OFCO Industrial Corp. and Subsidiaries
Consolidated Financial Statements and Independent Auditor's Review Report
For the Three Months Ended March 31, 2025 and 2024
Stock Code: 5011

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For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

Independent Auditors' Review Report Translated From Chinese

Foreword

We have reviewed the accompanying consolidated balance sheets of OFCO Industrial Corp. and subsidiaries (hereinafter collectively referred to as "OFCO Group") as of March 31, 2025 and 2024, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the three-month periods ended March 31, 2025 and 2024, and notes to the consolidated financial statements, including a summary of significant accounting policies. The preparation of consolidated financial statements in conformity with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting", as endorsed by the Financial Supervisory Commission, is the responsibility of the Company's management. Our responsibility is to the express the conclusion of the financial statements based on our review.

Scope of Review

We conducted our reviews in accordance with the Standard on Review Engagements 2410, "Review of Financial Information Performed by the Independent Auditor of the Entity" in the Republic of China. 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.

Conclusion

Based on our reviews, 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 financial position of the Corporation and its subsidiaries as of March 31, 2025 and 2024, its consolidated financial performance and its consolidated cash flows for the three-month periods 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.

PwC Taiwan Certified Public Accountant

Chung-Yu Tien

Huei-Yu Hsu

May 7, 2025

OFCO Industrial Corp. and Subsidiaries
Consolidated Balance Sheets
March 31, 2025 and December 31 and March 31, 2024

Unit: NT$ thousand

	Assets	Notes	March 31, 2025 Amount	%	December 31, 2024 Amount	%	March 31, 2024 Amount	%
	Current assets							
1100	Cash and cash equivalents	6(1)	$ 380,778	7	$ 371,660	7	$ 739,042	14
1110	Financial assets at fair value through profit or loss - current	6(2)	49,929	1	59,452	1	112,452	2
1120	Financial assets at fair value through other comprehensive income or loss - current	6(3)	25,965	1	25,643	-	57,816	1
1136	Financial Assets Carried at Cost - current	6(1)(4) & 8	187,312	3	245,667	4	74,134	2
1140	Contract assets - current	6(25)	3,103	-	3,103	-	5,881	-
1150	Notes receivable, net	6(5)	90	-	18	-	115	-
1170	Accounts receivable, net	6(5)	470,517	8	385,425	7	668,358	12
1180	Accounts receivable, net - related parties	6(5) &7	107,876	2	144,897	3	123,919	2
1200	Other receivables		2,655	-	14,630	-	9,136	-
1210	Other receivables - related parties	7	62,193	1	746	-	-	-
1220	Current tax assets	6(33)	15,893	-	15,765	-	5,324	-
130X	Inventories	6(6)	249,201	4	440,389	8	293,785	5
1410	Pre-payments	6(7) &7	568,085	10	593,588	11	489,626	9
1476	Other financial assets -current		500	-	500	-	-	-
11XX	**Total current assets**		2,124,097	37	2,301,483	41	2,579,588	47
	Non-current assets							
1510	Financial assets at fair value through profit or loss - non-current	6(2)(18)	226,666	4	221,316	4	127,466	2
1517	Financial assets at fair value through other comprehensive income - non-current	6(3)	487,018	8	139,531	2	21,842	-
1535	Financial Assets Carried at Cost - non-current	6(1)(4) & 8	66,182	1	109,006	2	146,879	3
1600	Property, Plant and Equipment	6(8)(10)(14), 7&8	987,349	17	1,130,201	20	1,088,244	20
1755	Right-of-use assets	6(9)	19,300	-	111,528	2	110,306	2
1760	Investment property, net	6(8)(10)(11) (26), 7&8	137,928	2	32,452	1	32,452	1
1780	Intangible Assets	6(12)	840,825	15	849,866	15	823,849	15
1840	Deferred tax assets	6(33)	325,354	6	309,426	5	240,243	4
1915	Prepayments for equipment	6(8)	193,985	3	158,072	3	113,139	2
1920	Refundable deposits	8	10,956	-	12,990	-	14,355	-
1975	Net defined benefit assets - non-current	6(20)	7,401	-	7,426	-	7,410	-
1990	Other non-current assets - others	6(13) &7	380,984	7	293,730	5	219,781	4
15XX	**Total non-current assets**		3,683,948	63	3,375,544	59	2,945,966	53
1XXX	**Total Assets**		$ 5,808,045	100	$ 5,677,027	100	$ 5,525,554	100

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OFCO Industrial Corp. and Subsidiaries
Consolidated Balance Sheets
March 31, 2025 and December 31 and March 31, 2024

Unit: NT$ thousand

	Liabilities and Equity	Notes	March 31, 2025 Amount	%	December 31, 2024 Amount	%	March 31, 2024 Amount	%
	Current liabilities							
2100	Short-term loans	6(15) &8	$ 878,584	15	$ 649,922	12	$ 698,339	13
2110	Short-term notes and bills payable	6(16) &8	173,000	3	114,414	2	68,623	1
2130	Contract liability - current	6(25)	148,274	3	50,908	1	110,170	2
2150	Notes payable		8,840	-	7,622	-	20,428	1
2160	Notes Payable - related parties	7	-	-	-	-	6,365	-
2170	Accounts payable		467,126	8	454,659	8	681,490	12
2180	Accounts payable - related parties	7	2,297	-	132,075	2	73,883	1
2200	Other payables	6(17)(24)	170,129	3	193,780	3	237,923	4
2220	Other payables - related parties	7	67,294	1	17,573	-	3,271	-
2230	Current tax liabilities	6(33)	11,789	-	8,019	-	5,326	-
2280	Lease liabilities - current	6(9)	4,780	-	18,728	-	15,670	-
2320	Current portion of long-term liabilities	6(19) &8	202,107	4	201,266	4	309,012	6
21XX	**Total current liabilities**		2,134,220	37	1,848,966	32	2,230,500	40
	Non-current liabilities							
2527	Contract liability - non-current	6(25)	-	-	-	-	108,000	2
2530	Bonds payable	6(18)	350,310	6	348,356	6	342,755	6
2540	Long-term loans	6(19) &8	716,913	12	722,719	13	206,852	4
2570	Deferred tax liabilities	6(33)	14,642	-	13,934	-	14,313	-
2580	Lease liabilities - non-current	6(9)	14,814	-	99,526	2	99,893	2
2645	Guarantee deposits received	7	46,208	1	41,096	1	36,524	1
2670	Other non-current liabilities - other		564	-	564	-	564	-
25XX	**Total non-current liabilities**		1,143,451	19	1,226,195	22	808,901	15
2XXX	**Total liabilities**		3,277,671	56	3,075,161	54	3,039,401	55
	Equity attributed to the stockholders of the parent							
	Share capital	6(18)(21)						
3110	Common stock		1,006,697	18	1,006,697	18	1,004,027	18
3140	Capital collected in advance		-	-	-	-	329	-
3200	Additional paid-in capital	6(18)(21)(22)	1,110,464	19	1,110,464	19	1,097,180	19
	Retained earnings	6(3)(24)						
3310	Legal reserve		51,123	1	51,123	1	35,725	1
3320	Special reserve		14,827	-	14,827	-	44,211	1
3350	Unappropriated earnings		(12,095)	-	35,692	1	39,073	1
3400	Other equity interest	6(3)	1,241	-	(10,568)	-	(22,601)	-
31XX	**Equity attributable to owners of the parent**		2,172,257	38	2,208,235	39	2,197,944	40
36XX	**Non-controlling interest**	4(3)	358,117	6	393,631	7	288,209	5
3XXX	**Total equity**		2,530,374	44	2,601,866	46	2,486,153	45
	Significant contingent liabilities and unrecognized contract commitments	6(12) &9						
	Significant events after the balance sheet date	11						
3X2X	**Total liabilities and equity**		$ 5,808,045	100	$ 5,677,027	100	$ 5,525,554	100

The Note to Consolidated Financial Statements appended to the statements form part of the Consolidated Financial Statements. Please read together.

Chairman: James Huang President: Rosalind Huang Accounting Director: Mei-Yu Wang

OFCO Industrial Corp. and Subsidiaries
Consolidated Statement of Comprehensive Income
January 1 to March 31, 2025 and 2024

Unit: NT$ thousand
(In addition to the loss per share of NT$)

Code	Items	Note	January 1 to March 31, 2025 Amount	%	January 1 to March 31, 2024 Amount	%
4000	Operating revenue	6(12)(25) &7	$ 1,405,156	100	$ 944,764	100
5000	Operating costs	6(6)(9)(12)(20)(31)(32) &7	(1,452,788)	(104)	(950,887)	(100)
5900	Gross loss		(47,632)	(4)	(6,123)	-
	Operating Expenses	6(9)(12)(20)(31)(32) &7				
6100	Marketing expenses		(12,397)	(1)	(7,041)	(1)
6200	Administrative Expenses		(32,449)	(2)	(27,545)	(3)
6300	R&D Expenses		(1,258)	-	(9)	-
6000	Total operating expenses		(46,104)	(3)	(34,595)	(4)
6500	Net other income and expenses	6(10)(26) &7	1,513	-	-	-
6900	Operating loss		(92,223)	(7)	(40,718)	(4)
	Non-operating income & expenses					
7100	Interest income	6(4)(27)	1,244	-	2,112	-
7010	Other income	6(28)	5,742	-	1,832	-
7020	Other gains and losses	6(2)(9)(29), 7&12	25,428	2	14,386	2
7050	Financial costs	6(9)(30) &7	(14,808)	(1)	(9,028)	(1)
7000	Total non-operating Income and expenses		17,606	1	9,302	1
7900	**Net loss before tax**		(74,617)	(6)	(31,416)	(3)
7950	Income tax benefits	6(33)	11,450	1	9,463	1
8200	**Net loss**		($ 63,167)	(5)	($ 21,953)	(2)
	Other comprehensive income items that will not be re-classified into profit and loss					
8316	Unrealized profit and loss on the equity instrument investments at fair value through other comprehensive income	6(3)	$ 11,809	1	($ 7,619)	(1)
8300	**Other comprehensive income (net)**		$ 11,809	1	($ 7,619)	(1)
8500	**Total comprehensive income**		($ 51,358)	(4)	($ 29,572)	(3)
	Net profit (loss) attributed to:					
8610	Stockholders of the parent company		($ 27,653)	(2)	($ 15,358)	(1)
8620	Non-controlling interest		(35,514)	(3)	(6,595)	(1)
			($ 63,167)	(5)	($ 21,953)	(2)
	Total comprehensive income attributed to:					
8710	Stockholders of the parent company		($ 15,844)	(1)	($ 22,977)	(2)
8720	Non-controlling interest		(35,514)	(3)	(6,595)	(1)
			($ 51,358)	(4)	($ 29,572)	(3)
	Losses per share	6(34)				
9750	Basic		($ 0.27)		($ 0.15)	
9850	Diluted		($ 0.27)		($ 0.15)	

The Note to Consolidated Financial Statements appended to the statements form part of the Consolidated Financial Statements. Please read together.

Chairman: James Huang　　President: Rosalind Huang　　Accounting Director: Mei-Yu Wang

OFCO Industrial Corp. and Subsidiaries
Consolidated Statements of Changes Equity
January 1 to March 31, 2025 and 2024

Unit: NT$ thousand

	Note	Common stock	Bond for Equity Certificates	Advance receipts for capital stock	Additional paid-in capital	Legal reserve	Special reserve	Unappropriated earnings	The exchange difference in the conversion of financial statements of foreign business institutions	Unrealized profit and loss on the financial assets at fair value through other comprehensive income	Total	Non-controlling interest	Total equity
		Equity attributed to the owners of parent-company											
		Share capital				Retained earnings			Other components of equity				
January 1 to March 31, 2024													
Balance as of January 1, 2024		$ 1,000,587	$ 1,320	$ 2,076	$ 1,095,632	$ 35,725	$ 44,211	$ 154,689	$ 373	($ 15,200)	$ 2,319,413	$ 294,804	$ 2,614,217
Net loss for January to March 2024		-	-	-	-	-	-	(15,358)	-	-	(15,358)	(6,595)	(21,953)
Other comprehensive income for January to March 2024	6(3)	-	-	-	-	-	-	-	-	(7,619)	(7,619)	-	(7,619)
Total consolidated profit and loss for January to March 2024		-	-	-	-	-	-	(15,358)	-	(7,619)	(22,977)	(6,595)	(29,572)
Appropriations of earnings 2023:													
Cash dividends	6(24)	-	-	-	-	-	-	(100,413)	-	-	(100,413)	-	(100,413)
Disposal of financial assets at fair value through other comprehensive income	6(3)	-	-	-	-	-	-	155	-	(155)	-	-	-
Price from employee stock options exercised	6(21)	-	-	1,921	-	-	-	-	-	-	1,921	-	1,921
Employee Stock Options into capital stock	6(21)(22)	2,120	-	(3,668)	1,548	-	-	-	-	-	-	-	-
Conversion of bonds into capital stock	6(18)	1,320	(1,320)	-	-	-	-	-	-	-	-	-	-
Balance as of March 31, 2024		$ 1,004,027	$ -	$ 329	$ 1,097,180	$ 35,725	$ 44,211	$ 39,073	$ 373	($ 22,974)	$ 2,197,944	$ 288,209	$ 2,486,153
January 1 to March 31, 2025													
Balance as of January 1, 2025		$ 1,006,697	$ -	$ -	$ 1,110,464	$ 51,123	$ 14,827	$ 35,692	$ 373	($ 10,941)	$ 2,208,235	$ 393,631	$ 2,601,866
Net loss for January to March 2025		-	-	-	-	-	-	(27,653)	-	-	(27,653)	(35,514)	(63,167)
Other comprehensive income for January to March 2025	6(3)	-	-	-	-	-	-	-	-	11,809	11,809	-	11,809
Total consolidated profit and loss for January to March 2025		-	-	-	-	-	-	(27,653)	-	11,809	(15,844)	(35,514)	(51,358)
Appropriation of earnings 2024:													
Cash dividends	6(24)	-	-	-	-	-	-	(20,134)	-	-	(20,134)	-	(20,134)
Balance as of March 31, 2025		$ 1,006,697	$ -	$ -	$ 1,110,464	$ 51,123	$ 14,827	($ 12,095)	$ 373	$ 868	$ 2,172,257	$ 358,117	$ 2,530,374

The Note to Consolidated Financial Statements appended to the statements form part of the Consolidated Financial Statements. Please read together.

