DBM)	Manufacture tooling mold and international trading business	50.00%	50.00%	50.00%	
SUPRA- ATOMIC	SPARKING CO., LTD. (SPARKING)	Reinvestment holding activities	100.00%	100.00%	100.00%	
SUPRA- ATOMIC	UNIMOTOR INDUSTRIAL CO., LTD. (UNIMOTOR)	Reinvestment holding activities	100.00%	100.00%	100.00%	
SUPRA- ATOMIC	EUROLITE CO., LTD. (EUROLITE)	Reinvestment holding activities	100.00%	100.00%	100.00%	
SUPRA- ATOMIC	EUROPILOT CO., LTD. (EUROPILOT)	Reinvestment holding activities	100.00%	100.00%	100.00%	
SUPRA- ATOMIC	MOTOR-CURIO CO., LTD. (MOTOR- CURIO)	Reinvestment holding activities	100.00%	100.00%	100.00%	
JUOKU TECHNOLOG Y	TSM TECH CO., LTD. (TSM)	Reinvestment holding activities	100.00%	100.00%	100.00%	
INNOVA	GENERA CORPORATION (GENERA)	Sale of automobile lights and parts	100.00%	100.00%	100.00%	
INNOVA	W&W REAL PROPERTY, INC. (W&W)	Sale of and rental of real estate	100.00%	100.00%	100.00%	
INNOVA	TYC AMERICAS AUTO PARTS COMPANY LLC(TYCAAP)	Manufacturin g, processing and trading of automobile components.	100.00%	100.00%	-	(Note 1)
UNIMOTOR	CHANGZHOU TAMAO PRECISION INDUSTRY CO., LTD. (TAMAO PRECISION)	Manufacture of precision molds and sale of products.	100.00%	100.00%	100.00%	

Investor Company	Investee Company	Major business	Percentage of ownership			
			March 31, 2025	December 31, 2024	March 31, 2024	Note
EUROLITE	T.I.T. INTERNATIONAL CO., LTD. (T.I.T.)	Manufacture and sale of lighting fixtures and daily-use products for automobile	99.98%	99.98%	99.98%	
EUROPILOT	TYC EUROPE B.V. (TYC EUROPE)	Sales of automobile lights	100.00%	100.00%	100.00%	
SPARKING	KUN SHAN TYC HIGH PERFORMANCE CO., LTD. (KUN SHAN TYC)	Manufacture, process and assemble of various high- efficiency energy- saving lamps and accessories	100.00%	100.00%	100.00%	

Note 1: The Group invested in TYC AMERICAS AUTO PARTS COMPANY LLC in May 2024, with 100% of percentage of ownership.

Among the aforementioned subsidiaries included in the consolidated financial statements, the financial statements of part of the subsidiaries were not reviewed by independent auditors. The total assets of those subsidiaries as of 31 March 2025 and 2024 amounted to NT\$6,625,140 thousand and NT\$6,511,621 thousand, respectively, and the total liabilities amounted to NT\$3,308,831 thousand and NT\$3,268,839 thousand, respectively. The total comprehensive income for the three months ended 31 March 2025 and 2024 amounted to NT\$49,810 thousand and NT\$36,054 thousand, respectively.

- Aside from the accounting policies as follows, the accounting policies adopted in the consolidated financial statements for the three months ended 31 March 2025 and 2024 are the same as those adopted in the consolidated financial statements for the year ended 31 December, 2024. Please refer to the consolidated financial statements for the year ended 31 December, 2024 for the summarized explanations of other accounting policies:

a. Post-Employment Benefits

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

b. Income taxes

Income tax expenses for the interim period are accrued and disclosed by the tax rate applied to the expected total earnings for the current period, that is to apply the estimated average annual effective income tax rate expected for the full financial year to the pretax income of the interim period. Estimate to the average annual effective tax rate only includes current income tax expenses. Deferred income tax is recognized and measured in accordance with IAS 12 "Income Taxes," which is as that of the annual financial statements. When there are changes in tax rate in the interim period, the effects on deferred income tax resulting from the tax rate change are recognized in profit or loss, other comprehensive income or directly in equity.

V. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The significant accounting judgments, estimates and assumptions adopted in the consolidated financial statements for the three months ended 31 March 2025 and 2024 are the same as those in the consolidated financial statements for the year ended 31 December, 2024. Please refer to the financial statements for the year ended 31 December, 2024.

VI. CONTENTS OF SIGNIFICANT ACCOUNTS

1. Cash and cash equivalents

	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
Cash on hand and petty cash	\$4,882	\$4,037	\$6,681
Saving account	2,716,732	1,403,678	1,394,875
Time deposits	188,310	79,470	102,400
Investments in bonds with repurchase agreements - corporate bonds	103,541	53,057	113,127
Total	<u>\$3,013,465</u>	<u>\$1,540,242</u>	<u>\$1,617,083</u>

2. Financial assets at fair value through other comprehensive income

	<u>31 Mar. 2025</u>	<u>31 Dec. 2024</u>	<u>31 Mar. 2024</u>
Equity instrument investments measured at fair value through other comprehensive income - non-current			
Listed companies' stocks	\$112,752	\$110,234	\$151,215
Unlisted companies' stocks	57,394	57,394	65,404
Total	<u>\$170,146</u>	<u>\$167,628</u>	<u>\$216,619</u>

The Group's financial assets measured at fair value through other comprehensive income were not pledged as collateral.

3. Financial assets measured at amortized cost

	<u>31 Mar. 2025</u>	<u>31 Dec. 2024</u>	<u>31 Mar. 2024</u>
Time deposits	\$72,498	\$90,514	\$70,319
Investments in bonds with repurchase agreements - corporate bonds	20,056	-	20,054
Total	<u>\$92,554</u>	<u>\$90,514</u>	<u>\$90,373</u>
Current	<u>\$92,554</u>	<u>\$90,514</u>	<u>\$90,373</u>

The Group adopted IFRS 9 for impairment assessment. Please refer to Note 6. (15) for more details on loss allowance and Note 12 for more details on credit risk.

4. Notes receivables and notes receivables-related parties

	<u>31 Mar. 2025</u>	<u>31 Dec. 2024</u>	<u>31 Mar. 2024</u>
Notes receivable	\$5,706	\$6,889	\$12,381
Less: allowance for doubtful accounts	(14)	(15)	(41)
Subtotal	5,692	6,874	12,340
Notes receivables - related parties	5,115	4,107	1,131
Total	<u>\$10,807</u>	<u>\$10,981</u>	<u>\$13,471</u>

Notes receivables were not pledged as collateral.

The Group adopted IFRS 9 for impairment assessment. Please refer to Note 6. (15) for more details on loss allowance and Note 12 for more details on credit risk.

5. Accounts receivables and accounts receivables-related parties

	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
Accounts receivable - measured at fair value through other comprehensive income (Note)	\$624,249	\$591,767	\$392,945
Accounts receivable - measured at amortized cost	3,818,565	3,583,491	3,748,276
Less: allowance for doubtful accounts	(290,037)	(289,741)	(244,094)
Subtotal	3,528,528	3,293,750	3,504,182
Accounts receivable - related parties	71,764	68,181	60,517
Less: allowance for doubtful accounts	(687)	(650)	(4,224)
Subtotal	71,077	67,531	56,293
Total	<u>\$4,223,854</u>	<u>\$3,953,048</u>	<u>\$3,953,420</u>

(Note): The Group has assessed the operating model for accounts receivable and determined appropriate classification. Some accounts receivables are habitual and sold to banks without recourse. The operating model involves selling and collecting contractual cash flows; hence they are measured at fair value through other comprehensive income.

Please refer to Note 8 for more details on accounts receivables under pledge.

Trade receivables are generally on 30–120-day terms. Accounts receivables amounted to NT\$4,514,578 thousand, NT\$4,243,439 thousand, and NT\$4,201,738 thousand as at 31 March 2025, 31 December 2024, and 31 March 2024, respectively. Please refer to Note 6.(15) for more details on allowance for doubtful accounts for the three months ended 31 March 2025 and 2024 and please refer to Note 12 for credit risk.

6. Inventories

	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
Raw materials	\$1,062,433	\$1,080,658	\$979,738
Work in process	291,718	239,687	360,569
Finished goods	3,929,512	3,649,248	3,507,145
Merchandise	512,130	527,114	504,894
Total	<u>\$5,795,793</u>	<u>\$5,496,707</u>	<u>\$5,352,346</u>

For the three months ended 31 March 2025 and 2024, the cost of inventories recognized as expenses amounted to NT\$3,445,635 thousand, and NT\$3,573,477 thousand, respectively, including inventory valuation losses of NT\$16,558 thousand recognized for the three months ended 31 March 2025, and gains on reversal of inventory valuation losses of NT\$6,449 thousand for the three months ended 31 March 2024, as the circumstances that previously caused inventories to be written down below cost no longer exist.

Please refer to Note 8 for more details on inventories under pledge.

7. Investments accounted for under the equity method

Details are as follows:

Investee Company	31 Mar. 2025		31 Dec. 2024		31 Mar. 2024	
	Amount	Percentage of ownership	Amount	Percentage of ownership	Amount	Percentage of ownership
Investments in the associates:						
I YUAN PRECISION INDUSTRIAL CO., LTD	\$258,494	18.17%	\$254,938	18.17%	\$257,315	18.17%
JNS AUTO PARTS LIMITED	167,838	20.00%	158,595	20.00%	167,879	20.00%
CHIN-LI-MA HIGHT PERFORMANCE LUMINAIRE CO., LTD.	-	30.00%	-	30.00%	-	30.00%
JNS (THAI) AUTOTECH CO., LTD.	51,297	30.00%	51,297	30.00%	-	-%
HANGZHOU SUNNYTECH CO., LTD.	7,902	30.00%	8,851	30.00%	10,601	30.00%
ATECH INTERNATIONAL CO., LTD.	38,267	25.00%	37,562	25.00%	37,971	25.00%
Subtotal	<u>523,798</u>		<u>511,243</u>		<u>473,766</u>	
Investment in jointly controlled entities:						
PT ASTRA JUOKU INDONESIA	329,065	50.00%	311,514	50.00%	286,239	50.00%
VARROC TYC CORPORATION	1,377,125	50.00%	1,340,406	50.00%	1,285,317	50.00%
Subtotal	<u>1,706,190</u>		<u>1,651,920</u>		<u>1,571,556</u>	
Total	<u><u>\$2,229,988</u></u>		<u><u>\$2,163,163</u></u>		<u><u>\$2,045,322</u></u>	

(1) Investments in the associates

The Group's investments in the associates are not individually material. The aggregate financial information of the Group's investments in associates was as follows:

	For the three months ended 31 Mar. 2025	For the three months ended 31 Mar. 20254
Profit (loss) from continuing operations	\$8,543	\$9,572
Other comprehensive income (post-tax)	3,210	3,033
Total comprehensive income (loss)	<u><u>\$11,753</u></u>	<u><u>\$12,605</u></u>

The associates had no contingent liabilities or capital commitments as at 31 March 2025, 31 December 2024, and 31 March 2024.

(2) Investments in joint venture

① Information on the material joint venture of the Group:

Company name: VARROC TYC CORPORATION (VARROC)

Nature of relationship with the joint venture: VARROC engages in reinvestment holding activities. Its subsidiary, VARROC TYC AUTO LAMPS CO., LTD. (VTYC) engages in manufacturing and sales of lighting fixtures and daily-use products for automobiles.

Principal place of business (country of incorporation) : CHINA

Fair value of the investment in the joint venture when there is a quoted market price for the investment: VARROC TYC is an unlisted entity.

Reconciliation of the joint venture's aggregate financial information presented to the carrying amount of the Group's interest in the joint venture:

	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
Current assets	\$3,613,743	\$3,475,705	\$3,222,703
Non-current assets	2,797,061	2,703,386	2,543,836
Current liabilities	(3,602,590)	(3,391,222)	(3,022,319)
Non-current liabilities	(53,964)	(107,057)	(173,586)
Equity	2,754,250	2,680,812	2,570,634
Proportion of the Group's ownership	50%	50%	50%
Carrying amount of the investment	<u>\$1,377,125</u>	<u>\$1,340,406</u>	<u>\$1,285,317</u>

	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
Cash and cash equivalents	\$426,777	\$306,228	\$538,500
Current financial liabilities excluding trade and other payables and provisions	(539,157)	(689,570)	(244,644)
Non-current financial liabilities excluding trade and other payables and provisions	-	-	(140,174)

	For the three months ended 31 Mar. 2025	For the three months ended 31 Mar. 2024
Operating revenues	\$909,924	\$886,792
Depreciation	61,020	58,051
Amortization	73,694	45,174
Interest income	465	2,261
Interest expense	5,796	6,637
Income tax (benefit)	(12,777)	(9,086)
Profit or loss from continuing operations	16,351	(4,929)
Other comprehensive income	57,088	47,280
Total comprehensive income	73,439	42,351

The joint venture had no contingent liabilities or capital commitments as at 31 March 2025, 31 December 2024, and 31 March 2024. VTYC cannot distribute its profits until it obtains consent from the two venture partners.

