

This is the English translation. In case of discrepancies between the Chinese Text and the English translation, the Chinese text shall prevail.

YEONG GUAN ENERGY
TECHNOLOGY GROUP CO.,
LTD. and Subsidiaries

Consolidated Financial Statements for
the Three Months Ended March 31,
2025 and 2024 and
Independent Auditors' Review Report

Notice to Readers

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

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

Address: Cricket Square, Hutchins Drive,
Po Box 2681, Grand Cayman, KY1-1111,
Cayman Islands
Telephone: 002-86-574-86228866

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INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders

YEONG GUAN ENERGY TECHNOLOGY GROUP CO., LTD.

Opinion

We have reviewed the accompanying consolidated balance sheets of Far Eastern New Century Corporation and its subsidiaries (collectively, the “Group”) as of March 31, 2025 and 2024, the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months ended March 31, 2025 and 2024, and related notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the consolidated financial statements). Management is responsible for the preparation and fair presentation of the 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 the consolidated financial statements based on our reviews.

Scope of Review

We conducted our reviews in accordance with the Standards on Review Engagements of the Republic of China 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

Qualified Conclusion

Based on our reviews, except for the adjustments, if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiaries, joint operations, and associates as described in the preceding paragraph been reviewed, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2025 and 2024, and its consolidated financial performance and its cash flows for the three months ended March 31, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

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Deloitte and Touche

CPA Huang, Yao-Ling

CPA Gung, Tza-Li

Financial Supervisory Commission

Executive Yuan

Approval Document No.

Gin-Guan-Zheng-Shen-Tze

No. 106004806

Financial Supervisory Commission

Executive Yuan

Approval Document No.

Gin-Guan-Zheng-Shen-Tze

No. 1000028068

May 6, 2025

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Yeong Guan Energy Technology Group Co., Ltd. and Subsidiaries
Consolidated Balance Sheets
March 31, 2025, December 31, 2024 and March 31, 2024

Unit: in thousands of NTD

		March 31, 2025(Reviewed)		December 31, 2024(Audited)		March 31, 2024(Reviewed)	
Code	Asset	Amount	%	Amount	%	Amount	%
	CURRENT ASSETS						
1100	Cash and cash equivalent(Notes 6)	\$ 3,115,061	12	\$ 2,693,896	11	\$ 2,802,997	11
1110	Financial assets at fair value through profit or loss – current(Notes 7)	544	-	-	-	46,598	-
1136	Financial assets measured based on amortized cost – current(Note 9)	-	-	-	-	184,900	1
1150	Notes receivable(Notes 22)	945,068	4	371,669	1	868,293	3
1170	Account receivables, net(Notes 10 and 22)	2,378,371	9	2,751,723	11	2,268,792	9
130X	Inventories, net(Notes 11)	1,883,863	7	1,636,040	6	2,285,323	9
1476	Other financial assets-current(Notes 16 and 29)	1,103,415	4	1,006,493	4	630,531	3
1479	Other current assets	908,295	3	1,368,326	5	626,654	3
11XX	Total Current Assets	10,334,617	39	9,828,147	38	9,714,088	39
	NON-CURRENT ASSETS						
1517	Financial assets at fair value through other comprehensive income - non-current (Notes 8)	99,006	-	171,075	1	198,450	-
1600	Property, plant and equipment(Notes 13 and 29)	13,883,888	52	13,569,043	53	11,818,225	-
1755	Right of Use Assets(Notes 14 and 29)	524,454	2	529,343	2	553,632	2
1760	Investment property, net	710	-	712	-	717	-
1805	Goodwill (Notes 15)	141,495	1	140,702	1	138,812	-
1840	Deferred income tax assets (Notes 4)	109,241	-	107,474	-	169,526	-
1915	Equipment prepayments	1,424,300	5	1,252,304	5	2,193,164	-
1980	Other financial assets (Notes 16 and 29)	23,151	-	22,831	-	27,562	-
1990	Other non-current assets	137,840	1	140,495	-	76,027	-
15XX	Total Non-Current Assets	16,334,085	61	15,933,979	62	15,176,115	61
1XXX	TOTAL ASSETS	\$ 26,678,702	100	\$ 25,762,126	100	\$ 24,890,203	100
Code	LIABILITIES and SHAREHOLDER’S EQUITY						
	CURRENT LIABILITIES						
2100	Short-term loans (Notes 17 and 29)	\$ 5,038,599	19	\$ 4,172,779	16	\$ 4,511,181	18
2120	Financial liabilities at fair value through profit or loss – current(Notes 7 and 18)	38,891	-	-	-	-	-
2130	Contract liabilities (Notes 22)	13,740	-	9,896	-	612,311	2
2150	Notes payable	544,247	2	446,757	2	993,283	4
2170	Account payables	867,807	3	794,278	3	584,383	2
2219	Other accounts payable (Notes 19)	813,970	3	895,005	4	617,517	3
2230	Current income tax liabilities (Notes 4)	16,123	-	19,039	-	13,899	-
2280	Lease liabilities - current (Notes 14)	22,275	-	22,826	-	28,227	-
2321	Current portion of long-term bonds payable (Notes 18)	1,093,045	4	98,476	-	-	-
2322	Current portion of long-term borrowings (Notes 17 and 29)	1,409,655	6	1,268,979	5	198,460	1
2399	Other current liabilities (Notes 28)	4,575	-	1,773	-	2,316	-
21XX	Total Current Liabilities	9,862,927	37	7,729,808	30	7,561,577	30
	NON-CURRENT LIABILITIES						
2500	Financial liabilities at fair value through profit or loss - non-current (Notes 7 and 18)	-	-	33,630	-	13,617	-
2530	Bonds payable (Notes 18)	-	-	991,341	4	1,080,009	4
2540	Long-term borrowings (Notes 17 and 29)	7,224,854	27	7,283,857	28	7,671,262	31
2570	Deferred income tax liabilities (Notes 4)	242,103	1	236,243	1	6,562	-
2580	Lease liabilities - non-current (Notes 14)	180,071	1	187,051	1	207,400	1
25XX	Total Non-Current Liabilities	7,647,028	29	8,732,122	34	8,978,850	36
2XXX	TOTAL LIABILITIES	17,509,955	66	16,461,930	64	16,540,427	66
	EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY						
3110	Common stock capital	1,331,359	5	1,331,359	5	1,181,359	5
3200	Additional paid-in capital	6,490,472	26	6,490,472	27	6,490,472	27
	Retained earnings						
3310	Legal reserve	576,294	2	576,294	2	576,294	2
3320	Special reserve	1,383,149	5	1,383,149	5	1,192,621	5
3350	Unappropriated retained earnings	(566,092)	(2)	(317,750)	(1)	(47,198)	-
3300	Total Retained Earnings	1,393,351	5	1,641,693	6	1,721,717	7
	Other components of Equity						
3410	Exchange difference on translation of foreign financial statements	(720,079)	(3)	(855,811)	(3)	(1,188,024)	(5)
3420	Unrealized evaluation gains and losses of the equity instrument investment benefit measured at fair value through other comprehensive gains and losses	(150,345)	-	(76,458)	-	(42,727)	-
3400	Total Other Components of Equity	(870,424)	(3)	(932,269)	(3)	(1,230,751)	(5)
31XX	EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	8,794,758	33	8,981,255	35	8,162,797	33
36XX	Non-controlling interests	373,989	1	318,941	1	186,979	1
3XXX	TOTAL EQUITY	9,168,747	34	9,300,196	36	8,349,776	34
	TOTAL LIABILITIS and EQUITY	\$ 26,678,702	100	\$ 25,762,126	100	\$ 24,890,203	100

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

Chairman: Chang, Hsien-Ming

General Manager: Li, Rong

Chief Accountant: Tsai, Ching-Wu

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Yeong Guan Energy Technology Group Co., Ltd. and Subsidiaries

Consolidated Income Statement

For periods from January 1 to March 31 of 2025 and 2024

(Reviewed, Not Audited)

Unit: in thousands of NTD,
Except Earnings Per Share

Code		For the three months ended March 31, 2025		For the three months ended March 31, 2024	
		Amount	%	Amount	%
4000	OPERATING REVENUE (Notes 22)	\$ 1,667,147	100	\$ 1,420,144	100
5000	OPERATING COSTS (Notes 4, 11 and 23)	<u>1,583,296</u>	<u>95</u>	<u>1,566,820</u>	<u>110</u>
5900	GROSS PROFIT (LOSS)	<u>83,851</u>	<u>5</u>	<u>(146,676)</u>	<u>(10)</u>
	OPERATING EXPENSES (Notes 10 and 23)				
6100	Marketing expenses	90,643	5	66,596	5
6200	General and administrative expenses	123,652	7	120,666	8
6300	Research and development expenses	44,191	3	53,507	4
6450	Expected credit loss	<u>7,513</u>	<u>1</u>	<u>11,147</u>	<u>1</u>
6000	Total operating expenses	<u>265,999</u>	<u>16</u>	<u>251,916</u>	<u>18</u>
6900	PROFIT (LOSS) FROM OPERATIONS	<u>(182,148)</u>	<u>(11)</u>	<u>(398,592)</u>	<u>(28)</u>
	NON-OPERATING INCOME AND EXPENSES				
7100	Interest income (Notes 23)	7,390	1	5,306	-
7190	Other income and loss (Notes 23 and 28)	33,266	2	74,838	5
7235	Financial product net (loss) profit at fair value through profit and loss	<u>(4,705)</u>	<u>-</u>	<u>(1,602)</u>	<u>-</u>
7230	Foreign currency exchange net loss (Notes 30)	4,064	-	<u>(76,245)</u>	<u>(5)</u>
7510	Finance costs (Notes 18 and 23)	<u>(99,085)</u>	<u>(6)</u>	<u>(104,395)</u>	<u>(7)</u>
7000	Total non-operating income and expenses	<u>(59,070)</u>	<u>(3)</u>	<u>(102,098)</u>	<u>(7)</u>
7900	LOSS BEFORE INCOME TAX	<u>(241,218)</u>	<u>(14)</u>	<u>(500,690)</u>	<u>(35)</u>
7950	INCOME TAX EXPENSE (Notes 4 and 24)	<u>8,760</u>	<u>1</u>	<u>48,636</u>	<u>4</u>
8200	NET LOSS FOR THE PERIOD	<u>(249,978)</u>	<u>(15)</u>	<u>(549,326)</u>	<u>(39)</u>
	OTHER COMPREHENSIVE INCOME(LOSS)				
8310	Items that will not be reclassified subsequently to profit or loss:				
8316	Unrealized gain and loss on financial assets at fair value through other comprehensive income	<u>(73,887)</u>	<u>(5)</u>	<u>-</u>	<u>-</u>
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences arising on translation of foreign operations	<u>144,376</u>	<u>9</u>	<u>149,160</u>	<u>11</u>
8300	Total other comprehensive income (net of income tax)	<u>70,489</u>	<u>4</u>	<u>149,160</u>	<u>11</u>
8500	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>(\$ 179,489)</u>	<u>(11)</u>	<u>(\$ 400,166)</u>	<u>(28)</u>
	NET LOSS ATTRIBUTABLE TO:				
8610	Shareholders of the parent	<u>(\$ 248,342)</u>	<u>(15)</u>	<u>(\$ 546,293)</u>	<u>(39)</u>
8620	Non-controlling interests	<u>(1,636)</u>	<u>-</u>	<u>(3,033)</u>	<u>-</u>
8600		<u>(\$ 249,978)</u>	<u>(15)</u>	<u>(\$ 549,326)</u>	<u>(39)</u>
	TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
8710	Shareholders of the parent	<u>(\$ 186,497)</u>	<u>(11)</u>	<u>(\$ 393,353)</u>	<u>(28)</u>
8720	Non-controlling interests	<u>7,008</u>	<u>-</u>	<u>(6,813)</u>	<u>-</u>
8700		<u>(\$ 179,489)</u>	<u>(11)</u>	<u>(\$ 400,166)</u>	<u>(28)</u>
	LOSS PER SHARE (Note 25)				
9750	Basic	<u>(\$ 1.87)</u>		<u>(\$ 4.62)</u>	
9850	Diluted	<u>(\$ 1.87)</u>		<u>(\$ 4.62)</u>	

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

Chairman: Chang, Hsien-Ming

General Manager: Li, Rong

Chief Accountant: Tsai, Ching-Wu

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Yeong Guan Energy Technology Group Co., Ltd. and Subsidiaries
Consolidated Statement of Changes in Equity
For periods from January 1 to March 31 of 2025 and 2024
(Reviewed, Not Audited)

Unit: in thousands of NTD

EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 21)													Other Equity					
													Exchange Differences on Translation of Foreign Operations	Unrealized Valuation Gain on Financial Assets at Fair Value Through Other Comprehensive Income				

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Yeong Guan Energy Technology Group Co., Ltd. and Subsidiaries
Consolidated Statement of Cash Flows
For periods from January 1 to March 31 of 2025 and 2024
(Reviewed, Not Audited)