Chairman: James Huang President: Rosalind Huang Accounting Director: Mei-Yu Wang

OFCO Industrial Corp. and Subsidiaries
Consolidated Statements of Cash Flows
January 1 to March 31, 2025 and 2024

Unit: NT$ thousand

	Note	January 1 to March 31, 2025	January 1 to March 31, 2024
Cash flows from operating activities			
Net loss before tax		($ 74,617)	($ 31,416)
Adjustments			
Income charges (credits)			
Loss (gain) on financial assets and liabilities measured at fair value through profit or loss		3,735	(6,467)
Write-down reversal of inventories	6(6)	(4,421)	(115)
Net gain on disposal of office supplies		(2,845)	-
Depreciation expense	6(8)(9)(11)	37,716	35,299
Net (gain) loss on disposal of property, plant and equipment	6(29)	(133)	174
Gain on lease modification	6(9)(29)	(6,470)	-
Amortization expense	6(12)(31)	13,417	11,326
Unrealized concession revenue	6(12)	(4,376)	(21,198)
Interest income	6(27)	(1,244)	(2,112)
Interest expense	6(30)	14,808	9,028
Changes in assets/liabilities related to operating activities			
Changes in assets relating to operating activities net			
Financial assets at fair value through profit or loss - current		438	(38,986)
Notes receivable		(72)	(41)
Accounts receivable		(85,092)	(100,939)
Accounts receivable - related parties		37,021	(10,185)
Other receivables		11,975	11,708
Other receivables - related parties		(8,508)	-
Inventories		195,609	(31,717)
Pre-payments		(4,152)	(176,793)
Net defined benefit assets - non-current		25	(13)
Changes in liabilities relating to operating activities net			
Contract liability		97,366	11,987
Notes payable		1,218	502
Notes Payable - related parties		-	1,010
Accounts payable		12,467	(142,944)
Accounts payable - related parties		(129,778)	(19,217)
Other payables		(41,737)	(33,141)
Other payables - related parties		(279)	1,107
Cash inflows (outflows) of business operations		62,071	(533,143)
Interest received		1,244	2,112
Interest paid		(12,403)	(6,137)
Income tax paid		(128)	(192)
Net cash inflows (outflows) from operating activities		50,784	(537,360)

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Chairman: James Huang   President: Rosalind Huang   Accounting Director: Mei-Yu Wang

OFCO Industrial Corp. and Subsidiaries
Consolidated Statements of Cash Flows
January 1 to March 31, 2025 and 2024

Unit: NT$ thousand

	Note	January 1 to March 31, 2025	January 1 to March 31, 2024
Cash flows from investing activities			
Disposal of financial assets at fair value through other comprehensive income - current	6(3)	$ -	$ 30,272
Decrease in Financial Assets Carried at Cost - current		58,355	111
Decrease in financial Assets Carried at Cost - non-current		42,824	8,305
Acquisition of financial assets at fair value through other comprehensive income - non-current		(336,000)	-
Cash paid for acquisition of property, plant and equipment	6(35)	(10,229)	(12,780)
Cash receipts from disposal of property, plant and equipment		24,741	24
Increase in prepayments for equipment		(49,283)	(17,096)
Refundable deposits decrease		2,034	869
Other non-current assets - other increase		(107,693)	(112,691)
Net cash outflows from investing activities		(375,251)	(102,986)
Cash flows from financial activities			
Increase in short-term loans	6(36)	932,998	931,235
Decrease in short-term loans	6(36)	(704,336)	(389,040)
Other payable - related parties increase	6(36)	50,000	-
Short-term bills payable	6(36)	223,200	68,800
Redemption of short-term bills payable	6(36)	(164,600)	(70,200)
Repayments of lease liabilities principal	6(36)	(3,824)	(4,224)
Increase in long-term loans	6(36)	25,999	796,584
Decrease in long-term loans	6(36)	(30,964)	(803,478)
Increase in guarantee deposit received	6(36)	5,112	2,896
Advance receipt from employee stock options exercised	6(21)	-	1,921
Net cash inflows from financing activities		333,585	534,494
Increase (decrease) in cash and cash equivalents		9,118	(105,852)
Cash and cash equivalents at beginning of period	6(1)	371,660	844,894
Cash and cash equivalents at end of period	6(1)	$ 380,778	$ 739,042

The Note to Consolidated Financial Statements appended to the statements form part of the Consolidated Financial Statements. Please read together.

Chairman: James Huang President: Rosalind Huang Accounting Director: Mei-Yu Wang

OFCO Industrial Corp. and Subsidiaries
Notes to consolidated financial statements
For the Three Months Ended March 31, 2025 and 2024

Unit: NT$ thousand
(Unless otherwise specified)

1. Organization and operations

(1) OFCO Industrial Corp. (hereinafter referred to as “the Company”) was established on November 21, 1984 in accordance with the provisions of the Company Act. The main business scope includes the manufacturing of fastener screws and related products, metal heat treatment OEM and trading. For the major operating items of subsidiaries included in the consolidated financial statements of the Company and its subsidiaries (hereinafter collectively referred to as “the Group”), please refer to Note 4, (3) for the description of the basis of consolidation.

(2) The Company’s shares have been traded on the Taipei Exchange (TPEx) since May 1999.

2. The Authorization of Financial Statements

These consolidated financial statements were submitted to the Board of Directors and issued on May 7, 2025.

3. Application of New and Revised International Financial Reporting Standards

(1) The impact from adopting the newly released and revised International Financial Reporting Standards recognized by the Financial Supervisory Commission (FSC)

The following table summarizes the applicable newly released, corrected and amended standards and interpretations of the International Financial Reporting Standards (IFRS) became effective and recognized by the Financial Supervisory Commission in 2025:

Newly released / corrected / amended standards and interpretations	Effective Date Issued by IASB
Amendment to IAS 21 - “Lack of Exchangeability”	January 1, 2025

The Group has assessed that the above standards and interpretations do not have a material impact on the Group’s financial position and financial performance.

(2) Impact of the newly released and amended IFRS recognized by the FSC not yet adopted by the Company

The following table summarizes the applicable newly released, corrected and amended standards and interpretations of the International Financial Reporting Standards (IFRS) will become effective and recognized by the Financial Supervisory Commission in 2025:

Newly released / corrected / amended standards and interpretations	Effective Date Issued by IASB
Part of amendments to IFRS 9 and IFRS 7 - “Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026

The Group has assessed that the above standards and interpretations do not have a material impact on the Group’s financial position and financial performance.

(3) IFRSs issued by the IASB but not yet recognized by the FSC

The following table summarizes the applicable newly released, corrected and amended standards and interpretations of the International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) but not yet recognized by the FSC:

Newly released / corrected / amended standards and interpretations	Effective Date Issued by IASB
Part of 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
Amendments to IFRS 10 and IAS 28 - "Sales or contributions of assets between an investor and its associate/joint venture"	To be determined by the IASB
IFRS 17 - "Insurance contracts"	January 1, 2023
Amendment to IFRS 17 - "Insurance contracts"	January 1, 2023
Amendment 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, 2027
IFRS 19 - "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026

The Group has assessed that the above standards and interpretations do not have a material impact on the Group's financial position and financial performance.

IFRS 18 - "Presentation and Disclosure in Financial Statements":

IFRS 18 replaces IAS 1. The standard introduces a defined structure of the statement of profit or loss, disclosure requirements related to management-defined performance measures, and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes.

4.Summary of significant accounting policies

Except for the declaration of compliance, basis of preparation, basis of consolidation and applicable parts of interim financial statements, the major accounting policies are the same as those in Note 4 to the consolidated financial statements in 2024. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Statement of compliance

A. The consolidated financial statements have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and IAS 34 "Interim Financial Reporting", as approved by the FSC.

B. This consolidated financial report should be read together with the 2024 Consolidated Financial Report.

(2) Basis of preparation

A. Except for the following items, these consolidated financial statements have been prepared under the historical cost convention:

① Financial assets at fair value through profit or loss (including derivatives).

② Financial assets at fair value through other comprehensive income.

③ The defined benefit asset is recognized as the net of the present value of the defined benefit obligation of the pension fund.

B. The preparation of consolidated financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, Interpretations and Interpretative Pronouncements as endorsed by the FSC (collectively referred herein as the "IFRSs") requires the use of certain critical accounting estimates. The application of the Company's accounting policies also requires management to exercise its judgment in the process of applying those policies that involve a higher degree of judgment or complexity, or items that involve significant assumptions and estimates in the consolidated financial statements. Please refer to Note 5 for a description of significant accounting judgments, estimates and key sources of assumption uncertainty.

(3) Basis of consolidation

A. The basis for preparation of consolidated financial statements

The preparation principle of this consolidated financial report is the same as that of the consolidated financial report of the 2024.

B. Subsidiaries included in the consolidated financial statements:

			Ownership (%)			
Name of Investor	Name of Subsidiary	Main Business	March 31, 2025	December 31, 2024	March 31, 2024	Description
OFCO Industrial Corp.	TSG Transport Corp.	Container rental, transportation and packing services	100.00	100.00	100.00	-
OFCO Industrial Corp.	TSG Environmental Technology Corp.	Recycling of materials, waste disposal services, etc.	100.00	100.00	100.00	-
OFCO Industrial Corp.	TSG POWER Corp.	Energy technology services	100.00	100.00	100.00	-
OFCO Industrial Corp.	TSG Engineering Corp	Comprehensive construction, etc.	-	-	100.00	(Note 1)
OFCO Industrial Corp.	Yung Fu Co., Ltd.	Commissioned operation and management of waste and business waste incineration plants and planning, design and turnkey services for small and medium-sized incinerator projects.	54.89	54.89	67.15	(Note 2)

Name of Investor	Name of Subsidiary	Main Business	Ownership (%) March 31, 2025	December 31, 2024	March 31, 2024	Description
TSG Transport Corp.	Yung Fu Co., Ltd.	Commissioned operation and management of waste and business waste incineration plants and planning, design and turnkey services for small and medium-sized incinerator projects.	0.27	0.27	0.34	(Note 2)
TSG Environmental Technology Corp.	Yung Fu Co., Ltd.	Commissioned operation and management of waste and business waste incineration plants and planning, design and turnkey services for small and medium-sized incinerator projects.	0.42	0.42	0.51	(Note 2)

(Note 1) Based on the overall development plan of the group, the Board of Directors of the Company resolved to sell 100% equity interest in TSG Engineering Corp. to United Fiber Optic Communication Inc. on May 7, 2024, and transfer date is on June 30, 2024.

(Note 2) The Shareholders' Extraordinary Meeting of the subsidiary, Yung Fu Co., Ltd resolved to increase cash capital through private placement on July 31, 2024, the Group did not recognize by shareholding percentage cause the percentage decreased.

C. Subsidiaries not included in the consolidated financial statements: None.

D. Adjustment and treatment of different accounting periods of subsidiaries: None.

E. Significant limitations: None.

F. Subsidiaries with non - controlling interests that are significant to the Group:

① The total non-controlling interests of the Group as of March 31, 2025, December 31, 2024 and March 31, 2024 were $358,117, $393,631 and $288,209, respectively. Information about non-controlling interests and subsidiaries that are material to the Group is as follows:

Name of Subsidiary	Main place of business	Non-controlling interests March 31, 2025 Amount	March 31, 2025 Ownership (%)	December 31, 2024 Amount	December 31, 2024 Ownership (%)
Yung Fu Co., Ltd.	Taiwan	$358,117	44.42%	$393,631	44.42%

Name of Subsidiary	Main place of business	Non-controlling interests March 31, 2024 Amount	March 31, 2024 Ownership (%)
Yung Fu Co., Ltd.	Taiwan	$288,209	32.00%

② Subsidiary - Yung Fu Co., Ltd. summary financial information:

Balance Sheet

	March 31, 2025	December 31, 2024	March 31, 2024
Current assets	$ 746,809	$ 705,826	$ 1,135,675
Non-current assets	1,787,093	1,738,133	1,667,951
Current liabilities	(1,146,229)	(946,532)	(1,689,219)
Non-current liabilities	(577,217)	(607,004)	(202,887)
Total net assets	$ 810,456	$ 890,423	$ 911,520

Statement of Comprehensive Income

	January to March of 2025	January to March of 2024
Revenue	$ 155,263	$ 249,877
Net loss before tax	($ 100,029)	($ 32,998)
Income tax benefit	20,251	12,387
Net loss	($ 79,968)	($ 20,611)
Total comprehensive income	($ 79,968)	($ 20,611)
Total comprehensive income attributed to non-controlling interest	($ 35,514)	($ 6,595)

Statements of Cash Flows

	January to March of 2025	January to March of 2024
Net cash out-flow from operation activities	($ 15,351)	($ 533,986)
Net cash out-flow from investing activities	(160,862)	(17,299)
Net cash in-flow from financing activities	160,081	497,432
Decrease in cash and cash equivalents	(16,132)	(53,853)
Balance of cash and cash equivalents, beginning of period	58,552	242,372
Balance of cash and cash equivalents, end of period	$ 42,420	$ 188,519

(4) Employee benefits

Pension - Defined Benefit Plan

The pension cost for the interim period is calculated using the actuarially determined pension cost rate from the beginning of the year to the end of the current period as of the end of the previous financial year. If there are significant market changes and material curtailments, liquidations or other significant one-time events after such closing, they will be adjusted and the relevant information will be disclosed in accordance with the aforementioned policy.

(5) Income tax

Income tax expense for the interim period is calculated by applying the estimated average annual effective tax rate to the income before income tax for the interim period and disclosing the related information in accordance with the accounting policies.

5. Critical Accounting Judgements and Key Sources of Estimation and Uncertainty

There is no significant change in the current period, please refer to Note 5 to the consolidated financial statements in 2024.