- ②The Group's investments in PT ASTRA JUOKU INDONESIA are not individually material. The aggregate financial information of the Group's investments in PT ASTRA JUOKU INDONESIA was as follows:

	For the three months ended 31 Mar. 2025	For the three months ended 31 Mar. 2024
Profit or loss from continuing operations	\$17,464	\$13,464
Other comprehensive income (post-tax)	50	3,951
Total comprehensive income	<u>\$17,514</u>	<u>\$17,415</u>

The joint venture had no contingent liabilities or capital commitments as at 31 March 2025, 31 December 2024, and 31 March 2024. PT ASTRA JUOKU INDONESIA cannot distribute its profits until it obtains the consent from the two venture partners.

(3) The investments accounted for using equity method as of 31 March 2025 and 2024 amounted to NT\$2,229,988 thousand and NT\$2,045,322 thousand, respectively. Share of profit or loss of associates and joint ventures accounted for using equity method for the three months ended 31 March 2025 and 2024 amounted to NT\$34,161 thousand and NT\$20,571 thousand, respectively. Share of other comprehensive income of associates and joint ventures accounted for using equity method for the three months ended 31 March 2025 and 2024 amounted to NT\$26,094 thousand and NT\$25,896 thousand, respectively. Those were recognized based on the financial statements of the investees not reviewed by independent auditors.

8. Property, plant and equipment

Owner occupied property, plant and equipment

	Land	Land and improvement	Buildings	Machinery and equipment	Molding equipment	Electrical equipment	Transportation equipment	Miscellaneous equipment	Construction in progress	Total
Cost:										
1 Jan. 2025	\$1,340,545	\$14,343	\$4,276,058	\$2,615,005	\$9,949,201	\$316,044	\$242,270	\$1,271,864	\$9,662	\$20,034,992
Addition	-	-	8,675	33,250	335,412	-	1,200	6,989	3,204	388,730
Disposal	-	-	(2,825)	(99,285)	(237,799)	(543)	(865)	(2,052)	-	(343,369)
Other changes	-	-	1,051	-	-	-	-	-	(1,051)	-
Exchange differences	3,148	86	30,998	10,332	5,775	475	754	11,110	196	62,874
31 Mar. 2025	<u>\$1,343,693</u>	<u>\$14,429</u>	<u>\$4,313,957</u>	<u>\$2,559,302</u>	<u>\$10,052,589</u>	<u>\$315,976</u>	<u>\$243,359</u>	<u>\$1,287,911</u>	<u>\$12,011</u>	<u>\$20,143,227</u>
1 Jan. 2024	\$1,100,141	\$14,105	\$3,911,770	\$2,542,571	\$9,884,280	\$306,502	\$234,157	\$1,173,468	\$175,120	\$19,342,114
Addition	-	-	207	12,740	217,211	5,281	1,857	7,358	44,458	289,112
Disposal	-	-	-	(21,637)	(252,815)	-	(2,507)	(37,693)	-	(314,652)
Other changes	-	-	-	39	-	-	-	-	(39)	-
Exchange differences	5,548	(69)	28,314	5,869	(2,917)	(310)	32	5,810	3,277	45,554
31 Mar. 2024	<u>\$1,105,689</u>	<u>\$14,036</u>	<u>\$3,940,291</u>	<u>\$2,539,582</u>	<u>\$9,845,759</u>	<u>\$311,473</u>	<u>\$233,539</u>	<u>\$1,148,943</u>	<u>\$222,816</u>	<u>\$19,362,128</u>
Depreciation and impairment:										
1 Jan. 2025	\$-	\$10,746	\$1,816,659	\$2,091,508	\$6,247,322	\$237,647	\$161,140	\$928,168	\$-	\$11,493,190
Depreciation	-	201	38,875	34,906	271,077	3,141	4,227	22,351	-	374,778
Disposal	-	-	(2,589)	(98,995)	(237,599)	(543)	(721)	(2,045)	-	(342,492)
Exchange differences	-	86	12,162	8,262	5,592	425	677	9,440	-	36,644
31 Mar. 2025	<u>\$-</u>	<u>\$11,033</u>	<u>\$1,865,107</u>	<u>\$2,035,681</u>	<u>\$6,286,392</u>	<u>\$240,670</u>	<u>\$165,323</u>	<u>\$957,914</u>	<u>\$-</u>	<u>\$11,562,120</u>
1 Jan. 2024	\$-	\$9,694	\$1,657,325	\$2,009,090	\$6,224,519	\$223,675	\$152,665	\$878,986	\$-	\$11,155,954
Depreciation	-	210	32,201	35,668	256,254	3,175	4,621	20,574	-	352,703
Disposal	-	-	-	(21,637)	(252,815)	-	(2,148)	(37,694)	-	(314,294)
Exchange differences	-	(69)	7,217	3,525	(3,119)	(301)	143	4,354	-	11,750
31 Mar. 2024	<u>\$-</u>	<u>\$9,835</u>	<u>\$1,696,743</u>	<u>\$2,026,646</u>	<u>\$6,224,839</u>	<u>\$226,549</u>	<u>\$155,281</u>	<u>\$866,220</u>	<u>\$-</u>	<u>\$11,206,113</u>
Net carrying amount:										
31 Mar. 2025	<u>\$1,343,693</u>	<u>\$3,396</u>	<u>\$2,448,850</u>	<u>\$523,621</u>	<u>\$3,766,197</u>	<u>\$75,306</u>	<u>\$78,036</u>	<u>\$329,997</u>	<u>\$12,011</u>	<u>\$8,581,107</u>
31 Dec. 2024	<u>\$1,340,545</u>	<u>\$3,597</u>	<u>\$2,459,399</u>	<u>\$523,497</u>	<u>\$3,701,879</u>	<u>\$78,397</u>	<u>\$81,130</u>	<u>\$343,696</u>	<u>\$9,662</u>	<u>\$8,541,802</u>
31 Mar. 2024	<u>\$1,105,689</u>	<u>\$4,201</u>	<u>\$2,243,548</u>	<u>\$512,936</u>	<u>\$3,620,920</u>	<u>\$84,924</u>	<u>\$78,258</u>	<u>\$282,723</u>	<u>\$222,816</u>	<u>\$8,156,015</u>

The amounts of capitalized interests and interest rates are as follows:

Items	For the three months ended 31 Mar. 2025	For the three months ended 31 Mar. 20254
Construction in progress and prepayment for equipment	\$5,924	\$4,430
The interest rate interval of borrowing cost capitalization	1.82%~1.90%	1.61%~1.75%

The material components of the Group's building that have different useful lives are the main buildings and factories, which are depreciated based on the useful lives of 60 years and 35 years, respectively.

The material components of equipment are mainly processing equipment, and are depreciated based on the useful lives of 10 years.

Please refer to Note 8 for more details on property, plant and equipment under pledge.

9. Short-term borrowings

	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
Unsecured bank loans	\$1,089,914	\$885,521	\$1,381,947
Secured bank loans	1,494,450	1,147,650	992,000
Total	\$2,584,364	\$2,033,171	\$2,373,947
Interest rate interval	1.83%~6.48%	1.83%~6.48%	1.72%~7.39%

Land, buildings and structures, part of the accounts receivables and inventories are pledged as collaterals for the secured bank loans. Please refer to Note 8 for details about guarantees.

10. Short-term notes and bills payables

	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
Commercial paper payables	\$420,000	\$40,000	\$80,000
Less: discounts on commercial paper payables	(179)	(32)	(97)
Total	\$419,821	\$39,968	\$79,903
Interest rate interval	1.92%~1.99%	1.99%	1.98%

11. Long-term borrowings

(1) Details of long-term borrowings are as follows:

	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
Secured loans	\$1,873,439	\$1,746,846	\$1,475,343
Credit loans	5,647,821	5,013,123	4,903,026
Subtotal	7,521,260	6,759,969	6,378,369
Less: current portion	(591,730)	(645,152)	(833,023)
Total	<u>\$6,929,530</u>	<u>\$6,114,817</u>	<u>\$5,545,346</u>
Loan period	105.12.27~ 128.12.19	105.12.27~ 120.12.27	105.12.27~ 120.12.27
Interest rate interval	<u>1.34%~7.00%</u>	<u>1.34%~7.00%</u>	<u>1.33%~7.00%</u>

(2) W&W REAL PROPERTY, INC.'s financial ratios shall be calculated based on the information recorded in the borrower's latest certified financial report or audit report and shall comply with the financial ratios as follows: Debt service coverage ratio shall be no less than 1.35. from the execution date of and for the duration of the contract signed with California Bank & Trust (CBT).

(3) W&W REAL PROPERTY, INC.'s financial ratios shall be calculated based on the information recorded in the borrower's latest certified financial report or audit report and shall comply with the financial ratios as follows: Debt service coverage ratio shall be no less than 1.1, from the execution date of and for the duration of the contract signed with First Commercial Bank., LTD. (FCB).

(4) In 2019, the Group financed with designated banks in accordance with the "Project Loan Guidelines to Welcoming Overseas Taiwanese Businesses Return to Invest in Taiwan", and entered into contract terms and normative matters, and completed them in accordance with the approval letter.

(5) Please refer to Note 8 for information on collaterals pledged for the aforementioned long-term borrowings.

12. Post-Employment Benefits

Defined contribution plan

Expenses under the defined contribution plan for the three months ended 31 March 2025 and 2024 were NT\$20,507 thousand and NT\$19,919 thousand, respectively.

Defined benefit plan

Expenses under the defined benefit plan for the three months ended 31 March 2025 and 2024 were NT\$956 thousand and NT\$918 thousand, respectively.

13. Equity

(1) Common stock

As of 31 March 2025, 31 December, 2024, and 31 March 2024, TYC BROTHER INDUSTRIAL CO., LTD.'s authorized and issued capital was both NT\$4,000,000 thousand with a par value at NT\$10 per share, accounting to 400,000 thousand common shares. Its ordinary share capital amounted to \$3,128,979 with 312,898 thousand common shares. It also issued preferred shares capital in the amount of \$300,000, divided into 30,000 thousand shares.

Preferred stock

On 25 March 2021, the Company's board of directors resolved to increase capital by issuing preference shares A, which was approved by the FSC under a letter dated 26 May 2021. The record date of capital increase was set as 5 August 2021. The Company was expected to issue 30,000 thousand shares with a par value of NT\$10 per share at the issue price of NT\$50 per share. The rights and obligations of this issue are as follows:

- A. Maturity date: No maturity date. The preferred shareholders have no rights to request the Company to buy back preferred share A. The Company has the right to buy back all or part of the preferred share A as of five years after the issue date. The preferred shares still outstanding will retain the aforementioned rights and obligations. If the Company pays out dividends in the year of buyback, the dividend amount will be prorated based on the outstanding days.
- B. Dividends: The dividend yield of the preferred share A is 4% (annual rate), (5-year interest rate swap (IRS) rate, 0.64275% + fixed rate, 3.35725%) and calculated at the issue price per share. The five-year IRS rate will be reset on the next business day five years after the issue date and every five years thereafter. The record date of the reset is two business days of financial institutions in Taipei prior to the reset date. The five-year IRS rate is the arithmetic means of the offer prices of Reuter's TAIFXIRS and COSMOS3 at 11 a.m. on the record date of the reset (business day of financial institutions in Taipei). If the aforesaid offer prices are unavailable on the record date of the reset, the five-year IRS rate shall be determined by the Company based on the principle of good faith and reasonable market conditions.
- C. Dividend payment: The dividends of preferred share A are fully distributed in cash every year. After the financial statements are adopted in an annual general meeting, the board of directors shall authorize the chairman to set the record date for paying the preferred share dividends of the previous year. The number of dividends issued in the year of issue and in the year of redemption is calculated based on the actual number of days of issue in the current year.