Unit: in thousands of NTD

Code		For the three months ended March 31, 2025	For the three months ended March 31, 2024
	CASH FLOWS FROM OPERATING ACTIVITIES		
A10000	Loss before income tax	(\$ 241,218)	(\$ 500,690)
A20010	Adjustments for:		
A20100	Depreciation expense	169,031	174,172
A20200	Amortization expense	1,582	1,573
A20300	Expected credit loss recognized	7,513	11,147
A20400	Net loss (gain) on fair value changes of financial assets and liabilities at fair value through profit or loss	4,705	1,444
A20900	Finance costs	99,085	104,395
A21200	Interest income	(7,390)	(5,306)
A22500	Loss (gain) on disposal of property, plant and equipment	(37)	(46,386)
A22900	Gain on disposal of right-of-use assets	-	(24,131)
A23800	Recognition (reversal) of write-down of inventories	(1,836)	30,558
A24100	Net loss on foreign currency exchange	63,442	64,199
A30000	Net change on operating assets and liabilities		
A31130	Notes receivable	(563,890)	(247,073)
A31150	Account receivables	403,250	526,368
A31200	Inventories	(220,889)	49,420
A31240	Other current assets	474,748	(41,894)
A31250	Other financial assets	(82,260)	598,964
A31990	Other non-current assets	(19,519)	(34,476)
A32110	Financial instrument at fair value through profit and loss	16	155
A32130	Notes payable	3,678	596,365
A32130	Notes payable	90,566	(443,127)
A32150	Account payables	73,025	(61,879)
A32180	Other payables	(48,077)	(157,597)
A32230	Other current liabilities	2,756	(720)
A33000	Operating net cash inflows	208,281	595,481
A33300	Interest paid	(113,745)	(101,565)
A33500	Income tax paid	(9,636)	(94,685)
AAAA	Net cash generated from operating activities	84,900	399,231

(to be continued)

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(brought forward)

Code		For the three months ended March 31, 2025	For the three months ended March 31, 2024
	CASH FLOWS FROM INVESTING ACTIVITIES		
B00010	Purchase of financial assets at fair value through other comprehensive income	\$ -	(\$ 59,144)
B00050	Proceeds from disposal of financial assets at amortized cost	-	185,322
B00200	Proceeds from disposal of financial asset at fair value through profit or loss	-	4,220
B02600	Proceeds from disposal of right-of-use assets	-	42,156
B02700	Purchase of property, plant and equipment	(354,108)	(183,638)
B02800	Disposal of property, plant and equipment	626	58,203
B04500	Payment for intangible assets	-	(180)
B06700	(Increase) decrease in other non-current assets	22,371	25,302
B07100	Increase in equipment prepayments	(92,836)	(54,034)
B07500	Interests collected	<u>7,225</u>	<u>5,709</u>
BBBB	Net cash generated (used) in investing activities	(<u>416,722</u>)	<u>23,916</u>
	CASH FLOWS FROM FINANCING ACTIVITIES		
C00100	Increase in short term loan	787,373	(26,883)
C01600	Proceeds from long term loan	20,245	112,470
C04020	Payments of lease liabilities	(8,658)	(8,459)
C05800	Changes in non-controlling interests	48,040	26,475
C09900	Return of unclaimed dividends	<u>-</u>	<u>6</u>
CCCC	Net cash generated (used) from financing activities	<u>847,000</u>	<u>103,609</u>
DDDD	EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	(<u>94,013</u>)	<u>79,698</u>
EEEE	NET INCREASE IN CASH AND CASH EQUIVALENTS	421,165	606,454
E00100	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	<u>2,693,896</u>	<u>2,196,543</u>
E00200	CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	<u>\$ 3,115,061</u>	<u>\$ 2,802,997</u>

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

Chairman: Chang, Hsien-Ming General Manager: Li, Rong Chief Accountant: Tsai, Ching-Wu

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Yeong Guan Energy Technology Group Co., Ltd. and Subsidiaries
Notes to Consolidated Financial Statements
for periods from January 1 to March 31 of 2025 and 2024
(Unless otherwise specified, all amounts are in thousands of NTD.)

1. GENERAL

Yeong Guan Energy Technology Group Co., Ltd. (hereinafter referred to as the “Company”) was established on January 22, 2008 in British Cayman Islands under the main purpose of organization restructuring. According to the Company’s equity swap agreement, organization restructuring was completed on September 22, 2008. The Company has become an investment holding company after the restructuring.

The Company’s stocks were listed and traded in Taiwan Stock Exchange starting April 27, 2012.

Consolidated financial statements hereto are presented in the Company’s functional currency of NTD.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Board of Directors on May 9, 2025.

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

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

The initial application of the amendments to the IFRSs endorsed and issued into effect by the FSC did not have a significant effect on the Group’s accounting policies.

A. The IFRS Accounting Standards endorsed by the FSC with effective date starting 2026

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New IFRSs	Effective Date Announced by IASB
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” – the amendments to the application guidance of classification of financial assets	January 1, 2026
Note 1: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2026. It is permitted to apply these amendments for an earlier period beginning on January 1, 2025.	

- B. The IFRSs issued by International Accounting Standards Board (IASB), but not yet endorsed and issued into effect by the FSC.

New IFRSs	Effective Date Announced by IASB
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” – the amendments to the application guidance of derecognition of financial liabilities	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”	January 1, 2026
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by IASB
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 “Initial Application of IFRS 17 and IFRS 9 - Comparative Information”	January 1, 2023
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2023
IFRS 19 “Subsidiaries without Public Accountability: Disclosures”	January 1, 2023

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

IFRS 18 “Presentation and Disclosures in Financial Statements”

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

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discontinued operations categories.
- The statement of profit or loss shall present totals and subtotals for operating profit

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or loss, profit or loss before financing and income taxes and profit or loss.

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

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continually assessing the possible impact that the application of other standards and interpretations will have on the Group’s financial position and financial performance, and will disclose the relevant impact when the assessment is completed

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(1) Statement of Compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and IFRSs as endorsed and issued into effect by the FSC.

(2) Basis of preparation

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

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

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

(3) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company. Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective date of acquisition up to the effective date of disposal, as appropriate.

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

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

See Note 12, Table 6 and Table 7 for the detailed information of subsidiaries (including the percentage of ownership and main business).

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(4) Other significant accounting policies

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

1. Classification of current and non-current assets and liabilities Current assets include:

- (1) Assets held primarily for the purpose of trading;
- (2) Assets expected to be realized within 12 months after the reporting period; and
- (3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

- (1) Liabilities held primarily for the purpose of trading;
- (2) Liabilities due to be settled within 12 months after the reporting period; and
- (3) Liabilities for which the Group does not have the substantial right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

Assets and liabilities that are not classified as current are classified as noncurrent.

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

5. **CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

The estimates and underlying assumptions are audited on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the

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revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

6. Cash and Cash Equivalents

	March 31, 2025	December 31, 2024	March 31, 2024
Cash On Hand	\$ 1,746	\$ 1,701	\$ 1,366
Checking Accounts and Demand			
Deposit	2,239,735	2,455,050	2,382,696
Cash Equivalents			
Time Deposits with Original			
Maturities within 3 months	<u>873,580</u>	<u>237,145</u>	<u>418,935</u>
	<u>\$ 3,115,061</u>	<u>\$ 2,693,896</u>	<u>\$ 2,802,997</u>

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

	March 31, 2025	December 31, 2024	March 31, 2024
Bank Deposit	0.0001%~5.00%	0.0001%~5.30%	0.0001%~4.57%

7. Financial Instruments at Fair Value through Profit or Loss

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Financial assets at FVTPL- current</u>			
Financial assets mandatorily			
classified as at FVTPL			
Derivative financial assets (not			
under hedge accounting)			
— Foreign exchange			
forward contracts	\$ 544	\$ -	\$ -
Non-derivative financial assets			
— Financial product	<u>-</u>	<u>-</u>	<u>46,598</u>
	<u>\$ 544</u>	<u>\$ -</u>	<u>\$ 46,598</u>

Financial liabilities at FVTPL -
current

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	March 31, 2025	December 31, 2024	March 31, 2024
Financial assets mandatorily classified as at FVTPL			
Derivative financial assets (not under hedge accounting)	\$ 38,891	\$ -	\$ -
<u>Financial liabilities at FVTPL - non- current</u>			
— Domestic Forth			
Convertible Bond (Note18)	\$ -	\$ 33,630	\$ 13,617

At the end of the reporting period, outstanding interest rate swap contracts not under hedge accounting were as follows:

March 31, 2024

	Currency	Maturity Date	Contract Amount (in thousands)
Buy Swap	USD/RMB	2025.07.10-2025.10.14	USD 2,750/RMB 19,763
	EUR/RMB	2025.12.03	EUR 1,300/RMB9,823

The Group entered into foreign exchange forward contracts to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
<u>Non-current</u>			
Foreign investments			
Unlisted shares	\$ 99,006	\$ 171,075	\$ 198,450

The Company invested in Jiuquan One heavy wind power Group Co., LTD common stocks and expect to make profits from long-term investments. The management of the Company considered that the inclusion of short-term fluctuations in the fair value of these investments in profit and loss is inconsistent with the long-term investment plan described above, and therefore chose to designate these investments as being measured at fair value through other comprehensive income.

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9. Financial Assets Measured at Amortized Cost

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
<u>Current</u>			
Time deposits with original maturity of more than 3 months	\$ <u>-</u>	\$ <u>-</u>	\$ <u>184,900</u>

The ranges of interest rates for time deposits with original maturities of more than 3 months were from 2.79% to 5.00% as of March 31, 2024.

10. Account Receivables

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
<u>Account Receivables</u>			
At amortized cost			
Gross carrying amount	\$2,488,060	\$2,853,554	\$2,376,075
Less: Allowance for impairment loss	(<u>109,689</u>)	(<u>101,831</u>)	(<u>107,283</u>)
	\$ <u>2,378,371</u>	\$ <u>2,751,723</u>	\$ <u>2,268,792</u>

At amortized cost

The average credit period of sales of goods was 90 days. No interest was charged on trade receivables. Credit rating information is obtained from independent rating agencies where available or, if not available, the Group uses other publicly available financial information or its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the

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current as well as the forecast direction of economic conditions at the reporting date. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.

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

March 31, 2025

	Non-Default	Default 1~90 Days	Default 91~180 Days	Default Exceeding 181Days	Total
Expected credit loss rate	0.22%	3.81%	26.05%	100%	-
Gross carrying amount	\$ 2,183,378	\$ 196,223	\$ 14,993	\$ 93,466	\$ 2,488,060
Loss allowance (Lifetime ECL)	(4,836)	(7,482)	(3,905)	(96,466)	(109,689)
Amortized Costs	<u>\$ 2,178,542</u>	<u>\$ 188,741</u>	<u>\$ 11,088</u>	<u>\$ -</u>	<u>\$ 2,378,371</u>

December 31, 2024

	Non-Default	Default 1~90 Days	Default 91~180 Days	Default Exceeding 181Days	Total
Expected credit loss rate	0.19%	3.27%	18.24%	99.81%	
Gross carrying amount	\$ 2,587,471	\$ 171,386	\$ 3,766	\$ 90,931	\$ 2,853,554
Loss allowance (Lifetime ECL)	(4,789)	(5,598)	(687)	(90,931)	(101,831)
Amortized Costs	<u>\$ 2,852,682</u>	<u>\$ 165,788</u>	<u>\$ 3,079</u>	<u>\$ -</u>	<u>\$ 2,751,723</u>

March 31, 2024

	Non-Default	Default 1~90 Days	Default 91~180 Days	Default Exceeding 181Days	Total
Expected credit loss rate	0.19%	2.35%	11.4%	100%	-
Gross carrying amount	\$ 1,741,276	\$ 515,570	\$ 30,793	\$ 88,436	\$ 2,376,075
Loss allowance (Lifetime ECL)	(3,231)	(12,107)	(3,509)	(88,436)	(107,283)
Amortized Costs	<u>\$ 1,738,045</u>	<u>\$ 503,463</u>	<u>\$ 27,284</u>	<u>\$ -</u>	<u>\$ 2,268,792</u>

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

	For the three months ended March 31, 2025	For the three months ended March 31, 2024
Balance at January 1	\$ 101,831	\$ 95,644
Add: Net remeasurement of loss allowance	7,513	11,147
Foreign exchange gains and losses	<u>345</u>	<u>492</u>
Balance at March 31	<u>\$109,689</u>	<u>\$107,283</u>

11. Inventories

	March 31, 2025	December 31, 2024	March 31, 2024
Finished goods	\$ 484,325	\$ 402,259	\$ 652,961
Work in progress	899,272	743,881	666,762
Raw materials	<u>500,266</u>	<u>489,900</u>	<u>965,600</u>
	<u>\$ 1,883,863</u>	<u>\$ 1,636,040</u>	<u>\$ 2,285,323</u>

The costs of inventories recognized as cost of goods sold for the three months ended March 31, 2025 and 2024 were \$1,583,296 thousand and \$1,566,820 thousand, respectively, the cost of goods sold included inventory recovery benefits \$1,836 thousand for the three months ended March 31, 2025 and inventory write-downs of \$30,558 thousand for the three months ended March 31, 2024.