6. Summary of Significant Accounting Items

(1) Cash and Cash Equivalents

	March 31, 2025	December 31, 2024	March 31, 2024
Cash:			
Cash on hand	$ 945	$ 1,017	$ 2,021
Checking accounts and demand deposits	379,833	281,716	702,110
	380,778	282,833	704,131
Cash Equivalents:			
Time deposits	-	88,827	-
Commercial paper	-	-	34,911
	-	88,827	34,911
	$ 380,778	$ 371,660	$ 739,042

A. The Group associates with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. The Group transferred demand deposits, time deposits and repurchase bonds which items are the pledged collateral, $253,494, $354,673 and $221,013 on March 31, 2025, December 31, 2024 and March 31, 2024 respectively under the headings of “Financial assets at amortized cost - current” and “Financial assets at amortized cost - non-current”.

C. The Group pledged cash and cash equivalents as collateral (listed as “Financial assets at amortized cost - current” and “Financial assets at amortized cost - non-current”), please refer to Note 8 statements on pledged assets.

(2) Financial Assets at Fair Value through Profit or Loss

Item	March 31, 2025	December 31, 2024	March 31, 2024
Current item:			
Financial assets mandatorily measured at fair value through profit or loss			
Listed stocks	$ 16,845	$ 17,283	$ 59,920
Emerging stocks	40,500	40,500	40,500
Beneficiary certificates	-	-	1,514
	57,345	57,783	101,934
Valuation adjustment	(7,416)	1,669	10,518
	$ 49,929	$ 59,452	$ 112,452
Non-current item:			
Financial assets mandatorily measured at fair value through profit or loss			
Listed stocks - Private placement	$ 36,000	$ 36,000	$ 36,000
Call options of bonds	416	416	416
	36,416	36,416	36,416
Valuation adjustment	190,250	184,900	91,050
	$ 226,666	$ 221,316	$ 127,466

A. The Group recognized net (loss) income of ($3,670) and $6,406 for January to March of 2025 and 2024, respectively. (listed as “Other gains and losses”)

B. The Group recognized call options of bonds measured at fair value through profit and loss of $- for January to March of 2025 and 2024.

C. In November 2023, the Group subscribed a total 5,000 of thousand shares of King House Co., Ltd. (formerly named Ensure Global Corp., Ltd.) through private placement, and the transfer of the private placement stock is restricted within three years.

D. The Group has not pledged any financial assets at fair value through profit or loss.

E. For related credit risk information, please refer to Note 12, (2) Financial Instruments.

(3) Financial Assets at Fair Value through other Comprehensive Income or Loss

Item	March 31, 2025	December 31, 2024	March 31, 2024
Current item:			
Equity instrument			
Listed stocks	$ 58,386	$ 58,386	$ 84,303
Valuation adjustment	(32,421)	(32,743)	(26,487)
	$ 25,965	$ 25,643	$ 57,816

Non-current item:			
Equity instrument			
Listed stocks - Private placement	$ 435,400	$ 99,400	$ -
Unlisted stocks	18,361	18,361	18,361
	453,761	117,761	18,361
Valuation adjustment	33,257	21,770	3,481
	$ 487,018	$ 139,531	$ 21,842

A. The Group has chosen to invest in equity instruments that are strategic investments. Investments are classified as financial assets measured at fair value through other comprehensive income or loss. The Group's maximum exposure to credit risk is its book value without taking into account collateral held or other credit enhancements.

B. The breakdown of FVOCI recognized in profit or loss and comprehensive income or loss is as follows:

	January to March of 2025	January to March of 2024
Equity instruments at fair value through other comprehensive income		
Changes in fair value recognized in other comprehensive income	$ 11,809	($ 7,619)
Cumulative gains reclassified to retained earnings due to derecognition	$ -	$ 155

C. Aiming to satisfy the capital needs, the Group sold its equity investments of listed stocks at fair value of $- and $30,272, which resulted in cumulative gains on disposal of $- and $155 from January to March of 2025 and 2024, respectively, which were reclassified as retained earnings.

D. In December 2024, the Group subscribed a total of 7,000 thousand shares of Datavan International Corporation through private placement, and the transfer of the private placement stock is restricted with three years.

E. In February 2025, the Group subscribed a total of 15,000 thousand shares of China Fineblanking Technology Co., Ltd. through private placement, and the transfer of the private placement stock is restricted with three years.

F. The Group not pledged financial assets measured at fair value through other comprehensive income.

(4) Financial Assets Carried at Cost

Item	March 31, 2025	December 31, 2024	March 31, 2024
Current items:			
Pledged demand deposits	$ 168,992	$ 128,099	$ 74,134
Pledged time deposits	18,320	117,568	-
	$ 187,312	$ 245,667	$ 74,134

Non-current items:

Pledged demand deposits	$ 66,182	$ 109,006	$ 146,879

A. The Group interest income recognized in profit or loss due to financial assets measured by amortized cost from January to March of 2025 and 2024 were $129 and $18, respectively (listed as "Interest income").

B. Financial assets held at amortized cost that best represent the Group, without regard to collateral held or other credit enhancements, as at March 31, 2025, December 31, 2024 and March 31, 2024, the amount of the risk exposure with the largest credit risk was its book value.

C. As of March 31, 2025, December 31, 2024 and March 31, 2024, the Group provided financial assets measured by amortized cost as pledge guarantees. Please refer to Note 8 illustrate.

D. For information on credit risk of financial assets measured by amortized cost, please refer to Note 12, (2) Description of Financial Instruments. The Group's investment in time deposit certificates is a financial institution with good credit quality, and the possibility of default is expected to be low.

(5) Notes and Accounts Receivable - Net

	March 31, 2025	December 31, 2024	March 31, 2024
Notes Receivable	$ 90	$ 18	$ 115
Accounts Receivable	$ 470,540	$ 385,448	$ 668,381
Less: Loss Allowance	(23)	(23)	(23)
	$ 470,517	$ 385,425	$ 668,358

A. The aging analysis of Notes and Accounts Receivable (including related parties) is as follows:

	March 31, 2025		December 31, 2024	
	Notes Receivable	Accounts Receivable	Notes Receivable	Accounts Receivable
Not Past Due	$ 90	$ 551,630	$ 18	$ 478,314
Within 60 days past due	-	26,376	-	51,070
61-180 days past due	-	406	-	958
Within 181-365 days past due	-	4	-	3
	$ 90	$ 578,416	$ 18	$ 530,345

	March 31, 2024	
	Notes Receivable	Accounts Receivable
Not Past Due	$ 115	$ 769,689
Within 60 days past due	-	20,643
61-180 days past due	-	1,968
	$ 115	$ 792,300

The above is an aging analysis based on the number of overdue days.

B. As of March 31, 2025, December 31, 2024 and March 31, 2024, the balances of Notes Receivable and Accounts Receivable were generated from customer contracts, and the balance of accounts receivable from customer contracts was $681,250 as of January 1, 2024.

C. As of March 31, 2025, December 31, 2024 and March 31, 2024, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that the best represents the Group's notes receivable and accounts receivable were book value.

D. As of March 31, 2025, December 31, 2024 and March 31, 2024, the Group did not hold any collaterals as guarantees for Notes and Accounts Receivable.

E. Please refer to Note 12, (2) for the credit risk information of the related Notes and Accounts Receivable.

F. As of March 31, 2025, December 31, 2024 and March 31, 2024, the Group had not pledged any Notes and Accounts Receivable as collateral.

(6) Inventories

	March 31, 2025		
	Cost	Allowance to reduce Inventory to market	Carrying Value
Merchandise	$ 54	$ -	$ 54
Raw materials	167,326	(26,103)	141,223
Work in process	60,732	(7,343)	53,389
Finished goods	57,396	(2,861)	54,535
	$ 285,508	($ 36,307)	$ 249,201

	December 31, 2024		
	Cost	Allowance to reduce inventory to market	Carrying Value
Merchandise	$ 276	$ -	$ 276
Raw materials	218,115	(26,902)	191,213
Work in process	155,285	(10,800)	144,485
Finished goods	107,441	(3,026)	104,415
	$ 481,117	($ 40,728)	$ 440,389

	March 31, 2024		
	Cost	Allowance to reduce Inventory to market	Carrying Value
Merchandise	$ 4	$ -	$ 4
Raw materials	132,454	(24,194)	108,260
Work in process	133,808	(11,639)	122,169
Finished goods	67,577	(4,225)	63,352
	$ 333,843	($ 40,058)	$ 293,785

The cost of inventories recognized as losses by the Corporate Group:

	January to March of 2025	January to March of 2024
Cost of goods sold	$ 995,421	$ 469,955
Gain from price recovery of inventory (Note)	(4,421)	(115)
Loss on physical inventory	1,201	1,000
Revenue from sale of scraps	(3,652)	(3,203)
	$ 988,549	$ 467,637

(Note) From January to March of 2025 and 2024, the recognized gain from price recovery of inventory is cause by the Group's sale of some inventories that were originally listed as loss for market price decline and obsolete and slow-moving inventories.

(7) Prepaid Expenses

	March 31, 2025	December 31, 2024	March 31, 2024
Advance payment	$ 203,017	$ 206,475	$ 189,004
Prepaid expenses	197,270	196,231	124,910
Tax credit	71,954	68,996	66,075
Supplies inventory	44,460	70,300	70,217
Others	51,384	51,586	39,420
	$ 568,085	$ 593,588	$ 489,626

(8) Property, Plant and Equipment

	Land	Buildings	Machinery & equipment	Transportation equipment	Office equipment	Leasehold improvements	Lease equipment	Other equipment	Total
January 1, 2025									
Cost	$ 107,155	$ 97,826	$ 1,142,182	$ 209,567	$ 21,516	$ 175,627	$ -	$ 221,911	$ 1,975,784
Accumulated Depreciation	-	(75,455)	(465,891)	(26,930)	(16,150)	(121,731)	-	(132,092)	(838,249)
Accumulated Impairment	-	-	(2,276)	-	-	(4,651)	-	(407)	(7,334)
	$ 107,155	$ 22,371	$ 674,015	$ 182,637	$ 5,366	$ 49,245	$ -	$ 89,412	$ 1,130,201
January to March of 2025									
January 1	$ 107,155	$ 22,371	$ 674,015	$ 182,637	$ 5,366	$ 49,245	$ -	$ 89,412	$ 1,130,201
Add - Cost	-	483	-	286	-	698	-	6,249	7,716
Transfer In of Prepaid Equipment Cost	-	322	-	8,680	-	1,932	-	2,436	13,370
Depreciation Expense	-	(870)	(14,272)	(4,524)	(282)	(2,441)	(3,333)	(7,856)	(33,578)
Disposal-Cost	-	-	(2,318)	(229)	(238)	(264)	-	(47,583)	(50,632)
Disposal-Accumulated Depreciation	-	-	2,225	229	146	264	-	23,160	26,024
Reclassification - cost (Note)	(92,904)	(85,828)	(564,229)	-	-	(173,490)	774,381	(36,662)	(178,732)
Reclassification - Accumulated Depreciation (Note)	-	72,980	331,756	-	-	121,526	(469,299)	16,017	72,980
Reclassification - Accumulated	-	-	2,276	-	-	4,651	(6,934)	7	-

Impairment (Note)									
March 31	$ 14,251	$ 9,458	$ 429,453	$ 187,079	$ 4,992	$ 2,121	$ 294,815	$ 45,180	$ 987,349
March 31, 2025									
Cost	$ 14,251	$ 12,803	$ 575,635	$ 218,304	$ 21,278	$ 4,503	$ 774,381	$ 146,351	$ 1,767,506
Accumulated Depreciation	-	(3,345)	(146,182)	(31,225)	(16,286)	(2,382)	(472,632)	(100,771)	(772,823)
Accumulated Impairment	-	-	-	-	-	-	(6,934)	(400)	(7,334)
	$ 14,251	$ 9,458	$ 429,453	$ 187,079	$ 4,992	$ 2,121	$ 294,815	$ 45,180	$ 987,349

(Note) Transferred to "Investment property, net".

	Land	Buildings	Machinery & equipment	Transportation equipment	Office equipment	Leasehold improvements	Other equipment	Unfinished construction and equipment under acceptance	Total
January 1, 2024									
Cost	$ 107,155	$ 94,378	$ 1,124,459	$ 117,278	$ 20,990	$ 158,348	$ 196,850	$ 12,145	$ 1,831,603
Accumulated Depreciation	-	(72,455)	(408,690)	(18,165)	(15,106)	(110,190)	(107,712)	-	(732,318)
Accumulated Impairment	-	-	(2,276)	-	-	(4,651)	(407)	-	(7,334)
	$ 107,155	$ 21,923	$ 713,493	$ 99,113	$ 5,884	$ 43,507	$ 88,731	$ 12,145	$ 1,091,951
January to March of 2024									
January 1	$ 107,155	$ 21,923	$ 713,493	$ 99,113	$ 5,884	$ 43,507	$ 88,731	$ 12,145	$ 1,091,951
Add - Cost	-	1,470	-	383	-	229	2,504	-	4,586
Transfer In of Prepaid Equipment Cost	-	3,430	-	13,818	-	711	4,643	-	22,602

Depreciation Expense	-	(1,115)	(16,069)	(2,849)	(261)	(2,816)	(7,587)	-	(30,697)
Disposal-Cost	-	-	(906)	-	-	-	(3,906)	-	(4,812)
Disposal-Accumulated Depreciation	-	-	750	-	-	-	3,864	-	4,614
March 31	$ 107,155	$ 25,708	$ 697,268	$ 110,465	$ 5,623	$ 41,631	$ 88,249	$ 12,145	$ 1,088,244
March 31, 2024									
Cost	$ 107,155	$ 99,278	$ 1,123,553	$ 131,479	$ 20,990	$ 159,288	$ 200,091	$ 12,145	$ 1,853,979
Accumulated Depreciation	-	(73,570)	(424,009)	(21,014)	(15,367)	(113,006)	(111,435)	-	(758,401)
Accumulated Impairment	-	-	(2,276)	-	-	(4,651)	(407)	-	(7,334)
	$ 107,155	$ 25,708	$ 697,268	$ 110,465	$ 5,623	$ 41,631	$ 88,249	$ 12,145	$ 1,088,244

A. As of December 31, 2024 and March 31, 2024, the Group's property, plant and equipment were assets for own use; as of March 31, 2025, parts of the property, plant and equipment were for operating lease.