- D. The Company shall apply the current year's earnings, if any, to pay for taxes as stipulated by laws and regulations, offset accumulated losses of previous years, and allocate 10% as legal reserve pursuant to laws and regulations. Special reserve shall be set aside or reversed from net shareholders' equity reduction in current or accumulative in prior years in accordance with related regulations. The remaining earnings along with the accumulated unappropriated earnings in prior years as shareholders' bonus shall be appropriated as preferred share dividends in accordance with Article 7-1, Articles of Incorporation.
- E. The Company has discretion over the distribution of preferred stock dividends. If the Company does not generate any or sufficient profits during the year for the distribution of preferred stock dividends, it may resolve not to pay out the dividends and preferred stockholders have no rights to object. The board of directors shall propose a surplus earnings distribution in accordance with Article 32-1, Articles of Incorporation to be adopted by the annual general meeting. After the surplus earnings distribution is adopted, the distributable amount of preferred share and common shares shall be distributed to preferred shares first.
- F. The preferred shares A issued are non-cumulative. That is, the undistributed dividends or shortages in dividends distributed shall not be accumulated and paid in subsequent years when profits are generated.
- G. Participating privilege: The shareholders of preferred share A are not entitled to cash-settled or share dividends derived from earnings or capital reserve.
- H. Distribution of residual property: Shareholders of preferred share A have a higher claim to the Company's residual properties than common stockholders. Different types of preferred shares issued by the Company grant holders the same rights to claims, and the shareholders of preferred share A stay subordinate to general creditors. The amount that the shareholders of preferred share A are entitled to is capped at the product of the number of outstanding preferred shares at the time of distribution and issuance price.
- I. Voting rights: Shareholders of preferred share A have neither voting nor election rights. However, they may be elected as directors. They have voting rights in preferred shareholders' meetings or with respect to agendas associated with the rights and obligations of preferred shareholders in shareholders' meetings.

J. Conversion to ordinary shares: Preferred share A is non-convertible.

K. Capital reserve issued at preferred share A premium shall not be used as capital during the issuance of the preferred share.

L. For cash offering of new shares, the shareholders of preferred share A have the same preemptive rights as the common shareholders.

(2) Capital surplus

	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
Issuance of shares			
Common stock	\$1,023,509	\$1,023,509	\$1,023,509
Preferred stock	1,195,878	1,195,878	1,195,878
Subtotal	2,219,387	2,219,387	2,219,387
Treasury stock transactions	28,891	28,891	28,891
Bond conversion	239,469	239,469	239,469
Share of changes in net assets of associate and joint ventures accounted for using the equity method	73,530	73,530	73,530
Adjustments for dividends paid to subsidiaries from parent company	16,623	16,623	14,743
Other	4,547	4,547	4,559
Total	<u>\$2,582,447</u>	<u>\$2,582,447</u>	<u>\$2,580,579</u>

According to the Company Act, the capital reserve shall not be used except for making good the deficit of the company. When a company incurs no loss, it may distribute the capital reserves related to the income derived from the issuance of new shares at a premium or income from endowments received by the company. The distribution could be made in cash or in the form of dividend shares to its shareholders in proportion to the number of shares being held by each of them.

(3) Treasury stock

As of 31 March 2025, 31 December 2024, and 31 March 2024, the Company's shares held by the subsidiary, TI FU INVESTMENT CO., LTD., was both NT\$5,996 thousand, accounting to 940 thousand shares. These shares held by TI FU INVESTMENT CO. LTD. were acquired for the operation before the amendment of the Company Act on 12 November 2001.

(4) Retained earnings and dividend policies

According to the Company's Articles of Incorporation, the current year's net income, after deducting payment of taxes and making up losses for preceding years, shall appropriate 10% as legal reserve, except for when accumulated legal reserve has reached the Company's paid-in capital, the rest shall be appropriated or reserved as special reserve as legally required. If there is still a remaining balance, together with the accumulated undistributed earnings, the Company shall distribute it according to the distribution plan of special dividends (not less than 50% of the available surplus for the current year, of which the cash dividend shall not be less than 10%). The board of directors shall draft a distribution proposal and submit it to the shareholders meeting for a resolution of distribution.

According to the Company Act, the Company needs to set aside amount to legal reserve unless such legal reserve amounts to the total paid-in capital. The legal reserve can be used to make good the deficit of the Company. When the Company incurs no loss, it may distribute the portion of legal reserve which exceeds 25% of the paid-in capital by issuing new shares or by cash in proportion to the number of shares being held by each of the shareholders.

When the Company distributing distributable earnings, it shall set aside to special reserve, an amount equal to "other net deductions from shareholders" equity for the current fiscal year, provided that if the Company has already set aside special reserve according to the requirements for the adoption of IFRS, it shall set aside supplemental special reserve based on the difference between the amount already set aside and other net deductions from shareholders' equity. For any subsequent reversal of other net deductions from shareholders' equity, the amount reversed may be distributed from the special reserve.

The FSC on 31 March 2021 issued Order No. Financial-Supervisory-Securities-Corporate-1090150022, which sets out the following provisions for compliance:

On a public company's first-time adoption of the IFRS, for any unrealized revaluation gains and cumulative translation adjustments (gains) recorded to shareholders' equity that the company elects to transfer to retained earnings by application of the exemption under IFRS 1, the company shall set aside special reserve. For any subsequent use, disposal or reclassification of related assets, the Company can reverse the special reserve by the proportion of the special reserve first appropriated and distribute it.

The appropriations of earnings for 2024 were proposed at the board of directors' meeting on March 13, 2025. The appropriations of earning for 2023 were resolved at the general shareholders' meeting on June 18, 2024. The proposals were as follows:

	Appropriation of earnings		Dividend per share (NT\$)	
	2024	2023	2024	2023
Legal reserve	\$156,115	\$106,744		
Special reserve	(109,965)	115,752		
Common stock -cash dividend	938,694	625,796	NT\$3.0 per share	NT\$2.0 per share
Preferred stock -cash dividend	60,000	60,000	NT\$2.0 per share	NT\$2.0 per share

Please refer to Note 6.(17) for relevant information on estimation basis and recognized amount of employees' compensations and remunerations to directors.

(5) Non-controlling interests

	For the three months ended 31 Mar. 2025	For the three months ended 31 Mar. 2024
Beginning balance	\$324,104	\$338,773
Profit (loss) attributable to non-controlling interests	13,680	21,650
Other comprehensive income attributable to non- controlling interests, net of tax:		
Exchange differences resulting from translating the financial statements of foreign operations	424	2,758
Ending balance	<u>\$338,208</u>	<u>\$363,181</u>

14. Operating revenue

	For the three months ended 31 Mar. 2025	For the three months ended 31 Mar. 2024
Revenue from contracts with customers		
Sale of goods	<u>\$4,912,745</u>	<u>\$5,116,170</u>
Time point of revenue recognition:		
At a point of time	<u>\$4,912,745</u>	<u>\$5,116,170</u>

Please refer to Note 14 for information on details of revenue.

15. Expected credit losses / (gains)

	For the three months ended 31 Mar. 2025	For the three months ended 31 Mar. 2024
Operating expense - expected credit losses(gains)		
Notes receivables	\$(1)	\$15
Accounts receivables	<u>1,350</u>	<u>3,566</u>
Total	<u>\$1,349</u>	<u>\$3,581</u>

Please refer to Note 12 for more details on credit risk.

The credit risk of financial assets at amortized cost is assessed as low as of 31 March 2025 and 2024 (the same as the assessment result in the beginning of the period). Therefore, the loss allowance is measured at an amount equal to 12-month expected credit losses. As the Group transacts with are financial institutions with good credit, no allowance for losses has been provided for the three months ended 31 March 2025 and 2024.

The Group measures the loss allowance of its trade receivables (including note receivables and trade receivables) at an amount equal to lifetime expected credit losses. The assessment of the Group's loss allowance as at 31 March 2025, 31 December 2024, and 31 March 2024 is as follows:

The Group considers trade receivables that the credit loss is actually included in the impairment loss except for individual customers by counterparties' credit rating, by geographical region and by industry sector and its loss allowance are measured by using provision matrix, details are as follows:

As at 31 March 2025

	Not yet due (Note)	Overdue				Carrying amount
		<=90 days	91-180 days	181-270 days	>=271 days	
Gross carrying amount	\$3,749,251	\$515,409	\$36,272	\$1,030	\$223,437	\$4,525,399
Loss ratio	0%~1%	1%~8%	40%~45%	100%	100%	
Lifetime expected credit losses	(10,441)	(39,974)	(15,856)	(1,030)	(223,437)	(290,738)
Carrying amount	<u>\$3,738,810</u>	<u>\$475,435</u>	<u>\$20,416</u>	<u>\$-</u>	<u>\$-</u>	<u>\$4,234,661</u>

As at 31 December 2024

	Not yet due (Note)	Overdue				Carrying amount
		<=90 days	91-180 days	181-270 days	>=271 days	
Gross carrying amount	\$3,550,205	\$461,908	\$15,236	\$4,010	\$223,076	\$4,254,435
Loss ratio	0%~1%	1%~10%	40%~50%	100%	100%	
Lifetime expected credit losses	(31,039)	(26,037)	(6,244)	(4,010)	(223,076)	(290,406)
Carrying amount	<u>\$3,519,166</u>	<u>\$435,871</u>	<u>\$8,992</u>	<u>\$-</u>	<u>\$-</u>	<u>\$3,964,029</u>

As at 31 March 2024

	Not yet due (Note)	Overdue				Carrying amount
		<=90 days	91-180 days	181-270 days	>=271 days	
Gross carrying amount	\$3,739,776	\$248,150	\$3,312	\$2,382	\$221,630	\$4,215,250
Loss ratio	0%~1%	1%~5%	30%~35%	100%	100%	
Lifetime expected credit losses	(15,225)	(8,095)	(1,027)	(2,382)	(221,630)	(248,359)
Carrying amount	<u>\$3,724,551</u>	<u>\$240,055</u>	<u>\$2,285</u>	<u>\$-</u>	<u>\$-</u>	<u>\$3,966,891</u>

Note: The Group's note receivables are not overdue.

The movement in the provision for impairment of note receivables and accounts receivables for the three months ended 31 March 2025 and 2024 is as follows:

	Notes receivables	Accounts receivables
1 Jan. 2025	\$15	\$290,391
Addition	(1)	1,350
Write-off due to uncollectibility	-	(1,017)
31 Mar. 2025	<u>\$14</u>	<u>\$290,724</u>
1 Jan. 2024	\$26	\$244,752
Addition	15	3,566
31 Mar. 2024	<u>\$41</u>	<u>\$248,318</u>

16. Leases

(1) Group as a lessee

The Group leases various properties, including real estate such as land, buildings machinery and equipment, transportation equipment and other equipment. The lease terms range from 3 to 50 years.

The Group's leases effect on the financial position, financial performance and cash flows are as follows:

A. Amounts recognized in the balance sheet

(a) Right-of-use assets

The carrying amount of right-of-use assets

	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
Land	\$991,212	\$990,194	\$1,205,501
Buildings	889,377	901,613	977,684
Transportation equipment	38	94	241
Office equipment	99	111	140
Total	<u>\$1,880,726</u>	<u>\$1,892,012</u>	<u>\$2,183,566</u>

For the three months ended 31 March 2025 and 2024, the Group's additions to right-of-use assets amounting to NT\$34,878 thousand and NT\$0 thousand, respectively.

(b) Lease liabilities

	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
Current	\$299,444	\$284,589	\$262,222
Non-current	1,412,899	1,450,573	1,737,969
Total	<u>\$1,712,343</u>	<u>\$1,735,162</u>	<u>\$2,000,191</u>

Please refer to Note 6.18(3) for the interest on lease liabilities recognized for the three months ended 31 March 2025 and 2024 and refer to Note 12. (5) Liquidity Risk Management for the maturity analysis for lease liabilities as at 31 March 2025 and 2024.

B. Amounts recognized in the statement of profit or loss

Depreciation charge for right-of-use assets

	For the three months ended 31 Mar. 2025	For the three months ended 31 Mar. 2024
Land	\$697	\$685
Buildings	60,864	50,147
Transportation equipment	57	52
Office equipment	14	13
Total	<u>\$61,632</u>	<u>\$50,897</u>

C. Income and costs relating to leasing activities

	For the three months ended 31 Mar. 2025	For the three months ended 31 Mar. 2024
The expenses relating to short-term leases	\$1,011	\$3,451
The expenses relating to leases of low-value assets (Not including the expenses relating to short-term leases of low-value assets)	310	532

D. Cash outflow relating to leasing activities

For the three months ended 31 March 2025 and 2024, the Group's total cash outflows for leases amounting to NT\$89,630 thousand and NT\$85,091 thousand, respectively.

