

Ta-Yuan Cogeneration Company Limited

**Financial Statements for the
Nine Months Ended September 30, 2025 and 2024 and
Independent Auditors' Review Report**

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
Ta-Yuan Cogeneration Company Limited

Introduction

We have reviewed the accompanying balance sheets of Ta-Yuan Cogeneration Company Limited (collectively, the "Company") as of September 30, 2025 and 2024, the related statements of comprehensive income for the three months ended September 30, 2025 and 2024 and for the nine months ended September 30, 2025 and 2024, the statements of changes in equity and cash flows for the nine months then ended, and the related notes to the financial statements, including material accounting policy information (collectively referred to as the "financial statements"). Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the financial statements based on our reviews.

Scope of Review

We conducted our reviews in accordance with 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 financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

The engagement partners on the reviews resulting in this independent auditors' review report are Po-Jen Weng and Li-Huang Lee.

Deloitte & Touche
Taipei, Taiwan
Republic of China

November 5, 2025

Notice to Readers

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

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

TA-YUAN COGENERATION COMPANY LIMITED

BALANCE SHEETS

(In Thousands of New Taiwan Dollars)

ASSETS	September 30, 2025		December 31, 2024		September 30, 2024	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 262,025	5	\$ 324,972	7	\$ 341,551	7
Accounts receivable from unrelated parties (Notes 9 and 19)	192,550	4	208,372	4	189,184	4
Accounts receivable from related parties (Notes 9, 19 and 26)	78,951	2	69,232	1	76,535	1
Inventories (Note 10)	5,212	-	176,938	4	77,727	2
Prepayments (Note 13)	102,196	2	152,094	3	90,458	2
Other current assets	96	-	11	-	86	-
Total current assets	<u>641,030</u>	<u>13</u>	<u>931,619</u>	<u>19</u>	<u>775,541</u>	<u>16</u>
NON-CURRENT ASSETS						
Financial assets at fair value through other comprehensive income - non-current (Notes 7 and 25)	233,946	5	253,636	5	328,741	7
Financial assets measured at amortized cost - non-current (Notes 8 and 27)	20,075	-	20,012	-	-	-
Property, plant and equipment (Notes 11, 23, 27 and 28)	3,467,831	70	2,837,819	58	2,898,013	62
Right-of-use assets (Note 12)	10,862	-	10,092	-	9,850	-
Intangible assets	12,388	-	1,478	-	1,695	-
Deferred tax assets	6,104	-	4,801	-	4,447	-
Prepayments for equipment (Notes 13 and 28)	557,779	11	840,138	17	670,104	14
Refundable deposits (Note 13)	2,732	-	5,898	-	5,898	-
Prepaid pension cost - non-current (Note 17)	26,153	1	25,514	1	20,348	1
Other non-current assets (Note 13)	2,483	-	3,399	-	3,705	-
Total non-current assets	<u>4,340,353</u>	<u>87</u>	<u>4,002,787</u>	<u>81</u>	<u>3,942,801</u>	<u>84</u>
TOTAL	<u>\$ 4,981,383</u>	<u>100</u>	<u>\$ 4,934,406</u>	<u>100</u>	<u>\$ 4,718,342</u>	<u>100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Notes 14 and 27)	\$ 200,000	4	\$ 100,000	2	\$ 200,000	4
Short-term bills payable (Note 14)	99,568	2	-	-	149,813	3
Contract liabilities - current (Note 19)	2,633	-	4,903	-	2,749	-
Accounts payable to unrelated parties	18,198	-	53,326	1	40,637	1
Accounts payable to related parties (Note 26)	-	-	88	-	-	-
Other payables (Notes 15 and 26)	210,572	4	250,676	5	210,654	5
Current tax liabilities	13,778	-	41,512	1	53,325	1
Provisions - current (Note 16)	6,324	-	-	-	-	-
Lease liabilities - current (Notes 12 and 26)	4,258	-	3,809	-	3,300	-
Current portion of long-term borrowings (Notes 14 and 27)	372,307	8	760,833	16	793,333	17
Other current liabilities	695	-	703	-	782	-
Total current liabilities	<u>928,333</u>	<u>18</u>	<u>1,215,850</u>	<u>25</u>	<u>1,454,593</u>	<u>31</u>
NON-CURRENT LIABILITIES						
Long-term borrowings (Notes 14 and 27)	1,996,580	40	1,616,157	33	1,169,667	25
Provision - non-current (Note 16)	17,394	1	20,012	-	17,789	-
Deferred tax liabilities	5,230	-	5,103	-	4,059	-
Lease liabilities - non-current (Notes 12 and 26)	6,695	-	6,348	-	6,599	-
Guarantee deposits received	3,800	-	8,200	-	8,200	-
Total non-current liabilities	<u>2,029,699</u>	<u>41</u>	<u>1,655,820</u>	<u>33</u>	<u>1,206,314</u>	<u>25</u>
Total liabilities	<u>2,958,032</u>	<u>59</u>	<u>2,871,670</u>	<u>58</u>	<u>2,660,907</u>	<u>56</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 18)						
Share capital						
Ordinary shares	<u>1,222,549</u>	<u>25</u>	<u>1,222,549</u>	<u>25</u>	<u>1,222,549</u>	<u>26</u>
Retained earnings						
Legal reserve	387,318	8	358,535	7	358,535	8
Special reserve	91,534	2	-	-	-	-
Unappropriated earnings	433,174	8	573,186	12	492,779	10
Total retained earnings	<u>912,026</u>	<u>18</u>	<u>931,721</u>	<u>19</u>	<u>851,314</u>	<u>18</u>
Other equity	(111,224)	(2)	(91,534)	(2)	(16,428)	-
Total equity	<u>2,023,351</u>	<u>41</u>	<u>2,062,736</u>	<u>42</u>	<u>2,057,435</u>	<u>44</u>
TOTAL	<u>\$ 4,981,383</u>	<u>100</u>	<u>\$ 4,934,406</u>	<u>100</u>	<u>\$ 4,718,342</u>	<u>100</u>