B. The Group's did not capitalize any borrowing costs from January to March 2025 and 2024.

C. Information on the pledge of property, plant and equipment by the Group is described in Note 8.

D. Please refer to Note 6, (14) for the accumulated impairment loss on non-financial assets.

(9) Leasing arrangements - lessee

A. The subject assets of the Group's leases are buildings and business vehicles and print machine and land, and the lease contracts are usually for periods ranging from 2 to 20 years. Lease agreements are individually negotiated and contain various terms and conditions without any special restrictions.

B. The lease period of the Group's leased underlying assets such as business vehicles, parking spaces, stackers and staff dormitories does not exceed 12 months, and the leased assets with low value are air cleaners and print machines, etc.

C. The book value of right-of-use assets and the depreciation charge are as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
	Carrying amount	Carrying amount	Carrying amount
Land	$ 324	$ 351	$ 177
Buildings	17,566	107,998	107,185
Transport Equipment (business vehicles)	1,410	3,179	2,944
	$ 19,300	$ 111,528	$ 110,306

	March 31, 2025	March 31, 2024
	Depreciation expense	Depreciation expense
Land	$ 28	$ 10
Buildings	3,350	4,002
Transport Equipment (business vehicles)	484	590
	$ 3,862	$ 4,602

D. The additions to the Group's right-of-use assets were $- and $1,526 for January to March of 2025 and 2024, respectively.

E. The information on profit or loss items related to lease contracts is as follows:

	January to March of 2025	January to March of 2024
Items affecting current profit and loss		
Interest expenses on lease liabilities	$ 508	$ 628
Expenses for short-term lease contracts	2,393	3,045
Lease of low-value assets	465	295
Fees for variable lease payments	1,065	1,195
Lease modification benefit	(6,470)	-

F. The Group's total rental cash outflows for January to March 2025 and 2024 were $8,255 and $9,387, respectively.

G. When the Group determines the lease period, it takes into consideration all the facts and circumstances that will generate economic incentives for exercising or not exercising the right to renew the lease. The lease period will be re-estimated when a major event occurs in the assessment of the exercise or non-exercise of the right to renew the lease. Based on the assessment of exercising or not exercising the right to renew the lease, the Group's right-of-use assets and lease liabilities from January to March 2025 and 2024 were reduced by $88,366, $94,836, $- and $- respectively, and lease modification benefits of $6,470 and $- were recognized (listed as "Other gains and losses").

H. The effect of changing lease payments on the lease liability:

In the lease contract of the subsidiary company Yung Fu Co., Ltd., the subject matter of the variable lease payment clause is linked to the power generation income generated by the power plant and the announced land price. basis and are recognized as an expense in the period in which these payment terms are triggered.

(10) Leasing arrangements - lessor

A. The Group leases various assets including lands, buildings, machinery equipment and other equipment, etc., (listed as "Property, Plant and Equipment" and "Investment property, net"), rental contracts are made for periods of 3 years, lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. For preserve the use of the leased assets, the lessee is usually required not to sublease, lend, transfer, mortgage or guarantee the leased assets.

B. Based on the operating lease agreement, the three months ended March 31, 2025, the Group recognized rent income in the amounts of $5,122 (listed as "Net other income and expenses"), which does not include variable lease payments. There were no cases from January to March of 2024.

C. The maturity analysis of the lease payments under the operating leases is as follows:

	March 31, 2025
Within next 1 year	$ 61,397
Next 1~2 years	61,397
Next 2~3 years	51,164
Total	$ 173,958

(11) Investment property - net

	Land	Buildings	Total
January 1, 2025			
Cost	$ 32,452	$ -	$ 32,452
Accumulated depreciation	-	-	-
	$ 32,452	$ -	$ 32,452
January to March of 2025			
January 1	$ 32,452	$ -	$ 32,452
Transfer - Cost	92,904	85,828	178,732
Transfer - Accumulated depreciation	-	(72,980)	(72,980)
Depreciation Expense	-	(276)	(276)
March 31	$ 125,356	$ 12,572	$ 137,928
March 31, 2025			
Cost	$ 125,356	$ 85,828	$ 211,184
Accumulated depreciation	-	(73,256)	(73,256)
	$ 125,356	$ 12,572	$ 137,928

January to March of 2024	Land	Buildings	Total
Balance of beginning and ending period	$ 32,452	$ -	$ 32,452

A. The investment real estate of the Group's is the lands of Sushuangziping Section in Dingzhonggu Section of Jinshan District, New Taipei City and Shancheng Section of Jinshan District, and the lands and buildings of plant in Qiaotou Dist., Kaohsiung City. Rental income from the lease of the investment property and direct operating expenses arising from the investment property are as follows:

	January to March of 2025	January to March of 2024
Rental income from the lease of the investment property	$ 1,412	$ -
Direct operating expenses arising from the investment property that generated income during the year	$ 276	$ -
Direct operating expenses arising from the investment property that did not generate income during the year	$ -	$ -

B. The fair value of investment properties held by the Group were $976,658, $63,960 and $63,960 as of March 31, 2025, December 31, 2024 and March 31, 2024, respectively, which was evaluated based on the recorded amount of real estate transactions in the neighboring areas and was determined to be Level 3 fair value.

C. For the information about investment property pledged to others as of March 31, 2025, December 31, 2024 and March 31, 2024, please refer to Note 8. for the explanation of pledged assets.

(12) Intangible Assets

	Concession	Computer software	Goodwill	Total
January 1, 2025				
Cost	$ 878,368	$ 17,362	$ 19,003	$ 914,733
Accumulated amortization	(62,047)	(2,820)	-	(64,867)
	$ 816,321	$ 14,542	$ 19,003	$ 849,866
January to March of 2025				
January 1	$ 816,321	$ 14,542	$ 19,003	$ 849,866
Service concession agreement obtained	4,376	-	-	4,376
Amortization expense	(12,049)	(1,368)	-	(13,417)
March 31	$ 808,648	$ 13,174	$ 19,003	$ 840,825
March 31, 2025				
Cost	$ 882,744	$ 17,362	$ 19,003	$ 919,109
Accumulated amortization	(74,096)	(4,188)	-	(78,284)
	$ 808,648	$ 13,174	$ 19,003	$ 840,825

	Concession	Computer software	Goodwill	Total
January 1, 2024				
Cost	$ 809,385	$ 2,326	$ 19,003	$ 830,714
Accumulated amortization	(15,618)	(1,119)	-	(16,737)
	$ 793,767	$ 1,207	$ 19,003	$ 813,977
January to March of 2024				
January 1	$ 793,767	$ 1,207	$ 19,003	$ 813,977
Service concession agreement obtained	21,198	-	-	21,198
Amortization expense	(11,218)	(108)	-	(11,326)
March 31	$ 803,747	$ 1,099	$ 19,003	$ 823,849
March 31, 2024				
Cost	$ 830,583	$ 2,326	$ 19,003	$ 851,912
Accumulated amortization	(26,836)	(1,227)	-	(28,063)
	$ 803,747	$ 1,099	$ 19,003	$ 823,849

A. The information on amortization of intangible assets are as follows:

	January to March of 2025	January to March of 2024
Operating costs	$ 12,103	$ 11,271
Amortization expenses	4	4
Administrative expenses	1,310	51
	$ 13,417	$ 11,326

B. The subsidiary - Yung Fu signed the "Rehabilitate, Operate and Transfer of Waste Incineration Plant in Kanding Pingtung County" with the Pingtung County Government (hereinafter collectively referred to as "both parties") in the form of ROT (Rehabilitate, Operate and Transfer) for construction and labor services. Both parties agreed to follow the Act for Promotion of Private Participation in Infrastructure Projects and regulations formulated by the relevant competent authorities to have the subsidiary Yung Fu handle the construction and operation. The operation period is 20 years, and the operating assets and operating rights are returned to Pingtung County Government when the operation period expires. The important information is summarized as follows:

① The subsidiary - Yung Fu shall be responsible for the construction of the incineration plant and the maintenance and management of various facilities and equipment during the operation period, and promises to properly dispose of waste within the scope of processing capacity.

② During the operation period, the subsidiary - Yung Fu shall calculate the remuneration for operation and maintenance to be collected from the Pingtung County Government and the land rent, waste disposal fee, price change royalties, electricity sales increase royalties and other fees payable to the county government based on the contract terms.

③ The subsidiary - Yung Fu should invest in and complete the renovation project during the period of renovation and operation, and promise to invest no less than $967,382. Before the deadline for renovation works (December 31, 2024), the subsidiary - Yung Fu should invest at least $560,000 in the renovation area of the project designated by the Pingtung County Government. In the event that the contract expires due to the expiration of the period, or is terminated early due to reasons attributable to the Yung Fu, the subsidiary shall unconditionally pay the shortfall of the committed investment amount to the Pingtung County Government.

④ The subsidiary - Yung Fu recognizes the rights to sell electricity and dispose of waste from the provision of construction and service upgrades and the renovation cost to be committed in the future as intangible assets and revenue (listed as "operating revenue") from service concession, respectively in accordance with the provisions of IFRIC 12 "Service Concession Arrangements".

⑤ As of March 31, 2025, the subsidiary - Yung Fu has invested $744,028, with an achievement rate of 76.91%.

C. The Group did not capitalize any interests of the intangible assets from January to March, 2025 and 2024.

D. As of March 31, 2025, December 31,2024 and March 31, 2024, the Corporate Group had not provided intangible asset as pledged collaterals.

(13) Other non-current assets

	March 31, 2025	December 31, 2024	March 31, 2024
Prepayments for incinerator equipment maintenance	$ 362,769	$ 273,387	$ 206,866
Others	18,215	20,343	12,915
	$ 380,984	$ 293,730	$ 219,781

(14) Impairment of non-financial assets

The Group did not recognize or reverse any impairment loss from January to March, 2025 and 2024. As of March 31, 2025, December 31, 2024 and March 31, 2024, the accumulated impairment loss recognized on the Group's non-financial assets were all $7,334.

(15) Short-term loans

Type of borrowings	Maturity period	Interest Rate	March 31, 2025	Collateral
Guaranteed bank loans	2025.4.7~ 2025.12.2	2.23%~ 3.36%	$ 730,874	Demand deposits, land, buildings & construction and investment property
Unsecured bank loans	2025.4.2~ 2025.7.2	2.43%~ 2.45%	147,710	None
			$ 878,584	

Type of borrowings	Maturity period	Interest Rate	December 31, 2024	Collateral
Guaranteed bank loans	2025.1.10~ 2025.12.2	1.95%~ 2.97%	$ 602,122	Demand deposits, time deposits, land, buildings & construction and investment property
Unsecured bank loans	2025.4.2~ 2025.6.27	2.45%	47,800	None
			$ 649,922	

Type of borrowings	Maturity period	Interest Rate	March 31, 2024	Collateral
Guaranteed bank loans	2024.4.2~ 2025.3.8	2.26%~ 6.87%	$ 373,452	Demand deposits, land, buildings & construction and investment property
Unsecured bank loans	2024.4.2~ 2025.3.20	2.16%~ 2.67%	324,887	None
			$ 698,339	

The interest expense recognized in profit or loss from January to March of 2025 and 2024 is described in Note 6, (30) Financial costs.

(16) Short-term bills payable

Nature of borrowing	March 31, 2025		Interest Rate	Collateral
Commercial paper	$	173,200	2.37%~2.72%	Demand deposits, time deposits and machinery & equipment
Less: Unamortized discount	(	200)		
	$	173,000		

Nature of borrowing	December 31, 2024		Interest Rate	Collateral
Commercial paper	$	114,600	2.50%~2.72%	Demand deposits and machinery & equipment
Less: Unamortized discount	(	186)		
	$	114,414		

Nature of borrowing	March 31, 2024		Interest Rate	Collateral
Commercial paper	$	68,800	2.62%	Machinery & equipment
Less: Unamortized discount	(	177)		
	$	68,623		

A. The above commercial papers were issued by Union Bank of Taiwan, International Bills Finance Corporation and China Bills Finance Corporation under guarantee for short-term liquidity purposes.

B. Interest expense recognized in profit or loss from January to March of 2025 and 2024 is described in Note 6, (30) Financial costs.

(17) Other payables

	March 31, 2025		December 31, 2024		March 31, 2024	
Dividend payable	$	20,134	$	-	$	100,413
Salary payable		41,155		74,176		42,262
Processing fees payable		19,312		20,101		14,360
Tooling costs payable		230		14,964		3,203
Packaging costs payable		6,685		10,941		6,790
Equipment payable		262		2,775		22,617
Others (Less than 5%)		82,351		70,823		48,278
	$	170,129	$	193,780	$	237,923

(18) Bonds payable

	March 31, 2025		December 31, 2024		March 31, 2024	
Unsecured convertible bonds	$	354,253	$	354,253	$	354,457
Less: Discount on bonds payable	(	3,943)	(	5,897)	(	11,702)
	$	350,310	$	348,356	$	342,755

A. In September 2022, the Company issued the domestic fourth series unsecured convertible bonds, the main terms of which are as follows:

① The Company was approved by the competent authority to raise and issue the fourth series domestic unsecured convertible bonds with a total amount of $351,750 (related issuance cost of $3,695), with a coupon rate of 0% and a maturity period of 3 years from September 30, 2022 to September 30, 2025. The convertible bonds are repayable in cash at 102.2669% of the face value of the bonds upon maturity.

② From the day following the expiration of three months after the date of issuance of the Bonds (December 31, 2022) to the maturity date (September 30, 2025), the holders of the Bonds may request the conversion of the Bonds into common shares of the Company at any time, except during the period when the transfer of the Bonds is suspended in accordance with the regulations or the law and the rights and obligations of the converted common shares shall be the same as those of the original issued common shares.

③ The conversion price of the convertible bonds is determined in accordance with the pricing model stipulated in relevant laws. If the conversion price is subsequently adjusted in accordance with the pricing model stipulated in the relevant laws due to the Company's anti-dilution policy, the conversion price will be reset in accordance with the pricing model stipulated in the relevant laws on the base date of the relevant laws, and will not be adjusted if it is higher than the conversion price before the reset in the current year.

④ In accordance with the provisions of the relevant laws and regulations, all bonds repossessed (including those bought back through the TPEx), repaid or converted by the Company will be cancelled, and all rights and obligations attached to the bonds will be extinguished and will not be issued.