17. The Group's aggregate information on personnel, depreciation and amortization expenses is as follows:

Function Character	For the three months ended 31 March 2025			For the three months ended 31 March 2024		
	Classified as operating costs	Classified as operating expenses	Total	Classified as operating costs	Classified as operating expenses	Total
Employee benefits expense						
Salaries	\$248,178	\$281,084	\$529,262	\$239,483	\$280,447	\$519,930
Insurances	27,018	35,443	62,461	26,669	31,506	58,175
Pensions	9,782	11,681	21,463	9,715	11,122	20,837
Other personnel expenses	15,309	7,379	22,688	15,450	7,034	22,484
Depreciations	333,448	102,962	436,410	316,446	87,154	403,600
Amortization	3,708	3,525	7,233	3,730	3,170	6,900

According to the Articles of Incorporation, 1% of profit of the current year is distributable as employees' compensation and no higher than 3% of profit of the current year is distributable as remuneration to directors and supervisors. However, the company's accumulated losses shall have been covered. The Company may, by a resolution adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors, have the profit distributable as employees' compensation in the form of shares or in cash; and in addition, there to a report of such distribution is submitted to the shareholders' meeting. Information on the board of directors' resolution regarding the employees' compensation and remuneration to directors and supervisors can be obtained from the "Market Observation Post System" on the website of the TWSE.

Based on the profit level for the three months ended 31 March 2025, the Company accrued NT\$12,000 thousand employees' compensation and NT\$5,500 thousand remunerations to directors, and recognized NT\$12,000 thousand employees' compensation and NT\$5,500 thousand remunerations as salaries expenses. Based on the profit level for the three months ended 31 March 2024, the Company accrued NT\$9,000 thousand employees' compensation and NT\$4,500 thousand remunerations to directors, and recognized NT\$9,000 thousand employees' compensation and NT\$4,500 thousand remunerations as salaries expenses.

A resolution was approved at a Board of Directors meeting held on 13 March 2025 to distribute NT\$46,000 thousand and NT\$24,000 thousand in cash as employee's compensation and remuneration to directors, respectively, which are not significantly different from the amounts of expenses recognized in the financial statements for the year ended 31 December 2024.

18. Non-operating income and expenses

(1) Other income

	For the three months ended 31 Mar. 2025	For the three months ended 31 Mar. 2024
Rent income	\$2,227	\$2,042
Interest income	2,380	7,522
Other income - other	17,601	13,590
Total	<u>\$22,208</u>	<u>\$23,154</u>

(2) Other gains and losses

	For the three months ended 31 Mar. 2025	For the three months ended 31 Mar. 2024
Gains on disposal of property, plant and equipment	\$89	\$406
Foreign exchange gains, net	135,945	182,043
(Losses) on financial assets or liabilities at fair value through profit or loss	(11,088)	(9,624)
Other losses	(103,279)	(2,642)
Total	<u>\$21,667</u>	<u>\$170,183</u>

(3) Finance costs

	For the three months ended 31 Mar. 2025	For the three months ended 31 Mar. 2024
Interest on borrowings from bank	\$(64,729)	\$(72,833)
Interest on lease liabilities	(15,289)	(17,790)
Total	<u>\$(80,018)</u>	<u>\$(90,623)</u>

19. Components of other comprehensive income (loss)

For the three months ended 31 March 2025

	Arising during the period	Income tax profit (expense)	Net of tax
Items that will not be reclassified subsequently to profit or loss:			
Unrealized gains (loss) on valuation of investments in equity instruments measured at fair value through other comprehensive income	\$(17,719)	\$-	\$(17,719)
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations	96,235	(19,162)	77,073
Share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method	32,618	(6,524)	26,094
Total	<u>\$111,134</u>	<u>\$(25,686)</u>	<u>\$85,448</u>

For the three months ended 31 March 2024

	Arising during the period	Income tax profit (expense)	Net of tax
Items that will not be reclassified subsequently to profit or loss:			
Unrealized gains (loss) on valuation of investments in equity instruments measured at fair value through other comprehensive income	\$(15,571)	\$-	\$(15,571)
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations	99,269	(19,302)	79,967
Share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method	32,370	(6,474)	25,896
Total	<u>\$116,068</u>	<u>\$(25,776)</u>	<u>\$90,292</u>

20. Income tax

The major components of income tax expense (benefit) are as follows:

Income tax expense recognized in profit or loss

	For the three months ended 31 Mar. 2025	For the three months ended 31 Mar. 2024
Current income tax expense (benefit):		
Current income tax charge	\$138,322	\$163,309
Deferred tax expense (benefit):		
Deferred tax expense (benefit) related to origination and reversal of temporary differences	(26,499)	24,652
Other components of deferred tax expense (profit)	(247)	(872)
Total income tax expense	<u>\$111,576</u>	<u>\$187,089</u>

Income tax relating to components of other comprehensive income

	For the three months ended 31 Mar. 2025	For the three months ended 31 Mar. 2024
Deferred tax expense (benefit):		
Exchange differences on translation of foreign operations	\$19,162	\$19,302
Share of other comprehensive income of associates and joint ventures accounted for using equity method	6,524	6,474
Income tax relating to components of other comprehensive income	<u>\$25,686</u>	<u>\$25,776</u>

The assessment of income tax returns

As at 31 March 2025, the assessment of the income tax returns of the Company and its subsidiaries is as follows:

	The assessment of income tax returns
The Company	2022
Subsidiary – JUOKU TECHNOLOGY	2022
Subsidiary – DBM	2023
Subsidiary – TI YUAN	2023
Subsidiary – TI FU	2023

21. Earnings per share

Basic earnings per share amounts are calculated by dividing the net profit for the period attributable to ordinary equity holders of the parent entity by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

	For the three months ended 31 Mar. 2025	For the three months ended 31 Mar. 2024
(1) Basic earnings per share		
Profit attributable to ordinary equity holders of the Company (in thousand NT\$)	<u>\$434,030</u>	<u>\$628,143</u>
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	<u>311,958</u>	<u>311,958</u>
Basic earnings per share (NT\$)	<u>\$1.39</u>	<u>\$2.01</u>
(2) Diluted earnings per share		
Profit attributable to ordinary equity holders of the Company (in thousand NT\$)	<u>\$434,030</u>	<u>\$628,143</u>
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	311,958	311,958
Effect of dilution:		
Employee bonus — stock (in thousands)	<u>736</u>	<u>685</u>
Weighted average number of ordinary shares outstanding after dilution (in thousands)	<u>312,694</u>	<u>312,643</u>
Diluted earnings per share (NT\$)	<u>\$1.39</u>	<u>\$2.01</u>

During the reporting date and the date the financial statement was prepared, no other transactions affected the common shares and dilutive potential ordinary shares.

VII. RELATED PARTIES TRANSACTIONS

Information of the related parties that had transactions with the Group during the financial reporting period is as follows:

Name and nature of relationship of the related parties

<u>Name of the related parties</u>	<u>Nature of relationships of the related parties</u>
BRITEVIEW AUTOMOTIVE LIGHTING CO., LTD.	The Group is director of the Company
I YUAN PRECISION INDUSTRIAL CO., LTD	Associate
JNS AUTO PARTS LIMITED	Associate
KUNSHAN DIBIAO AUTO PARTS CO., LTD.	Associate
VARROC TYC AUTO LAMPS CO., LTD.	Joint Venture
PT ASTRA JUOKU INDONESIA	Joint Venture
FORTOP INDUSTRIAL CO., LTD.	Substantive related party
BUILDUP INTERNATIONAL TRADING CO., LTD.	Substantive related party
DBM REFLEX ENTERPRISES INC.	Substantive related party

Significant related party transactions

(1) Sales

	<u>For the three months ended 31 Mar. 2025</u>	<u>For the three months ended 31 Mar. 2024</u>
Joint Venture		
VARROC TYC AUTO LAMPS CO., LTD.	\$28,623	\$21,358
PT ASTRA JUOKU INDONESIA	10,580	17,240
Subtotal	39,203	38,598
Associate	914	-
Other related party		
BRITEVIEW AUTOMOTIVE LIGHTING CO., LTD.	11,417	13,816
Other	4,759	3,712
Subtotal	16,176	17,528
Total	<u>\$56,293</u>	<u>\$56,126</u>

The Group sold products to some related parties who were single manufacturers, therefore the price could not be compared. The payment term was T/T 150 days. The sales price of some related parties is equivalent to that of non-related parties, and the terms of collection are every other month, payable between 1 to 3 months, which is equivalent to ordinary transactions.

(2) Purchases

	For the three months ended 31 Mar. 2025	For the three months ended 31 Mar. 2024
Joint Venture	\$6,333	\$3,618
Associate		
I YUAN PRECISION INDUSTRIAL CO., LTD	65,371	69,722
Other	3,143	2,644
Subtotal	68,514	72,366
Other related party		
FORTOP INDUSTRIAL CO., LTD.	254,885	241,811
BUILDUP INTERNATIONAL TRADING CO., LTD.	64,027	68,604
Other	6,392	5,960
Subtotal	325,304	316,375
Total	\$400,151	\$392,359

The Group purchases goods from some related parties. The bargaining method for purchases is the same as that of non-related parties. The payment terms are the next month of the purchase, payable between 1 to 3 months, which is equivalent to ordinary transactions. The purchase price and payment terms of other related parties are equivalent to those of ordinary transactions.

(3) Notes receivables - related parties

	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
Joint venture	\$4,317	\$3,410	\$577
Other related parties	798	697	554
Total	5,115	4,107	1,131

(4) Accounts receivables - related parties

	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
Joint Venture			
PT ASTRA JUOKU INDONESIA	\$31,147	\$24,064	\$19,685
VARROC TYC AUTO LAMPS CO., LTD.	20,450	22,851	18,863
Subtotal	51,597	46,915	38,548
Associate	-	728	-
Other related party			
BRITEVIEW AUTOMOTIVE LIGHTING CO., LTD.	18,419	18,988	20,354
Other	1,748	1,550	1,615
Subtotal	20,167	20,538	21,969
Total	71,764	68,181	60,517
Less: allowance for doubtful accounts	(687)	(650)	(4,224)
Net	\$71,077	\$67,531	\$56,293

(5) Other receivables – related parties

	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
Joint Venture			
VARROC TYC AUTO LAMPS CO.,LTD.	\$963	\$1,580	\$65
Others	8,186	13,368	-
Subtotal	9,149	14,948	65
Associate	114	9,468	17,468
Other related parties	60	-	65
Total	\$9,323	\$24,416	\$17,598

(6) Fund financing

Funds financed to related parties are as follows: (recognized as other receivables)

	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
Joint Venture			
VARROC TYC AUTO LAMPS CO., LTD.	\$200,112	\$195,932	\$-

(7) Accounts payables - related parties

	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
Joint Venture	\$8,383	\$4,974	\$486
Associate			
I YUAN PRECISION INDUSTRIAL CO., LTD	100,063	139,798	103,573
Other	1,752	1,209	1,277
Subtotal	101,815	141,007	104,850
Other related party			
FORTOP INDUSTRIAL CO., LTD.	350,328	302,107	326,206
Other	47,885	45,007	45,336
Subtotal	398,213	347,114	371,542
Total	\$508,411	\$493,095	\$476,878

(8) Key management personnel compensation

	For the three months ended 31 Mar. 2025	For the three months ended 31 Mar. 2024
Short-term employee benefits	\$13,056	\$11,718
Post-employment benefits	161	160
Total	\$13,217	\$11,878

VIII. ASSETS PLEDGED AS SECURITY

The following table lists assets of the Group pledged as collateral:

Item	Carrying amount			Purpose of pledge
	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024	
Property, plant and equipment - Land	\$478,188	\$476,102	\$472,179	Bank borrowings
Property, plant and equipment - Buildings	1,625,279	1,058,470	1,028,061	Bank borrowings
Refundable deposits	23,511	23,511	29,472	Collateral for land lease
Inventories	581,175	573,825	560,000	Bank borrowings
Accounts receivables	1,505,838	1,315,587	1,374,038	Bank borrowings
Total	\$4,213,991	\$3,447,495	\$3,463,750	

IX. SIGNIFICANT CONTINGENCIES AND UNRECOGNIZED CONTRACT COMMITMENT

As at 31 March 2025, the Group is involved in the following activities that are not shown in the financial statements:

1. In order to assist the subsidiary T.I.T. INTERNATIONAL CO., LTD. in obtaining loan credit line, the Company issued a Stand-by L/C USD 1,000 thousand as a guarantee as of 31 March 2025.
2. According to “The Regulations Governing the Establishment and Management of Bonded Warehouses”, the Company paid guarantee payable of bonded warehouse registration in the amount of NT\$ 8,500 thousand as of 31 March 2025.