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

TA-YUAN COGENERATION COMPANY LIMITED

STATEMENTS OF COMPREHENSIVE INCOME

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE (Notes 19, 26 and 30)								
Sales	\$ 597,851	86	\$ 577,556	85	\$ 1,652,773	87	\$ 1,569,415	84
Service revenue	<u>94,481</u>	<u>14</u>	<u>100,742</u>	<u>15</u>	<u>254,387</u>	<u>13</u>	<u>296,637</u>	<u>16</u>
Total operating revenue	<u>692,332</u>	<u>100</u>	<u>678,298</u>	<u>100</u>	<u>1,907,160</u>	<u>100</u>	<u>1,866,052</u>	<u>100</u>
OPERATING COSTS (Notes 10, 20 and 26)								
Cost of sales	(507,177)	(73)	(425,299)	(63)	(1,320,947)	(69)	(1,211,550)	(65)
Service costs	<u>(81,862)</u>	<u>(12)</u>	<u>(87,421)</u>	<u>(13)</u>	<u>(213,273)</u>	<u>(11)</u>	<u>(251,961)</u>	<u>(13)</u>
Total operating costs	<u>(589,039)</u>	<u>(85)</u>	<u>(512,720)</u>	<u>(76)</u>	<u>(1,534,220)</u>	<u>(80)</u>	<u>(1,463,511)</u>	<u>(78)</u>
GROSS PROFIT	<u>103,293</u>	<u>15</u>	<u>165,578</u>	<u>24</u>	<u>372,940</u>	<u>20</u>	<u>402,541</u>	<u>22</u>
OPERATING EXPENSES (Notes 20 and 26)								
Selling and marketing expenses	(1,053)	-	(1,017)	-	(3,124)	-	(4,062)	-
General and administrative expenses	(28,956)	(4)	(34,821)	(5)	(91,650)	(5)	(100,550)	(6)
Research and development expenses	<u>(5,360)</u>	<u>(1)</u>	<u>(6,380)</u>	<u>(1)</u>	<u>(17,534)</u>	<u>(1)</u>	<u>(19,344)</u>	<u>(1)</u>
Total operating expenses	<u>(35,369)</u>	<u>(5)</u>	<u>(42,218)</u>	<u>(6)</u>	<u>(112,308)</u>	<u>(6)</u>	<u>(123,956)</u>	<u>(7)</u>
PROFIT FROM OPERATIONS	<u>67,924</u>	<u>10</u>	<u>123,360</u>	<u>18</u>	<u>260,632</u>	<u>14</u>	<u>278,585</u>	<u>15</u>
NON-OPERATING INCOME AND EXPENSES (Notes 20 and 26)								
Interest income	533	-	423	-	2,082	-	1,529	-
Other income	2,533	-	1,049	-	14,334	-	8,134	-
Other gains and losses	(2)	-	(8,367)	(1)	(1,384)	-	(8,317)	-
Finance costs	<u>(9,749)</u>	<u>(1)</u>	<u>(8,153)</u>	<u>(1)</u>	<u>(23,467)</u>	<u>(1)</u>	<u>(21,996)</u>	<u>(1)</u>
Total non-operating income and expenses	<u>(6,685)</u>	<u>(1)</u>	<u>(15,048)</u>	<u>(2)</u>	<u>(8,435)</u>	<u>(1)</u>	<u>(20,650)</u>	<u>(1)</u>
PROFIT BEFORE INCOME TAX	61,239	9	108,312	16	252,197	13	257,935	14
INCOME TAX EXPENSE (Note 21)	<u>(12,245)</u>	<u>(2)</u>	<u>(21,648)</u>	<u>(3)</u>	<u>(27,382)</u>	<u>(1)</u>	<u>(50,506)</u>	<u>(3)</u>
NET PROFIT	<u>48,994</u>	<u>7</u>	<u>86,664</u>	<u>13</u>	<u>224,815</u>	<u>12</u>	<u>207,429</u>	<u>11</u>

(Continued)

TA-YUAN COGENERATION COMPANY LIMITED

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

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
OTHER COMPREHENSIVE LOSS								
Items that will not be reclassified subsequently to profit or loss:								
Unrealized loss on investments in equity instruments designated as at fair value through other comprehensive income (Note 18)	\$ (1,218)	-	\$ (51,886)	(8)	\$ (19,690)	(1)	\$ (64,623)	(3)
Other comprehensive loss, net of income tax	(1,218)	-	(51,886)	(8)	(19,690)	(1)	(64,623)	(3)
TOTAL COMPREHENSIVE INCOME	\$ 47,776	7	\$ 34,778	5	\$ 205,125	11	\$ 142,806	8
EARNINGS PER SHARE (Note 22)								
Basic	\$ 0.40		\$ 0.71		\$ 1.84		\$ 1.70	
Diluted	\$ 0.40		\$ 0.71		\$ 1.84		\$ 1.69	

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

(Concluded)

TA-YUAN COGENERATION COMPANY LIMITED

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

	Share Capital		Retained Earnings			Other Equity Unrealized Valuation Gain (Loss) on Financial Assets at Fair Value through Other Comprehensive Income	Total Equity
	Shares (In Thousands)	Amount	Legal Reserve	Special Reserve	Unappropriated Earnings		
BALANCE, JANUARY 1, 2024	122,254.9	\$ 1,222,549	\$ 330,340	\$ -	\$ 570,280	\$ 48,195	\$ 2,171,364
Appropriation of 2023 earnings							
Legal reserve	-	-	28,195	-	(28,195)	-	-
Cash dividends distributed by the Company	-	-	-	-	(256,735)	-	(256,735)
Net profit for the nine months ended September 30, 2024	-	-	-	-	207,429	-	207,429
Other comprehensive loss for the nine months ended September 30, 2024	-	-	-	-	-	(64,623)	(64,623)
Total comprehensive income (loss) for the nine months ended September 30, 2024	-	-	-	-	207,429	(64,623)	142,806
BALANCE, SEPTEMBER 30, 2024	<u>122,254.9</u>	<u>\$ 1,222,549</u>	<u>\$ 358,535</u>	<u>\$ -</u>	<u>\$ 492,779</u>	<u>\$ (16,428)</u>	<u>\$ 2,057,435</u>
BALANCE, JANUARY 1, 2025	122,254.9	\$ 1,222,549	\$ 358,535	\$ -	\$ 573,186	\$ (91,534)	\$ 2,062,736
Appropriation of 2024 earnings							
Legal reserve	-	-	28,783	-	(28,783)	-	-
Special reserve	-	-	-	91,534	(91,534)	-	-
Cash dividends distributed by the Company	-	-	-	-	(244,510)	-	(244,510)
Net profit for the nine months ended September 30, 2025	-	-	-	-	224,815	-	224,815
Other comprehensive loss for the nine months ended September 30, 2025	-	-	-	-	-	(19,690)	(19,690)
Total comprehensive income (loss) for the nine months ended September 30, 2025	-	-	-	-	224,815	(19,690)	205,125
BALANCE, SEPTEMBER 30, 2025	<u>122,254.9</u>	<u>\$ 1,222,549</u>	<u>\$ 387,318</u>	<u>\$ 91,534</u>	<u>\$ 433,174</u>	<u>\$ (111,224)</u>	<u>\$ 2,023,351</u>

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

TA-YUAN COGENERATION COMPANY LIMITED

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

	For the Nine Months Ended September 30	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 252,197	\$ 257,935
Adjustments for:		
Depreciation expense	204,114	182,666
Amortization expense	1,754	2,751
Finance costs	23,467	21,996
Interest income	(2,082)	(1,529)
Dividend income	(6,047)	(6,310)
Reversal of write-down of inventories	-	(834)
Gain on disposal of property, plant and equipment	(67)	(67)
Impairment loss recognized on property, plant and equipment	1,449	8,367
Changes in operating assets and liabilities		
Accounts receivable	6,103	(7,080)
Inventories	171,726	97,807
Prepaid pension cost	(639)	(528)
Prepayments	74,461	(543)
Other current assets	(85)	(86)
Contract liabilities	(2,270)	280
Notes payable	-	(21)
Accounts payable	(35,216)	(8,503)
Other payables	(31,298)	(8,063)
Liabilities provision	3,706	7,768
Other current liabilities	(8)	(2)
Cash generated from operations	661,265	546,004
Interest paid	(33,183)	(30,234)
Income tax paid	(56,292)	(23,469)
Net cash generated from operating activities	<u>571,790</u>	<u>492,301</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	-	(92,477)
Purchase of financial assets at amortized cost	(63)	-
Payments for property, plant and equipment	(130,207)	(137,013)
Increase in refundable deposits	-	(76)
Decrease in refundable deposits	3,166	-
Payments for intangible assets	(3,134)	(685)
Decrease (increase) in other non-current assets	-	4,065
Proceeds from disposal of property, plant and equipment	67	67
Increase in prepayments for equipment	(451,982)	(241,670)
Interest received	2,082	1,529
Dividend received	6,047	6,310
Net cash used in investing activities	<u>(574,024)</u>	<u>(459,950)</u>

(Continued)

TA-YUAN COGENERATION COMPANY LIMITED

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

	For the Nine Months Ended September 30	
	2025	2024
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase from short-term borrowings	\$ 700,000	\$ 600,000
Decrease from short-term borrowings	(600,000)	(600,000)
Proceeds of short-term bills payable	99,568	149,813
Proceeds from long-term borrowings	677,730	428,000
Repayments of long-term borrowings	(685,833)	(322,500)
Decrease in refundable deposits	(4,400)	-
Repayment of the principal portion of lease liabilities	(3,268)	(2,809)
Dividends paid to owners of the Company	<u>(244,510)</u>	<u>(256,735)</u>
Net cash used in financing activities	<u>(60,713)</u>	<u>(4,231)</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(62,947)	28,120
CASH AND CASH EQUIVALENTS, BEGINNING OF THE PERIOD	<u>324,972</u>	<u>313,431</u>
CASH AND CASH EQUIVALENTS, END OF THE PERIOD	<u>\$ 262,025</u>	<u>\$ 341,551</u>

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

(Concluded)

TA-YUAN COGENERATION COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024

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

1. GENERAL INFORMATION

Ta-Yuan Cogeneration Company Limited (the “Company”) was incorporated in the Republic of China (ROC) in August 1993. The Company is mainly engaged in the cogeneration business, operating and repair of equipment, processing of waste disposal, management of incinerators and processing of refuse derived fuel. In June 1994, the Company’s shares were approved for public offering by the Securities and Futures Bureau, and the Company’s shares were listed and have been trading on the Taipei Exchange since May 10, 2001.