B. In 2023, the corporate bonds with a face value of $3,300 were converted into 132 thousand shares of common stock. As of the date of record for the capital increase on January 29, 2024, the registration of changes has been completed (listed as "Common stock" $1,320 and reversed "Share capital - certificate of entitlement to new shares from convertible bonds" $1,320).

C. Upon the issuance of convertible bonds, the Company separated the conversion rights of equity from the components of liabilities in accordance with IAS 32, "Financial Instruments: Presentation" and recorded "Additional paid-in capital -bonds Share Options" at $13,784. As of March 31, 2025, December 31, 2024, and March 31, 2024, the balances of the above "Additional paid-in capital - bonds Share Options" were $13,643, $13,643 and $13,651, respectively, after the issue, repurchase of bonds and the exercise of conversion rights by creditors in accordance with the conversion method. In accordance with IFRS 9, "Financial Instruments", the embedded repurchase and resale rights are separated from the economic characteristics and risks of the principal debt instruments and are recorded as "Financial assets or liabilities at fair value through profit or loss - non-current" on the net basis. The effective interest rate of the master contract debt after the separation was 2.24%.

D. Interest expense recognized in profit or loss for January to March, 2025 and 2024 is described in Note 6, (30) Financial costs.

(19) Long-term loans

Nature of borrowing	Maturity Date Range	Interest Rate	March 31, 2025	Collateral
Guaranteed bank loans	2026.3.2~ 2038.8.9	2.58%~ 2.94%	$ 256,124	Demand deposits and machinery & equipment
Unsecured bank loans	2029.12.27	2.69%	662,896	None
			919,020	
Less: Portion due within one year or one business cycle			(202,107)	
			$ 716,913	

Nature of borrowing	Maturity Date Range	Interest Rate	December 31, 2024	Collateral
Guaranteed bank loans	2026.3.2~ 2038.8.9	2.58%~ 2.94%	$ 246,985	Demand deposits and machinery & equipment
Unsecured bank loans	2029.12.27	2.69%	677,000	None
			923,985	
Less: Portion due within one year or one business cycle			(201,266)	
			$ 722,719	

Nature of borrowing	Maturity Date Range	Interest Rate	March 31, 2024	Collateral
Guaranteed bank loans	2026.3.2~ 2038.8.9	2.45%~ 2.82%	$ 270,864	Demand deposits, machinery & equipment and construction in progress
Unsecured bank loans	2024.12.31	2.67%~ 2.77%	245,000	None
			515,864	
Less: Portion due within one year or one business cycle			(309,012)	
			$ 206,852	

The interest expense recognized in profit or loss from January to March of 2025 and 2024 is described in Note 6, (30) for the financial Costs.

(20) Pensions

A. In accordance with the “Labor Standards Act”, the Company and its subsidiaries have defined benefit pension plans that apply to all regular employees’ years of service prior to the implementation of “Labor Pension Act” on July 1, 2005, and to employees who elect to continue to be subject to the Labor Standards Act for subsequent years of service after the implementation of “Labor Pension Act”. For employees who meet the retirement requirements, pension payments are calculated based on the length of service and the average salary for the six months prior to retirement, with 2 bases for each year of service up to and including 15 years and one base for each year of service over 15 years, up to a maximum of 45 bases. The Company and its subsidiaries contribute 2% of salaries and wages to a monthly pension fund, which is deposited in the Bank of Taiwan in the name of the Labor Pension Fund Supervisory Committee (except that the Company suspended the contribution to the Labor Pension Fund until March 2025, as approved by the competent authority). Also, the Company and its domestic subsidiaries would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is not sufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company and its domestic subsidiaries will make contribution for the deficit by the end of March of the following fiscal year. Information regarding the above defined benefit retirement plan is disclosed below:

① From January to March of 2025 and 2024, the Group recognized pension costs of $- in accordance with the above pension plan.

② The Group estimated contribution to the retirement plan for the 2026 is $-.

B. Effective July 1, 2005, the Group has established a "Defined contribution pension plan" in accordance with the "Labor Pension Act", which is applicable to employees of the Company. Under the New Plan, the Company contributes monthly an amount not less than 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment. The Group recognized pension costs of $1,706 and $3,848 from January to March of 2025 and 2024, respectively, based on the above pension plan.

(21) Share capital and advance receipt

A. A reconciliation of the number of outstanding shares of the Company's common stock at the beginning and end of the period is as follows: (in thousands of shares)

	January to March of 2025	January to March of 2024
Number of shares at the beginning of the period	100,670	100,059
Conversion of employee stock options	-	212
Conversion of corporate bonds	-	132
Ending balance	100,670	100,403

B. Among the stock option certificates obtained by the employees of the Company as of October 21, 2020, 212 units were exercised between October 2023 to January 2024(the proceeds from the subscription were $3,668), as of the date of record for the capital increase on January 29, 2024, the registration of changes has been completed (listed as "Common stock" $2,120 and "Additional paid-in capital - Issue premium" of $1,548). And 19 units were exercised between February to March 2024, the proceeds from the subscription were $329 (listed as "Capital collected in advance"), until March 31, 2024, the registration of changes has not been completed.

C. Please refer to Note 6, (18) for the conversion of bonds payable from January to March, 2025 and 2024.

D. As of March 31, 2025, the Company's total authorized capital was $4,000,000 ($96,000 of the total shares were reserved for conversion of employee stock options) and the paid-in capital was $1,006,697, divided into 100,670 thousand shares of NT$10 each. All proceeds from shares issued have been collected.

(22) Additional Paid-in Capital

	January to March of 2025					
	Issuance Premium	The difference between the actual acquisition or disposal of equity in a subsidiary and its book value	Bonds stock options	Employee stock options	Others	Total
Balance of January 1	$ 913,323	$ 165,548	$ 13,643	$ 11,209	$ 6,741	$ 1,110,464
Current reclassification	3,758	-	-	(3,758)	-	-
Balance of March 31	$ 917,081	$ 165,548	$ 13,643	$ 7,451	$ 6,741	$ 1,110,464

	January to March of 2024					
	Issuance Premium	The difference between the actual acquisition or disposal of equity in a subsidiary and its book value	Bonds stock options	Employee stock options	Others	Total
Balance of January 1	$ 909,815	$ 154,160	$ 13,651	$ 11,265	$ 6,741	$ 1,095,632
Employee stock options into capital stock	1,548	-	-	-	-	1,548
Balance of March 31	$ 911,363	$ 154,160	$ 13,651	$ 11,265	$ 6,741	$ 1,097,180

A. In accordance with the Company Act, any capital reserve arising from additional paid-in capital of the par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the Securities and Exchange Act requires that the amount of additional paid-in capital to be capitalized, as above, should not exceed 10% of paid-in capital each year. Capital reserves should not be used to cover accumulated deficit unless the legal reserve is insufficient.

B. For "Additional paid-in capital - Issuance Premium", "Additional paid-in capital - Bonds stock options" and "Additional paid-in capital - Employee stock options", please refer to Note 6, (21) Share capital and advance receipt, Note 6, (18) Bonds payable and Note 6, (23) Share-based payment to employees.

(23) Share-based payment to employees

A. Compensation Employee Stock Option Program

On October 21, 2020, the Company issued 3,000 units of employee compensation stock options at a price of NT$21.6 per unit, which is based on the closing price of the Company's common stock on the date of issuance, and the number of shares of common stock to be subscribed per unit of stock options is 1,000. If there is a change in the shares of the Company's common stock after the issuance of the stock options, the price is adjusted according to a specific formula. As of March 31, 2025, the subscription price for employee stock options has been adjusted to NT$16.6. The stock options issued are valid for a period of 5 years, and employees may exercise their stock options in annual installments after 2 years of employment from the issuance date in accordance with the Employee Stock Option Regulations. In addition, 913 thousand shares were granted to employees of the subsidiary over three years period.

① The number of options and the weighted-average exercise price of the stock option plan for compensated employees from January to March, 2025 and 2024 are disclosed as follows:

	January to March of 2025	
Share Options	Number (units)	Weighted average exercise price (NT$)
Outstanding at the beginning and end of the period	349	$ 16.6
Options exercisable at the end of the period	349	16.6
Options approved and outstanding at the end of the period	-	-

	January to March of 2024	
Share Options	Number (units)	Weighted average exercise price (NT$)
Outstanding at the beginning of the period	730	$ 17.3
Share options exercised this period	(111)	17.3
Number of ordinary shares outstanding at the end of period	619	17.3
Options exercisable at the end of the period	619	17.3
Options approved and outstanding at the end of the period	-	-

For the collection of payment of employee stock options exercised, please refer to Note 6 (21) Share capital and advance receipts.

② The fair value of the Company's stock option plan was estimated using the Black-Scholes option valuation model, and the related information is as follows:

Date of granting	October 21, 2020
Stock Price (NT$)	$ 21.35
Performance Price (NT$)	21.60
Dividend Rate	0%
Expected price volatility	27.97%
Risk-free interest rate	0.2285%
Expected duration	5 years
Fair value per unit (per share)	NT$5.24

(24) Retained earnings

A. Legal reserve may not be used except to offset losses or to issue new shares or cash in proportion to the shareholders' original shares, provided that the amount of new shares or cash issued shall be limited to the portion of the reserve that exceeds 25% of the paid-in capital.

B. In accordance with the Company's Articles of Incorporation, if there is any surplus in the Company's annual accounts, the Company shall first pay taxes and make up for accumulated deficits, and then set aside 10% as legal reserve (except when the legal reserve has already reached the total capital), and the remainder, in addition to dividends, shall be distributed as dividends to shareholders if there is any surplus. The Company's dividend policy is based on the Company's future capital budget plan to measure the capital requirements for future years, and the remaining earnings will be distributed in the form of cash dividends only after the Company has decided to use retained earnings to meet the capital requirements. The Board of Directors shall prepare a proposal for the distribution of earnings in accordance with the order and rate of distribution of earnings as provided for in these Articles of Incorporation, and the proposal shall be approved by the shareholders' meeting.

The surplus distribution in the preceding paragraph, in accordance with Article 240, Item 5 of the Company Law, authorizes the board of directors to present at least two-thirds of the directors and a resolution of more than half of the directors present to distribute all or part of the dividends and bonuses to be paid in cash, and report to the shareholders meeting.

The Company considers a balanced and stable dividend policy and, depending on the demand for investment capital and the dilution of earnings per share, dividends to shareholders should be 50% to 100% of accumulated distributable earnings and should be paid in the form of appropriate stock dividends or cash dividends, with cash dividends to be distributed at no less than 50% of shareholders' dividends.

C. Special reserve

① When the Company distributes earnings, the Company is required by law to set aside a special reserve for the debit balance of other equity items as of the balance sheet date of the year in order to distribute the earnings.

② When the Company first adopted IFRSs, the special reserve of $7,745 was provided for in accordance with FSC No. 1090150022 dated March 31, 2021. When the Company subsequently uses, disposes of or reclassifies the related assets, the Company reverses the percentage of the special reserve originally provided for.

D. For 2024 and 2023, respectively, the Company recognized cash dividends of distributed to owners amounting to $20,134 (NT$0.2 per share) and $100,413(NT$1 per share, due to subscription of employee stock options and conversion of bonds into capital stock, the company adjusted cash dividends to $100,510), which has not yet been distributed (listed as "Other Payables").

(25) Operating revenue

	January to March of 2025	January to March of 2024
Customer contract revenue	$ 1,405,156	$ 944,764

A. Segmentation of revenue from contracts with customers.

The Group's revenue is recognized when the source is shifted at a point in time and as it is provided over time, revenue can be subdivided into the following major categories of goods or services:

	January to March of 2025	January to March of 2024
Revenue from sales of screws	$ 334,032	$ 220,328
Revenue from scrap iron	621,095	231,950
Logistics and transport revenue	121,400	105,917
Contracting revenue	102,024	80,162
Revenue from electricity sales	60,472	65,643
Project revenue	-	57,654
Labor service operation revenue	4,974	10,848
Others	62,881	44,033
	1,306,878	816,535
Service concession arrangement:		
Revenue from electricity sales	58,747	66,957
Waste treatment revenue	29,213	32,930
Project revenue	4,376	21,198
Operating revenue	5,942	7,144
	98,278	128,229
	$ 1,405,156	$ 944,764

	January to March of 2025	January to March of 2024
Cut-off point of revenue recognition		
Revenue recognized at a particular point in time	$ 1,267,675	$ 714,356
Revenue recognized gradually over time	137,481	230,408
	$ 1,405,156	$ 944,764

B. The Group recognized contract liabilities related to revenue from customer contracts as follows:

	March 31, 2025	December 31, 2024	March 31, 2024	January 1, 2024
Contractual Asset- current	$ 3,103	$ 3,103	$ 5,881	$ 5,881
Contractual Liabilities - current and non-current:				
Unearned receipts	$ 148,274	$ 50,908	$ 218,170	$ 206,183

① The opening contract liabilities were recognized in income of $5,804 and $1,350 for January to March, 2025 and 2024, respectively.

② Outstanding long-term contracts:
For the date ended March 31, 2025, December 31, 2024 and March 31, 2024, the amortized contract costs of the unfulfilled part of the long-term contracts signed by the subsidiary of Yung Fu and customers were $638,799, $638,799 and $13,084, respectively. The management expects that the amortized transaction price of the outstanding performance obligations as of March 31, 2025, December 31, 2024 and March 31, 2024, will be recognized as revenue in 2024 to 2026.
Except for the abovementioned contracts, all other contracts of the Group are contracts of less than one year or billed based on the actual operating quantity. According to IFRS 15, there is no need to disclose the transaction price of the allocation of outstanding contractual obligations for these contracts.