X. SIGNIFICANT DISASTER LOSS

None.

XI. SIGNIFICANT SUBSEQUENT EVENTS

HYUNDAI MOTOR COMPANY and KIA CORPORATION brought a patent infringement action to the Company and the subsidiary of the Company in the USA, GENERA CORPORATION, in 2021. Each party has reached a settlement regarding the case in April 2025, and mutually agreed no longer claiming rights associated with the case or bringing any legal proceedings to other parties.

XII. OTHER

1. Categories of financial instruments

Financial Assets

	<u>31 Mar. 2025</u>	<u>31 Dec. 2024</u>	<u>31 Mar. 2024</u>
Financial assets at fair value through profit or loss:			
Mandatorily measured at fair value through profit or loss	\$40	\$-	\$-
Financial assets at fair value through other comprehensive income:			
Investments in equity instruments	170,146	167,628	216,619
Accounts receivables	624,249	591,767	392,945
Subtotal	<u>794,395</u>	<u>759,395</u>	<u>609,564</u>

	<u>31 Mar. 2025</u>	<u>31 Dec. 2024</u>	<u>31 Mar. 2024</u>
Financial assets measured at amortized cost:			
Cash and cash equivalents (excluding cash on hand)	3,008,583	1,536,205	1,610,402
Financial assets measured at amortized cost	92,554	90,514	90,373
Notes receivables (related parties included)	10,807	10,981	13,471
Accounts receivables (related parties included)	3,599,605	3,361,281	3,560,475
Other receivables	396,458	405,367	156,542
Refundable deposits (recognized as other non-current assets)	58,228	58,136	61,466
Subtotal	<u>7,166,235</u>	<u>5,462,484</u>	<u>5,492,729</u>
Total	<u><u>\$7,960,670</u></u>	<u><u>\$6,221,879</u></u>	<u><u>\$6,102,293</u></u>

Financial liabilities

	<u>31 Mar. 2025</u>	<u>31 Dec. 2024</u>	<u>31 Mar. 2024</u>
Financial liabilities measured at fair value through profit or loss:			
Mandatorily measured at fair value through profit or loss	<u>\$4,985</u>	<u>\$7,598</u>	<u>\$3,657</u>
Financial liabilities measured at amortized cost:			
Short-term borrowings and short-term notes and bills payable	3,004,185	2,073,139	2,453,850
Payables	5,103,930	5,060,637	4,131,926
Long-term borrowings (current portion included)	7,521,260	6,759,969	6,378,369
Lease liabilities	1,712,343	1,735,162	2,000,191
Guarantee deposit (under the account of other non-current liabilities-others)	75,068	75,855	44,849
Subtotal	<u>17,416,786</u>	<u>15,704,762</u>	<u>15,009,185</u>
Total	<u><u>\$17,421,771</u></u>	<u><u>\$15,712,360</u></u>	<u><u>\$15,012,842</u></u>

2. Financial risk management objectives and policies

The Group's risk management objective is to manage the market risk, credit risk and liquidity risk related to its operating activities. The Group identifies measures and manages the

aforementioned risks based on policy and risk appetite.

The Group has established appropriate policies, procedures and internal controls for financial risk management. Before entering into significant financial activities, due approval process by the board of directors and audit committee must be carried out based on related protocols and internal control procedures. The Group complies with its financial risk management policies at all times.

3. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise currency risk, interest rate risk, and other price risk (such as equity instruments related risks).

In practice, it is rarely the case that a single risk variable will change independently from other risk variable, there is usually interdependencies between risk variables. However, the sensitivity analysis disclosed below does not take into account the interdependence between risk variables.

Foreign currency risk

The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a different currency from the Group's functional currency) and the Group's net investments in foreign subsidiaries.

The Group has certain foreign currency receivables to be denominated in the same foreign currency with certain foreign currency payables, therefore natural hedge is received. The Group also uses forward contracts to hedge the foreign currency risk on certain items denominated in foreign currencies. Hedge accounting is not applied as they did not qualify for hedge accounting criteria. Furthermore, as net investments in foreign subsidiaries are for strategic purposes, they are not hedged by the Group.

The foreign currency sensitivity analysis of the possible change in foreign exchange rates on the Group's profit is performed on significant monetary items denominated in foreign currencies as of the end of the reporting period. The Group's foreign currency risk is mainly affected by USD and EUR. Sensitivity analysis is as follows:

- a. When NTD strengthens/weakens against USD by 1%, the profit or loss for the three months ended 31 March 2025 and 2024 will decrease/increase by NT\$20,582 thousand and NT\$6,700 thousand, respectively.
- b. When NTD strengthens/weakens against EUR by 1%, the profit or loss for the three

months ended 31 March 2025 and 2024 will decrease/increase by NT\$10,643 thousand and NT\$11,548 thousand, respectively.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt instrument investments at variable interest rates, bank borrowings with fixed interest rates and variable interest rates.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable loans and borrowings and entering into interest rate swaps. Hedge accounting does not apply to these swaps as they do not qualify for it.

The interest rate sensitivity analysis is performed on items exposed to interest rate risk as at the end of the reporting period, including investments and borrowings with variable interest rates and interest rate swaps. At the reporting date, a change of 10 basis points of interest rate in a reporting period could cause the profit or loss for the three months ended 31 March 2025 and 2024 to decrease/ increase by NT\$1,782 thousand and NT\$1,794 thousand, respectively.

Equity price risk

The Group's listed and unlisted equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group's listed and unlisted equity securities are classified under financial assets measured at fair value through other comprehensive income. The Group manages the equity price risk through diversification and placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The Group's board of directors reviews and approves all equity investment decisions.

Please refer to Note 12(9) for sensitivity analysis information of other equity instruments or derivatives that are linked to such equity instruments whose fair value measurement is categorized under Level 3.

4. Credit risk management

Credit risk is the risk that a counterparty will not meet its obligations under a contract, leading to a financial loss. The Group is exposed to credit risk from operating activities (primarily for accounts receivables and notes receivables) and from its financing activities, including bank deposits and other financial instruments.

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit limits are established for all customers based on their financial position, rating from credit rating agencies, historical experience, prevailing economic condition and the Group's internal rating criteria etc. Certain customers' credit risk will also be managed by taking credit enhancement procedures, such as requesting for prepayment.

As at 31 March 2025, 31 December 2024, and 31 March 2024, accounts receivables from top ten customers represented 41.91%, 42.59% and 38.23% of the total trade receivables of the Group, respectively. The credit concentration risk of other accounts receivables is insignificant.

Credit risk from balances with banks, fixed income securities and other financial instruments is managed by the Group's treasury in accordance with the Group's policy. The Group only transacts with counterparties approved by the internal control procedures, which are banks and financial institutions, companies and government entities with good credit rating and with no significant default risk. Consequently, there is no significant credit risk for these counterparties.

5. Liquidity risk management

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of cash and cash equivalents, bank borrowings and finance leases. The table below summarizes the maturity profile of the Group's financial liabilities based on the contractual undiscounted payments and contractual maturity. The payment amount includes the contractual interest. The undiscounted payment relating to borrowings with variable interest rates is extrapolated based on the estimated interest rate yield curve as of the end of the reporting period.

Non-derivative financial instruments

	Less than 1 year	2 to 3 years	4 to 5 years	> 5 years	Total
31 Mar. 2025					
Borrowings	\$3,274,029	\$6,333,405	\$341,839	\$482,769	\$10,432,042
Short-term notes and bills payable	420,000	-	-	-	420,000
Payables	5,103,930	-	-	-	5,103,930
Lease liabilities (Note)	350,796	507,143	239,499	696,843	1,794,281

31 Dec. 2024					
Borrowings	\$2,779,374	\$5,751,663	\$561,258	\$19,902	\$9,112,197
Short-term notes and bills payable	40,000	-	-	-	40,000
Payables	5,060,637	-	-	-	5,060,637
Lease liabilities (Note)	330,012	505,563	233,750	709,124	1,778,449

31 Mar. 2023					
Borrowings	\$3,334,623	\$5,124,805	\$402,427	\$437,750	\$9,299,605
Short-term notes and bills payable	80,000	-	-	-	80,000
Payables	4,131,926	-	-	-	4,131,926
Lease liabilities (Note)	326,333	605,682	328,260	891,906	2,152,181

Note : Information about the maturities of lease liabilities is provided in the table below:

	Maturities				Total
	Less than 5 years	5 to 10 years	10 to 15 years	Over 15 years	
31 Mar. 2025	\$1,097,438	\$689,883	\$3,600	\$3,360	\$1,794,281
31 Dec. 2024	1,069,325	709,124	-	-	1,778,449
31 Mar. 2024	1,260,275	461,154	430,752	-	2,152,181

6. Reconciliation of liabilities arising from financing activities

Reconciliation of liabilities for the three months ended 31 March 2025 and 2024:

	Short-term borrowings	Short-term notes and bills payable	Long-term borrowings (current portion included)	Guarantee deposit	Guarantee deposit	Total liabilities from financing activities
1 Jan. 2025	\$2,033,171	\$39,968	\$6,759,969	\$1,735,162	\$75,855	\$10,644,125
Cash flows	525,990	379,853	757,245	(73,020)	(2,391)	1,587,677
Non-cash change	-	-	-	34,878	-	34,878
Foreign exchange movement	25,203	-	4,046	15,323	1,604	46,176
31 Mar. 2025	<u>\$2,584,364</u>	<u>\$419,821</u>	<u>\$7,521,260</u>	<u>\$1,712,343</u>	<u>\$75,068</u>	<u>\$12,312,856</u>
1 Jan. 2024	\$2,247,396	\$159,925	\$6,596,168	\$2,011,481	\$43,974	\$11,058,944
Cash flows	80,425	(80,022)	(230,615)	(63,318)	69	(293,461)
Non-cash change	-	-	-	12,751	-	12,751
Foreign exchange movement	46,126	-	12,816	39,277	806	99,025
31 Mar. 2024	<u>\$2,373,947</u>	<u>\$79,903</u>	<u>\$6,378,369</u>	<u>\$2,000,191</u>	<u>\$44,849</u>	<u>\$10,877,259</u>

7. Fair value of financial instruments

- (1) The methods and assumptions applied in determining the fair value of financial instruments:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used by the Group to measure or disclose the fair values of financial assets and financial liabilities:

- A. The carrying amount of cash and cash equivalents, trade receivables, accounts payable, and other current liabilities approximate their fair value due to their short maturities.
- B. For financial assets and liabilities traded in an active market with standard terms and conditions, their fair value is determined based on market quotation price (including listed equity securities etc.) at the reporting date.
- C. Fair value of equity instruments without market quotations (including private company equity securities) are estimated using the market method valuation techniques based on parameters such as prices based on market transactions of equity instruments of identical or comparable entities and other relevant information (for example, inputs such as discount for lack of marketability, P/E ratio of similar entities and Price-Book ratio of similar entities)
- D. Fair value of debt instruments without market quotations, bank loans, short-term notes and bills payable and other non-current liabilities are determined based on the counterparty prices or valuation method. The valuation method uses DCF method as a basis, and the assumptions such as the interest rate and discount rate are primarily based on relevant information of similar instrument (such as yield curves published by the Taipei Exchange, average prices for Fixed Rate Commercial Paper published by Reuters and credit risk, etc.)

- (2) Fair value of financial instruments measured at amortized cost

The carrying amount of financial assets and liabilities at fair value through profit or loss approaches fair value.

- (3) Fair value measurement hierarchy for financial instruments

Please refer to Note 12.(9) for fair value measurement hierarchy for financial instruments of the Group.

8. Derivative financial instruments

The Group's derivative financial instruments include forward currency contracts and embedded derivatives. The related information for derivative financial instruments is not qualified for hedge accounting and is not yet settled as at 31 March 2025, 31 December 2024, and 31 March 2024 is as follows:

Forward currency contracts

The Group entered into forward currency contracts to manage its exposure to financial risk, but these contracts are not designated as hedging instruments. The table below lists the information related to forward currency contracts:

<u>Item (by contract)</u>	<u>Notional Amount</u>	<u>Contract Period</u>
As at 31 Mar. 2025		
Forward currency contracts	Sell foreign currency USD 3,000 thousand	From 6 Feb. 2025 to 9 May 2025
Forward currency contracts	Sell foreign currency EUR 3,000 thousand	From 31 Mar. 2025 to 19 May 2025
As at 31 Dec. 2024		
Forward currency contracts	Sell foreign currency USD 13,000 thousand	From 17 Oct. 2024 to 11 Mar. 2025
As at 31 Mar. 2024		
Forward currency contracts	Sell foreign currency USD 17,000 thousand	From 1 Mar. 2024 to 3 Jun. 2024

With regard to the forward foreign exchange contracts, as they have been entered into to hedge the foreign currency risk of net assets or net liabilities, and there will be corresponding cash inflow or outflows upon maturity and the Group has sufficient operating funds, the cash flow risk is insignificant.