12. Subsidiaries

Subsidiaries included in this consolidated financial statement

Investor	Investee	Nature of Business	Shareholding percentage		
			2025 March 31	2024 December 31	2024 March 31
Yeong Guan Energy Technology Group Co., Ltd.(Company)	Yeong Guan Holding Co., Ltd. (YGV)	Investment	100	100	100
	Yeong Guan Heavy Industry (Thailand) Co., Ltd. (YGZ)	Manufacturing and selling of high quality casting products of spherical graphite cast iron and grey cast iron	75	75	75
YGV	Yeong Guan International Co., Ltd. (YGI)	Investment	100	100	100
	Yeong Chen Asia Pacific Co., Ltd. (YGA)	Manufacturing and selling of high quality casting products of spherical graphite cast iron and grey cast iron	100	100	100
YGI	Ningbo Yeong Shang Casting Iron Co., Ltd. (YGS)	Manufacturing and selling of high quality casting products of spherical graphite cast iron and grey cast iron	100	100	100

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Investor	Investee	Nature of Business	2025	2024	
			March 31	December 31	March 31
	Ningbo Lu Lin Machine Tool Foundry Co., Ltd. (YGL)	Manufacturing and selling of high quality casting products of spherical graphite cast iron and grey cast iron	100	100	100
	Dongguan Yeong Guan Mould Factory Co., Ltd. (YGD)	Manufacturing and selling of high quality casting products of spherical graphite cast iron and grey cast iron	100	100	100
	Jiangsu Bright Steel Fine Machinery Co., Ltd. (YGB)	Manufacturing and selling of high quality casting products of spherical graphite cast iron and grey cast iron	80	80	80
	Ningbo Yeong Chia Mei Trade Co., Ltd. (YGM)	Transaction of various steel castings and casting molds as well as related import/export businesses	100	100	100
	Shanghai No. 1 Machine Tool Foundry (Su zhou) Co., Ltd.(YGW)	Manufacturing and selling of high quality casting products of spherical graphite cast iron and grey cast iron	34.18	34.18	34.18
YGS	Jiangsu Bright Steel Fine Machinery Co., Ltd. (YGB)	Manufacturing and selling of high quality casting products of spherical graphite cast iron and grey cast iron	20	20	20
YGD	Shanghai No. 1 Machine Tool Foundry (Su zhou) Co., Ltd. (YGW)	Manufacturing and selling of high quality casting products of spherical graphite cast iron and grey cast iron	61.31	61.31	61.31

Note 1: The financial reports for March 31, 2025 and 2024 have been verified by CPA.

13. Property, Plant and Equipment

Assets used by the Group

	Self-Owned Land	Building	Machine Equipment	Transportation Equipment	Other Equipment	Work-in-Progress Property	Total
<u>Cost</u>							
Balance at January 1, 2025	\$632,927	\$10,173,417	\$6,915,685	\$ 73,128	\$ 624,901	\$1,578,279	\$19,998,337
Additions	-	4,761	56,114	5,700-	1,338	279,815	347,728
Disposals	-	(15,550)	(101)	(756)	(1,403)	-	(17,810)
Reclassification	-	2,313	31,093	-	1,905	(7,258)	28,053
Capitalized interest	-	-	-	-	-	11,589	11,589
Effect of foreign currency exchange differences	10,488	50,886	71,310	820	7,750	33,034	174,288
Balance at March 31, 2025	<u>\$ 643,415</u>	<u>\$10,215,827</u>	<u>\$7,074,101</u>	<u>\$ 78,892</u>	<u>\$ 634,491</u>	<u>\$1,895,459</u>	<u>\$ 20,542,185</u>
<u>Accumulated Depreciation and Impairment</u>							
Balance at January 1, 2025	\$ -	\$2,229,172	\$3,651,401	\$ 54,382	\$ 494,339	\$ -	\$ 6,429,294
Disposals	-	(15,550)	(101)	(670)	(900)	-	(17,221)
Depreciation Expenses	-	71,573	77,903	1,786	7,657	-	158,919
Effect of foreign currency exchange differences	-	29,035	50,838	626	6,806	-	87,305
Balance at March 31, 2025	<u>\$ -</u>	<u>\$2,314,230</u>	<u>\$3,780,041</u>	<u>\$ 56,124</u>	<u>\$ 507,902</u>	<u>\$ -</u>	<u>\$ 6,658,297</u>
Carrying amount at December 31, 2024	<u>\$ 632,927</u>	<u>\$7,944,245</u>	<u>\$3,264,284</u>	<u>\$ 18,746</u>	<u>\$130,562</u>	<u>\$1,578,279</u>	<u>\$13,569,043</u>
Carrying amount at March 31, 2025	<u>\$ 643,415</u>	<u>\$7,901,597</u>	<u>\$3,294,060</u>	<u>\$ 22,768</u>	<u>\$126,589</u>	<u>\$1,895,459</u>	<u>\$13,883,888</u>

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	Self-Owned Land	Building	Machine Equipment	Transportation Equipment	Other Equipment	Work-in-Progress Property	Total
Cost							
Balance at January 1, 2024	\$721,193	\$10,065,078	\$5,375,805	\$ 74,123	\$ 592,686	\$943,393	\$17,772,278
Additions	-	3,383	16,977	-	4,183	131,697	156,240
Disposals	-	(8,666)	(12,492)	-	(1,522)	(10,706)	(33,386)
Reclassification	-	108,993	78,847	-	5,594	(149,633)	43,801
Capitalized interest	-	-	-	-	-	4,900	4,900
Effect of foreign currency exchange differences	(7,672)	61,997	85,309	1,016	9,783	(10,641)	139,792
Balance at March 31, 2024	<u>\$ 713,521</u>	<u>\$10,230,785</u>	<u>\$5,544,446</u>	<u>\$ 75,139</u>	<u>\$ 610,724</u>	<u>\$909,010</u>	<u>\$18,083,625</u>
Accumulated Depreciation and Impairment							
Balance at January 1, 2024	\$ -	\$1,971,073	\$3,503,162	\$ 51,495	\$ 495,350	\$ -	\$ 6,021,080
Disposals	-	(8,666)	(11,516)	-	(1,387)	-	(21,569)
Depreciation Expense	-	90,877	65,460	1,513	6,428	-	164,278
Effect of foreign currency exchange differences	-	33,536	58,965	763	8,347	-	101,611
Balance at December 31, 2024	<u>\$ -</u>	<u>\$2,086,820</u>	<u>\$ 3,616,071</u>	<u>\$ 53,771</u>	<u>\$ 508,738</u>	<u>\$ -</u>	<u>\$ 6,265,400</u>
Carrying amount at March 31, 2024	<u>\$ 713,521</u>	<u>\$8,143,965</u>	<u>\$1,928,375</u>	<u>\$ 21,368</u>	<u>\$101,986</u>	<u>\$909,010</u>	<u>\$11,818,225</u>

The above items of property, plant and equipment were depreciated on a straight-line basis over the estimated useful life of the asset:

Building	5 to 60 years
Machine Equipment	2 to 25 years
Transportation Equipment	2 to 10 years
Other Equipment	2 to 10 years

Major components for the Group's building include factory main building and power generating equipment. Depreciation for them is recognized based on service life of 60 years ,20 years and 5 years respectively.

Refer to Note 29 for the carrying amount of property, plant and equipment pledged by the Group to secure bank loans.

14. Lease Arrangements

(1) Right-of-Use Assets

	March 31, 2025	December 31, 2024	March 31, 2024
Carrying amount			
Land	\$472,575	\$473,742	\$486,984
Buildings	51,021	54,639	65,352
Transportation Equipment	858	962	1,296
	<u>\$524,454</u>	<u>\$529,343</u>	<u>\$553,632</u>

Refer to Note 29 for the carrying amount of right-of-use assets pledged by the Group to secure bank loans.

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	For the three months ended March 31, 2025	For the three months ended March 31, 2024
Depreciation of right-of-use assets		
Land	\$ 5,649	\$ 5,612
Buildings	4,346	4,159
Transportation Equipment	<u>115</u>	<u>121</u>
	<u>\$ 10,110</u>	<u>\$ 9,892</u>

Except for the aforementioned additions and recognized depreciation, the Group did not have significant sublease or impairment of right-of-use assets during the three months ended March 31, 2025 and 2024.

(2) Lease Liabilities

	March 31, 2025	December 31, 2024	March 31, 2024
Carry amount			
Current	<u>\$ 22,275</u>	<u>\$ 22,826</u>	<u>\$ 28,227</u>
Non-current	<u>\$180,071</u>	<u>\$187,051</u>	<u>\$207,400</u>

Range of discount rate for lease liabilities was as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Land	2%~2.1%	2%~2.1%	2%~2.1%
Buildings	3.2%~3.45%	3.2%~3.45%	3.2%~3.45%
Transportation Equipment	2.5%~5%	2.5%~5%	2.5%~5%

(3) Material leasing activities and terms

To meet with demands from related businesses of wind-power turbine industry, the Group leased roughly 19.8 hectares of land in Taichung Port Industrial Zone from Port of Taichung, Taiwan International Ports Corporation Limited, with a lease term of 20 years. The Group itself invests in the conducting of planning, design and construction of related facilities. Ownership of such facilities belong to the Group. However, establishment of superficies is not permitted and transfer of such facilities shall obtain consent from the Port of Taichung, Taiwan International Ports Corporation Limited. Without consent from the Port of Taichung, Taiwan International Ports Corporation Limited, the Group shall not request to withdraw from the lease prior to

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expiration under any reasons. In the event that the Group intends to continue the lease upon expiration of lease term, the Group shall apply for renewal of the lease, in writing, from the Port of Taichung, Taiwan International Ports Corporation Limited 6 months prior to expiration of the lease. In the event that the Port of Taichung, Taiwan International Ports Corporation Limited still intends to lease the land, renewal terms shall therefore be negotiated by both parties and shall be under the premises of non-violation of laws and regulations at the time of renewal.

(4) Other Lease Information

	For the three months ended March 31, 2025	For the three months ended March 31, 2024
Expenses relating to short-term leases	<u>\$9,772</u>	<u>\$9,856</u>
Expenses relating to low-value asset leases	<u>\$ 659</u>	<u>\$ 212</u>
Total cash outflow for leases	<u>(\$20,434)</u>	<u>(\$20,080)</u>

The Group selects buildings, which meet with short-term lease, and certain office equipment leases, which meet with low-value asset lease, for application of recognition exemption. Related right-of-use asset or lease liabilities will not be recognized upon such leases.

15. Goodwill

The goodwill of the Group has not been significantly increased, disposed of or impaired from the three months ended March 31, 2025 and 2013.

16. Other Financial Assets

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Current</u> (Note 29)			
Pledged bank acceptance	\$ 863,732	\$ 876,748	\$ 521,457
Bank acceptance deposits	12,683	26,511	18,919
Restricted time deposits	209,016	74,673	49,519
Quality guarantee deposits	<u>17,984</u>	<u>28,561</u>	<u>40,636</u>
	<u>\$1,103,415</u>	<u>\$1,006,493</u>	<u>\$ 630,531</u>

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	March 31, 2025	December 31, 2024	March 31, 2024
<u>Non-current</u> (Note 29)			
Quality guarantee deposits(under other non- current assets)	<u>\$ 23,151</u>	<u>\$ 22,831</u>	<u>\$ 27,562</u>
17. <u>Loans</u>			
(1) Short Term Loans			
	March 31, 2025	December 31, 2024	March 31, 2024
<u>Secured Loans</u> (Note 29)			
Bank Loans	<u>\$ 393,135</u>	<u>\$ 847,921</u>	<u>\$ 866,670</u>
<u>Unsecured Loans</u>			
Line of Credit Loans	4,165,464	2,824,858	3,144,511
Syndicated loan	<u>480,000</u>	<u>500,000</u>	<u>500,000</u>
	<u>4,645,464</u>	<u>3,324,858</u>	<u>3,644,511</u>
	<u>\$ 5,038,599</u>	<u>\$ 4,172,779</u>	<u>\$ 4,511,181</u>
Interest Rate	1.16%-4.00%	2.15%-4.45%	1.87%-4.93%
(2) Long Term Loans			
	March 31, 2025	December 31, 2024	March 31, 2024
<u>Secure Loans</u> (Note 30)			
Bank Loans	<u>\$ 761,042</u>	<u>\$ 621,526</u>	<u>\$ 312,338</u>
Syndicated loan	4,959,047	4,961,178	4,861,177
Less: Syndicated loan fee	(6,096)	(6,968)	(9,580)
Less: Current portion	<u>(830,379)</u>	<u>(508,189)</u>	<u>(48,047)</u>
	<u>4,883,614</u>	<u>5,067,547</u>	<u>5,115,888</u>
<u>Unsecure Loans</u>			
Credit Loans	776,006	761,381	230,408
Syndicated loan	2,147,654	2,219,312	2,480,319
Less: Syndicated loan fee	(3,144)	(3,593)	(4,940)
Less: Current portion	<u>(579,276)</u>	<u>(760,790)</u>	<u>(150,413)</u>
	<u>2,341,240</u>	<u>2,216,310</u>	<u>2,555,374</u>
	<u>\$ 7,224,854</u>	<u>\$ 7,283,857</u>	<u>\$ 7,671,262</u>
Interest Rate	2.373%-5.81%	2.35%-5.88%	2.24%-6.45%

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On February 23, 2023, the Group entered a syndicated loan agreement of credit extension total amount of THB \$0.85 billion with Mega International Commercial Bank. Specifically, (1) B credit extension: It is for the borrower Yeong Guan Heavy Industry (Thailand) Co., Ltd. to build PPE, mid-term loan, revolving credit is not allowed. (2) B-1 Credit Extension: It is for the borrower Yeong Guan Heavy Industry (Thailand) Co., Ltd. to build PPE, mid-term secured loan, and revolving credit is not allowed.