(26) Net other income and expenses

	January to March of 2025	January to March of 2024
Other income - lease income	$ 5,122	$ -
Other expenses - depreciation expense	(3,609)	-
	$ 1,513	$ -

(27) Interest income

	January to March of 2025	January to March of 2024
Interest from bank deposits	$ 408	$ 2,084
Interest income from financial assets measured at amortized cost	129	18
Other interest incomes	707	10
	$ 1,244	$ 2,112

(28) Other income

	January to March of 2025	January to March of 2024
Insurance claims income	$ 4,047	$ -
Lease income	585	217
Other income	1,110	1,615
	$ 5,742	$ 1,832

(29) Other gains and losses

	January to March of 2025	January to March of 2024
Net (loss) gain on financial assets at fair value through profit or loss	($ 3,670)	$ 6,406
Net gain (loss) on disposal of property, plant and equipment	133	(174)
Net foreign currency exchange gain	19,712	8,028
Gain arising from lease modifications	6,470	-
Net gain on disposal of office supplies	2,845	-
Other (loss) gain	(62)	126
	$ 25,428	$ 14,386

(30) Financial costs

	January to March of 2025	January to March of 2024
Interest expense		
Bank loans	$ 12,339	$ 6,488
Convertible bonds	1,955	1,912
Lease liabilities	508	628
Others	6	-
	$ 14,808	$ 9,028

(31) Additional information on the nature of expenses

	January to March of 2025			January to March of 2024		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits	$ 79,948	$ 16,359	$ 96,307	$ 83,234	$ 22,242	$ 105,476
Depreciation	$ 29,260	$ 4,847	$ 34,107	$ 31,558	$ 3,741	$ 35,299
Amortization expense	$ 12,103	$ 1,314	$ 13,417	$ 11,271	$ 55	$ 11,326

(32) Employee benefits expenses

	January to March of 2025			January to March of 2024		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Salary expenses	$ 69,955	$ 13,751	$ 83,706	$ 70,123	$ 17,847	$ 87,970
Labor and health insurance expenses	6,630	1,201	7,831	7,408	1,516	8,924
Pension expense	1,144	562	1,706	3,059	789	3,848
Other personnel expenses	2,219	845	3,064	2,644	2,090	4,734
	$ 79,948	$ 16,359	$ 96,307	$ 83,234	$ 22,242	$ 105,476

A. In accordance with the Company's Articles of Incorporation, the Company shall contribute 1% to 3% of the current year's profitability as compensation to employees and not more than 3% as compensation to directors. However, where there are accumulated losses, an equivalent amount shall be appropriated to compensate for the losses. Employees may be paid in stock or cash. The distribution of employees' remuneration and directors' and supervisors' remuneration shall be made by a resolution of the board of directors with at least two-thirds of the directors present and a majority of the directors present, and reported to the shareholders' meeting.

The above-mentioned profit status for the year refers to the pre-tax profit prior to deducting compensation of employees and remuneration of directors.

B. From January to March 2025 and 2024, no employees' compensation and directors' remuneration was accrued because of losses incurred for the years.

Information on employees' remuneration and directors' remuneration approved by the Company's board meeting can be found on the MOPS.

(33) Income tax

A. Income tax benefit components:

	January to March of 2025	January to March of 2024
Current income tax:		
Current tax on profits for the year	$ 3,236	$ 1,708
Unappropriated earnings	534	-
Total current income tax	3,770	1,708
Deferred income tax:		
Generation and reversal of temporary differences	(15,220)	(11,171)
Income tax benefit	($ 11,450)	($ 9,463)

B. The Company's income tax has been approved by the tax authorities until 2023, and no administrative relief has been provided as of May 7, 2025.

(34) Earnings (loss) per share

	January to March of 2025		
	Amount After tax	Weighted average share outstanding (thousand shares)	Earnings Per share (NT$)
Basic and diluted earnings per share			
Net income attributable to equity holders of the parent company for the period	($ 27,653)	100,670	($ 0.27)

	January to March of 2024		
	Amount After tax	Weighted average share outstanding (thousand shares)	Earnings Per share (NT$)
Basic and diluted earnings per share			
Net income attributable to equity holders of the parent company for the period	($ 15,358)	100,297	($ 0.15)

Employee stock option and bonds payable of January to March, 2025 and 2024 had anti-dilution effect, therefore, it was excluded from the calculation of diluted earnings per share.

(35) Supplemental cash flow information

A. Investing activities with only partial cash receipts and payments:

	January to March of 2025	January to March of 2024
①Acquisition of property, plant and equipment	$ 7,716	$ 4,586
Add: Notes payable at beginning of period (including related parties)	-	9,047
Other payables at the beginning of the period (including related parties)	2,775	26,263
Less: Notes payable at end of period - related parties	-	(4,499)
Other payables at the end of the period (including related parties)	(262)	(22,617)
Cash paid for acquisition of property, plant and equipment	$ 10,229	$ 12,780
②Disposal of supplies inventory (listed as "Pre-payments")	$ 28,548	$ -
Less: Notes receivable at end of period - related parties	(28,548)	-
Cash receipts from supplies inventory	$ -	$ -
③Disposal of tooling (listed as "Other non-current assets - others")	$ 24,391	$ -
Less: Notes receivable at end of period - related parties	(24,391)	-
Cash receipts from disposal of tooling	$ -	$ -

B. Investing and financing activities that do not affect cash flows:

	January to March of 2025	January to March of 2024
①Prepayments for equipment transferred to property, plant and equipment	$ 13,370	$ 22,602
②Property, plant and equipment transferred to investment property	$ 105,752	$ -
③Prepaid expenses transferred to other non-current assets - others	$ 3,952	$ -
④Unissued number of declared cash dividends	$ 20,134	$ 100,413

(36) Changes in liabilities arising from financing activities

	Short-term loans	Short-term bills payable	Lease liabilities	Other payables - related parties	Bonds payable (including the due 1 year)	Long-term loans (including the due 1 year)	Guarantee deposits	Total liabilities arising from financing activities
January 1, 2025	$ 649,922	$ 114,414	$ 118,254	$ -	$ 348,356	$ 923,985	$ 41,096	$ 2,196,027
Net change in financing cash flows	228,662	58,600	(3,824)	50,000	-	(4,965)	5,112	333,585
Other non-cash transactions	-	(14)	(94,836)	-	1,954	-	-	(92,896)
March 31, 2025	$ 878,584	$ 173,000	$ 19,594	$ 50,000	$ 350,310	$ 919,020	$ 46,208	$ 2,436,716

	Short-term loans	Short-term bills payable	Lease liabilities	Bonds payable (including the due 1 year)	Long-term loans (including the due 1 year)	Guarantee deposits	Total liabilities arising from financing activities
January 1, 2024	$ 156,144	$ 70,007	$ 118,262	$ 340,843	$ 522,758	$ 33,628	$ 1,241,642
Net change in financing cash flows	542,195	(1,400)	(4,224)	-	(6,894)	2,896	532,573
Other non-cash transactions	-	16	1,525	1,912	-	-	3,453
March 31, 2024	$ 698,339	$ 68,623	$ 115,563	$ 342,755	$ 515,864	$ 36,524	$ 1,777,668

7. Related party transaction

(1) Name and relationship

Name of related party	Relationship with the Group
Taiwan Steel Group United Co., Ltd.	Corporate director of the company
Chun Yu Works & Co., Ltd.	Other related parties
Chun Zu Machinery Industry	Other related parties
Chun Bang Precision Co., Ltd.	Other related parties
TMP Steel Corp.	Other related parties
Gloria Material Technology Corp	Other related parties
S-TECH Corp.	Other related parties
TSG sportsmarketing company limited	Other related parties
Golden Win Steel Industrial Corp.	Other related parties
TSG Engineering Corp.	Other related parties (Note)
United Fiber Optic Communication Inc.	Other related parties
TSG Mechatronic Corp.	Other related parties
JinZhiFu Asset Management Co., Ltd	Parent company of Taiwan Steel Group United Co., Ltd.

(Note) TSG Engineering Corp. was the subsidiary of the Group, therefore, the Group sold the 100% equity of the subsidiary to United Fiber Optic Communication Inc. on June 28, 2024, TSG Engineering Corp. became other related parties of the Group on the report day.

(2) Significant transactions with the related parties

A. Sale of goods

	January to March of 2025	January to March of 2024
Product sales:		
Gloria Material Technology Corp	$ 188,563	$ 94,965
Other related parties	148,580	75,186
	$ 337,143	$ 170,151

Transaction price: Negotiated price for both related and unrelated parties.

Collection terms (period): 15 to 90 days for related parties and 3 to 90 days for non-related parties by wire transfer or 60 to 90 days by letter of credit after the date of bill of lading.

B. Purchase of goods

	January to March of 2025	January to March of 2024
Product Purchase:		
Chun Yu Works & Co., Ltd.	$ 83,290	$ 113,898
Other related parties	2,841	2,663
	$ 86,131	$ 116,561

Transaction price: Negotiated price for both related and unrelated parties.

Payment terms (period): The terms of purchase transactions from related parties are generally similar to those of general suppliers, with an average payment period of one to three months, but the payment period may be extended by mutual agreement depending on the availability of funds.

C. Property transaction

Disposal of supplies inventory (listed as "Pre-payments") and tooling (listed as "Other non-current assets - others"):

	January to March of 2025	January to March of 2025
	Price from disposal	(Losses) gains from disposal
Chun Yu Works & Co., Ltd.	$ 52,939	$ 2,845

There were no cases in 2024 and January to March of 2024.

D. Tooling and repair costs (listed as "Operating costs" and "Other non-current assets - other")

	January to March of 2025	January to March of 2024
Other related parties	$ 8,767	$ 5,666

E. Freight expenses, export expenses and other expenses (listed as "Operating costs" and "Operating expense")

	January to March of 2025	January to March of 2024
Other related parties	$ 9,388	$ -

F. Rent income (listed as "Net other income and expenses")

	January to March of 2025	January to March of 2024
Chun Yu Works & Co., Ltd.	$ 5,122	$ -

In March 2025, the Company leased the lands, plants and machinery & equipment etc., (listed as "Investment property - net" and "Property, Plant and Equipment - Lease Asset") in Qiaotou Dist., Kaohsiung City. to the related parties, and the lease period is from March 2025 to February 2028, the rent is received at the beginning of each month in the contract.

G. Accounts receivable

	March 31, 2025	December 31, 2024	March 31, 2024
Gloria Material Technology Corp	$ 53,931	$ 57,195	$ 52,957
Other related parties	53,945	87,702	70,962
	$ 107,876	$ 144,897	$ 123,919

H. Other accounts receivable

	March 31, 2025	December 31, 2024	March 31, 2024
Chun Yu Works & Co., Ltd.	$ 62,055	$ 588	$ -
Other related parties	138	158	-
	$ 62,193	$ 746	$ -

I. Notes payable

	March 31, 2025	December 31, 2024	March 31, 2024
Chun Zu Machinery Industry Co., Ltd.	$ -	$ -	$ 3,641
Other related parties	-	-	2,724
	$ -	$ -	$ 6,365

J. Accounts payable

	March 31, 2025	December 31, 2024	March 31, 2024
Other related parties	$ 2,297	$ 8,572	$ 232
Chun Yu Works & Co., Ltd.	-	123,503	73,651
	$ 2,297	$ 132,075	$ 73,883

K. Other accounts payable

	March 31, 2025	December 31, 2024	March 31, 2024
Other related parties	$ 17,294	$ 17,573	$ 3,271

L. Guarantee deposits received

	March 31, 2025	December 31, 2024	March 31, 2024
Chun Yu Works & Co., Ltd.	$ 10,233	$ -	$ -

M. Financing provided to related parties - loans form related parties

	Balance of ending period	Interest expense
	March 31, 2025	January to March of 2025
JinZhiFu Asset Management Co., Ltd	$ 50,000	$ -

There were no such cases in 2025 and January to March of 2024.

(3) Compensation of key management personnel

	January to March of 2025	January to March of 2024
Salary and other short-term employee benefits	$ 7,952	$ 5,838

8. Pledged asset

The breakdown of guarantees provided for the Group's assets is as follows:

Assets	March 31, 2025	December 31, 2024	March 31, 2024	Purpose
Pledged demand deposits (Note 1)	$ 235,174	$ 237,105	$ 221,013	Performance bond, short-term borrowings, short-term bills payable and long-term loan guarantees
Pledged time deposits (Note 1)	18,320	117,568	-	Performance bond, short-term borrowings and short-term bills payable
Land (Note 2)	14,251	107,155	14,251	Performance bond and short-term borrowings
House and Building - net (Note 2)	4,462	17,098	4,625	Performance bond and short-term borrowings
Machinery & equipment (Note 2)	179,567	182,246	214,913	Short-term bills payable and long-term loan guarantees
Construction in progress (Note 2)	-	-	12,145	Long-term loan guarantees
Investment property - net	137,928	32,452	32,452	Short-term loan guarantees
Guarantee deposits paid	-	-	1,378	Performance bond
	$ 589,702	$ 693,624	$ 500,777	

(Note 1) Listed as "Financial assets at amortized cost - current" and "Financial assets at amortized cost - non-current".

(Note 2) Listed as "Property, plant and equipment".

9. Significant contingent liabilities and unrecognized commitments

(1) As of March 31, 2025, December 31, 2024 and March 31, 2024, the Group had contracted but not yet paid capital expenditures of $11,488, $13,289 and $51,571, respectively, for the acquisition of property, plant and equipment.
(2) As of March 31, 2025, December 31, 2024 and March 31, 2024, the Group had outstanding letters of credit for the purchase of raw materials for which letters of credit had been opened and not yet pledged amounted to $7,843, $67,399 and $28,922, respectively.
(3) As of March 31, 2025, December 31, 2024 and March 31, 2024, the performance bond issued by the bank for the Group's for contracts of the subsidiary - Yung Fu Co., Ltd were $464,733, $464,733 and $524,127, respectively.
(4) As of March 31, 2025, the major contracts undertaken by the subsidiary - Yung Fu Co., Ltd are as follows:

Name of Project Owner	Construction/Service Contract	Contract Amount	Contract Period
Environmental Protection Bureau of Hsinchu City	Performance and preparation enhancement turnkey project for garbage recycling plant in Hsinchu City	$ 657,000	2024.12.5～2026.11.30

Environmental Protection Bureau of Hsinchu City	Contract operation and management of garbage recycling plant in Hsinchu City	Request for payment based on actual monthly volume processed	2022.2.16～2042.2.15
Environmental Protection Bureau of Taitung County	Performance enhancement turnkey project for Taitung County Waste and Energy Resource Center	$ 538,255	2021.1.1～2025.1.31
Environmental Protection Bureau of Pingtung County	Renovate, operate, transfer (ROT) project of Kanding Waste Incineration Plant in Pingtung County (Note)	Request for payment based on actual monthly volume processed	2021.12.22～2041.12.21

(Note) Please refer to Note 6. (12) intangible assets.