The aforementioned derivatives transaction counterparties are well-known domestic and foreign banks with good credit, so the credit risk is not high.

9. Fair value measurement hierarchy

(a) Fair value measurement hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole. Level 1, 2 and 3 inputs are described as follows:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date

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

Level 3 - Unobservable inputs for the asset or liability

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

(b) Fair value measurement hierarchy of the Group's assets and liabilities

The Group does not have assets that are measured at fair value on a non-recurring basis. Fair value measurement hierarchy of the Group's assets and liabilities measured at fair value on a recurring basis is as follows:

31 Mar. 2025

	Level 1	Level 2	Level 3	Total
Assets measured at fair value:				
Financial assets at fair value through profit or loss				
Forward currency contracts	\$-	\$40	\$-	\$40
Financial assets at fair value through other comprehensive income				
Equity instruments at fair value through other comprehensive income	112,752	-	57,394	170,146
Accounts receivables	-	624,249	-	624,249
Liabilities measured at fair value:				
Financial liabilities at fair value through profit or loss				
Forward currency contracts	-	4,985	-	4,985

31 Dec. 2024

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets measured at fair value:				
Financial assets at fair value through other comprehensive income				
Equity instruments at fair value through other comprehensive income	\$110,234	\$-	\$57,394	\$167,628
Accounts receivables	-	591,767	-	591,767
Liabilities measured at fair value:				
Financial liabilities at fair value through profit or loss				
Forward currency contracts	-	7,598	-	7,598

31 Mar. 2024

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets measured at fair value:				
Financial assets at fair value through other comprehensive income				
Equity instruments at fair value through other comprehensive income	\$151,215	\$-	\$65,404	\$216,619
Accounts receivables	-	392,945	-	392,945
Liabilities measured at fair value:				
Financial liabilities at fair value through profit or loss				
Forward currency contracts	-	3,657	-	3,657

Transfer between fair value hierarchy level 1 and level 2

For the three months ended December 31, 2025 and 2024, there was no transfer between fair value hierarchy level 1 and level 2 in the assets and liabilities measured at fair value on a recurring basis.

Information on significant unobservable inputs to valuation

Description of significant unobservable inputs to valuation of recurring fair value measurements categorized within Level 3 of the fair value hierarchy is as follows:

As at 31 March 2025

	Valuation	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
	techniques				
Financial Assets:					
Financial assets at					
fair value through					
other					
comprehensive					
income, non-current					
stocks	Market	discount for	30%	The higher the	10% increase (decrease) in
	approach	lack of		discount for lack of	the discount for lack of
		marketability		marketability, the	marketability would result
				lower the fair value	in (decrease) increase in the
				of the stocks	Group's profit or loss by
					NT\$9,983 thousand

As at 31 December 2024

	Valuation	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
	techniques				
Financial Assets:					
Financial assets at					
fair value through					
other					
comprehensive					
income, non-current					
stocks	Market	discount for	30%	The higher the	10% increase (decrease) in
	approach	lack of		discount for lack of	the discount for lack of
		marketability		marketability, the	marketability would result
				lower the fair value	in (decrease) increase in the
				of the stocks	Group's profit or loss by
					NT\$7,277 thousand

As at 31 March 2024

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial Assets:					
Financial assets at fair value through other comprehensive income, non-current					
stocks	Market approach	discount for lack of marketability	30%	The higher the discount for lack of marketability, the lower the fair value of the stocks	10% increase (decrease) in the discount for lack of marketability would result in (decrease) increase in the Group's profit or loss by NT\$13,641 thousand

Valuation process used for fair value measurements categorized within Level 3 of the fair value hierarchy

The Group's Finance Department is responsible for validating the fair value measurements and ensuring that the results of the valuation are in line with market conditions, based on independent and reliable inputs which are consistent with other information, and represent exercisable prices. The Department analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies at each reporting date.

10. Significant assets and liabilities denominated in foreign currencies

Information regarding the significant assets and liabilities denominated in foreign currencies is listed below (Amounts in thousands of Foreign Currencies):

31 Mar. 2025			
	Foreign Currency	Exchange	NTD
<u>Financial Assets</u>			
Monetary items:			
USD	\$168,113	33.210	\$5,583,033
EUR	32,732	35.970	1,177,370
CNY	27,520	4.573	125,849
<u>Financial liabilities</u>			
Monetary items:			
USD	106,137	33.210	3,524,810
EUR	3,144	35.970	113,090
CNY	62,991	4.573	288,058

31 Dec. 2024			
	Foreign Currency	Exchange	NTD
<u>Financial Assets</u>			
Monetary items:			
USD	\$110,748	32.790	\$3,631,427
EUR	31,570	34.140	1,077,800
CNY	51,368	4.478	230,026
<u>Financial liabilities</u>			
Monetary items:			
USD	100,110	32.790	3,282,607
EUR	3,327	34.140	113,584
CNY	39,243	4.478	175,730

31 Mar. 2024			
	Foreign Currency	Exchange	NTD
<u>Financial Assets</u>			
Monetary items:			
USD	\$125,861	32.000	\$4,027,552
EUR	37,446	34.460	1,290,389
CNY	30,927	4.408	136,326
<u>Financial liabilities</u>			
Monetary items:			
USD	104,926	32.000	3,357,632
EUR	3,936	34.460	135,635
CNY	25,328	4.408	111,646

The Group has various functional currencies, no information about the foreign exchange gains or losses by a specific currency is available. For the three months ended 31 March 2025 and 2024, the foreign exchange gains on monetary financial assets and financial liabilities were NT\$135,945 thousand, NT\$182,043 thousand, respectively.

The above information is disclosed based on the carrying amounts of the foreign currencies (after conversion to the functional currency).

11. Financial assets transfer information – Derecognition of transferred financial asset in its entirety

Part of the Group's trade receivables has signed non-recourse transfer contracts with financial institutions. In addition to the transfer of the rights of these trade receivables to the cash flow contracts, the Group is also not required to bear the credit risk of the inability to recover these trade receivables according to the contract (except for commercial disputes), which met the conditions for derecognizing financial assets.

The relevant transaction information is as follows:

31 Mar. 2025			
Counterparty for the sale	Transferred amount	Advance amount	Interest rate range
Bank of America	\$297,353 (USD 8,954 thousand)	\$297,353 (USD8,954 thousand)	5.492%~5.669%
31 Dec. 2024			
Counterparty for the sale	Transferred amount	Advance amount	Interest rate range
Bank of America	\$407,834 (USD 12,438 thousand)	\$407,834 (USD 12,438 thousand)	4.405%~6.705%
31 Mar. 2024			
Counterparty for the sale	Transferred amount	Advance amount	Interest rate range
Bank of America	\$193,024 (USD 6,032 thousand)	\$193,024 (USD 6,032 thousand)	6.379%~ 6.647%

12. Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

XIII. ADDITIONAL DISCLOSURES

(1) The following are additional disclosures for the Company and its affiliates as required by the R.O.C. Securities and Futures Bureau:

- (a) Financing provided to others for the year ended 31 December 2023: Please refer to Attachment 2.
- (b) Endorsement/Guarantee provided to others for the year ended 31 December 2023: Please refer to Attachment 3.
- (c) Significant securities held as of 31 December 2023 (excluding subsidiaries, associates and joint ventures): None.
- (d) Related party transactions for purchases and sales amounts exceeding the lower of NT\$100 million or 20 percent of the capital stock: Please refer to Attachment 4.
- (e) Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20 percent of capital stock: Please refer to Attachment 5.
- (f) Names, locations and related information of investees (excluding investment in Mainland China): Please refer to Attachment 6.
- (g) Financial instruments and derivative transactions: Please refer to Note 12(8).
- (h) The business relationship, significant transactions and amounts between parent company and subsidiaries: Please refer to Attachment 1.

(2) Investment in Mainland China:

- (a) For investee companies in Mainland China that the Group directly or indirectly has significant influence on, controls over, or jointly controlled over, the investee company name, main businesses and products, total amount of capital, method of investment, accumulated inflow and outflow of investments from Taiwan, net income (loss) of investee company, percentage of ownership, investment income (loss), carrying amount of investments, cumulated inward remittance of earnings and limits on investment in Mainland China: Please refer to Attachment 7.
- (b) Directly or indirectly significant transactions through third regions with the investees in Mainland China, including price, payment terms, unrealized gain or loss, and other events with significant effects on the operating results and financial condition: Please refer to Attachment 1, Attachment 2, Attachment 3, Attachment 5, and Attachment 7.

XIV. SEGMENT INFORMATION

For management purposes, the Group is organized into business units based on its products and services and has four reportable segments as follows:

Taiwan Market: Responsible for all orders and production of lamps and molds in Taiwan.

Asian Market: Responsible for all orders and sales of lamps and molds in Asia.

U.S. Market: Responsible for the order and sales of all lighting products in the Americas.

European Market: Responsible for the order and sales of all lighting products in Europe.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured based on accounting policies consistent with those in the consolidated financial statements. However, income taxes are managed on a group basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Segment information about profit and loss.

For the three months ended 31 March 2025

	Taiwan Market	Asian Market	U.S. Market	European Market	Adjustments and eliminations	Total
Revenue						
External customers	\$1,518,842	\$136,104	\$2,382,550	\$875,249	\$-	\$4,912,745
Inter-segment (Note)	2,673,276	161,126	-	-	(2,834,402)	-
Total revenue	<u>\$4,192,118</u>	<u>\$297,230</u>	<u>\$2,382,550</u>	<u>\$875,249</u>	<u>\$(2,834,402)</u>	<u>\$4,912,745</u>
Segment profit	<u>\$589,791</u>	<u>\$(27,816)</u>	<u>\$(52,569)</u>	<u>\$69,428</u>	<u>\$(19,548)</u>	<u>\$559,286</u>

For the three months ended 31 March 2024

	Taiwan Market	Asian Market	U.S. Market	European Market	Adjustments and eliminations	Total
Revenue						
External customers	\$1,664,822	\$132,315	\$2,474,801	\$844,232	\$-	\$5,116,170
Inter-segment (Note)	2,412,840	159,575	-	-	(2,572,415)	-
Total revenue	<u>\$4,077,662</u>	<u>\$291,890</u>	<u>\$2,474,801</u>	<u>\$844,232</u>	<u>\$(2,572,415)</u>	<u>\$5,116,170</u>
Segment profit	<u>\$820,153</u>	<u>\$(38,527)</u>	<u>\$115,864</u>	<u>\$80,386</u>	<u>\$(140,994)</u>	<u>\$836,882</u>

Note: Inter-segment revenue is eliminated on consolidation and recorded under the "adjustment and elimination" column.

TYC BROTHER INDUSTRIAL CO., LTD. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT.)
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Attachment 1

Significant intercompany transactions between consolidated entities

No. (Note 1)	Related party	Counterparty	Relationship with the Company (Note 2)	Transactions			
				Account	Amount	Collection periods	Percentage accounting for total operating revenue or total assets (Note 3)
0	The Company	JUOKU TECHNOLOGY	1	Purchases	\$113,716	Credit on 90 days	2%
0	The Company	EUROPE	1	Sales revenue	641,127	T/T120 days	13%
0	The Company	EUROPE	1	Accounts receivables	562,561	T/T120 days	2%
0	The Company	GENERA	1	Sales revenue	1,803,807	T/T135 days	37%
0	The Company	GENERA	1	Accounts receivables	2,402,193	T/T135 days	8%

(Note 1) The Company and its subsidiaries are coded as follows:

1. The parent company is coded "0".
2. The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

(Note 2) Transactions are categorized as follows:

1. The parent company to the subsidiary.
2. The subsidiary to the parent company.
3. The subsidiary to the subsidiary.

(Note 3) In calculation of percentage of transaction amounts accounting for total operating revenue or total assets, for the accounts of assets or liabilities, it is calculated by the ending balance divided by consolidated total assets; for the accounts of gains or losses, it is calculated by the ending accumulated amount divided by consolidated total operating revenue.