On October 25, 2022, the Group entered a syndicated loan agreement of credit extension total amount of NT\$3.66 billion with seven financial institutes including the Land Bank of Taiwan. Specifically, (1) A credit extension: It is for the borrower Yeong Guan Holdings Co., Limited Taiwan Branch to build PPE (includes repaying the balance of the Land Bank of Taiwan 's loan to build the plant in 2021), mid-term loan. Multiple drawdowns are available. However, revolving credit is not allowed. (2) B Credit Extension: It is for the borrower Yeong Guan Holdings Co., Limited Taiwan Branch to build PPE, mid-term secured loan, credit line is NTD36.6 million dollars. Multiple drawdowns are unavailable and revolving credit is not allowed. The A credit period shall be from the date of first use to the date of expiration of 2 years. The B credit period shall be from the date of first use to the date of expiration of 6 years. However, it shall not exceed 7 years from the date when the credit plan is first used. The Borrower shall fully pay the outstanding balance, interest payable, related fees and all other payables for each of the credit facilities at the expiration of the term of each facility.

On January 4, 2022, the Group entered a syndicated loan agreement of credit extension total amount of USD\$0.13 billion and NTD 2.145 billion with six financial institutes including the Land Bank of Taiwan. Specifically, (1) A-1 credit extension: It is for the borrower Yeong Guan Energy Technology Group Company Limited to repay its loan (including but not limited to the balance of the previous syndicated loan), mid-term loan. Credit line is USD75 million dollars or EURO with equivalent value. One time drawdown, however, revolving credit is not allowed. (2) A-2 Credit Extension: It is for the borrower Yeong Guan Energy Technology Group Company Limited to repay its

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domestic 3rd unsecured convertible bond. Credit line is USD55 million dollars or EURO with equivalent value. Multiple drawdowns are available. However, revolving credit is not allowed. (3) B-1 Credit Extension: It is for the borrower Yeong Guan Holdings Co., Limited Taiwan Branch to repay its loan (including but not limited to the balance of the previous syndicated loan) Credit line is NT\$245 million dollars or foreign currency with equivalent value (limited to USD, Euro Dollar). Multiple drawdowns are unavailable. However, revolving credit is not allowed. (4) B-2 Credit Extension: It is for the borrower Yeong Guan Holdings Co., Limited Taiwan Branch to buy PPE. Credit line is NT\$1.4 billion dollars or foreign currency with equivalent value (limited to USD, Euro dollar). Multiple drawdowns are unavailable. However, revolving credit is not allowed. (5) B-3 Credit Extension: It is for borrower Yeong Guan Holdings Co., Limited Taiwan Branch to strengthen mid-term operation capital. Credit line is NT\$0.5 billion dollars or foreign currency with equivalent value (limited to USD, Euro Dollar). Revolving credit is available. The credit period shall be from the date of first use to the date of expiration of 5 years. However, the Group may apply to extend the credit extension period for 2 years, once only The borrower shall fully pay off all debts under this credit.

18. Corporate Bond Payable

	March 31, 2025	December 31, 2024	March 31, 2024
Third Domestic Unsecured Convertible Bonds (1)	\$ 98,596	\$ 98,476	\$ 98,113
Fourth Domestic Unsecured Convertible Bonds (2)	<u>994,449</u>	<u>991,341</u>	<u>981,896</u>
	<u>1,093,045</u>	<u>1,089,817</u>	<u>1,080,009</u>
Less: Current portion	(<u>1,093,045</u>)	(<u>98,476</u>)	<u>-</u>
	<u>\$ -</u>	<u>\$ 991,341</u>	<u>\$1,080,009</u>

- (1) On September 3, 2020, the Company issued 15,000 units NTD denominated un-secured convertible corporate bond with 0% coupon rate and total principal amount of NT\$1.5 billion.

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Each unit corporate bond holder is entitled to convert the bond into the Company's common shares under the price of NT\$100/share. After determination of conversion price, adjustments shall be made in accordance with conversion price adjustment formula in the event of ex-right or ex-dividend. As of Dec. 31, 2025, conversion price has been adjusted to NT\$95.4 and conversion period starts from December 4, 2020 to September 3, 2025. In the event of unconverted corporate bond upon expiration of aforementioned period, onetime cash repayment of bond face value plus interest compensation will be made on September 3, 2025. In the event that conditions are met, the Company shall be entitled to request to redeem this convertible corporate bond from creditors based on agreed prices.

During the period which starts from the next day after 3 months of issuance and until 40 days before expiration of the issuance, in the event the Company's common share closing prices in Taiwan Stock Exchange exceed this bond's conversion price at that time over 30% (included) for 30 consecutive business days, the Company will be entitled to send out a 30-day-expiration "Bond Redemption Notice" within subsequent 30 business days, and redeem all bonds in cash calculated based on face value upon expiration of aforementioned period. During the period which starts from the next day after 3 months of issuance and until 40 days before expiration of the issuance, in the event that this bond's outstanding balance is lower than 10% of original total issue amount, the Company will therefore be entitled to send out a 30-day-expiration "Bond Redemption Notice" based on names recorded on bondholder's name list at any time thereafter, and redeem outstanding bond in cash calculated based on face value upon expiration of aforementioned period.

Respective expiration dates of 3-year periods after issuance are pre-mature sell back record dates for bondholders of this bond. Bondholders are entitled to send out notice in writing to the Company's share agent within 40 days prior to aforementioned sell back record dates requesting the Company to redeem bond held by them in cash and in 101.51% of face value.

This convertible corporate bond includes liability and equity components. Equity components are presented as Additional Paid-In Capital - Share Subscription Right under equities. Liability components, on the other hand, are cognized as liabilities of embedded derivative financial instruments and non-derivative products. Such embedded derivative financial instrument have been assessed at fair value of NT\$0, NT\$0 and NT\$0 thousand (included in financial liabilities - noncurrent which are

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measured through profit/loss based on fair value) on March 31, 2025, December 31, 2024 and March 31, 2024 respectively; non-derivative product liability have been measured on March 31, 2025, December 31, 2024 and March 31, 2024 are NT\$98,596 thousand, NT\$98,476 thousand NT\$98,113 thousand (included in corporate bond payable which is due, or whose put option will be exercised, in one year) based on amortized cost and its effective interest rate originally recognized is 0.4923%.

Issuance Proceeds (less transaction cost of NT\$4,094 thousand)	\$ 1,549,294
Equity Components	(<u>80,098</u>)
Net Liability Components on Issue Day (including NT\$1,463,619 thousand of corporate bond payable and NT\$5,577 thousand of financial assets at fair value – non-current)	1,469,196
Interest Calculated in Effective Interest Rate	22,483
Redeemed convertible bonds	(1,387,506)
Loss on Valuation of Financial Instrument	(<u>5,577</u>)
Net Liability Components on March 31, 2025	<u>\$ 98,596</u>

All of the third unsecured convertible corporate bonds have not yet been converted as of March 31, 2025.

- (2) On February 20, 2023, the Company issued 15,000 units NTD denominated un-secured convertible corporate bond with 0% coupon rate and total principal amount of NT\$1.5 billion.

Each unit corporate bond holder is entitled to convert the bond into the Company's common shares under the price of NT\$61.7/share. Conversion period starts from May 20, 2023 to February 20, 2028. In the event of unconverted corporate bond upon expiration of aforementioned period, onetime cash repayment of bond face value plus interest compensation will be made on February 20, 2028. In the event that conditions are met, the Company shall be entitled to request to redeem this convertible corporate bond from creditors based on agreed prices.

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During the period which starts from the next day after 3 months of issuance and until 40 days before expiration of the issuance, in the event the Company's common share closing prices in Taiwan Stock Exchange exceed this bond's conversion price at that time over 30% (included) for 30 consecutive business days, the Company will be entitled to send out a 30-day-expiration "Bond Redemption Notice" within subsequent 30 business days, and redeem all bonds in cash calculated based on face value upon expiration of aforementioned period. During the period which starts from the next day after 3 months of issuance and until 40 days before expiration of the issuance, in the event that this bond's outstanding balance is lower than 10% of original total issue amount, the Company will therefore be entitled to send out a 30-day-expiration "Bond Redemption Notice" based on names recorded on bondholder's name list at any time thereafter, and redeem outstanding bond in cash calculated based on face value upon expiration of aforementioned period.

Respective expiration dates of 3-year periods after issuance are pre-mature sell back record dates for bondholders of this bond. Bondholders are entitled to send out notice in writing to the Company's share agent within 40 days prior to aforementioned sell back record dates requesting the Company to redeem bond held by them in cash and in 101.51% of face value.

This convertible corporate bond includes liability and equity components. Equity components are presented as Additional Paid-In Capital - Share Subscription Right under equities. Liability components, on the other hand, are cognized as liabilities of embedded derivative financial instruments and non-derivative products. Such embedded derivative financial instrument have been assessed at fair value of NT\$38,891, NT\$33,630 and NT\$13,167 thousand (included in financial liabilities - noncurrent which are measured through profit/loss based on fair value) on March 31, 2025, December 31, 2024 and March 31, 2024 respectively; non-derivative product liability have been measured on March 31, 2025, December 31, 2024 and March 31, 2024 are NT\$994,449 thousand, NT\$991,341 thousand NT\$981,896 thousand (included in corporate bond payable which is due, or whose put option will be exercised, in one year) based on amortized cost and its effective interest rate originally recognized is 1.2785%.

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Issuance Proceeds (less transaction cost of NT\$5,811 thousand)	\$ 1,557,690
Equity Components	(<u>141,750</u>)
Net Liability Components on Issue Day (including NT\$1,407,684 thousand of corporate bond payable and NT\$8,256 thousand of financial assets at fair value – non-current)	1,415,940
Interest Calculated in Effective Interest Rate	28,251
Redeemed convertible bonds	(441,487)
Gain on Valuation of Financial Instrument	<u>30,636</u>
Net Liability Components on March 31, 2025	<u>\$ 1,033,340</u>

All of the third unsecured convertible corporate bonds have not yet been converted as of March 31, 2025.

19. Other Payables

	March 31, 2025	December 31, 2024	March 31, 2024
Salary Payable	\$ 200,998	\$ 286,61	\$ 190,326
Payables on Equipment	134,552	167,396	79,329
Processing Fee Payable	53,683	78,674	33,482
Utilities Payable	34,350	34,377	33,555
Interest Payable	28,263	35,471	24,545
Freight Payable	24,924	50,835	20,183
Tax Payable	14,285	30,361	19,151
Others	<u>322,915</u>	<u>208,130</u>	<u>216,946</u>
	<u>\$ 813,970</u>	<u>\$ 895,005</u>	<u>\$ 617,517</u>

20. Retirement Benefit Plans

Yeong Chen Asia Pacific Co., Ltd. Yeong Guan Holdings Co., Limited Taiwan branch adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, the Company makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

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

21. Equity

(1) Share Capital

	March 31, 2025	December 31, 2024	March 31, 2024
Number of Shares Authorized (in thousands)	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>
Shares authorized	<u>\$ 3,000,000</u>	<u>\$ 3,000,000</u>	<u>\$3,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>133,136</u>	<u>\$ 133,136</u>	<u>118,136</u>
Shares issued	<u>\$ 1,331,359</u>	<u>\$ 1,331,359</u>	<u>\$1,181,359</u>

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

(2) Capital Surplus

The capital surplus arising from shares issued in excess of par (including share premium from the issuance of ordinary shares, treasury share transactions, consolidation excess and expired share options) and donations may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and once a year).

Capital surplus generated from equity component of convertible bonds payable may not be used for any purpose; Capital surplus generated from forfeited share options may only be used to offset a deficit.

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(3) Retained earnings and dividend policy

Under the dividend policy as set forth in the amended Articles, when Company makes profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, and then any remaining profit together with any undistributed retained earnings, distributed, shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and of bonus of shareholders. For the policies on distribution of compensation of employees and remuneration of directors and supervisors before and after amendment, refer to Note 23. compensation of employees and remuneration of directors.

Distribution of shareholder dividend and employee bonus can be distributed, pursuant to Board of Director's Meeting determination, to employees or shareholders in cash, proceeds from fully paid shares not yet issued, or both cash and aforementioned proceeds. For shareholder dividend, however, cash dividend distributed shall not be less than 10% of all dividends. The Company will not pay for interest on undistributed dividend or bonus.

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

Items referred to under Rule No. 1090150022 issued by the FSC and the directive titled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs" should be appropriated to or reversed from a special reserve by the Company.

The accumulated deficits off-set for 2024 had been proposed in the board of directors on March 16, 2025. The accumulated deficits off-setting and dividends per share were as follows:

	Earnings Distribution	
	2024	2022
Special Reserve	<u>(\$ 452,510)</u>	<u>\$ 190,528</u>

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(4) Special Reserve

Upon the Company's first adoption of IFRSs, accumulated conversion adjustment amount transferred into retained earnings was NT\$8,214 thousand. The same amount of special reserve has already been appropriated accordingly. Upon earnings distribution, other shareholder's equity deduction as of the ending day of reporting period as well as special reserve appropriated during first adoption of IFRSs shall also be recognized. In the event that there is a subsequent reversal on other shareholder's equity reduction balance, distribution of earnings can then be conducted on the reserval portion.