10.Significant catastrophic losses

None such cases.

11.Material Events After the Balance Sheet Date

The subsidiary of the Company - Yung Fu Co., Ltd. which's the Board of Directors resolved to apply to cease the IPO on April 28 2025, and it is awaited shareholders' resolution.

12. Others

(1) Capital management

The Group's capital management objectives are to protect the Company's ability to continue as a going concern, to maintain an optimal capital structure to reduce the cost of capital, and to provide returns to shareholders. In order to maintain or adjust the capital structure, the Group may adjust the number of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

(2) Financial instruments

A. Types of financial instrument

For the types of the Group's financial instruments used, please refer to Note 6 and Note 12, (3) explanation of fair value information.

B. Risk management policies

① The Group's daily operations are subject to a number of financial risks, including market risk (including exchange rate risk, interest rate risk and price risk), credit risk and liquidity risk. In order to reduce the adverse effect of uncertainty on the Group's financial performance, the Group enters into forward exchange rate contracts to hedge the exchange rate risk.

② Risk management is carried out by a central finance department (Group finance) under policies approved by the Board of Directors. The Group's Finance Department is responsible for identifying, assessing and hedging financial risks by working closely with the Group's operating divisions.

C. Significant financial risks and degrees of financial risks

① Market risk

a. Foreign exchange risk

(a) The Group's management has established a policy that requires the Group to manage its exposure to exchange rate risk relative to its functional currency. Hedging of its overall exchange rate risk should be performed through the Corporate Finance Department. Exchange rate risk is measured by using forward foreign exchange contracts to reduce the impact of exchange rate fluctuations on the expected collection of accounts receivable through highly probable expected transactions of Euro and US dollar expenses.

(b) The Group uses forward exchange rate transactions to hedge its exposure to exchange rate risk, but does not meet all the criteria for hedge accounting and therefore accounts for financial assets or liabilities measured at fair value through profit or loss.

(c) The Group engages in operations involving certain non-functional currencies (the functional currency of the Company and subsidiaries is the New Taiwan dollar) and is therefore subject to exchange rate fluctuations. Information on foreign currency assets and liabilities with significant exchange rate fluctuations is as follows:

	March 31, 2025		
	Foreign currency (in thousand)	Exchange Rate	Book Value
(Foreign currency: Foreign currency)			
Financial asset			
Monetary items			
USD: NTD	$ 1,604	33.21	$ 53,261
EUR: NTD	3,274	35.97	117,766

	December 31, 2024		
	Foreign currency (in thousand)	Exchange Rate	Book Value
(Foreign currency: Foreign currency)			
Financial asset			
Monetary items			
USD: NTD	$ 1,280	32.79	$ 41,964
EUR: NTD	8,183	34.14	279,368

	March 31, 2024		
	Foreign currency (in thousand)	Exchange Rate	Book Value
(Foreign currency: Foreign currency)			
Financial asset			
Monetary items			
USD: NTD	$ 1,612	32.00	$ 51,584
EUR: NTD	3,786	34.46	130,466
Financial liability			
Monetary items			
EUR: NTD	249	34.46	8,581

a. The sensitivity analysis of foreign currency exchange rate risk is calculated mainly for foreign currency monetary items as of the end of the financial reporting period. If the New Taiwan dollar had strengthened /weakened by 1% against U.S. dollar and Euro, all other factors remaining constant, the Group's net income after tax would have increased/decreased by $1,368 and $1,388 for January through March of 2025 and 2024, respectively.

b. Total exchange gain (including realized and unrealized) arising from significant foreign exchange variation on the monetary items held by the Group for the three months ended March 31, 2025 and 2024 amounted to $19,712 and $8,028, respectively.

b. Price risk

(a) The Group's equity instruments that are exposed to price risk are financial assets held at fair value through other comprehensive income. In order to manage the price risk of investments in equity instruments, the Group diversifies its investment portfolio in accordance with the limits set by the Group.

(b) The Group invests primarily in equity instruments issued by domestic companies. The prices of these equity instruments are affected by the uncertainty of the future value of the underlying investments. If the price of these equity instruments had increased or decreased by 1%, with all other factors held constant, the benefit or loss to shareholders' equity from equity investments measured at fair value through other comprehensive income would have increased or decreased by $2,766 and $2,399 from January to March 2025 and 2024, respectively; as for the other comprehensive income classified as equity instruments at fair value through other comprehensive income, it have increased or decreased by $5,130 and $797 respectively.

c. Cash flow and fair value interest rate risk

The Group's borrowings are floating-rate financial instruments. Therefore, changes in market interest rates will cause the effective interest rates of debt-type financial instruments to change accordingly, resulting in fluctuations in their future cash flows. This risk is partially offset by cash and cash equivalents held at floating interest rates. With respect to the sensitivity analysis of interest rate risk, a 10% increase/decrease in borrowing rates, with all other factors held constant, would have increased/decreased net income by $302 and $531 from January to March 2025 and 2024, respectively, mainly due to the increase/decrease in interest expense as a result of floating rate borrowings.

② Credit risk

a. The Group's credit risk is the risk of financial loss arising from the failure of customers or counterparties to financial instruments to meet their contractual obligations, mainly from the failure of counterparties to settle accounts receivable on collection terms.

b. The management of credit risk is established with a Group perspective. In accordance with the internal credit policy, the Company and each new customer are required to manage and analyze the credit risk before setting the terms and conditions of payment and delivery. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilization of credit limits is regularly monitored.

c. The Group adopts IFRS 9 to provide the following premise assumptions. When a contractual payment is more than 90 days past due according to the contractual payment terms, the credit risk of the financial asset is considered to have increased significantly since the original recognition.

d. In accordance with credit risk management, the Group starts to assess impairment when contractual payments are overdue for a certain number of days in accordance with the contractual payment terms.

e. The Group estimates the expected credit losses based on the loss ratio method and the allowance matrix by grouping the notes and accounts receivable of customers according to the credit terms, and adjusts the loss ratio based on historical and current information of a specific period to estimate the allowance for losses on notes and accounts receivable by taking into account the prospective future. The following is a summary of the changes in the allowance for losses on notes and accounts receivable for which the Group has adopted the simplified approach:

	January to March of 2025		
	Notes receivable	Accounts receivable	Total
Balance of beginning and ending period	$ -	$ 23	$ 23

	January to March of 2024		
	Notes receivable	Accounts receivable	Total
Balance of beginning and ending period	$ -	$ 23	$ 23

③ Liquidity risk

a. Cash flow forecasting is a process whereby the Finance Department monitors the forecast of the Group's liquidity requirements to ensure that it has sufficient funds to meet its operational needs and maintains sufficient unspent borrowing commitments at all times so that the Group does not breach the relevant borrowing limits or terms.

b. In the event that the Group holds surplus cash in excess of the working capital management requirements, the Group's Finance Department invests the surplus funds in interest-bearing demand deposits and time deposits in instruments of appropriate maturity or sufficient liquidity to meet the above forecast and to provide sufficient level of dispatch.

c. The Group's unutilized borrowings are shown as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Floating rate			
Mature within one year	$ 710,824	$ 620,487	$ 785,869
Maturity of more than 1 year	27,063	36,890	136,177
	$ 737,887	$ 657,377	$ 922,046

d. The following table shows the Group's non-derivative financial liabilities, grouped by the relevant maturity date. Non-derivative financial liabilities are analyzed based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows:

March 31, 2025	Less than 1 year	1 to 2 Years	2 to 5 Years	Over 5 Years
Non-derivative financial liabilities:				
Short-term loans	$ 885,422	$ -	$ -	$ -
Short-term bills payable	173,200	-	-	-
Notes payable (including related parties)	8,840	-	-	-
Accounts payable (including related parties)	469,423	-	-	-
Other payables (including related parties)	237,423	-	-	-
Lease liabilities	6,694	4,113	7,381	4,410
Bonds payable	362,283	-	-	-
Long-term loans (including current portion)	223,824	201,102	236,607	68,137
Guarantee deposits received	10,233	35,975	-	-

December 31, 2024	Less than 1 year	1 to 2 Years	2 to 5 Years	Over 5 Years
Non-derivative financial liabilities:				
Short-term loans	$ 655,133	$ -	$ -	$ -
Short-term bills payable	114,600	-	-	-
Notes payable (including related parties)	7,622	-	-	-
Accounts payable (including related parties)	586,734	-	-	-
Other payables (including related parties)	211,353	-	-	-
Lease liabilities	21,798	20,382	56,294	28,791
Bonds payable	362,283	-	-	-
Long-term loans (including current portion)	223,176	201,633	497,157	69,366
Guarantee deposits received	-	41,096	-	-

March 31, 2024	Less than 1 year	1 to 2 Years	2 to 5 Years	Over 5 Years
Non-derivative financial liabilities:				
Short-term loans	$ 709,145	$ -	$ -	$ -
Short-term bills payable	68,800	-	-	-
Notes payable (including related parties)	26,793	-	-	-
Accounts payable (including related parties)	755,373	-	-	-
Other payables (including related parties)	241,194	-	-	-
Lease liabilities	18,210	17,667	48,404	40,613
Bonds payable	-	362,492	-	-
Long-term loans (including current portion)	320,491	69,800	79,314	75,371
Guarantee deposits received	-	-	36,524	-

e. The Group's non-derivative financial liabilities did not anticipate the cash flow of maturity analysis will occur significantly earlier, or actual amount will be significantly different.

(3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities available to the enterprise at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed stocks, beneficiary certificates and others are included in Level 1.

Level 2: The observable input value of assets or liabilities, directly or indirectly, except for those included in the quoted prices in Level 1. The fair value of the Group's investment in listed stocks - private placement (liquidity discount is between 15.44% and 20.00%) and call options of the convertible bonds are included in Level 2.

Level 3: Unobservable inputs to assets or liabilities. The fair value of the Group's investment in stock of private entity is included in Level 3.

B. Fair value information of investment property at cost is provided in Note 6, (11).

C. Expect for bonds payable (including those due within one year) paid as expected for cash flow of the balance sheet date of market interest rates discount is measured at present value, the Group's financial instruments that are not measured at fair value (including cash and cash equivalents, financial assets at amortized cost - current, notes receivable, accounts receivable (including related parties), other receivables (including related parties), financial assets at amortized cost - non-current, refundable deposits, short-term loans, short-term bills payable, notes payable (including related parties), accounts payable (including related parties), other payables (including related parties), long-term loans (including those due within one year) and guarantee deposit received) approximate their fair values.

D. Financial instruments carried at fair value are classified according to the nature, characteristics and risks of the assets and liabilities and the basis of the fair value hierarchy. The related information is as follows:

March 31, 2025	Level 1	Level 2	Level 3	Total
Asset				
Recurring fair value				
Financial assets at fair value through gain or loss				
Equity securities	$ 49,929	$ 226,250	$ -	$ 276,179
Call options of corporate bonds	-	416	-	416
	$ 49,929	$ 226,666	$ -	$ 276,595
Financial assets at fair value through other comprehensive income				
Equity securities	$ 25,965	$ 456,603	$ 30,415	$ 512,983

December 31, 2024	Level 1	Level 2	Level 3	Total
Asset				
Recurring fair value				
Financial assets at fair value through gain or loss				
Equity securities	$ 59,452	$ 220,900	$ -	$ 280,352
Call options of corporate bonds	-	416	-	416
	$ 59,452	$ 221,316	$ -	$ 280,768
Financial assets at fair value through other comprehensive income				
Equity securities	$ 25,643	$ 111,440	$ 28,091	$ 165,174

March 31, 2024	Level 1	Level 2	Level 3	Total
Asset				
Recurring fair value				
Financial assets at fair value through gain or loss				
Beneficiary certificates	$ 1,418	$ -	$ -	$ 1,418
Equity securities	111,034	127,050	-	238,084
Call options of corporate bonds	-	416	-	416
	$ 112,452	$ 127,466	$ -	$ 239,918
Financial assets at fair value through other comprehensive income				
Equity securities	$ 57,816	$ -	$ 21,842	$ 79,658

E. The methods and assumptions used by the Group to measure fair value are described below:

① The Group adopt market pricing as the input of fair value (i.e. Level 1), and the breakdown of the characteristics of the instrument is as follows:

	Listed shares	Emerging stocks	Open-end funds
Market quoted price	Closing price	Average trading price	Net value

② Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty quotes.The fair value of financial instruments measured by using valuation techniques method can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date.

③ The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

F. The valuation of derivative financial instruments is based on valuation models widely accepted by market participants, such as present discounted value techniques and option pricing models. The call options of corporate bonds are usually evaluated according to the binomial tree convertible bond model.

G. There was no transfer between Level 1 and Level 2 from January to March, 2025 and 2024.

H. The following table is the change of Level 3 financial instruments from January to March, 2025 and 2024:

	January to March of 2025	January to March of 2024
	Equity instrument	Equity instrument
January 1	$ 28,091	$ 21,842
Benefits recognized in other comprehensive income	2,324	-
March 31	$ 30,415	$ 21,842

I. Financial Department is in charge of valuation procedures for fair value measurements being categorized within Level 2 and Level 3, which is to verify independent fair value of financial instruments. Such assessment is to ensure the valuation results are reasonable by applying independent information to make results close to current market conditions, confirming the source of information is independent, reliable and in line with other resources and represented as the exercisable price, and frequently calibrating valuation model, performing back-testing, updating inputs used to the valuation model and making any other necessary adjustments to the fair value.

J. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at March 31, 2025	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity:					
Unlisted shares	$ 30,415	Market comparable companies	(1) Price to earnings ratio multiple	3.78%	The higher the multiple and control premium, the higher the fair value
			(2) Discount for lack of marketability	30%	The higher the discount for lack of market-ability, the lower the fair value

	Fair value at December 31, 2024	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity:					
Unlisted shares	$ 28,091	Market comparable companies	(1) Price to earnings ratio multiple	3.57%	The higher the multiple and control premium, the higher the fair value
			(2) Discount for lack of marketability	30%	The higher the discount for lack of market-ability, the lower the fair value

	Fair value at March 31, 2024	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity:					
Unlisted shares	$ 21,842	Market comparable companies	(1) Price to earnings ratio multiple	2.71%	The higher the multiple and control premium, the higher the fair value
			(2) Discount for lack of marketability	20%	The higher the discount for lack of market-ability, the lower the fair value

K. The Group has carefully assessed the valuation models and assumptions used to measure fair value; therefore, the fair value measurement is reasonable. However, use of different valuation models or assumptions may result in different measurement. The following is the effect of profit or loss or of other comprehensive income from financial assets and liabilities categorized within Level 3 if the inputs used to valuation models have changed:

			March 31, 2025			
			Recognized in profit or loss		Recognized in profit or loss comprehensive income	
	Input	Change	Favourable Change	Unfavourable Change	Favourable Change	Unfavourable Change
Financial assets						
Equity instrument	Price to earnings ratio multiple	± 5%	$ -	$ -	$ 1,393	($ 1,393)
	Discount for lack of marketability	± 10%	-	-	1,194	(1,194)
			$ -	$ -	$ 2,587	($ 2,587)

			December 31, 2024			
			Recognized in profit or loss		Recognized in profit or loss comprehensive income	
	Input	Change	Favourable Change	Unfavourable Change	Favourable Change	Unfavourable Change
Financial assets						
Equity instrument	Price to earnings ratio multiple	± 5%	$ -	$ -	$ 1,277	($ 1,277)
	Discount for lack of marketability	± 10%	-	-	1,095	(1,095)
			$ -	$ -	$ 2,372	($ 2,372)

			March 31, 2024			
			Recognized in profit or loss		Recognized in profit or loss comprehensive income	
	Input	Change	Favourable Change	Unfavourable Change	Favourable Change	Unfavourable Change
Financial assets						
Equity instrument	Price to earnings ratio multiple	±5%	$ -	$ -	$ 995	($ 995)
	Discount for lack of marketability	±10%	-	-	498	(498)
			$ -	$ -	$ 1,493	($ 1,493)

13.Additional Disclosures

(In accordance with the regulations, only information from January to March 2025 is disclosed.)

(1) Significant transactions information

A. Loans to others: Please refer to Table 1.

B. Endorsement and guarantee for others: Please refer to Table 2.

C. Marketable securities held at the end of the period: Please refer to Table 3.

D. Purchase from or sale to related parties amounting to at least $100 million or 20% of the paid-in capital: Please refer to Table 4.

E. Receivables from related parties amounting to at least $100 million or 20% of the paid-in capital: None.

F. Business relationships and significant intercompany transactions between the parent company and subsidiaries: Please refer to Table 5.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in China): Please refer to Table 6.

(3) Information on investments in China

None.

14.Segments Information

(1) General information

The management of the Group has identified the reportable segments based on the reported information used by operational decision makers in making decisions. There were no significant changes in the Group’s corporate composition, the basis of segmentation and the basis of measurement of segment information during the period.

(2) Departmental information

Information on the reporting segments provided to the chief operating decision maker is shown as follows:

	January to March of 2025			
	Screw Manufacturing Department	Transportation Department	Environmental Business Department	Total
Net external revenue	$ 379,603	$ 263,918	$ 761,635	$ 1,405,156
Net internal revenue	-	6,043	407	6,450
Interest revenue	1,023	50	171	1,244
Depreciation and Amortization	16,927	4,367	26,230	47,524
Interest expense	4,920	1,037	8,581	14,808
Departmental net income (loss) before income taxes	11,101	2,721	(88,439)	(74,617)
Segment assets	1,886,999	730,087	3,190,959	5,808,045
Segment liabilities	946,446	322,406	2,008,819	3,277,671

	January to March of 2024				
	Screw Manufacturing Department	Transportation Department	Environmental Business Department	Other	Total
Net external revenue	$ 237,175	$ 314,921	$ 389,068	$ 3,600	$ 944,764
Net internal revenue	-	5,285	595	-	5,880
Interest revenue	1,988	26	98	-	2,112
Depreciation and Amortization	18,968	2,437	25,220	-	46,625
Interest expense	2,392	382	6,254	-	9,028
Departmental net income (loss) before income taxes	(3,800)	638	(29,599)	1,345	(31,416)
Segment assets	1,791,017	484,968	3,225,159	24,410	5,525,554
Segment liabilities	727,097	224,845	2,086,743	716	3,039,401

(3) Reconciliation of Segment Profit and Loss, Assets and Liabilities

The external revenue reported to the chief operating decision maker is measured in a manner consistent with the revenue in the consolidated statement of income, and the segment profit or loss, total assets and total liabilities provided to the chief operating decision maker are measured in a manner consistent with the Group’s consolidated financial statements; therefore, no reconciliation is required.

OFCO Industrial Corp. and subsidiaries

Financing provided to others

January 1 to March 31, 2025

Table 1

Unit: NT$ thousand

Code	Lender	Borrower	Business relationship	Whether it is a related party	Maximum balance	Ending balance	Transaction Amounts	Interest Rate	Nature of financing provided (Note 1)	Business Transaction Amounts	Reason for the necessity of shortterm financing	Amount of recognized impairment loss	Collateral Name	Collateral Value	Lending of funds to individual entities and limit of financing (Note 2)	Total limit of financing (Note 2)	Remarks
0	OFCO Industrial Corp.	Yung Fu Co.,Ltd.	Other receviable - related party	Y	$ 150,000	$ 150,000	$ 150,000	2.5% ~3.00%	2	$ -	Business development needs	$ -	-	$ -	$ 217,226	$ 434,451	-

(Note 1) The nature of the loan and the meaning of the code are described as follows:

1. For entities with business transaction relationships.
2. For necessary short-term financing needs.

(Note 2) The maximum amount for total loan is 20% of its net value; the maximum amount for individual loans is as follows:

1. For entities with business transaction relationships: the amount shall not exceed the higher of the Company’s purchase or sales amount in the most recent year or the current year as of the time of the loan.
2. For necessary short-term financing needs: the amount shall not exceed 10% of the Company's most recent audited or reviewed financial statements.

OFCO Industrial Corp. and subsidiaries

Provision of endorsements and guarantees to others

January 1 to March 31, 2025

Table 2

Unit: NT$ thousand

	Party being endorsed/guaranteed													
Endorser/guarantor	Company name	Relationship (Note 1)	Limit on endorsements/ guarantees provided for a single party	Maximum balance during the period	Outstanding balance at March 31,2025	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of Accumulated endorsements/ guarantee amount to net worth of the endorser/guarantor company	Limit on total amount of endorsements/ guarantee	Provision of endorsements/ guarantee by parent company to subsidary	Provision of endorsements/ guarantee by subsidary to parent company	Provision of endorsements/ guarantee to party in Mainland China	Remarks
OFCO Industrial Corp.	Yung Fu Co.,Ltd.	3	$ 217,226	$ 200,000	$ 200,000	$ 180,000	$ -	9.21%	$ 868,903	Y	N	N	(Note 2)

(Note 1) The following code represents the relationship with the Company:

1. Trading partner.
2. Majority owned subsidiary.
3. The Company direct and indirect owns over 50% ownership of the investee company.
4. A subsidiary jointly owned over 90% by the Company.
5. Guaranteed by the Company according to the construction contract.
6. An investee company. The guarantees were provided based on the Company’s proportionate share in the investee company.
7. Joint and several guaranteed by the Company according to the pre-construction contract under Consumer Protection Act.

(Note 2) The limit of total amount of endorsements shall not be higher of 40% of the Company’s net worth, and the limit for a single party, except for the subsidiary owned over 90% by the Company shall not be higher of 20% of the Company’s net worth, the others shall not be higher of 10% of the Company’s net worth.

OFCO Industrial Corp. and Subsidiaries

Holding of Marketable Securities at the End of the Period (not Including Subsidiaries, Associates and Joint Ventures)

March 31, 2025

Table 3

Unit: NT$ thousand

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Item	Ending balance				Remarks
				Shares (thousands)	Carrying amount	Ownership (%)	Fair value	
OFCO Industrial Corp.	Stocks:							
	Chun Yu Works & Co., Ltd.	Other related parties	Financial assets at fair value through profit or loss - current	426	$ 10,032	0.14%	$ 10,032	-
	Gloria Material Technology Corp	Other related parties	Financial assets at fair value through profit or loss - current	166	7,032	0.03%	7,032	-
	Argo Yachts Development Co., Ltd.	-	Financial assets at fair value through profit or loss - current	1,500	32,865	1.07%	32,865	-
	King House Co., Ltd. (formerly named EnSure Global Corp., Ltd.)	-	Financial assets at fair value through profit or loss - non-current	5,000	226,250	3.16%	226,250	-
	Taiwan Styrene Monomer Corporation	-	Financial assets at fair value through other comprehensive income or loss - non-current	2,688	25,965	0.51%	25,965	-
	Data Van International Corporation	-	Financial assets at fair value through other comprehensive income or loss - non-current	7,000	81,690	5.46%	81,690	-
	China Fineblanking Technology Co., Ltd.	-	Financial assets at fair value through other comprehensive income or loss - non-current	13,000	324,925	12.17%	324,925	-
TSG Transport Corp.	Stocks:							
	Taiwan Steel Insurance Broker Co., Ltd. (formerly named Titan Insurance Broker Co., Ltd.)	-	Financial assets at fair value through other comprehensive income or loss - non-current	571	27,871	14.29%	27,871	-
	China Fineblanking Technology Co., Ltd.	-	Financial assets at fair value through other comprehensive income or loss - non-current	2,000	49,988	1.87%	49,988	-
TSG Environmental Technology Corp.	Stocks:							
	Taiwan Steel Insurance Broker Co., Ltd. (formerly named Titan Insurance Broker Co., Ltd.)	-	Financial assets at fair value through other comprehensive income or loss - non-current	50	2,544	1.24%	2,544	-

OFCO Industrial Corp. and subsidiaries

Related parties transactions for purchases and sales amounts exceeding the lower of $100 million or 20 percent of capital stock

January 1 to March 31, 2025

Table 4

Unit: NT$ thousand

			Transactions				Details of non-arm's length transaction		Notes and accounts receivable (payable)		
Company Name	Related Parties	Relationship	Purchases (Sales)	Amount	Percentage of total amount purchase (Sales)	Term	Unit Price	Term	Balance	Percentage of total receivables (payable)	Remarks
TSG Transport Corp.	Gloria Material Technology Corp.	Other related parties	(Sales)	(188,563)	(70%)	Month end 30days	Not significantly different	Not significantly different	53,931	40%	-

OFCO Industrial Corp. and subsidiaries

Significant inter-company transactions during the reporting periods

January 1 to March 31, 2025

Table 5

Unit: NT$ thousand

				Transaction			
Code (Note 1)	Transaction Company	Counterparty	Relationship with the counter-party (Note 2)	Items	Amounts	Transaction Terms	Percentage of consolidated total operating revenues or total assets (Note 3)
0	OFCO Industrial Corp.	Yung Fu Co.,Ltd.	1	Endorsement/Guarantees	$ 200,000	-	3%
				Other receivable	150,000	-	3%
1	TSG Transport Corp.	OFCO Industrial Corp.	2	Sales	5,631	Credit terms: 40 days	-

(Note 1) Information on business transactions between the parent company and subsidiaries should be indicated in the numbered column respectively, and the numbers should be filled in as follows:

1. The parent company should fill in 0.
2. Subsidiaries are numbered by company, starting from the Arabic numeral 1.

(Note 2) There are three types of relationships with the counter-parties, and the types can be indicated as follows:

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

(Note 3) In calculating the percentage, the transaction amount is divided by consolidated total assets for balance sheet accounts and is divided by consolidated total revenue for income statement accounts.

(Note 4) Intercompany transactions between the parent company and its subsidiaries or between subsidiaries are not disclosed repetitively since the circumstances and amounts of each transaction is the same on each side. In addition, the disclosure threshold for significant intercompany transactions is $3 million.

(Note 5) Please refer to Note 4, (3) for the description of the basis of consolidation.

OFCO Industrial Corp. and subsidiaries

Names, locations and other information of investee companies (not including investees in China)

January 1 to March 31, 2025

Table 6

Unit: NT$ thousand

Investor	Investee	Location	Main Businesses and Products	Investment Amount: End of the current perior	Investment Amount: End of Last Year	Shares held as at March 31,2025: Number of shares	Shares held as at March 31,2025: Ratio (%)	Shares held as at March 31,2025: Carrying Amount	Income (loss) of investees for the period	Income (loss) on investment recognized in the period	Remarks
OFCO Industrial Corp.	TSG Transport Corp	Taiwan	Container rental, transportation and packing services, etc.	$ 250,000	$ 250,000	34,700,000	100%	$ 411,811	$ 7,011	$ 7,011	Subsidiary
	TSG Environmental Technology Corp.	Taiwan	Recycling of materials, waste disposal services, etc.	40,000	40,000	4,000,000	100%	63,279	6,805	6,805	Subsidiary
	TSG Power Corp.	Taiwan	Energy technology services	194,554	194,554	19,300,000	100%	156,505	857	1,478	Subsidiary
	Yung Fu Co.,Ltd.	Taiwan	Commissioned operation and management of waste and business waste incineration plants and planning, design and turnkey services for small and medium-sized incinerator projects	427,301	427,301	49,621,933	54.89%	451,834	(79,968)	(44,454)	Subsidiary
TSG Transport Corp	Yung Fu Co.,Ltd.	Taiwan	Commissioned operation and management of waste and business waste incineration plants and planning, design and turnkey services for small and medium-sized incinerator projects	2,380	2,380	248,426	0.27%	3,250	(79,968)	-	Subsidiary (Note)
TSG Environmental Technology Corp.	Yung Fu Co.,Ltd.	Taiwan	Commissioned operation and management of waste and business waste incineration plants and planning, design and turnkey services for small and medium-sized incinerator projects	3,637	3,637	379,755	0.42%	6,606	(79,968)	-	Subsidiary (Note)

(Note) According to the related regulations, it is not required to disclose investment income (loss) recognized by the Company.