(Note 4) Whether the significant transactions are presented is determined by the Company's significance principle.

TYC BROTHER INDUSTRIAL CO., LTD. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT.)
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Attachment 2

Financing provided to others

No. (Note 1)	Lender	Counterparty	Account	Related Party	Max. balance for the period (Note 9)	Ending balance	Actual usage amount	Interest rate interval	Nature of financing (Note 6)	Transaction amount (Note 7)	Reason for short-term financing (Note 8)	Loss allowance	Collateral		Limit of financing amount for individual counterparty	Limit of total financing amount	Note
													Item	Value			
0	The Company	BESTE	Other receivables	Y	\$99,465 (USD 3,000 thousand)	\$99,465 (USD 3,000 thousand)	\$3,316 (USD 100 thousand)	5.00%	2	\$-	Operating turnover	\$-	-	\$-	\$2,136,457 (Note 2)	\$4,272,914 (Note 3)	(Note 10)
0	The Company	VARROC TYC AUTO LAMPS CO., LTD.	Other receivables	Y	136,440 (CNY 30,000 thousand)	136,440 (CNY 30,000 thousand)	136,440 (CNY 30,000 thousand)	4.00%	2	-	Operating turnover	-	-	-	2,136,457 (Note 2)	4,272,914 (Note 3)	-
1	SUPRA-ATOMIC	KUN SHAN TYC	Other receivables	Y	29,840 (USD 900 thousand)	29,840 (USD 900 thousand)	29,840 (USD 900 thousand)	5.00%	2	-	Operating turnover	-	-	-	1,902,357 (Note 4)	1,902,357 (Note 5)	(Note 10)
2	TAMAO PRECISION	KUN SHAN TYC	Other receivables	Y	13,644 (CNY 3,000 thousand)	13,644 (CNY 3,000 thousand)	13,644 (CNY 3,000 thousand)	3.50%	2	-	Operating turnover	-	-	-	380,877 (CNY 83,746 thousand) (Note 4)	380,877 (CNY 83,746 thousand) (Note 5)	(Note 10)
2	TAMAO PRECISION	VARROC TYC AUTO LAMPS CO., LTD.	Other receivables	Y	63,672 (CNY 14,000 thousand)	63,672 (CNY 14,000 thousand)	63,672 (CNY 14,000 thousand)	4.00%	2	-	Operating turnover	-	-	-	76,174 (CNY 16,749 thousand) (Note 4)	152,349 (CNY 33,498 thousand) (Note 5)	-
3	GENERA	W & W	Other receivables	Y	66,310 (USD 2,000 thousand)	66,310 (USD 2,000 thousand)	66,310 (USD 2,000 thousand)	6.50%	2	-	Operating turnover	-	-	-	1,821,171 (USD 54,929 thousand) (Note 4)	1,821,171 (USD 54,929 thousand) (Note 5)	(Note 10)

TYC BROTHER INDUSTRIAL CO., LTD. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT.)
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(Note 1) The financial information on the parent company and its subsidiaries coded is as follows:

- (1) The Company is coded "0".
- (2) The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

(Note 2) Limit of financing amount for the parent company:

- (1) For those having business relationship with the Company: limit of financing amount for individual counterparty shall not exceed 20% of the lender's net worth of equity and the amount of business transaction amount. The business transaction amount is the amount of business transaction in recent year between the lender and the counterparty.
- (2) For those in need of short-term financing: limit of financing amount for individual counterparty shall not exceed 20% of the lender's net worth of equity.

(Note 3) Limit of total financing amount shall not exceed 40% of the Company's net worth of equity.

(Note 4) Limit of financing amount for individual counterparty:

- (1) For those having business relationship with the Company: limit of financing amount for individual counterparty shall not exceed 20% of the lender's net worth of equity and the amount of business transaction amount. The business transaction amount is the amount of business transaction in recent year between the lender and the counterparty.
- (2) For those in need of short-term financing: limit of financing amount for individual counterparty shall not exceed 20% of the lender's net worth of equity.
- (3) Individual financing between foreign companies of which subsidiaries directly and indirectly hold 100% voting shares is not subject to the limit of 20% of the lender's net worth of the period, but is limited to 100% of net worth of equity.

(Note 5) Limit of total financing amount of subsidiaries shall not exceed 40% of the subsidiary's net worth of equity.

- (1) Individual financing between foreign companies of which subsidiaries directly and indirectly hold 100% voting shares is not subject to the limit of 40% of the lender's net worth of the period, but is limited to 100% of net worth of equity. °

(Note 6) The financing provided to others is coded as follows:

- (1) For those have business relationship with the Company are coded "1."
- (2) For those in need of short-term financing are coded "2".

(Note 7) If financing provided to others is coded "1", the amount of business transactions should be filled in. The business transaction amount is the amount of business transaction in recent year between lender and the counterparty.

(Note 8) If financing provided to others is coded "2," the reasons for financing the loans and the use of the loans of the counterparty shall be specified, such as repayment, purchasing equipment, operating turnover, etc.

(Note 9) The maximum balance of financing provided to others in the current year.

(Note 10) The amounts have been eliminated in preparing the consolidated financial statements.

(Note 11) The exchange rate of the USD to the NTD is 1 : 33.155.

The exchange rate of the CNY to the NTD is 1 : 4.548.

TYC BROTHER INDUSTRIAL CO., LTD. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT.)
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Attachment 3

Endorsement/Guarantee provided to others

No. Note 1	Endorser/ Guarantor	Endorsee/Guarantee		Limitation on amount of guarantees and endorsements for a specific enterprise (Note 3)	Max. balance amount of guarantees and endorsements provided for others (Note 5)	Ending balance of guarantees and endorsements (Note 6)	Actual usage amount (Note 7)	Amount of property pledged for guarantee and endorsement	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements (Note 4)	Parent company endorsements/guarantees to subsidiary	Subsidiary endorsements/guarantees to the parent company	Endorsements/guarantees provided to counterparties in the Mainland China
		Company Name	Relationship (Note 2)										
0	The Company	KUN SHAN TYC	(1),(2)	\$2,136,457	\$530,480 (USD 16,000 thousand)	\$530,480 (USD 16,000 thousand)	\$298,395 (USD 9,000 thousand)	None.	4.97%	\$4,272,914	Y	N	Y
0	The Company	W & W	(2)	\$2,136,457	246,953 (USD 7,448 thousand)	245,670 (USD 7,410 thousand)	245,670 (USD 7,410 thousand)	None.	2.30%	4,272,914	Y	N	N
0	The Company	T.I.T	(1) . (2)	\$2,136,457	165,775 (USD 5,000 thousand)	165,775 (USD 5,000 thousand)	132,620 (USD 4,000 thousand)	None.	1.55%	4,272,914	Y	N	N

(Note 1)The “No.” column shall be filled as follows :

- (1). The issuer is 0.
- (2). The investees are sequentially numbered from 1.

(Note 2)There are 7 types of relationships between the endorser/guarantor and the endorsee/guarantee. Only numbers of types shall be indicated: :

- (1). Entities have business relations with the Company
- (2). The Company directly or indirectly holds more than 50% of voting shares of the entity.
- (3). Entity directly or indirectly owns more than 50% of voting shares of the Company.
- (4).The parent directly or indirectly through subsidiaries holds more than 90% of voting shares of the entity.
- (5). The Company fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project
- (6). All capital contributing shareholders make endorsements/ guarantees for their jointly invested company in proportion to their shareholding percentages.
- (7). Companies in the same industry provide among themselves joint and several securities for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other

(Note 3)The endorsement provided for an individual enterprise shall not exceed 20% of the net worth.

(Note 4) The total endorsement provided shall not exceed 40% of the net worth.

(Note 5) The maximum balance amount of guarantees and endorsements provided for others in current year.

(Note 6) The limitation/amount of guarantees and endorsements provided for others of the Company and subsidiaries approved by the board of directors.

(Note 7) Actual usage amount within the limitation on amount of guarantees and endorsements

(Note 8) The amounts have been eliminated in preparing the consolidated financial statements.

(Note 9) The exchange rate of the USD to the NTD is 1 : 33.155.

TYC BROTHER INDUSTRIAL CO., LTD. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT.)
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Attachment 4

Related party transactions for purchases and sales exceeding the lower of NT\$100 million or 20 percent of the capital stock

Purchasing (selling) company	Counterparty	Relationship	Transaction				The circumstances and reasons why the transaction conditions are different from those of normal transactions		Notes receivable (paid) and accounts payable		Note
			Purchases (sales)	Amount	Percentage accounting for total purchases (sales)	Credit period	Unit price	Credit period	Balance	Percentage accounting for total notes and accounts receivables (payables)	
The Company	GENERA	Subsidiary of the Company	Sales	\$1,803,807	49.50%	T/T 135 days	The price is determined according to the US OEM price×0.24 as the reference price	Generally, payment is received 1 to 3 months after the end of the month. Due to the long distance of transportation, longer payment terms will be imposed.	Accounts receivables \$2,402,193	54.29%	(Note 1)
	TYC EUROPE	Subsidiary of the Company	Sales	641,127	17.59%	T/T 120 days	A single manufacturer and no other manufacturers to compare	Generally, payment is received 1 to 3 months after the end of the month. Due to the long distance of transportation, longer payment terms will be imposed.	Accounts receivables 562,561	12.71%	(Note 1)
	JUOKU TECHNOLOGY	Subsidiary of the Company	Purchases	113,716	5.38%	Credit on 90 days	Comparable to general customers		Accounts payables 192,664	6.55%	(Note 1)
	FORTOP INDUSTRIAL CO., LTD.	Substantive related party of the Company	Purchases	241,843	11.44%	Credit on 90 days	Comparable to general customers		Accounts payables 336,698	11.45%	-

TYC BROTHER INDUSTRIAL CO., LTD. AND SUBSIDIARIES
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Attachment 4 (Cont.)

Related party transactions for purchases and sales exceeding the lower of NT\$100 million or 20 percent of the capital stock

Purchasing (selling) company	Counterparty	Relationship	Transaction				The circumstances and reasons why the transaction conditions are different from those of normal transactions		Notes receivable (paid) and accounts payable		Note
			Purchases (sales)	Amount	Percentage accounting for total purchases (sales)	Credit period	Unit price	Credit period	Balance	Percentage accounting for total notes and accounts receivables (payables)	
JUOKU TECHNOL OGY	The Company	Parent company of the holding company	Sales	\$136,013	27.02%	T/T 90 days	None		Accounts receivables \$195,474	40.53%	(Note 1)
GENERA	The Company	Parent company of the holding company	Purchases	\$1,768,300	87.11%	T/T 135 days	None		Accounts receivables \$2,230,517	90.31%	(Note 1)
TYC EUROPE	The Company	Parent company of the holding company	Purchases	687,808	99.95%	T/T 120 days	None		Accounts payables 566,150	100.00%	(Note 1)

(Note 1) The amounts have been eliminated in preparing the consolidated financial statements.

TYC BROTHER INDUSTRIAL CO., LTD. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT.)
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Attachment 5

Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20 percent of capital stock

Company with receivables	Counterparty	Relationship	Balance of receivables from related parties	Turnover	Overdue receivables from related parties		Receivables from related parties collected in subsequent period	Provision of loss allowance	Note
					Amount	Treatment			
The Company	GENERA	Subsidiary of the Company	\$2,402,193	3.35	\$30,603	Collection has been strengthened.	\$115,527	\$-	(Note 1)
	TYC EUROPE	Subsidiary of the Company	562,561	4.98	-	-	182,689	-	(Note 1)
	KUN SHAN TYC	Subsidiary of the Company	205,841	0.42	174,633	Collection has been strengthened.	4,298	-	(Note 1)
JUOKU TECHNOLOGY	The Company	Parent company of the holding company	195,474	2.97	-	-	40,591	-	(Note 1)

(Note 1) The amounts have been eliminated in preparing the consolidated financial statements.