The financial statements of the Company are presented in the Company’s functional currency, the New Taiwan dollar (NT\$).

2. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Company’s board of directors on November 5, 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, the “IFRS Accounting Standards”) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

Amendments to IAS 21 “Lack of Exchangeability”

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

- b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2026

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

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

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

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

2) The amendments to the application guidance of derecognition of financial liabilities

The amendments mainly stipulate that a financial liability is derecognized on the settlement date. However, when settling a financial liability in cash using an electronic payment system, the Group can choose to derecognize the financial liability before the settlement date if, and only if, the Group has initiated a payment instruction that resulted in:

- The Group having no practical ability to withdraw, stop or cancel the payment instruction;
- The Group having no practical ability to access the cash to be used for settlement as a result of the payment instruction; and
- The settlement risk associated with the electronic payment system being insignificant.

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

As of the date the financial statements were authorized for issue, the Company is continuously assessing the possible impact of the application of the amendments on the Company’s financial position and financial performance.

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

<u>New, Amended and Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB (Note 1)</u>
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027 (Note 2)
IFRS 19 “Subsidiaries without Public Accountability: Disclosures” (including the 2025 amendments to IFRS 19)	January 1, 2027

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

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

IFRS 18 “Presentation and 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 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 Company 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 Company shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Company 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 Company as a whole, the Company 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 financial statements were authorized for issue, the Company is continuously assessing other impacts of the above amended standards and interpretations on the Company’s financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

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

b. Basis of preparation

The financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value, and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

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, is described as follows:

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

c. Other material accounting policies

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

1) Carbon fee provision

In accordance with the Regulations Governing the Collection of Carbon Fees and related regulations of the ROC, the carbon fee provision is recognized and measured on the basis of the best estimate of the expenditure required to settle the obligation for the current year and the proportion of actual emissions to the total annual emissions.

2) Retirement benefits

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

3) Other long-term employee benefits

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

4) Income tax expense

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

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

When developing material accounting estimates, the Company considers the possible impact of the recent development of climate change and related government policies and regulations on the cash flow projection, growth rates, discount rates, profitability and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Based on the assessment of the Company's management, the accounting policies, estimates and assumptions adopted by the Company have not been subject to material accounting judgments, estimates and assumptions uncertainty.

Material Accounting Judgements

Carbon fees

In accordance with the Regulations Governing the Collection of Carbon Fees and related regulations of the ROC, the management recognizes the carbon fee provision based on the estimate of the chargeable emissions. The estimate may vary as a result of the Company's experience in implementing carbon reduction, the change in the estimated possibility in the approval for the self-determined reduction plan from the competent authority, the result of its implementation of the self-determined reduction plan, the expected achievement of the annual designated target, changes in the relevant regulations. Therefore, the estimated amount of provision is subject to a higher degree of estimation uncertainties. The carrying amount of the carbon fee provision as of September 30, 2025 is disclosed in Note 16.

6. CASH AND CASH EQUIVALENTS

	September 30, 2025	December 31, 2024	September 30, 2024
Cash on hand	\$ 100	\$ 100	\$ 100
Checking accounts and demand deposits	261,925	316,813	333,754
Cash equivalents (investments with original maturities of 3 months or less)	<u>-</u>	<u>8,059</u>	<u>7,697</u>
	<u>\$ 262,025</u>	<u>\$ 324,972</u>	<u>\$ 341,551</u>

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Investments in Equity Instruments at FVTOCI

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Non-current</u>			
Domestic investments			
Publicly traded shares	<u>\$ 233,946</u>	<u>\$ 253,636</u>	<u>\$ 328,741</u>

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

8. FINANCIAL ASSETS AT AMORTIZED COST

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Non-current</u>			
Domestic investments			
Current deposit - reserve account	\$ <u>20,075</u>	\$ <u>20,012</u>	\$ _____

As of September 30, 2025 and December 31, 2024, the demand deposit - reserve account has an effective interest rate of 0.705%, respectively.

Refer to Note 27 for information relating to investments in financial assets at amortized cost pledged as security.

9. ACCOUNTS RECEIVABLE

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Accounts receivable from unrelated parties</u>			
At amortized cost			
Gross carrying amount	\$ 192,550	\$ 208,372	\$ 189,184
Less: Allowance for impairment loss	_____	_____	_____
	<u>\$ 192,550</u>	<u>\$ 208,372</u>	<u>\$ 189,184</u>
<u>Accounts receivable from related parties</u>			
At amortized cost			
Gross carrying amount	\$ 78,951	\$ 69,232	\$ 76,535
Less: Allowance for impairment loss	_____	_____	_____
	<u>\$ 78,951</u>	<u>\$ 69,232</u>	<u>\$ 76,535</u>

The average credit period of sales of goods is 30 to 120 days. No interest was charged on accounts receivable. The Company measures the loss allowance for accounts receivable at an amount equal to lifetime ECLs. The expected credit losses on accounts receivable are estimated using a provision matrix by reference to the past default records of the customer, the customer's current financial position, economic condition of the industry in which the customer operates and the industry outlook. As the Company'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 Company's different customer base.

The following table details the loss allowance of accounts receivable based on the Company's provision matrix:

September 30, 2025

	Not Past Due	1 to 60 Days	61 to 120 Days	121 to 180 Days	Over 180 Days	Total
Expected credit loss rate	-	-	-	-	-	-
Gross carrying amount	\$ 271,265	\$ 236	\$ -	\$ -	\$ -	\$ 271,501
Loss allowance (Lifetime ECLs)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Amortized cost	<u>\$ 271,265</u>	<u>\$ 236</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 271,501</u>

December 31, 2024

	Not Past Due	1 to 60 Days	61 to 120 Days	121 to 180 Days	Over 180 Days	Total
Expected credit loss rate	-	-	-	-	-	-
Gross carrying amount	\$ 277,604	\$ -	\$ -	\$ -	\$ -	\$ 277,604
Loss allowance (Lifetime ECLs)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Amortized cost	<u>\$ 277,604</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 277,604</u>

September 30, 2024

	Not Past Due	1 to 60 Days	61 to 120 Days	121 to 180 Days	Over 180 Days	Total
Expected credit loss rate	-	-	-	-	-	-
Gross carrying amount	\$ 265,719	\$ -	\$ -	\$ -	\$ -	\$ 265,719
Loss allowance (Lifetime ECLs)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Amortized cost	<u>\$ 265,719</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 265,719</u>

10. INVENTORIES

	September 30, 2025	December 31, 2024	September 30, 2024
Raw materials	<u>\$ 5,212</u>	<u>\$ 176,938</u>	<u>\$ 77,727</u>

The nature of the cost of goods sold is as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Cost of inventories sold	\$ 507,177	\$ 425,299	\$ 1,320,947	\$ 1,212,384
Inventory write-downs (reversed)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(834)</u>
	<u>\$ 507,177</u>	<u>\$ 425,299</u>	<u>\$ 1,320,947</u>	<u>\$ 1,211,550</u>

The Company did not pledge inventories as collateral for bank borrowings.

11. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Machinery Equipment	Transportation Equipment	Other Equipment	Property under Construction	Total
<u>Cost</u>							
Balance at January 1, 2025	\$ 328,984	\$ 1,281,445	\$ 4,473,462	\$ 5,247	\$ 31,265	\$ 45,177	\$ 6,165,580
Additions	-	6,328	102,388	2,162	-	11,377	122,255
Disposals	-	(34,261)	(390,999)	(676)	(239)	-	(426,175)
Reclassification	-	54,349	679,101	-	-	(23,297)	710,153
Balance at September 30, 2025	<u>\$ 328,984</u>	<u>\$ 1,307,861</u>	<u>\$ 4,863,952</u>	<u>\$ 6,733</u>	<u>\$ 31,026</u>	<u>\$ 33,257</u>	<u>\$ 6,571,813</u>
<u>Accumulated depreciation and impairment</u>							
Balance at January 1, 2025	\$ -	\$ 529,906	\$ 2,764,550	\$ 2,592	\$ 30,713	\$ -	\$ 3,327,761
Disposals	-	(34,261)	(390,999)	(676)	(239)	-	(426,175)
Impairment losses recognized	-	-	1,449	-	-	-	1,449
Depreciation expenses	-	37,993	161,673	914	367	-	200,947
Balance at September 30, 2025	<u>\$ -</u>	<u>\$ 533,638</u>	<u>\$ 2,536,673</u>	<u>\$ 2,830</u>	<u>\$ 30,841</u>	<u>\$ -</u>	<u>\$ 3,103,982</u>
Carrying amounts at September 30, 2025	<u>\$ 328,984</u>	<u>\$ 774,223</u>	<u>\$ 2,327,279</u>	<u>\$ 3,903</u>	<u>\$ 185</u>	<u>\$ 33,257</u>	<u>\$ 3,467,831</u>
Carrying amounts at December 31, 2024 and January 1, 2025	<u>\$ 328,984</u>	<u>\$ 751,539</u>	<u>\$ 1,708,912</u>	<u>\$ 2,655</u>	<u>\$ 552</u>	<u>\$ 45,177</u>	<u>\$ 2,837,819</u>
<u>Cost</u>							
Balance at January 1, 2024	\$ 328,984	\$ 1,258,694	\$ 4,332,716	\$ 5,923	\$ 31,265	\$ 10,819	\$ 5,968,401
Additions	-	20,814	52,421	-	-	46,170	119,405
Disposals	-	(12,568)	(11,713)	(676)	-	-	(24,957)
Reclassification	-	14,505	77,967	-	-	7,901	100,373
Balance at September 30, 2024	<u>\$ 328,984</u>	<u>\$ 1,281,445</u>	<u>\$ 4,451,391</u>	<u>\$ 5,247</u>	<u>\$ 31,265</u>	<u>\$ 64,890</u>	<u>\$ 6,163,222</u>
<u>Accumulated depreciation and impairment</u>							
Balance at January 1, 2024	\$ -	\$ 491,584	\$ 2,579,233	\$ 2,385	\$ 28,670	\$ -	\$ 3,101,872
Disposals	-	(12,568)	(11,713)	(676)	-	-	(24,957)
Impairment losses recognized	-	2,396	5,971	-	-	-	8,367
Depreciation expenses	-	36,162	141,572	662	1,531	-	179,927
Balance at September 30, 2024	<u>\$ -</u>	<u>\$ 515,574</u>	<u>\$ 2,715,063</u>	<u>\$ 2,371</u>	<u>\$ 30,201</u>	<u>\$ -</u>	<u>\$ 3,265,209</u>
Carrying amounts at September 30, 2024	<u>\$ 328,984</u>	<u>\$ 763,871</u>	<u>\$ 1,736,328</u>	<u>\$ 2,876</u>	<u>\$ 1,064</u>	<u>\$ 64,890</u>	<u>\$ 2,898,013</u>

Due to the impact of climate change and related government policies and regulations on the steam and electricity generated by the cogeneration business, the carbon reduction effects of the main production equipment have not met expectations. As a result, the company anticipates a decrease in future cash inflows from the plants and machinery used for production, leading to a recoverable amount that is less than the carrying value. Therefore, recognized an impairment loss of \$0 thousand and \$1,449 thousand, respectively, under the line item of other gains and losses of comprehensive income for the three months ended September 30, 2025 and for the nine months ended September 30, 2025

An impairment loss or reversal of \$8,367 thousand was recognized for the nine months ended September 30, 2024.

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

Buildings	
Main buildings	15-41 years
Power plants	9-11 years
Engineering systems	4-7 years
Others	6-21 years
Machinery equipment	2-30 years
Transportation equipment	5-6 years
Other equipment	4-16 years

Property, plant and equipment used by the Company and pledged as collateral for bank borrowings are set out in Note 27.

12. LEASE ARRANGEMENTS

a. Right-of-use assets

	September 30, 2025	December 31, 2024	September 30, 2024	
<u>Carrying amount</u>				
Land	\$ 3,976	\$ 4,677	\$ 4,911	
Buildings	4,688	2,791	3,199	
Transportation equipment	<u>2,198</u>	<u>2,624</u>	<u>1,740</u>	
	<u>\$ 10,862</u>	<u>\$ 10,092</u>	<u>\$ 9,850</u>	
	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Additions for right-of-use assets	<u>\$ 3,286</u>	<u>\$ 5,145</u>	<u>\$ 3,937</u>	<u>\$ 7,771</u>
Depreciation charge for right-of-use assets				
Land	\$ 234	\$ 234	\$ 702	\$ 712
Buildings	572	407	1,388	1,209
Transportation equipment	<u>371</u>	<u>319</u>	<u>1,077</u>	<u>818</u>
	<u>\$ 1,177</u>	<u>\$ 960</u>	<u>\$ 3,167</u>	<u>\$ 2,739</u>

Other than the depreciation expense recognized, the Company did not have significant sublease or impairment of right-of-use assets for the nine months ended September 30, 2025 and 2024.

b. Lease liabilities

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Carrying amounts</u>			
Current	<u>\$ 4,258</u>	<u>\$ 3,809</u>	<u>\$ 3,300</u>
Non-current	<u>\$ 6,695</u>	<u>\$ 6,348</u>	<u>\$ 6,599</u>

Range of discount rate for lease liabilities was as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Land	1.831%	1.831%	1.831%
Buildings	1.055%-1.750%	1.055%-1.750%	1.055%-1.750%
Transportation equipment	1.720%-1.780%	1.720%-1.780%	1.300%-1.750%

c. Material leasing activities and terms

The Company leases certain land, buildings and transportation equipment for use as factory and official transportation. The lease terms were between 2 to 5 years. These arrangements of lands did not contain the priority right of purchase.

d. Other lease information

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Expenses relating to short-term leases	<u>\$ 407</u>	<u>\$ 2,343</u>	<u>\$ 951</u>	<u>\$ 2,579</u>
Total cash outflow for leases			<u>\$ (4129)</u>	<u>\$ (5,388)</u>

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

13. OTHER ASSETS

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Current</u>			
Prepayments			
Prepaid expense	\$ 8,550	\$ 5,493	\$ 7,270
Prepayments for goods	38,068	50,771	20,750
Supplies inventory	52,027	65,860	62,438
Excess business tax paid	<u>3,551</u>	<u>29,970</u>	<u>-</u>
	<u>\$ 102,196</u>	<u>\$ 152,094</u>	<u>\$ 90,458</u>
<u>Non-current</u>			
Prepayments for equipment	\$ 557,779	\$ 840,138	\$ 670,104
Refundable deposits	2,732	5,898	5,898
Other	<u>2,483</u>	<u>3,399</u>	<u>3,705</u>
	<u>\$ 562,994</u>	<u>\$ 849,435</u>	<u>\$ 679,707</u>