(5) Non-Controlling Interest

	For the three months ended March 31, 2025	For the three months ended March 31, 2024
Balance at January 1	\$ 318,941	\$ 167,317
Current Net Profit (Loss)	(1,636)	(3,033)
Exchange Difference on Translation of Foreign Financial Statement	8,644	(3,780)
Non-Controlling Interest Increased by Yeong Guan Heavy Industry (Thailand) Company	48,040	22,568
Acquisition of non-controlling interests in YGW	-	3,907
Balance at March 31	<u>\$ 373,989</u>	<u>\$ 186,979</u>

22. Revenue

(1)	Balance of Client Contract	For the three months ended March 31, 2025	For the three months ended March 31, 2024
	Client Contract Revenue		
	Product Sales Revenue	<u>\$ 1,667,147</u>	<u>\$ 1,420,144</u>

(2) Disaggregation of revenue from contracts with customers

Please refer to note 32 for detail information on client contract revenue.

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23. Net Profit(Loss)

(1) Interest Income

	For the three months ended March 31, 2025	For the three months ended March 31, 2024
Bank deposits	<u>\$ 7,390</u>	<u>\$ 5,306</u>

(2) Other Profits and Losses

	For the three months ended March 31, 2025	For the three months ended March 31, 2024
Subsidized Income	\$ 1,933	\$ 523
Loss from Disposal and Abandonment of Property, Factory and Equipment	37	46,386
Loss from Disposal and Abandonment of Property, Factory and Equipment	-	24,131
Others	<u>31,296</u>	<u>3,798</u>
	<u>\$ 33,266</u>	<u>\$ 74,838</u>

(3) Financial Cost

	For the three months ended March 31, 2025	For the three months ended March 31, 2024
Interest on Bank Loans	\$ 106,102	\$ 104,519
Interest on Lease Liabilities	1,345	1,553
Interest on Convertible Bond	<u>3,227</u>	<u>3,223</u>
	110,674	109,295
Less: Amounts included in the cost of qualifying assets	(<u>11,589</u>)	(<u>4,900</u>)
	<u>\$ 99,085</u>	<u>\$ 104,395</u>

Information on capitalized interest is as follows:

	<u>For the Three Months Ended March 31</u>	
	<u>2025</u>	<u>2024</u>
Capitalized interest amount	\$ 11,589	\$ 4,900
Capitalization rate	3.699%-5.810%	3.899%-5.373%

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(4) Depreciation, Amortization and Employee Benefit Expense

	For the three months ended March 31, 2025			For the three months ended March 31, 2024		
	Business Cost	Business Expense	Total	Business Cost	Business Expense	Total
Employment Benefit Expense						
Post-Employment Benefit	\$ 22,936	\$ 5,722	\$ 28,658	\$ 28,654	\$ 6,353	\$ 35,007
Other Employment Benefit	<u>285,911</u>	<u>83,521</u>	<u>369,432</u>	<u>343,134</u>	<u>89,905</u>	<u>433,039</u>
	<u>\$ 308,847</u>	<u>\$ 89,243</u>	<u>\$ 398,090</u>	<u>\$ 371,788</u>	<u>\$ 96,258</u>	<u>\$ 468,046</u>
Depreciation	<u>\$ 145,738</u>	<u>\$ 23,291</u>	<u>\$ 169,029</u>	<u>\$ 148,071</u>	<u>\$ 26,099</u>	<u>\$ 174,170</u>
Amortization	<u>\$ 481</u>	<u>\$ 1,101</u>	<u>\$ 1,582</u>	<u>\$ 276</u>	<u>\$ 1,297</u>	<u>\$ 1,573</u>

Aforementioned depreciation expense does not include depreciation expenses of NT\$2 thousand for investment real property for three months ended March 31, 2025 and 2024 (included under non-operating revenue and expense – other benefits and losses).

(5) Employee Compensation and Director/Supervisor Compensation

The Company shall appropriate employee compensation and director/supervisor compensation in accordance with respective distribution zones of 2%~15% and no higher than 3% after current year pre-tax benefits prior to the distribution of employee and director/supervisor compensation are deducted. No compensation of employees and remuneration of directors and supervisors were estimated as the Company reported net losses for the three months ended March 31, 2025 and 2024.

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

There was no difference between the actual appropriated amounts of employees' compensation and remuneration of directors and the amounts recognized in the consolidated financial statements for the years ended December 31, 2024 and 2022. The Company offered to settle employee's compensation in cash.

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

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24. Income Tax

(1) Income tax recognized in profit or loss

The major components of tax expense(benefit) were as follow:

	<u>For the three months ended March 31, 2025</u>	<u>For the three months ended March 31, 2024</u>
Current Tax		
In respect of the current year	\$ 8,687	\$ 83,308
Adjustments for prior years	<u>5,017</u>	<u>(3,251)</u>
	13,704	80,057
Deferred Tax		
In respect of the current year	<u>(4,944)</u>	<u>(31,421)</u>
Income tax expense recognized in profit or loss	<u>8,760</u>	<u>48,636</u>

(2) Income tax assessments

Yeong Chen Asia Pacific Company and Yeong Guan Holdings Co., Limited Taiwan branch's tax filing cases prior to the year of 2021 have all been assessed by tax authority. Furthermore, all subsidiaries in China and Yeong Guan Heavy Industries have all completed their income tax filings within deadlines in accordance with local tax authorities' requirements.

25. (Loss) Earnings per Share

The weighted average number of shares outstanding used for the earnings (loss) per share computation were as follows:

Net profit for the period

	<u>For the three months ended March 31, 2025</u>	<u>For the three months ended March 31, 2024</u>
(Loss) Profit for the period attributable to owners of the Company	<u>(\$ 248,342)</u>	<u>(\$ 546,293)</u>
(Loss) Earnings used in the computation of diluted (Loss) earnings per share	<u>(\$ 248,342)</u>	<u>(\$ 546,293)</u>

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<u>Number of Shares</u>	Unit: 1,000 shares	
	For the three months ended March 31, 2025	For the three months ended March 31, 2024
Weighted average number of ordinary shares used in the computation of basic earnings per share	<u>118,136</u>	<u>118,136</u>
Weighted average number of ordinary shares used in the computation of diluted earnings (loss) per share	<u>118,136</u>	<u>118,136</u>

If the Company offered to settle bonuses paid to employees in cash or shares, the Company assumed the entire amount of the bonus would be settled in shares and the resulting potential shares were included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, if the effect is dilutive. Such dilutive effect of the potential shares was included in the computation of diluted earnings per share until the shareholders resolve the number of shares to be distributed to employees at their meeting in the following year.

The Group's third outstanding domestic unsecured convertible bonds are potential common shares. However, given the counter-dilution effect from such potential common shares of 2024 Q1, they are not included in the calculation of diluted earnings per share.

26. Capital Risk Management

The Group engages itself in capital management to ensure necessary finance resources and operation plan for the purpose of meeting the needs for future 12-month operation capital, capital expenditure, debt repayment as well as dividend payment. Under the premise that respective enterprise of the Group will be able to operate continuously, shareholder's compensation will be maximized through optimization of debt and equity balances.

The Group's major management regularly review the Group's capital structure. Contents of review include consideration of various capital costs as well as their related risks. With major management's suggestions, the Group balances its overall capital structure through dividend payment, new share issuance, new debt issuance or repayment of existing debt.

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27. Financial Instruments

(I) Fair value of financial instruments that are not measured at fair value

March 31, 2025

	Book Value	Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Financial Liability</u>					
Financial liabilities at amortized cost					
Convertible bonds payable	<u>\$1,093,045</u>	<u>\$1,093,806</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$1,093,806</u>

December 31, 2024

	Book Value	Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Financial Liability</u>					
Financial liabilities at amortized cost					
Convertible bonds payable	<u>\$1,089,817</u>	<u>\$1,069,047</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$1,069,047</u>

March 31, 2024

	Book Value	Fair Value			
		Level 1	Level 2	Level 3	Total
<u>Financial Liability</u>					
Financial liabilities at amortized cost					
Convertible bonds payable	<u>\$1,080,009</u>	<u>\$1,162,542</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$1,162,542</u>

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(II) Fair value of financial instruments measured at fair value on a recurring basis

1. Fair value hierarchy

March 31, 2025

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTPL</u>				
Financial Product	\$ -	\$ 544	\$ -	\$ 544
<u>Financial assets at FVTOCI</u>				
Unlisted shares	\$ -	\$ -	\$99,006	\$ 99,006
<u>Financial liabilities at FVTPL</u>				
Convertible Bond Payables	\$ -	\$ 38,891	\$ -	\$ 38,891

December 31, 2024

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTPL</u>				
<u>Financial assets at FVTOCI</u>				
Unlisted shares	\$ -	\$ -	\$171,075	\$ 171,075
<u>Financial liabilities at FVTPL</u>				
Convertible Bond Payables	\$ -	\$ 33,630	\$ -	\$ 33,630

March 31, 2024

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTPL</u>				
Financial Product	\$ -	\$ 46,598	\$ -	\$ 46,598
<u>Financial assets at FVTOCI</u>				
Unlisted shares	\$ -	\$ -	\$198,450	\$ 198,450
<u>Financial liabilities at FVTPL</u>				
Convertible Bond Payables	\$ -	\$ 13,167	\$ -	\$ 13,167

There were no transfers between the level 1 and level 2 during the period of three months ended March 31, 2025 and 2024.

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

For the three months ended March 31, 2025

Financial Assets	Financial Assets at FVTOCI
	Equity Instruments
Balance at January 1, 2025	\$171,075
Purchases	(73,887)
Effect of foreign currency exchange differences	<u>1,818</u>
Balance at March 31, 2025	<u>\$99,006</u>

For the three months ended March 31, 2024

Financial Assets	Financial Assets at FVTOCI
	Equity Instruments
Balance at January 1, 2025	\$136,581
Purchases	59,144
Effect of foreign currency exchange differences	<u>2,725</u>
Balance at March 31, 2025	<u>\$198,450</u>

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

Types of Financial Instruments	Assessment Techniques and Input Values
Derivatives - foreign exchange forward contracts	Discounted cash flow Method Future cash flows are estimated based on observable forward exchange rates at the end of the reporting period and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.
Financial Product	Discounted Cash Flow Method: Future cash flow is assessed using period-end observable interest rates and rates of return stipulated in agreements, and is discounted respectively using discount rates which are capable of reflecting respective transaction counterparties' credit risks
Domestic Third Unsecured Convertible Corporate Bond	Under the assumption that corporate bond will be redeemed on September 3, 2025, discount rate adopted is calculated via interpolation method using government bond yield rates from public offer 2-year and 5-year period.
Domestic Fourth Unsecured Convertible Corporate Bond	Under the assumption that corporate bond will be redeemed on February 20, 2028, discount rate adopted is calculated via interpolation method using government bond yield rates from public offer 2-year and 5-year period.

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(III) Categories of Financial Instruments

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Financial Asset</u>			
Financial assets at FVTPL	\$ 544	\$ -	\$ 46,598
Financial assets at amortized cost (Note 1)	6,511,658	6,536,395	6,232,358
Financial assets at FVTOCI	99,006	171,075	198,450
<u>Financial Liability</u>			
Financial liability at FVTPL	38,891	33,630	13,617
Measured at amortized cost (Note 2)	16,992,177	15,951,472	15,656,095

Note 1: The balances included financial assets measured at amortized cost, which comprise cash and cash equivalents, notes and accounts receivable, other receivables and refundable deposit.

Note. 2: The balances include financial liabilities at amortized cost, which comprise short-term and long-term loans, trade and other payables, and bonds issued.

(IV) Financial risk management objectives and policies

The Group's main financial instruments include cash and cash equivalents, notes and trade receivables, trade payables, loans and lease liability. The finance department of the Group provides service to business departments, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

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

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After completion of derivative financial instrument transaction, finance department will file report to the Board of Directors Meeting accordingly.

1. Market Risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see Note (1) below) and interest rates (see Note (2) below).

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

(1) Foreign currency risk

Several subsidiaries of the Company have foreign currency denominated sales and purchases, which exposed the Group to foreign currency risk. Exchange rate exposures were managed within approved policy parameters utilizing foreign exchange forward contract.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) and of the derivatives exposing to foreign currency risk at the end of the reporting period are set out in Note 7 and 30.

Sensitivity Analysis

The Group was mainly exposed to the currency USD and EUR.

The following table details the Group's sensitivity to a 1% increase and decrease in the functional currency against the relevant foreign currencies. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis included only outstanding foreign currency denominated monetary items and foreign exchange forward contracts designated as cash flow hedges, and adjusts

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their translation at the end of the reporting period for a 1% change in foreign currency rates. A positive number below indicates an increase in pre-tax profit and other equity associated with the functional currency strengthen 1% against the relevant foreign currencies. For a 1% weakening of the functional currency against the relevant foreign currencies, there would be an equal and opposite impact on pre-tax profit and other equity and the balances below would be negative.