TYC BROTHER INDUSTRIAL CO., LTD. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT.)
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Attachment 6

Information on names, locations, etc. of investee companies (excluding investment in Mainland China)

Investor company	Investee company	Location	Main business	Initial Investment amount		Ending balance			Profit or loss of investees in the current period	Gains or losses on investments recognized in the current period (Note 2)	Note
				Ending balance	Beginning balance	Number of shares	Percentage of ownership (%)	Carrying amount (Note1)			
The Company	JUOKU TECHNOLOGY	Taiwan	Manufacturing, and sale of automobile parts	\$313,730	\$313,730	27,923,401	72.10%	\$472,882	\$33,583	\$24,213	(Note 5)
	TI YUAN	Taiwan	Marketable securities trading business	10,943	10,943	3,820	100.00%	40,302	(16)	(16)	(Note 5)
	TI FU	Taiwan	Marketable securities trading business	50,076	40,076	8,550	100.00%	142,651	6,616	6,616	(Note 3) (Note 5)
	SUPRA-ATOMIC	British Virgin Islands	Reinvestment holding activities	3,483,005	3,483,005	59,786,060	100.00%	1,655,300	28,022	28,022	(Note 5)
	BESTE	British Virgin Islands	Reinvestment holding activities	641,449	641,449	22,072,000	100.00%	1,383,153	368	368	(Note 5)
	CONTEK	British Virgin Islands	Reinvestment holding activities	73,690	73,690	2,436,000	100.00%	37,049	316	316	(Note 5)
	I YUAN PRECISION INDUSTRIAL CO., LTD	Taiwan	Manufacturing, processing and sale of automobile parts	126,986	126,986	5,617,854	15.66%	220,342	18,825	3,421	(Note 4) Investee accounted for using equity method
	INNOVA	Delaware, U.S.A.	Reinvestment holding activities	1,122,646	981,456	6,709	100.00%	1,233,400	(37,457)	(37,457)	(Note 5)
	TYCVN	Vietnam	Manufacture and sale automobile lights	88,740	88,740	-	60.00%	76,794	(6,134)	(3,680)	(Note 5)

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT.)
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Attachment 6 (Cont.)

Information on names, locations, etc. of investee companies (excluding investment in Mainland China)

Investor company	Investee company	Location	Main business	Initial Investment amount		Ending balance			Profit or loss of investees in the current period	Gains or losses on investments recognized in the current period (Note 2)	Note
				Ending balance	Beginning balance	Number of shares	Percentage of ownership (%)	Carrying amount (Note1)			
JUOKU TECHNOLOGY	TSM	British Virgin Islands	Reinvestment holding activities	\$10,122	\$10,122	300,000	100.00%	\$5,691	\$99	\$99	(Note 5)
	PT ASTRA JUOKU INDONESIA	Indonesia	Manufacture and sale automobile lights	276,640	276,640	1,126,500	50.00%	329,065	34,885	17,443	Joint venture
TI YUAN	I YUAN PRECISION INDUSTRIAL CO., LTD	Taiwan	Manufacturing, processing and sale of automobile parts	38,152	38,152	900,914	2.51%	38,152	18,825	-	(Note 4) Investee accounted for using equity method
TI FU	DBM	Taiwan	Manufacture tooling mold and international trading business	25,500	25,500	3,000,000	50.00%	103,759	13,528	6,764	(Note 5)
SUPRA-ATOMIC	EUROPILOT	British Virgin Islands	Reinvestment holding activities	476,106 (USD 14,360 thousand)	476,106 (USD 14,360 thousand)	14,359,821	100.00%	1,047,394	51,881	51,881	(Note 5)
	MOTOR-CURIO	British Virgin Islands	Reinvestment holding activities	132,388 (USD 3,993 thousand)	132,388 (USD 3,993 thousand)	3,993,400	100.00%	219,336	5,814	5,814	(Note 5)
	SPARKING	British Virgin Islands	Reinvestment holding activities	1,621,810 (USD 48,916 thousand)	1,621,810 (USD 48,916 thousand)	30,915,717	100.00%	159,689	(30,607)	(30,607)	(Note 5)
	EUROLITE	British Virgin Islands	Reinvestment holding activities	688,231 (USD 20,758 thousand)	688,231 (USD 20,758 thousand)	10,984,582	100.00%	206,876	566	566	(Note 5)
	UNIMOTOR	British Virgin Islands	Reinvestment holding activities	228,338 (USD 6,887 thousand)	228,338 (USD 6,887 thousand)	6,887,000	100.00%	384,373	332	332	(Note 5)
EUROPILOT	TYC EUROPE	Henery Moorest roat 25 1328 LS Almere HOLLAND	Sale automobile lights	476,106 (USD 14,360 thousand)	476,106 (USD 14,360 thousand)	120,000	100.00%	1,047,354	51,880	51,880	(Note 5)

TYC BROTHER INDUSTRIAL CO., LTD. AND SUBSIDIARIES
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Attachment 6 (Cont.)

Information on names, locations, etc. of investee companies (excluding investment in Mainland China)

Investor company	Investee company	Location	Main business	Initial Investment amount		Ending balance			Profit or loss of investees in the current period	Gains or losses on investments recognized in the current period (Note 2)	Note
				Ending balance	Beginning balance	Number of shares	Percentage of ownership (%)	Carrying amount (Note1)			
EUROLITE	T.I.T.	Thailand	Manufacture and sale of lighting fixtures and daily-use product for automobile	\$688,231 (USD 20,758 thousand)	\$688,231 (USD 20,758 thousand)	3,694,860	99.98%	\$206,805	\$565	\$565	(Note 5)
BESTE	VARROC TYC CORPORATION	British Virgin Islands	Reinvestment holding activities	466,557 (USD 14,072 thousand)	466,557 (USD 14,072 thousand)	14,072,000	50.00%	1,377,125	16,351	8,176	Joint venture
CONTEK	ATECH INTERNATIONAL CO., LTD.	Cayman Islands	Reinvestment holding activities	82,888 (USD 2,500 thousand)	82,888 (USD 2,500 thousand)	2,500,000	25.00%	38,267	1,181	295	Investee accounted for using equity method
MOTOR-CURIO	JNS AUTOTECH (THAI) CO., LTD.	Thailand	Manufacture of automobile components	53,711 (USD 1,620 thousand)	53,711 (USD 1,620 thousand)	-	30.00%	51,297	-	-	Investee accounted for using equity method
INNOVA	GENERA	State of California, U.S.A.	Sale of automobile lights and parts	410,757 (USD 12,389 thousand)	410,757 (USD 12,389 thousand)	12,388,505	100.00%	1,821,171 (USD 54,929 thousand)	51,191 (USD 1,544 thousand)	51,191 (USD 1,544 thousand)	(Note 5)
	W&W	State of California, U.S.A.	Sale of and rental of real estate	33,155 (USD 1,000 thousand)	33,155 (USD 1,000 thousand)	1,000,000	100.00%	135,073 (USD 4,074 thousand)	2,951 (USD 89 thousand)	2,951 (USD 89 thousand)	(Note 5)
	TYC AMERICAS AUTO PARTS COMPANY LLC	Delaware, U.S.A	Manufacture, processing, and trading of automobile components	384,598 (USD 11,600 thousand)	242,032 (USD 7,300 thousand)	-	100.00%	264,511 (USD 7,978 thousand)	(22,579) (USD (681) thousand)	(22,579) (USD (681) thousand)	(Note 5)

(Note 1) The carrying amount of the investment using the equity method is the net amount after deducting the unrealized gains and losses of downstream transactions.

(Note 2) The investment income recognized didn't eliminate unrealized gain or loss on transactions between the Company and its investees.

(Note 3) The company treats shares of the Company held by the subsidiaries as treasury stocks. Therefore, carrying amount of the investment using the equity method is the net amount after deducting the treasury stocks.

(Note 4) Investment in I YUAN by TI YUAN INVESTMENT is combined under the investee accounted for using equity method with the parent company's financial assets at fair value through other comprehensive income. The parent company recognized gains or losses on investment by 18.17%.

(Note 5) The amounts have been eliminated in preparing the consolidated financial statements.

(Note 6) The exchange rate of the USD to the NTD is 1 : 33.155 °

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Attachment 7

Investment in Mainland China

Investee company	Main business	Paid-in capital	Investment method (Note 1)	Accumulated investment amount remitted from Taiwan at the beginning of the period	Amount of investments remitted or recovered during the period		Accumulated investment amount remitted from Taiwan at the end of the period	Profit or loss of investee	Percentage of direct or indirect ownership of investment	Gains (losses) on investment (Note 2)	Ending carrying amount of investment	Gains on investment remitted back as of the end of the period
					Outflow	Inflow						
VARROC TYC AUTO LAMPS CO.,LTD.	Manufacture automobile lights	\$895,185 (USD 27,000 thousand)	(1)VARROC TYC CORPORATION	\$422,063 (USD 12,730 thousand)	\$-	\$-	\$422,063 (USD 12,730 thousand)	\$16,349	50%	\$8,175	\$2,754,122	\$555,810 (USD16,764 thousand)
CHANGZHOU TAMAO PRECISION INDUSTRY CO., LTD. (Note 3)	Manufacture and sale of precision molds	214,413 (USD 6,467 thousand)	(1)UNIMOTOR INDUSTRIAL CO., LTD.	214,413 (USD 6,467 thousand)	-	-	214,413 (USD 6,467 thousand)	318	100%	318	382,291	\$60,773 (USD 1,833 thousand)
HANGZHOU SUNNYTECH CO., LTD.	Industrial styling and product design	8,505 (CNY 1,870 thousand)	(1)SPARKING CO., LTD.	5,504 (USD 166 thousand)	-	-	5,504 (USD 166 thousand)	(3,739)	30%	(1,122)	7,902	-
JNS AUTO PARTS LIMITED	Manufacture automobile parts	540,427 (USD 16,300 thousand)	(1)MOTOR-CURIO CO., LTD.	66,310 (USD 2,000 thousand)	-	-	66,310 (USD 2,000 thousand)	29,522	20%	5,904	167,838	\$100,460 (USD 3,030 thousand)
KUN SHAN TYC HIGH PERFORMANCE (Note 3)	Manufacture, process and assemble of various high-efficiency energy-saving lamps and accessories	994,650 (USD 30,000 thousand)	(1)SPARKING CO., LTD.	1,591,440 (USD 48,000 thousand)	-	-	1,591,440 (USD 48,000 thousand)	(29,486)	100%	(29,486)	151,752	-
CHIN-LI-MA HIGHT PERFORMANCE LUMINAIRE CO., LTD.	Design and manufacture high-efficiency energy-saving lamps	14,920 (USD 450 thousand)	(2) CHANGZHOU TAMAO PRECISION INDUSTRY CO.,LTD.	-	-	-	-	-	30%	-	-	-
KUNSHAN ATECH AUTOPARTS MANUFACTURING CO., LTD.	Manufacture automobile parts	232,085 (USD 7,000 thousand)	(-)ATECH INTERNATIONAL CO., LTD.	58,021 (USD 1,750 thousand)	-	-	58,021 (USD 1,750 thousand)	(862) (USD (26) thousand)	25%	(232) (USD (7) thousand)	(15,119) (USD (456) thousand)	-
ATECH(JIANGSU) INDUSTRIAL TECHNOLOGY CO., LTD.	Manufacture automobile parts	198,930 (USD 6,000 thousand)	(-)ATECH INTERNATIONAL CO., LTD.	24,866 (USD 750 thousand)	-	-	24,866 (USD 750 thousand)	2,056 (USD 62 thousand)	25%	530 (USD 16 thousand)	92,337 (USD 2,785 thousand)	-

Accumulated outward remittance for investment in Mainland China as of end of the period	Investment amount authorized by investment commission, MOEA	Upper limit on the amount of investment stipulated by investment commission, MOEA
\$2,775,737 (USD 83,720 thousand)	\$3,460,686 (USD 104,379 thousand)	(Note 4)

TYC BROTHER INDUSTRIAL CO., LTD. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT.)
(Expressed in Thousands of New Taiwan Dollars Unless Otherwise Stated)

(Note 1) There are three methods of investment:

- (1) Indirectly investment in Mainland China through companies registered in a third region
- (2) Reinvest with Mainland China company's own funds
- (3) Others

(Note 2) Excluding the elimination of unrealized gains or losses among companies.

(Note 3) The amounts have been eliminated in preparing the consolidated financial statements.

(Note 4) According to 2008.8.22 "Regulations Governing Permission for Investment or Technical Cooperation in Mainland China" and the amendment to "Review Principles of Investment or Technical Cooperation in Mainland China", the cumulative amount of investors' investment in Mainland China according to the upper limit set for other enterprises: 60% of its net value or the consolidated net value, whichever is higher. However, enterprises for which the Industrial Development Bureau of the Ministry of Economic Affairs issued the certificate of compliance or the Taiwan subsidiaries of international enterprises shall not be subject to the restriction. The Company qualifies as business headquarters therefore the upper limit does not apply.

(Note 5) The exchange rate of the USD to the NTD is 1 : 33.155.

The exchange rate of the CNY to the NTD is 1 : 4.548.