14. BORROWINGS

a. Short-term borrowings

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Secured borrowings (Note 27)</u>			
Bank loans	\$ -	\$ -	\$ -
<u>Unsecured borrowings</u>			
Line of credit borrowing	<u>200,000</u>	<u>100,000</u>	<u>200,000</u>
	<u>\$ 200,000</u>	<u>\$ 100,000</u>	<u>\$ 200,000</u>

The interest rates of the bank revolving loan was 2.085%, 1.925% and 1.985% per annum at September 30, 2025, December 31, 2024 and September 30, 2024, respectively.

b. Short-term bills payable

	September 30, 2025	December 31, 2024	September 30, 2024
Commercial paper	\$ 100,000	\$ -	\$ 150,000
Less: Unamortized discounts on bills payable	<u>(432)</u>	<u>-</u>	<u>(187)</u>
	<u>\$ 99,568</u>	<u>\$ -</u>	<u>\$ 149,813</u>

The range of effective interest rate of the commercial paper was 1.810% and 1.930% as of September 30, 2025 and September 30, 2024, respectively.

c. Long-term borrowings

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Secured borrowings (Note 27)</u>			
Bank loans	\$ 2,068,887	\$ 2,076,990	\$ 1,938,000
<u>Unsecured borrowings</u>			
Bank loans	300,000	300,000	25,000
Less: Current portion	<u>(372,307)</u>	<u>(760,833)</u>	<u>(793,333)</u>
	<u>\$ 1,996,580</u>	<u>\$ 1,616,157</u>	<u>\$ 1,169,667</u>

1) The range of effective interest rates on bank loans were 2.025%-2.100%, 2.025%-2.100% and 2.025% per annum as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively.

- 2) The lands, buildings and machinery equipment used by the Company were pledged as collateral for secured borrowings (see Note 27). The borrowings are due between September 30, 2028 and March 15, 2034. As of September 30, 2025, December 31, 2024 and September 30, 2024, the range of effective interest rates of the secured borrowings was 1.350%-2.025%, 1.350%-2.025% and 1.350%-2.025%, respectively.

15. OTHER LIABILITIES

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Current</u>			
Other payables			
Payables for purchases of equipment	\$ 25,377	\$ 33,918	\$ 12,891
Payables for salaries or bonuses	78,225	98,657	76,003
Payables for repair and maintenance	60,215	64,528	78,248
Payables for freight	9,466	12,004	8,509
Payables for utilities	9,970	4,437	4,652
Payables for business tax	-	-	6,299
Others	<u>27,319</u>	<u>37,132</u>	<u>24,052</u>
	<u>\$ 210,572</u>	<u>\$ 250,676</u>	<u>\$ 210,654</u>

16. PROVISIONS

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Current</u>			
Employee benefits (a)	\$ 1,056	\$ -	\$ -
Carbon fee (b)	<u>5,268</u>	<u>-</u>	<u>-</u>
	<u>\$ 6,324</u>	<u>\$ -</u>	<u>\$ -</u>
Non-current			
Long-term employee benefits (a)	<u>\$ 17,394</u>	<u>\$ 20,012</u>	<u>\$ 17,789</u>

The Company has a defined long-term bonus plan encouraged employee to service long in accordance with the Company's remuneration package rules. Long-term bonus was paid based on service years.

- a. The Company has a defined long-term bonus plan encouraged employee to service long in accordance with the Company's remuneration package rules. Long-term bonus was paid based on service years.
- b. Starting from 2025, the Company recognizes the carbon fee provision in accordance with the Regulations Governing the Collection of Carbon Fees and related regulations of the ROC. The Company assessed that it was probable to obtain the approval for the self-determined reduction plan and expects to submit the implementation progress report of the self-determined reduction plan for the current year before April 30, 2026; therefore, the carbon fee provision was calculated based on the preferential rate.

17. RETIREMENT BENEFIT PLANS

For the three months ended September 30, 2025 and 2024 and for the nine months ended September 30, 2025 and 2024, the pension benefit of defined benefit plans were \$60 thousand, \$6 thousand, \$180 thousand and \$18 thousand, respectively, and these were calculated based on the pension cost rates on December 31, 2024 and 2023, respectively.

18. EQUITY

a. Share capital

Ordinary share

	September 30, 2025	December 31, 2024	September 30, 2024
Number of shares authorized (in thousands of shares)	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>
Shares authorized	<u>\$ 1,500,000</u>	<u>\$ 1,500,000</u>	<u>\$ 1,500,000</u>
Number of shares issued and fully paid (in thousands of shares)	<u>122,255</u>	<u>122,255</u>	<u>122,255</u>
Shares issued	<u>\$ 1,222,549</u>	<u>\$ 1,222,549</u>	<u>\$ 1,222,549</u>

The holders of issued share capital with a par value of \$10 are entitled to the right to vote and to receive dividends.

b. Retained earnings and dividends policy

Under the dividends policy as set forth in the Articles, where the Company made a 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 until the accumulated legal reserve equals the Company's paid-in capital, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, where not less than 50% of the distributed retained earnings should be distributed as dividends to shareholders, and resolved by the shareholders in their meeting. For the policies on the distribution of compensation of employees and remuneration of directors and supervisors, refer to compensation of employees and remuneration of directors and supervisors in Note 20.g.

The Company's Articles also stipulate that the Company's profit, future development, budget planning and demand of funds should be taken into account when the Company determines the policy about dividends distribution. In Articles, there are two kinds of dividends for shareholders, share dividends and cash dividends. In order to follow the balanced policy about dividends distribution, cash dividends should not be less than 20% of the total dividends distributed. If there is an important investment project without other funds being provided, either by lowering the rate of distributing cash dividends or stopping the distribution of cash dividends should be resolved in the shareholders' meeting.

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

The appropriations of earnings for 2024 and 2023 were approved in the shareholders' meetings on May 28, 2025 and May 29, 2024, respectively, were as follows:

	Appropriation of Earnings	
	For the Year Ended December 31	
	2024	2023
Legal reserve	<u>\$ 28,783</u>	<u>\$ 28,195</u>
Special reserve	<u>\$ 91,534</u>	<u>\$ -</u>
Cash dividends	<u>\$ 244,510</u>	<u>\$ 256,735</u>
Cash dividends per share (NT\$)	\$ 2.0	\$ 2.1

c. Special reserve

	For the Nine Months Ended	
	September 30	
	2025	2024
Balance at January 1	\$ -	\$ -
Appropriations in respect of Reversal of the debits to other equity items	<u>91,534</u>	<u>-</u>
Balance at September 30	<u>\$ 91,534</u>	<u>\$ -</u>

d. Other equity items

Unrealized valuation (loss) gain on financial assets at FVTOCI

	For the Nine Months Ended	
	September 30	
	2025	2024
Balance at January 1	<u>\$ (91,534)</u>	<u>\$ 48,195</u>
Recognized during the period Unrealized profit or loss Equity instruments	<u>(19,690)</u>	<u>(64,623)</u>
Other comprehensive loss recognized during the period	<u>(19,690)</u>	<u>(64,623)</u>
Balance at September 30	<u>\$ (111,224)</u>	<u>\$ (16,428)</u>

19. REVENUE

	For the Three Months Ended		For the Nine Months Ended	
	September 30		September 30	
	2025	2024	2025	2024
Revenue from contracts with customers				
Revenue from the sale of goods				
Revenue from the sale of electricity	\$ 375,098	\$ 381,510	\$ 974,868	\$ 963,865
Revenue from the sale of steam	<u>222,753</u>	<u>196,046</u>	<u>677,905</u>	<u>605,550</u>
	<u>597,851</u>	<u>577,556</u>	<u>1,652,773</u>	<u>1,569,415</u>

(Continued)

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Service revenue				
Revenue from subcontracted operation of incinerators	\$ 42,431	\$ 48,499	\$ 97,856	\$ 139,621
Revenue from processing of waste	<u>52,050</u>	<u>52,243</u>	<u>156,531</u>	<u>157,016</u>
	<u>94,481</u>	<u>100,742</u>	<u>254,387</u>	<u>296,637</u>
	<u>\$ 692,332</u>	<u>\$ 678,298</u>	<u>\$ 1,907,160</u>	<u>\$ 1,866,052</u>

(Concluded)

a. Contract balances

	September 30, 2025	December 31, 2024	September 30, 2024
Accounts receivable from unrelated parties (Note 9)	<u>\$ 192,550</u>	<u>\$ 208,372</u>	<u>\$ 189,184</u>
Accounts receivable from related parties (Note 9)	<u>\$ 78,951</u>	<u>\$ 69,232</u>	<u>\$ 76,535</u>
Contract liabilities - current	<u>\$ 2,633</u>	<u>\$ 4,903</u>	<u>\$ 2,749</u>

b. Disaggregation of revenue

Refer to Note 30 for information about the disaggregation of revenue.