	For the three months ended March 31, 2025	For the three months ended March 31, 2024
USD	(\$ 1,516)	\$ 4,676
ERU	12,699	6,865
RMB	95	(790)

Aforementioned foreign currency's influence over profit or loss mainly comes from fair value changes, on the balance sheet day, of consolidated company's outstanding USD and EUR denominated account receivables/payables without cash flow hedge as well as total amount investment hedge derivatives.

In the management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign currency risk because the exposure at the end of the reporting period did not reflect the exposure during the period.

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(2) Interest Rate Risk

The Group is exposed to interest rate risk because entities in the Group borrow loans at both fixed and floating interest rates.

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

	March 31, 2025	December 31, 2024	March 31, 2024
Fair Value Risks			
-Financial Assets	\$ 1,906,112	\$ 1,112,215	\$ 1,134,782
-Financial Liabilities	2,939,698	2,845,974	3,409,714
Cash Flow Risks			
-Financial Assets	2,333,455	2,609,187	2,508,534
-Financial Liabilities	12,096,926	11,251,027	10,365,962

Sensitivity Analysis

The sensitivity analyses below were determined based on the Group's exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole period. A 1% increase or decrease was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 1% higher or lower and all other variables were held constant, the Group's pre-tax profit for the years ended March 31, 2025 and 2024 would decrease or increase by (\$24,409) thousand and (\$19,644) thousand, respectively, which was mainly attributable to the Group's exposure to interest rates on its variable-rate bank loans.

(3) Other price risk

The Group was exposed to equity price risk through its investments in equity securities. Equity investments are held for strategic rather than for trading purposes, the Group does not actively trade these investments. In

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addition, the Group has appointed a special team to monitor the price risk and will consider hedging the risk exposure should the need arise.

Sensitivity analysis

The sensitivity analysis below was determined based on the exposure to equity price risks at the end of the period.

If equity prices had been 1% higher/lower, pre-tax/post-tax profit for the three months ended March 31, 2025 would have increased/decreased by \$990 and \$1,985 thousand.

2. Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As at the end of the reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure of counterparties to discharge an obligation and financial guarantees provided by the Group could arise from the carrying amount of the respective recognized financial assets as stated in the balance sheets.

To mitigate credit risk, management of consolidated company assigns a specific team responsible for credit extension amount determination, credit extension approval as well as other monitoring processes to ensure that appropriate actions have been taken to recover overdue account receivables. Additionally, consolidated company will, on balance sheet day, re-verify each account receivable recoverable amount to ensure unrecoverable account receivables have already been recognized as appropriate impairment losses. With this, the Company's management considers that consolidated company's credit risks have been reduced dramatically.

The Group transacted with a large number of customers from various industries and geographical locations. The Group continuously assesses the operations and financial positions of customers and monitors the collectability of accounts receivable.

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Current capital transaction counterparties are financial institutions and company organizations with good credit ratings, and therefore their credit risks are limited. The Group transacts with a large number of unrelated customers and, thus, no concentration of credit risk was observed.

3. Liquidity Risk

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

The Group relies on bank loans as a significant source of liquidity. As of the Group had available unutilized short-term bank loan facilities set out in (3) below.

(I) Liquidity and Interest Rate Risk Tables for Non-Derivative Financial Liabilities

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

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

March 31, 2025

	On Demand or Less than 1 Month	1 to 3 months	3 months to 1 year	1 to 5 years	more than 5 years
<u>Non-derivative financial liability</u>					
Non-interest bearing	\$ 743,392	\$ 914,448	\$ 366,284	\$ 902	\$ -
Lease liability	2,897	5,785	25,874	96,452	102,108
Variable interest rate instrument	1,233,829	1,724,259	2,634,710	6,504,128	-
Fixed interest rate instrument	99,300	159,104	1,040,734	1,407,444	-
	<u>\$2,079,418</u>	<u>\$2,803,596</u>	<u>\$4,067,602</u>	<u>\$8,008,926</u>	<u>\$ 102,108</u>

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Additional information about the maturity analysis for lease liabilities:

	Less than 1 year	1 to 5 years	5 to 10 years	10 to 15 years	15 to 20 years	More than 20 years
Lease liability	<u>\$ 34,556</u>	<u>\$ 96,452</u>	<u>\$ 74,706</u>	<u>\$ 27,402</u>	<u>\$ -</u>	<u>\$ -</u>

December 31, 2024

	On Demand or Less than 1 Month	1 to 3 months	3 months to 1 year	1 to 5 years	more than 5 years
<u>Non-derivative financial liability</u>					
Non-interest bearing	\$ 680,289	\$ 778,920	\$ 386,869	\$ 200	\$ -
Lease liability	2,866	5,749	25,760	100,770	105,843
Variable interest rate instrument	1,381,314	1,357,578	1,758,501	6,753,634	-
Fixed interest rate instrument	121,590	298,848	828,354	1,356,195	-
	<u>\$2,186,059</u>	<u>\$2,441,095</u>	<u>\$2,999,484</u>	<u>\$8,210,195</u>	<u>\$ 105,843</u>

Additional information about the maturity analysis for lease liabilities:

	Less than 1 year	1 to 5 years	5 to 10 years	10 to 15 years	15 to 20 years	More than 20 years
Lease liability	<u>\$ 34,375</u>	<u>\$ 100,770</u>	<u>\$ 74,706</u>	<u>\$ 31,137</u>	<u>\$ -</u>	<u>\$ -</u>

March 31, 2024

	On Demand or Less than 1 Month	1 to 3 months	3 months to 1 year	1 to 5 years	more than 5 years
<u>Non-derivative financial liability</u>					
Non-interest bearing	\$ 964,231	\$ 936,793	\$ 103,374	\$ 459	\$ -
Lease liability	2,812	5,642	25,410	113,459	117,049
Variable interest rate liabilities	746,475	1,018,792	963,829	7,636,866	-
Fixed interest rate instrument	510,735	392,490	1,111,717	1,130,400	-
	<u>\$2,224,253</u>	<u>\$2,353,717</u>	<u>\$2,204,330</u>	<u>\$8,881,184</u>	<u>\$ 117,049</u>

Additional information about the maturity analysis for lease liabilities:

	Less than 1 year	1 to 5 years	5 to 10 years	10 to 15 years	15 to 20 years	More than 20 years
Lease liability	<u>\$ 33,864</u>	<u>\$ 113,459</u>	<u>\$ 74,706</u>	<u>\$ 42,343</u>	<u>\$ -</u>	<u>\$ -</u>

Differences between floating interest rate and interest rate estimated on balance sheet day will lead to changes in floating interest rate instrument amounts for aforementioned non-derivative financial liability.

(2) Liquidity and Interest Rate Risk Tables for Derivative Financial Liabilities

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

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and the undiscounted gross inflows and outflows on those derivatives that require gross settlement. When the amount payable or receivable is not fixed, the amount disclosed is determined by reference to the projected interest rates as illustrated by the yield curves at the end of the period.

March 31, 2025

	On Demand or Less than 1 Month	1 to 3 months	3 months to 1 year
<u>Net settled</u>			
Foreign SWAP contracts			
- Inflow	\$ -	\$ -	\$ 139,503
- Outflow	-	-	(138,959)
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 544</u>

(3) Financing Facilities

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Unsecured Bank Overdraft Facility, Reviewed Annually			
— Amount Used	\$ 7,565,980	\$ 6,305,551	\$ 6,350,298
— Amount Unused	<u>3,625,372</u>	<u>4,530,609</u>	<u>4,768,975</u>
	<u>\$ 11,191,352</u>	<u>\$ 10,836,160</u>	<u>\$ 11,119,273</u>
Secured Bank Overdraft Facility, Extendable If Agreed by the Parties)			
— Amount Used	\$ 6,107,128	\$ 6,430,625	\$ 6,030,605
— Amount Unused	<u>840,210</u>	<u>1,318,966</u>	<u>2,579,716</u>
	<u>\$ 6,947,338</u>	<u>\$ 7,749,591</u>	<u>\$ 8,610,321</u>

(V) Information of Financial Asset Transfer

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

The maximum exposure to loss from the Group's continuing involvement in the derecognized bills receivable is equal to the face amounts of \$324,748 thousand, \$440,083 thousand and \$446,596 thousand as of March 31, 2025, December 31, 2024 and March 31, 2024, respectively. Taking into consideration the credit risk of these derecognized bills receivable, the Group estimates that the fair values of its continuing involvement are not significant.

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During the three months ended March 31, 2024 and 2020, the Group did not recognize any gains or losses upon the transfer of the banker's acceptance bills. No gains or losses were recognized from the continuing involvement, both during the period or cumulatively.

28. Transactions With Related Party

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

(1) Name and Relation

Name	Relation
Yeong Guan Mould Factory Co., Ltd.	Substantial related-party

(2) Others

Item Recognized	Type of Related Party	For the three months ended March 31, 2025	For the three months ended March 31, 2024
Advanced Ren (included under other liability)	Substantial related-party	\$ 16	\$ 16
Rent Income (included under other income)	Substantial related-party	\$ 15	\$ 15

For lease contract with related party, rent is determined under reference of market prices and payment is subject to the general terms and conditions.

(3) Major Management Remuneration

	For the three months ended March 31, 2025	For the three months ended March 31, 2024
Short-term Employee Benefit	\$ 7,496	\$ 8,216
Post-Employment Benefit	213	215
	<u>\$ 7,709</u>	<u>\$ 8,431</u>

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The compensation to directors and other key management personnel were determined by the Remuneration Committee in accordance with the individual performance and the market trends.

29. Assets Pledged as Collateral or for Security

The Group's following assets are provided as loan collaterals, construction performance bond or product quality warranty.

	March 31, 2025	December 31, 2024	March 31, 2024
Property, Plant and Equipment, Net	\$ 10,088,651	\$ 8,366,538	\$ 8,068,275
Right-to-Use Asset	189,508	188,567	174,690
Other Financial Assets – Current	1,103,415	1,006,493	630,531
Other Financial Assets – Noncurrent	<u>23,151</u>	<u>22,831</u>	<u>27,562</u>
	<u>\$ 11,404,725</u>	<u>\$ 9,584,429</u>	<u>\$ 8,901,058</u>

30. Significant Assets and Liabilities Denominated in Foreign Currencies

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

March 31, 2025

	Foreign Currency	Exchange Rate	Book Value
<u>Financial Assets</u>			
<u>Currency Item</u>			
USD	\$ 25,116	7.1782 (USD: RMB)	\$ 833,851
USD	16,969	33.20 (USD: NTD)	563,371
USD	181	35.5028 (USD: THB)	6,009
EUR	16,414	7.7962 (EUR: RMB)	589,591
EUR	14,060	35.92 (EUR: NTD)	505,035
RMB	58,031	4.6251 (RMB: NTD)	268,399
RMB	2,529	4.7243 (RMB: NTD)	11,697
THB	765	0.979 (THB: NTD)	749
GBP	298	42.9608 (RMB: NTD)	12,802
<u>Non-Currency</u>			
<u>Item</u>			
EUR	26	7.7962 (EUR: RMB)	942
<u>Financial Liability</u>			
<u>Currency Item</u>			
USD	511	7.1782 (USD: RMB)	16,965
USD	37,176	33.20 (USD: NTD)	1,234,243
EUR	151	7.7962 (EUR: RMB)	5,424

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	Foreign Currency	Exchange Rate	Book Value
EUR	65,704	35.92 (EUR: NTD)	2,360,088
RMB	7,118	4.6251 (RMB: NTD)	32,921
RMB	55,503	4.7243 (RMB: NTD)	256,707
<u>Non-Currency</u>			
<u>Item</u>			
USD	12	7.1782 (USD: RMB)	398
<u>December 31, 2024</u>			

	Foreign Currency	Exchange Rate	Book Value
<u>Monetary Assets</u>			
<u>Currency Item</u>			
USD	\$ 25,275	7.1884 (USD: RMB)	\$ 828,767
USD	18,257	32.79 (USD: NTD)	598,647
EUR	16,251	7.5257 (EUR: RMB)	554,647
EUR	11,625	34.13 (EUR: NTD)	396,761
RMB	61,384	4.5615 (RMB: NTD)	280,004
RMB	3,098	0.1391 (RMB: THB)	14,132
THB	19,765	0.9559 (THB: NTD)	18,893
GBP	298	41.17 (GBP: NTD)	12,269
JPY	204	0.0462 (JPY: RMB)	43
JPY	171	0.21 (JPY: NTD)	36
<u>Monetary Liabilities</u>			
<u>Currency Item</u>			
USD	407	7.1884 (USD: RMB)	13,346
USD	40,437	32.79 (USD: NTD)	1,325,929
EUR	1	7.5257 (EUR: RMB)	34
EUR	39,970	34.13 (EUR: NTD)	1,364,176
RMB	13,750	4.5615 (RMB: NTD)	62,721
RMB	42,347	0.2096 (RMB: THB)	193,166

March 31, 2024

	Foreign Currency	Exchange Rate	Book Value
<u>Financial Assets</u>			
<u>Currency Item</u>			
USD	\$ 13,565	7.0950 (USD: RMB)	\$ 434,080
USD	10,215	32.00 (USD: NTD)	326,880
EUR	31,102	7.6765 (EUR: RMB)	1,072,086
EUR	10,871	34.47 (EUR: NTD)	374,723
RMB	22,381	4.41 (RMB: NTD)	98,700
THB	4,260	0.8796 (THB: NTD)	3,747
<u>Financial Liability</u>			
<u>Currency Item</u>			
USD	462	7.0950 (USD: RMB)	14,784
USD	37,931	32.00 (USD: NTD)	1,213,792
EUR	305	7.6765 (EUR: RMB)	10,513
EUR	61,584	34.47 (EUR: NTD)	2,122,800
RMB	4,458	4.41 (RMB: NTD)	19,660

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For the three months ended in March 31, 2025 and 2024, realized and unrealized net foreign exchange gain (loss) were \$4,064 thousand and (\$76,245) thousand respectively. It is impractical to disclose net foreign exchange gains by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the group entities.