20. NET PROFIT

a. Interest income

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Bank deposits	<u>\$ 533</u>	<u>\$ 423</u>	<u>\$ 2,082</u>	<u>\$ 1,529</u>

b. Other income

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Dividend income	\$ 75	\$ 70	\$ 6,047	\$ 6,310
Others	<u>2,458</u>	<u>979</u>	<u>8,287</u>	<u>1,824</u>
	<u>\$ 2,533</u>	<u>\$ 1,049</u>	<u>\$ 14,334</u>	<u>\$ 8,134</u>

c. Other gains and losses

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Gain on disposal of property, plant and equipment	\$ -	\$ -	\$ 67	\$ 67
Net foreign exchange losses	-	-	-	(17)
Impairment loss on property, plant and equipment	-	(8,367)	(1,449)	(8,367)
Others	<u>(2)</u>	<u>-</u>	<u>(2)</u>	<u>-</u>
	<u>\$ (2)</u>	<u>\$ (8,367)</u>	<u>\$ (1,384)</u>	<u>\$ (8,317)</u>

d. Finance costs

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Interest on bank loans	\$ 9,701	\$ 8,111	\$ 23,340	\$ 21,920
Interest on lease liabilities	<u>48</u>	<u>42</u>	<u>127</u>	<u>76</u>
	<u>\$ 9,749</u>	<u>\$ 8,153</u>	<u>\$ 23,467</u>	<u>\$ 21,996</u>

Information about capitalized interest is as follows:

	For the Nine Months Ended September 30	
	2025	2024
Capitalized interest amount	<u>\$ 9,578</u>	<u>\$ 8,128</u>
Capitalization rate	1.74%	1.79%

e. Depreciation and amortization

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
An analysis of depreciation by function				
Operating costs	\$ 72,951	\$ 60,069	\$ 198,974	\$ 176,719
Operating expenses	<u>1,823</u>	<u>2,028</u>	<u>5,140</u>	<u>5,947</u>
	<u>\$ 74,774</u>	<u>\$ 62,097</u>	<u>\$ 204,114</u>	<u>\$ 182,666</u>
An analysis of amortization by function				
Operating costs	\$ 219	\$ 218	\$ 657	\$ 656
Operating expenses	<u>740</u>	<u>304</u>	<u>1,097</u>	<u>2,095</u>
	<u>\$ 959</u>	<u>\$ 522</u>	<u>\$ 1,754</u>	<u>\$ 2,751</u>

f. Employee benefits expense

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Post-employment benefits				
Defined contribution plan	\$ 2,022	\$ 1,921	\$ 6,069	\$ 5,673
Other employee benefits	<u>63,545</u>	<u>65,524</u>	<u>201,104</u>	<u>192,690</u>
Total employee benefits expense	<u>\$ 65,567</u>	<u>\$ 67,445</u>	<u>\$ 207,173</u>	<u>\$ 198,363</u>
An analysis of employee benefits expense by function				
Operating costs	\$ 41,434	\$ 37,154	\$ 127,708	\$ 115,540
Operating expenses	<u>24,133</u>	<u>30,291</u>	<u>79,465</u>	<u>82,823</u>
	<u>\$ 65,567</u>	<u>\$ 67,445</u>	<u>\$ 207,173</u>	<u>\$ 198,363</u>

g. Compensation of employees and remuneration of directors

The Company accrues compensation of employees at rates of no less than 0.75% of net profit before income tax and compensation of employees. In accordance with the amendments to the Securities and Exchange Act in August 2024, the shareholders of the Company expect to resolve the amendments to the Company's Articles at their 2025 regular meeting. The amendments explicitly stipulate the allocation of 40% of the compensation of employees as compensation distributions for non-executive employees.

For the nine months ended September 30, 2025 and 2024 and for the nine months ended September 30, 2025 and 2024, the compensation of employees and the remuneration of directors were as follows:

Accrual rate

	For the Nine Months Ended September 30	
	2025	2024
Compensation of employees	2.0%	1.5%-2.0%
Remuneration of directors	-	-

Amount

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Compensation of employees	<u>\$ 1,226</u>	<u>\$ 2,233</u>	<u>\$ 5,123</u>	<u>\$ 5,264</u>
Remuneration of directors	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

The compensation of employees and the remuneration of directors for 2024 and 2023, which were resolved by the board of directors on March 7, 2025 and March 5, 2024, respectively, were as follows:

Amount

	For the Year Ended December 31	
	2024	2023
Compensation of employees	<u>\$ 7,214</u>	<u>\$ 5,370</u>
Remuneration of directors	<u>\$ -</u>	<u>\$ -</u>

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

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

21. INCOME TAXES

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Current tax				
In respect of the current period	\$ 12,481	\$ 23,818	\$ 50,430	\$ 53,471
Adjustments for prior year	<u>-</u>	<u>-</u>	<u>(21,874)</u>	<u>133</u>
	<u>12,481</u>	<u>23,818</u>	<u>28,556</u>	<u>53,604</u>
Deferred tax				
In respect of the current period	<u>(236)</u>	<u>(2,170)</u>	<u>(1,174)</u>	<u>(3,098)</u>
Income tax expense recognized in profit or loss	<u>\$ 12,245</u>	<u>\$ 21,648</u>	<u>\$ 27,382</u>	<u>\$ 50,506</u>

b. Income tax assessments

The income tax of the Company through 2023 have been assessed by the tax authorities.

22. EARNINGS PER SHARE

Unit: NT\$ Per Share

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Basic earnings per share	<u>\$ 0.40</u>	<u>\$ 0.71</u>	<u>\$ 1.84</u>	<u>\$ 1.70</u>
Diluted earnings per share	<u>\$ 0.40</u>	<u>\$ 0.71</u>	<u>\$ 1.84</u>	<u>\$ 1.69</u>

The earnings and weighted average number of ordinary shares outstanding used in the computation of earnings per share are as follows:

Net Profit for the Period

Unit: NT\$ Per Share

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Earnings used in the computation of basic earnings per share	<u>\$ 48,994</u>	<u>\$ 86,664</u>	<u>\$ 224,815</u>	<u>\$ 207,429</u>
Earnings used in the computation of diluted earnings per share	<u>\$ 48,994</u>	<u>\$ 86,664</u>	<u>\$ 224,815</u>	<u>\$ 207,429</u>

Number of Shares

Unit: In Thousands of Shares

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Weighted average number of ordinary shares used in the computation of basic earnings per share	122,255	122,255	122,255	122,255
Effect of potentially dilutive ordinary shares				
Compensation of employees	<u>97</u>	<u>106</u>	<u>132</u>	<u>128</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>122,352</u>	<u>122,361</u>	<u>122,387</u>	<u>122,383</u>

The Company may settle the compensation or bonuses paid to employees in cash or shares; therefore, the Company assumed that the entire amount of the compensation or bonuses will be settled in shares, and the resulting potential shares were included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following period.

23. NON-CASH TRANSACTIONS

For the nine months ended of September 30, 2025 and 2024, the Company entered into the following non-cash investing and financing activities which were not reflected in the statements of cash flows:

- a. For the nine months ended September 30, 2025, the Company acquired property, plant and equipment with an aggregate fair value of \$122,255 thousand, an decrease in payables for purchases of equipment of \$8,541 thousand, an increase in capitalized interest of \$589 thousand, and a cash outflow in the amount of \$130,207 thousand (see Note 11).
- b. For the nine months ended September 30, 2024, the Company acquired property, plant and equipment with an aggregate fair value of \$119,405 thousand, an decrease in payables for purchases of equipment of \$18,194 thousand, an increase in capitalized interest of \$586 thousand, and a cash outflow in the amount of \$137,013 thousand (see Note 11).

24. CAPITAL MANAGEMENT

The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The Company reviews its capital structure on a regular basis, which is determined based on both the business development strategy and the operating requirements.

25. FINANCIAL INSTRUMENTS

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

The Company's management believes that the carrying amounts of financial assets and financial liabilities not measured at fair value are close to their fair values (i.e., the carrying amount equals the amount which will be received or paid in the future).

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

- 1) Fair value hierarchy

September 30, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares and emerging market shares	<u>\$ 233,946</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 233,946</u>

December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares and emerging market shares	<u>\$ 253,636</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 253,636</u>

September 30, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares and emerging market shares	<u>\$ 328,741</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ 328,741</u>

There were no transfers between Levels 1 and 2 for the nine months ended September 30, 2025 and 2024.

2) Valuation techniques applied for fair value measurement

The fair value of financial instruments, which were trading in an active market, was determined by the market price.

c. Categories of financial instruments

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Financial assets</u>			
Financial assets at amortized cost (1)	\$ 556,333	\$ 628,486	\$ 613,168
Financial assets at FVTOCI			
Equity instruments	233,946	253,636	328,741
<u>Financial liabilities</u>			
Amortized cost (2)	2,901,025	2,789,280	2,572,304

1) The balances include financial assets at amortized cost, which comprise cash and cash equivalents, accounts receivable and refundable deposits.

2) The balances include financial liabilities at amortized cost, which comprise short-term borrowings, short-term bills payable, accounts payable, other payables, guarantee deposits received, current portion of long-term borrowings and long-term borrowings.

d. Financial risk management objectives and policies

The Company ensures it has sufficient funds for operations. The Company carefully manages risks associated with operating activities, such as foreign currency risk, price risk of equity instruments, credit risk and liquidity risk, to minimize the uncertainty of the market, which brings potential risks for the financial position of the Company.

1) Market risk

a) Foreign currency risk

The major types of business of the Company are the cogeneration business, operating and repair of equipment, processing of waste disposal, management of incinerators and processing of waste. Foreign currency risk is not significant to the Company as less foreign currencies are held and no derivative financial instruments are used.

b) Interest rate risk

Interest rate risk is the risk due to changes in the fair value of financial instruments as a result of fluctuations of the market rate. The Company is mainly exposed to interest rate risk because of bank loans. Therefore, the change in interest rate does not affect the cash flow in the future.

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

	September 30, 2025	December 31, 2024	September 30, 2024
Fair value interest rate risk			
Financial assets	\$ 262,025	\$ 324,972	\$ 341,551
Cash flow interest rate risk			
Financial assets	20,075	20,012	-
Financial liabilities	2,668,455	2,476,990	2,312,813

Sensitivity analysis

The sensitivity analysis below was prepared assuming the amount of each liability outstanding at the end of the reporting period was outstanding for the whole reporting period. If interest rates had been 100 basis points higher and all other variables were held constant, the Company's post-tax profit for the nine months ended September 30, 2025 and 2024 would have decreased by \$16,011 thousand and \$13,877 thousand, respectively.

2) Credit risk

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

The Company only transacts with companies with good credit ratings based on the policy. Collateral held as security is required in some situations to lower the risk of financial loss. In order to lower the credit risk, controls regarding the determination and approval of the line of credit have been made to ensure that overdue accounts receivable are received. Furthermore, the Company reviews the recoverable amount of accounts receivable at the balance sheet date to ensure that an appropriate amount has been set aside as loss allowance for those unrecoverable accounts receivable. Therefore, the Company considers that credit risk has decreased significantly.

The Company's concentration of credit risk of 63.48%, 55.51% and 59.62% of total accounts receivable as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively, was attributable to the Company's five largest customers. Other credit concentration risks are not relatively significant.

3) Liquidity risk

With stable profitability, the Company manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Company's operations and mitigate the effects of fluctuations in cash flows.

The Company relies on bank loans as a significant source of liquidity. As of September 30, 2025, December 31, 2024 and September 30, 2024, the available unutilized short-term bank loan facilities were \$500,000 thousand, \$400,000 thousand and \$350,000 thousand, respectively.

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

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

September 30, 2025

	Effective Interest Rate	Less than 1 Year	1-2 Years	2-5 Years	5+ Years	Total
Short-term borrowings	2.018%	\$ 204,035	\$ -	\$ -	\$ -	\$ 204,035
Short-term bills payable	1.818%	101,378	-	-	-	101,378
Accounts payable	-	18,198	-	-	-	18,198
Other payables	-	210,572	-	-	-	210,572
Lease liabilities	1.055%-1.831%	4,405	2,761	4,284	-	11,450
Long-term borrowings	1.739%	378,781	836,843	841,110	417,180	2,473,914

December 31, 2024

	Effective Interest Rate	Less than 1 Year	1-2 Years	2-5 Years	5+ Years	Total
Short-term borrowings	2.072%	\$ 102,072	\$ -	\$ -	\$ -	\$ 102,072
Accounts payable	-	53,414	-	-	-	53,414
Other payables	-	250,676	-	-	-	250,676
Lease liabilities	1.055%-1.831%	3,944	3,204	3,300	-	10,448
Long-term borrowings	1.770%	774,301	402,544	899,932	400,879	2,477,656

September 30, 2024

	Effective Interest Rate	Less than 1 Year	1-2 Years	2-5 Years	5+ Years	Total
Short-term borrowings	1.936%	\$ 203,872	\$ -	\$ -	\$ -	\$ 203,872
Short-term bills payable	1.575%	152,173	-	-	-	152,173
Accounts payable	-	40,637	-	-	-	40,637
Other payables	-	210,654	-	-	-	210,654
Lease liabilities	1.055%-1.831%	3,433	2,850	3,927	-	10,210
Long-term borrowings	1.778%	807,436	254,661	692,965	286,000	2,041,062

26. TRANSACTIONS WITH RELATED PARTIES

Besides information disclosed elsewhere in the other notes, details of transactions between the Company and other related parties are disclosed as follows:

a. Related party name and category

<u>Related Party Name</u>	<u>Related Party Category</u>
Cheng Loong Corporation	Investor with significant influence over the Company
Taiwan Cogeneration Corporation	Investor with significant influence over the Company
Cheng Loong Children's Care Foundation	Other related party

b. Operating revenue

<u>Line Item</u>	<u>Related Party Category/Name</u>	<u>For the Three Months Ended September 30</u>		<u>For the Nine Months Ended September 30</u>	
		<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Sales of goods	Investor with significant influence over the Company Cheng Loong Corporation	<u>\$ 194,695</u>	<u>\$ 178,217</u>	<u>\$ 475,021</u>	<u>\$ 496,170</u>

The sales of goods to Cheng Loong Corporation were made at the Company's usual unit prices less an average discount of 10% when the percentage of the purchase amount to the total production is no more than the percentage of shares held by Cheng Loong Corporation. Other purchase amounts were made at the usual unit prices. Besides, other terms of transaction between the Company and its related parties were not different from others.

c. Purchases of goods

<u>Related Party Category/Name</u>	<u>For the Three Months Ended September 30</u>		<u>For the Nine Months Ended September 30</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Investor with significant influence over the Company	<u>\$ -</u>	<u>\$ 456</u>	<u>\$ -</u>	<u>\$ 891</u>

Purchases were made at the prices determined based on each contract.

d. Receivables from related parties (excluding loans to related parties and contract assets)

<u>Line Item</u>	<u>Related Party Category/Name</u>	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Accounts receivable from related parties	Investor with significant influence over the Company Cheng Loong Corporation	<u>\$ 78,951</u>	<u>\$ 69,232</u>	<u>\$ 76,535</u>

The outstanding accounts receivable from related parties are unsecured.