31. Disclosed Items

(I) Information about significant transactions:

1. Loans provided to other parties (Table 1)
2. Endorsements/guarantees given to other parties (Table 2)
3. Marketable securities held (excluding investments in subsidiaries, associates and joint controlled entities) (Table 3)
4. Purchases or sales of the same marketable securities amounting to at least NT\$300 million or 20% of the paid-in capital. (None)
5. Acquisition of real estate at costs of at least NT \$300 million or 20% of the paid-in capital (None)
6. Disposal of real estate at prices of at least NT\$300 million or 20% of the paid-in capital (None)
7. Purchases or sales with related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 4)
8. Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 5)
9. Derivative transactions (Note 7 “Financial Instruments at Fair Value through Profit or Loss”)
10. Intercompany relationships and significant intercompany transactions (Table 8)

(II) Information on investees (Table 6)

(III) Information for investments in Mainland China

1. Information for any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, investment income or loss,

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carrying amount of the investment at the end of the period, and limit on the amount of investment in the mainland China area (Table 7)

2. Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: (Tables 1 to 8)

- (1) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.
- (2) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.
- (3) The amount of property transactions and the amount of the resultant gains or losses.
- (4) The balance of negotiable instrument endorsements/guarantees or pledges of collateral at the end of the period and the purposes.
- (5) The highest balance, the ending balance, the interest rate range, and the total of current interest with respect to loans provided.
- (6) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receiving of services.

- (IV) Information of major shareholders: List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder. (Table 9)

32. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. Departments shall be reported by the Group are casting processing and other.

- (1) Segment revenues and results

The following was an analysis of the Group's revenue and results from continuing operations by reportable segment.

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	Department Income		Department Profit (Loss)	
	For the three months ended March 31, 2025	For the three months ended March 31, 2024	For the three months ended March 31, 2025	For the three months ended March 31, 2024
Total amounts of continuing operations	<u>\$ 1,667,147</u>	<u>\$ 1,420,144</u>	(\$ 58,946	(\$ 277,926)
Interest revenue			7,390	5,306
Other Profit and Loss			33,266	74,838
Financial Product Net Profit at Fair Value through Profit and Loss			(4,705)	(1,602)
Net exchange gains			4,064	(76,245)
Finance costs			(99,085)	(104,395)
Management and Administration Expense			(<u>123,652</u>)	(<u>120,666</u>)
Profit before income tax			(<u>\$ 241,218</u>)	(<u>\$ 500,690</u>)

The segment revenues were accounted for the transactions with external customers. No inter-segment sales occurred for the years ended December 31, 2025 and 2024.

Segment profit represented the profit before tax earned by each segment without interest income, other gain or loss, net gain on financial assets and liabilities at fair value through profit and loss, exchange gain or loss, finance costs, allocation of central administration costs and income tax expense. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

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Yeong Guan Energy Technology Group Co., Ltd. and Subsidiaries

LOANS PROVIDED TO OTHER PARTIES

FOR THE THREE MONTHS ENDED MARCH 31, 2025

Table 1

Unit: NTD in thousands unless otherwise prescribed

Serial No	Financing Company	Borrower	Financial Statement Account	Related Party	Maximum Balance for the Period	Ending Balance	Balance Used	Interest Rate	Type of Financing	Transaction Amount	Reason for Short-term Financing	Bad Debt Allowance	Collateral		Financing limit for each borrowing company	Financing Amount Limits	Note
													Item	Value			
0	Yeong Guan Energy Technology Group Co., Ltd.	Yeong Guan Holdings Co., Limited	Other Account Receivable—Related Party	Yes	\$ 700,000	\$ 700,000	\$ 185,005	-	Short Term Financing Capital	\$ -	Business Turnover	\$ -	—	—	\$ 2,638,427	\$ 3,517,903	
1	Yeong Shang Casting Iron Company	Shanghai No. 1 Machine Tool (Suzhou) Company	Other Account Receivable—Related Party	Yes	740,018 (RMB 160,000 thousand)	740,018 (RMB 160,000 thousand)	740,018 (RMB 160,000 thousand)	3.0	Short Term Financing Capital	-	Business Turnover	-	—	—	869,586	1,159,448	
1	Yeong Shang Casting Iron Company	Yeong Guan Energy Technology Group Co., Ltd.	Other Account Receivable—Related Party	Yes	144,233 (EUR 4,000 thousand)	144,233 (EUR 4,000 thousand)	144,233 (EUR 4,000 thousand)	3.0	Short Term Financing Capital	-	Business Turnover	-	—	—	5,797,240	5,797,240	
1	Yeong Shang Casting Iron Company	Dongguan Yeong Guan Casting Iron Factory Company	Other Account Receivable—Related Party	Yes	231,256 (RMB 50,000 thousand)	231,256 (RMB 50,000 thousand)	231,256 (RMB 50,000 thousand)	3.0	Short Term Financing Capital	-	Business Turnover	-	—	—	5,797,240	5,797,240	
1	Yeong Shang Casting Iron Company	Lu Lin Machine Tool Foundry Company	Other Account Receivable—Related Party	Yes	138,753 (RMB 30,000 thousand)	138,753 (RMB 30,000 thousand)	138,753 (RMB 30,000 thousand)	3.0	Short Term Financing Capital	-	Business Turnover	-	—	—	5,797,240	5,797,240	
1	Yeong Shang Casting Iron Company	Ningbo Yeong Chia Mei Trade Company	Other Account Receivable—Related Party	Yes	138,753 (RMB 30,000 thousand)	138,753 (RMB 30,000 thousand)	37,001 (RMB 8,000 thousand)	3.0	Short Term Financing Capital	-	Business Turnover	-	—	—	5,797,240	5,797,240	
2	Lu Lin Machine Tool Foundry Company	Shanghai No. 1 Machine Tool (Suzhou) Company	Other Account Receivable—Related Party	Yes	138,753 (RMB 30,000 thousand)	138,753 (RMB 30,000 thousand)	92,502 (RMB 20,000 thousand)	3.0	Short Term Financing Capital	-	Business Turnover	-	—	—	246,469	328,625	
3	Bright Steel Fine Machinery Company	Shanghai No. 1 Machine Tool (Suzhou) Company	Other Account Receivable—Related Party	Yes	948,149 (RMB 205,000 thousand)	948,149 (RMB 205,000 thousand)	855,646 (RMB 185,000 thousand)	3.1-3.35	Short Term Financing Capital	-	Business Turnover	-	—	—	1,515,855	2,021,140	
4	Yeong Chen Asia Pacific Company	Yeong Guan Holdings Co., Limited	Other Account Receivable—Related Party	Yes	245,000	245,000	2455,000	3.119	Short Term Financing Capital	-	Business Turnover	-	—	—	462,264	462,264	

Note 1: Maximum balance and ending balance for this year are calculated based on exchange rate on March 31, 2025.

Note 2: All intercompany transactions have been eliminated upon consolidation.

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Yeong Guan Energy Technology Group Co., Ltd. and Subsidiaries
ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE THREE MONTHS ENDED MARCH 31, 2025

Table 2Unit: NTD in thousands unless otherwise prescribed

Serial No.	Endorsement / Guarantee Provider	Guaranteed Party		Endorsement /guarantee amount limit to each company	Maximum endorsement /guarantee balance for this period	Ending Endorsement /guarantee balance	Balance Used	Endorsement /guarantee amount collateralized by property	Ratio of Accumulated Endorsement/ Guarantee to Net Equity Per Latest Financial Statements	Endorsement /guarantee amount limit	Parent company's endorsement /guarantee for subsidiary	Subsidiary's endorsement /guarantee for Parent company	endorsement /guarantee for China region	Note
		Name	Relationship											
0	Yeong Guan Energy Technology Group Co., Ltd	Shanghai No. 1 Machine Tool (Suzhou) Company	Subsidiary of Sub- subsidiary	\$ 13,192,137	\$ 138,753 (RMB 30,000 thousand)	\$ 138,753 (RMB 30,000 thousand)	\$ -	\$ -	1.58%	\$ 13,192,137	Y	N	Y	
		Yeong Guan Holdings Co., Limited	Subsidiary	1,192,137	9,308,110 (NTD 8,407,600 thousand) (USD 14,000 thousand) (EUR 12,130 thousand)	9,308,110 (NTD 8,407,600 thousand) (USD 14,000 thousand) (EUR 12,130 thousand)	7,953,164 (NTD 7,565,900 thousand) (USD 10,703 thousand) (EUR 12,130 thousand)		105.84%	13,192,137	Y	N	N	
		Yeong Chen Asia Pacific Company	Sub-subsidiary	1,192,137	70,664	70,664	-	-	0.80%	13,192,137	Y	N	N	
		Yeong Guan Heavy Industry (Thailand) Company	Subsidiary	1,192,137	1,416,400	1,416,400	789,192	-	16.11%	13,192,137	Y	N	N	
		Bright Steel Fine Machinery Company	Sub-subsidiary	8,215,620	111,003 (RMB 24,000 thousand)	111,003 (RMB 24,000 thousand)	23,126 (RMB 5,000 thousand)	110,003	1.26%	8,215,620	N	N	Y	
1	Lu Lin Machine Tool Foundry Company													

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Yeong Guan Energy Technology Group Co., Ltd. and Subsidiaries
MARKETABLE SECURITIES HELD
MARCH 31, 2025

Table 3Unit: thousand shares / NTD thousand

Holding Company	Types and Names of Securities	Relationship with Securities Issuer	Recognized Account	End of Period				Note
				Number of Shares	Book Amount	Holding Percentage	Fair Value	
Bright Steel Fine Machinery Company	Jiuquan One heavy wind power Group Company	Not related party	Financial asset measured at fair value through comprehensive income	-	\$ 99,006 (RMB 21,406 thousand)	15%	\$ 99,006 (RMB 21,406 thousand)	

Note 1: Amounts at the end of this period are calculated based on exchange rates dated March 31, 2025.

Note 2: Please refer to table 6 and table 7 for related information on invested subsidiaries.

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Yeong Guan Energy Technology Group Co., Ltd. and Subsidiaries

PURCHASES OR SALES WITH RELATED PARTIES AMOUNTING TO AT LEAST \$100 MILLION OR 20% OF THE PAID-IN CAPITAL

FOR THE THREE MONTHS ENDED MARCH 31, 2025

Table 4 Unit: in thousands of NTD

Purchase (Sales) Company	Transaction Counterpart	Relationship	Transaction Details				Cases and Reasons for Transaction Terms Different Those of Average Transactions		Notes/Accounts Receivable (Payable)		Note
			Purchase (Sales)	Amounts	Percentage of Total Purchase (Sales)	Credit Extension Period	Unit Price	Credit Extension Period	Balance	Percentage of Total Notes/Accounts Receivables (Payables)	
Yeong Chen Asia Pacific Company	Bright Steel Fine Machinery Company	Same parent company	Purchase	\$ 111,996	32%	(Note 1)	\$ -	-	(\$ 133,972)	36%	
Bright Steel Fine Machinery Company	Yeong Chen Asia Pacific Company	Same parent company	(Sales)	(111,996)	15%	(Note 1)	-	-	133,972	2%	

Note 1: Price and payment terms for transactions with related party are determined in accordance with the parties’ agreement.

Note 2: Aforementioned transactions have all been cancelled during preparation of consolidated financial statement.

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Yeong Guan Energy Technology Group Co., Ltd. and Subsidiaries
RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
MARCH 31, 2025

Table 5

Unit: in thousands of NTD

Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
Yeong Shang Casting Iron Company	Dongguan Yeong Guan Casting Iron Factory Company	Same ultimate parent company	\$ 234,166 (Note 1)	-	\$ -	—	\$ -	\$ -
Yeong Shang Casting Iron Company	Lu Lin Machine Tool Foundry Company	Same ultimate parent company	140,534 (Note 2)	-	-	—	48,101	-
Yeong Shang Casting Iron Company	Yeong Guan Energy Technology Group Co., Ltd	Subsidiaries	146,769 (Note 3)	-	-	—	-	-
Yeong Shang Casting Iron Company	Shanghai No. 1 Machine Tool (Suzhou) Company	Same ultimate parent company	749,276 (Note 4)	-	-	—	169	-
Bright Steel Fine Machinery Company	Yeong Chen Asia Pacific Company	Same ultimate parent company	133,972	-	-	—	47,692	-
Bright Steel Fine Machinery Company	Shanghai No. 1 Machine Tool (Suzhou) Company	Same ultimate parent company	863,254 (Note 5)	-	-	—	95,731	-
Yeong Chen Asia Pacific Company	Yeong Guan Holdings Co., Limited	Subsidiaries	255,074 (Note 6)	-	-	—	-	-
Yeong Guan Energy Technology Group Co., Ltd	Yeong Guan Holdings Co., Limited	Subsidiaries	185,005 (Note 7)	-	-	—	-	-

Note 1: This includes financing amount NT\$231,256 thousand and interest receivable of NT\$2,910 thousand.