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

Line Item	Related Party Category/Name	September 30, 2025	December 31, 2024	September 30, 2024
Accounts payable to related parties	Investor with significant influence over the Company	<u>\$ -</u>	<u>\$ 88</u>	<u>\$ -</u>
Other payables	Investor with significant influence over the Company			
	Cheng Loong Corporation	\$ 611	\$ 441	\$ 597
	Taiwan Cogeneration Corporation	<u>100</u>	<u>1,110</u>	<u>185</u>
		<u>\$ 711</u>	<u>\$ 1,551</u>	<u>\$ 782</u>

The outstanding accounts payable to related parties are unsecured and will be paid by cash.

f. Lease arrangements

Line Item	Related Party Category/Name	September 30, 2025	December 31, 2024	September 30, 2024
Lease liabilities	Investor with significant influence over the Company			
	Cheng Loong Corporation	<u>\$ 4,021</u>	<u>\$ 4,698</u>	<u>\$ 4,922</u>

Related Party Category/Name	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Interest expense				
Investor with significant influence over the Company				
Cheng Loong Corporation	<u>\$ 18</u>	<u>\$ 23</u>	<u>\$ 59</u>	<u>\$ 24</u>

The Company leased land from investor with significant influence. The content of the lease is determined by agreement between the two parties, and the rent is paid monthly.

g. Other transactions with related parties

Line Item	Related Party Category/Name	For the Three Months Ended September 30		For the Nine Months Ended September 30	
		2025	2024	2025	2024
Manufacturing expense	Investor with significant influence over the Company	<u>\$ 437</u>	<u>\$ 437</u>	<u>\$ 1,310</u>	<u>\$ 1,310</u>

Line Item	Related Party Category/Name	For the Three Months Ended September 30		For the Nine Months Ended September 30	
		2025	2024	2025	2024
Operating expense	Investor with significant influence over the Company				
	Cheng Loong Corporation	\$ 751	\$ 752	\$ 2,058	\$ 2,042
	Other	<u>323</u>	<u>735</u>	<u>1,993</u>	<u>3,986</u>
		<u>\$ 1,074</u>	<u>\$ 1,487</u>	<u>\$ 4,051</u>	<u>\$ 6,028</u>
	Other related party	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100</u>
Other income	Investor with significant influence over the Company	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 69</u>

h. Remuneration of key management personnel

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Short-term employee benefits	<u>\$ 2,982</u>	<u>\$ 2,913</u>	<u>\$ 11,950</u>	<u>\$ 11,520</u>

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

27. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for bank borrowings:

	September 30, 2025	December 31, 2024	September 30, 2024
Land	\$ 300,115	\$ 300,115	\$ 300,115
Buildings, net	204,264	214,224	218,343
Machinery equipment, net	753,219	805,640	823,115
Compensation account (financial assets measured at amortized cost - non-current)	<u>20,075</u>	<u>20,012</u>	<u>-</u>
	<u>\$ 1,277,673</u>	<u>\$ 1,339,991</u>	<u>\$ 1,341,573</u>

28. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, unrecognized contracts of the Company on September 30, 2025, December 31, 2024 and September 30, 2024 were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Acquisition of property, plant and equipment	<u>\$ 149,445</u>	<u>\$ 148,559</u>	<u>\$ 176,042</u>
Prepayments for equipment	<u>\$ 98,119</u>	<u>\$ 163,740</u>	<u>\$ 242,018</u>

29. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions:

- 1) Financing provided to others (None)
- 2) Endorsements/guarantees provided (None)
- 3) Significant marketable securities held (excluding investments in subsidiaries, associates and joint ventures) (Table 1)
- 4) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 2)
- 5) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital (None)
- 6) Intercompany relationships and significant intercompany transactions (None)

b. Information on investees (None)

c. Information on investments in mainland China

- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area (None)
- 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 (None):
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period (None)
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period (None)
 - c) The amount of property transactions and the amount of the resultant gains or losses (None)
 - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes (None)

- e) The highest balance, the ending balance, the interest rate range, and total current period interest with respect to the financing of funds (None)
- f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services (None)

30. 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 delivered. Specifically, the Company's reportable segments were plant of cogeneration segment and plant of renewable energy segment.

a. Segment revenue and results

The following was an analysis of the Company's revenue and results from continuing operations by reportable segments:

	Plant of Cogeneration	Plant of Renewable Energy	Total
For the nine months ended <u>September 30, 2025</u>			
Revenue from external customers	\$ 1,750,629	\$ 156,531	\$ 1,907,160
Inter-segment revenue	<u>-</u>	<u>-</u>	<u>-</u>
Segment revenue	<u>\$ 1,750,629</u>	<u>\$ 156,531</u>	<u>\$ 1,907,160</u>
Segment income	\$ 238,150	\$ 22,482	\$ 260,632
Interest income			2,082
Finance costs			(23,467)
Other income			14,401
Other expense and losses			<u>(1,451)</u>
Profit before tax			<u>\$ 252,197</u>
For the nine months ended <u>September 30, 2024</u>			
Revenue from external customers	\$ 1,709,036	\$ 157,016	\$ 1,866,052
Inter-segment revenue	<u>-</u>	<u>-</u>	<u>-</u>
Segment revenue	<u>\$ 1,709,036</u>	<u>\$ 157,016</u>	<u>\$ 1,866,052</u>
Segment income	\$ 254,686	\$ 23,899	\$ 278,585
Interest income			1,529
Finance costs			(21,996)
Other income			8,201
Other expense and losses			<u>(8,384)</u>
Profit before tax			<u>\$ 257,935</u>

b. Revenue from major products and services

The Company's revenue from continuing operations from its major products and services is disclosed in Note 19.

c. Geographical information

The Company operates only in Taiwan.

TA-YUAN COGENERATION COMPANY LIMITED

MARKETABLE SECURITIES HELD

SEPTEMBER 30, 2025

(In Thousands of New Taiwan Dollars)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2025				Note
				Number of Shares	Carrying Amount	Percentage of Ownership (%)	Fair Value	
The Company	<u>Shares</u> Cheng Loong Corporation	Investment company that evaluates the Company using the equity method	Financial assets at fair value through other comprehensive income - non-current	13,270,000	\$ 232,225	1.20	\$ 232,225	
	Taiwan Cogeneration Corporation	"	"	36,113	<u>1,721</u>	-	<u>1,721</u>	
					<u>\$ 233,946</u>		<u>\$ 233,946</u>	

TA-YUAN COGENERATION COMPANY LIMITED

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

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
The Company	Cheng Loong Corporation	Investment company that evaluates the Company using the equity method	Sale	\$ 475,021	24.91	Monthly	Note	Note	Accounts receivable \$ 78,951	29.08	

Note: The sales of goods to Cheng Loong Corporation were made at the Company's usual unit prices less an average discount of 10% when the percentage of the purchase amount to the total production is no more than the percentage of shares held by Cheng Loong Corporation. Other purchase amounts were made at the usual unit prices. Transaction terms between the Company and its related parties were not different from others.