Note 2: This includes financing amount NT\$138,753 thousand and interest receivable of NT\$1,781 thousand.

Note 3: This includes financing amount NT\$144,233 thousand and interest receivable of NT\$2,536 thousand.

Note 4: This includes financing amount NT\$740,018 thousand and interest receivable of NT\$9,258 thousand.

Note 5: This includes financing amount NT\$855,646 thousand and interest receivable of NT\$7,608 thousand.

Note 6: This includes leasing amount NT\$6,631 thousand, financing amount NT\$245,000 thousand and interest receivable of NT\$3,443 thousand.

Note 7: This includes financing amount NT\$185,005 thousand.

Note 8: Aforementioned transactions have all been cancelled during preparation of consolidated financial statement.

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Yeong Guan Energy Technology Group Co., Ltd. and Subsidiaries
INFORMATION ON INVESTEEES
FOR THE THREE MONTHS ENDED MARCH 31, 2025

Table 6 Unit: in thousands of NTD

Name of Investing Company	Name of Invested Company	Location	Major Business Items	Original Investment Amount		Quarter End Ownership			Current (Loss) Profit for Invested Company	Recognized Current Investment (Loss) Profit	Note
				March 31, 2025	March 31, 2025	Number of Shares	Percentage (%)	Book Value			
Yeong Guan Energy Technology Group Co., Ltd	Yeong Guan Holdings Co., Limited	British Virgin Islands	Investment Holding Business	\$ 5,924,658	\$ 5,924,658	194,000,000	100.00	\$ 10,896,213	(\$ 124,8064)	(\$ 124,806)	Note 1
	Yeong Guan Heavy Industry (Thailand) Company	Thailand	Manufacturing and selling of high quality casting products of spherical graphite cast iron and grey cast iron	1,112,243	613,718	240,000,000	75.00	1,136,927	(7,448)	(5,586)	Note 1
Yeong Guan Holdings Co., Limited	Yeong Guan International Co. , Limited	Hong Kong	Investment Holding Business	5,238,538	5,238,538	805,000,000	100.00	9,898,931	3,722	3,890	Note 1
	Yeong Chen Asia Pacific Company	Taiwan	Manufacturing and selling of high quality casting products of spherical graphite cast iron and grey cast iron	95,000	95,000	-	100.00	1,155,384	9,226	9,896	Note 1

Note 1: Calculation is based on invested company’s CPA reviewed financial statement in the same period and the Company’s ownership percentage.

Note 2: Investment profit/loss among invested companies, investment company’s long term equity investment and equity net value among invested companies have all been cancelled during preparation of consolidated financial statement.

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Yeong Guan Energy Technology Group Co., Ltd. and Subsidiaries
INFORMATION FOR INVESTMENTS IN MAINLAND CHINA
FOR THE THREE MONTHS ENDED MARCH 31, 2025

Table 7 Unit: in thousands of NTD

Names of Invested Companies in China	Main Business Items	Paid-In Capital	Investment Methods (Note 1)	Accumulated Investment Amounts Remitted from Taiwan, Beginning of This Year	Current Year Investment Amounts Remitted Out or Retrieved Back		Current Year End Accumulated Investment Amount Remitted from Taiwan	Invested Company's Profit/Loss for Current Period	The Company's Direct or Indirect Ownership Percentage	Current Investment Profit (Loss) Recognized (note 2)	Year End Investment Book Value	Investment Yield Remitted Back as of Quarter End	Note
					Remitted Out	Retrieved Back							
Ningbo Yeong Shang Casting Iron Company	Manufacturing and selling of high quality casting products of spherical graphite cast iron and grey cast iron	\$ 1,430,920	(3)	\$ -	\$ -	\$ -	\$ -	(\$ 14,013)	100%	(\$ 13,399)	\$ 2,931,684	\$ -	
Dongguan Yeong Guan Casting Iron Factory Company	Manufacturing and selling of high quality casting products of spherical graphite cast iron and grey cast iron	132,314	(3)	-	-	-	-	14,209	100%	12,296	106,187	-	
Ningbo Lu Lin Machine Tool Foundry Company	Manufacturing and selling of high quality casting products of spherical graphite cast iron and grey cast iron	455,006	(3)	-	-	-	-	13,312	100%	(44,744)	756,737	-	
Jiangsu Bright Steel Fine Machinery Company	Manufacturing and selling of high quality casting products of spherical graphite cast iron and grey cast iron	4,316,000	(3)	-	-	-	-	(7,893)	100%	(9,039)	5,052,003	-	
Ningbo Yeong Chia Mei Trade Company	Transaction of various steel castings and casting molds as well as related import/export businesses	32,200	(3)	-	-	-	-	2,720	100%	6,245	47,567	-	
Shanghai No. 1 Machine Tool (Suzhou) Company	Manufacturing and selling of high quality casting products of spherical graphite cast iron and grey cast iron	1,211,800	(3)	-	-	-	-	566	100%	3,364	(72,224)	-	

Accumulated Outward Remittance for Investment in Mainland China as of March 31, 2025	Investment Amounts Authorized by Investment Commission, MOEA	Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
NA	NA	NA

Note 1: The ways to invest in companies in Mainland China are classified into three types below. Mark the type of investment:
(1) Direct investment in China.
(2) Investment in China through a company registered in the third region.
(3) Other ways.

Note 2: The amount was calculated based on financial statements reviewed by a multinational accounting firm having a cooperative relationship with an accounting firm in Taiwan.

Note 3: Investment profit/loss among invested companies, investment company's long term equity investment and equity net value among invested companies have all been cancelled during preparation of consolidated financial statement.

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Yeong Guan Energy Technology Group Co., Ltd. and Subsidiaries
INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE THREE MONTHS ENDED MARCH 31, 2025

Table 8

Unit: in thousands of NTD

Serial No. (Note 1)	Company Name	Counter Party	Nature of Relationship (Note 2)	Details of Transactions			
				Financial Statement Account	Amounts	Payment Terms	% of Consolidated Sales or Assets (Note 3)
0	Yeong Guan Energy Technology Group Co., Ltd	Yeong Guan Holdings Co., Limited	1	Other Account Receivable — Related Party	\$ 185,005	Based on the parties' agreement	1%
1	Yeong Shang Casting Iron Company	Bright Steel Fine Machinery Company	3	Account Receivable — Related Party	16,250	Based on the parties' agreement	-
1	Yeong Shang Casting Iron Company	Yeong Chen Asia Pacific Company	3	Account Receivable — Related Party	77,389	Based on the parties' agreement	-
1	Yeong Shang Casting Iron Company	Dongguan Yeong Guan Mould Factory Company	3	Other Account Receivable — Related Party	234,166	Based on the parties' agreement	1%
1	Yeong Shang Casting Iron Company	Lu Lin Machine Tool Foundry Company	3	Other Account Receivable — Related Party	140,534	Based on the parties' agreement	1%
1	Yeong Shang Casting Iron Company	Ningbo Yeong Chia Mei Trade Company	3	Other Account Receivable — Related Party	37,533	Based on the parties' agreement	-
1	Yeong Shang Casting Iron Company	Yeong Guan Energy Technology Group Co., Ltd	3	Other Account Receivable — Related Party	146,769	Based on the parties' agreement	1%
1	Yeong Shang Casting Iron Company	Shanghai No. 1 Machine Tool (Suzhou) Company	3	Other Account Receivable — Related Party	749,276	Based on the parties' agreement	3%
1	Yeong Shang Casting Iron Company	Yeong Chen Asia Pacific Company	3	Operating Revenue	10,547	Based on the parties' agreement	1%
1	Yeong Shang Casting Iron Company	Bright Steel Fine Machinery Company	3	Operating Revenue	64,374	Based on the parties' agreement	4%
2	Lu Lin Machine Tool Foundry Company	Yeong Shang Casting Iron Company	3	Account Receivable — Related Party	95,254	Based on the parties' agreement	-
2	Lu Lin Machine Tool Foundry Company	Bright Steel Fine Machinery Company	3	Account Receivable — Related Party	60,921	Based on the parties' agreement	-
2	Lu Lin Machine Tool Foundry Company	Yeong Chen Asia Pacific Company	3	Account Receivable — Related Party	48,842	Based on the parties' agreement	-

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Serial No. (Note 1)	Company Name	Counter Party	Nature of Relationship (Note 2)	Details of Transactions			
				Financial Statement Account	Amounts	Payment Terms	% of Consolidated Sales or Assets (Note 3)
2	Lu Lin Machine Tool Foundry Company	Shanghai No. 1 Machine Tool (Suzhou) Company	3	Other Account Receivable — Related Party	\$ 92,865	Based on the parties' agreement	-
2	Lu Lin Machine Tool Foundry Company	Shanghai No. 1 Machine Tool (Suzhou) Company	3	Operating Revenue	20,955	Based on the parties' agreement	1%
2	Lu Lin Machine Tool Foundry Company	Yeong Shang Casting Iron Company	3	Operating Revenue	60,491	Based on the parties' agreement	4%
2	Lu Lin Machine Tool Foundry Company	Bright Steel Fine Machinery Company	3	Operating Revenue	53,502	Based on the parties' agreement	3%
2	Lu Lin Machine Tool Foundry Company	Yeong Chen Asia Pacific Company	3	Operating Revenue	49,842	Based on the parties' agreement	3%
3	Bright Steel Fine Machinery Company	Yeong Shang Casting Iron Company	3	Account Receivable — Related Party	29,698	Based on the parties' agreement	-
3	Bright Steel Fine Machinery Company	Yeong Chen Asia Pacific Company	3	Account Receivable — Related Party	133,972	Based on the parties' agreement	1%
3	Bright Steel Fine Machinery Company	Shanghai No. 1 Machine Tool (Suzhou) Company	3	Other Account Receivable — Related Party	863,254	Based on the parties' agreement	3%
3	Bright Steel Fine Machinery Company	Yeong Shang Casting Iron Company	2	Operating Revenue	18,699	Based on the parties' agreement	1%
3	Bright Steel Fine Machinery Company	Yeong Chen Asia Pacific Company	3	Operating Revenue	111,996	Based on the parties' agreement	7%
4	Dongguan Yeong Guan Mould Factory Company	Yeong Shang Casting Iron Company	3	Account Receivable — Related Party	10,125	Based on the parties' agreement	-
4	Dongguan Yeong Guan Mould Factory Company	Yeong Chen Asia Pacific Company	3	Account Receivable — Related Party	47,929	Based on the parties' agreement	-
4	Dongguan Yeong Guan Mould Factory Company	Yeong Chen Asia Pacific Company	3	Operating Revenue	46,877	Based on the parties' agreement	3%
5	Yeong Chen Asia Pacific Company	Yeong Guan Holdings Co., Limited	3	Other Account Receivable — Related Party	255,074	Based on the parties' agreement	1%
6	Ningbo Yeong Chia Mei Trade Company	Yeong Chen Asia Pacific Company	3	Account Receivable — Related Party	13,528	Based on the parties' agreement	-
6	Ningbo Yeong Chia Mei Trade Company	Yeong Guan Holdings Co., Limited	3	Operating Revenue	10,741	Based on the parties' agreement	1%
6	Ningbo Yeong Chia Mei Trade Company	Yeong Chen Asia Pacific Company	3	Operating Revenue	13,425	Based on the parties' agreement	1%
7	Shanghai No. 1 Machine Tool (Suzhou) Company	Yeong Shang Casting Iron Company	3	Account Receivable — Related Party	16,757	Based on the parties' agreement	-

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Serial No. (Note 1)	Company Name	Counter Party	Nature of Relationship (Note 2)	Details of Transactions			
				Financial Statement Account	Serial No. (Note 1)	Company Name	Counter Party
7	Shanghai No. 1 Machine Tool (Suzhou) Company	Bright Steel Fine Machinery Company	3	Account Receivable—Related Party	\$ 74,843	Based on the parties’ agreement	-
7	Shanghai No. 1 Machine Tool (Suzhou) Company	Yeong Chen Asia Pacific Company	3	Account Receivable—Related Party	42,497	Based on the parties’ agreement	-
7	Shanghai No. 1 Machine Tool (Suzhou) Company	Bright Steel Fine Machinery Company	3	Operating Revenue	93,152	Based on the parties’ agreement	6%
7	Shanghai No. 1 Machine Tool (Suzhou) Company	Yeong Chen Asia Pacific Company	3	Operating Revenue	37,309	Based on the parties’ agreement	2%

- Note 1: 0 represents parent company, while serial numbers for subsidiaries start from 1 based on respective company categories.
- Note 2: 1 represents transaction entered by parent company with subsidiary; 2 represents transaction entered by subsidiary with parent company; 3 represents transactions between subsidiaries.
- Note 3: With respect to calculation for transaction amount’s percentage of consolidated total revenue or total assets, asset/liability items are based on ending balance’s percentage of consolidated total assets and liabilities, while income items are based on ending accumulated amount’s percentage over consolidated total revenue.
- Note 4: All transactions on aforementioned appendix have already been written-off when consolidated financial statements are prepared.

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