

**Winbond Electronics Corporation and
Subsidiaries**

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

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
Winbond Electronics Corporation

Introduction

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

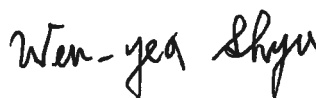
Scope of Review

We conducted our reviews in accordance with the Standards on Review Engagements of the Republic of China 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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 consolidated financial position of the Group as of September 30, 2025 and 2024, its consolidated financial performance for the three months ended September 30, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the nine months ended September 30, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors' review report are Kuo-Tyan Hong and Wen-Yea Shyu.



Deloitte & Touche
Taipei, Taiwan
Republic of China

November 4, 2025

Notice to Readers

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

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

WINBOND ELECTRONICS CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	September 30, 2025		December 31, 2024		September 30, 2024	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 17,203,148	9	\$ 14,100,396	8	\$ 15,504,660	8
Current financial assets at fair value through profit or loss (Note 7)	190,320	-	201,804	-	296,858	-
Current financial assets at fair value through other comprehensive income (Note 8)	9,611,051	5	8,318,400	5	11,519,823	6
Notes and accounts receivable, net (Note 9)	13,272,817	7	10,010,017	6	11,535,913	6
Accounts receivable due from related parties, net (Note 31)	28,852	-	28,329	-	26,716	-
Finance lease receivables - current (Notes 10 and 31)	-	-	22,506	-	47,561	-
Other receivables (Notes 11 and 31)	919,649	1	700,684	-	900,262	1
Inventories (Note 12)	25,250,563	14	24,201,163	13	23,057,175	13
Other current assets (Note 31)	1,460,724	1	1,932,190	1	2,032,703	1
Total current assets	67,937,124	37	59,515,489	33	64,921,671	35
NON-CURRENT ASSETS						
Non-current financial assets at fair value through profit or loss (Note 7)	248,357	-	-	-	-	-
Non-current financial assets at fair value through other comprehensive income (Note 8)	2,923,567	2	3,442,851	2	3,438,391	2
Investments accounted for using equity method (Note 13)	10,070,272	5	7,390,428	4	9,421,210	5
Property, plant and equipment (Note 14)	94,740,774	52	100,252,092	56	100,915,377	54
Right-of-use assets (Notes 15 and 31)	1,825,556	1	1,984,623	1	2,046,261	1
Investment properties (Note 16)	1,248,179	1	1,369,827	1	1,483,554	1
Intangible assets (Note 17)	808,888	-	815,589	1	938,239	-
Deferred income tax assets (Note 4)	1,516,670	1	1,665,713	1	1,537,701	1
Other non-current assets (Notes 6 and 31)	1,283,283	1	1,347,536	1	1,553,433	1
Total non-current assets	114,665,546	63	118,268,659	67	121,334,166	65
TOTAL	\$ 182,602,670	100	\$ 177,784,148	100	\$ 186,255,837	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Note 18)	\$ 9,592,520	5	\$ 2,119,990	1	\$ 2,422,580	1
Current financial liabilities at fair value through profit or loss (Note 7)	142,151	-	142,481	-	2,705	-
Notes and accounts payable	6,624,211	4	5,506,722	3	5,822,254	3
Accounts payable due to related parties (Note 31)	1,359,135	1	1,554,595	1	1,475,783	1
Payables on machinery and equipment	1,194,119	1	2,064,502	1	2,721,467	2
Other payables (Note 31)	7,924,478	4	8,170,293	5	8,711,061	5
Current tax liabilities (Note 4)	330,534	-	280,031	-	494,585	-
Lease liabilities - current (Notes 15 and 31)	274,820	-	287,101	-	291,702	-
Long-term borrowings and bonds payable - current portion (Notes 18 and 19)	22,280,985	12	19,960,335	11	19,830,483	11
Other current liabilities (Note 31)	1,310,955	1	1,675,665	1	621,630	-
Total current liabilities	51,033,908	28	41,761,715	23	42,394,250	23
NON-CURRENT LIABILITIES						
Non-current financial assets at fair value through profit or loss (Note 7)	4,352	-	-	-	-	-
Bonds payable (Notes 4 and 19)	4,837,786	2	-	-	-	-
Long-term borrowings (Notes 18 and 28)	20,245,531	11	31,127,718	18	31,429,612	17
Provisions - non-current (Note 20)	1,732,466	1	1,970,859	1	2,162,907	1
Lease liabilities - non-current (Notes 15 and 31)	1,663,653	1	1,803,971	1	1,860,748	1
Net defined benefit liabilities - non-current (Notes 4 and 21)	1,247,060	1	1,278,185	1	1,499,416	-
Other non-current liabilities	450,337	-	682,279	-	1,621,075	1
Total non-current liabilities	30,181,185	16	36,863,012	21	38,573,758	20
Total liabilities	81,215,093	44	78,624,727	44	80,968,008	43
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT (Note 22)						
Share capital	45,000,002	25	45,000,002	25	45,000,002	24
Capital surplus	13,751,860	8	13,699,048	8	13,699,048	8
Retained earnings						
Legal reserve	4,823,815	2	4,772,874	3	4,772,874	2
Unappropriated earnings	23,392,575	13	23,212,159	13	23,796,373	13
Exchange differences on translation of the financial statements of foreign operations	(1,309,184)	(1)	(906,715)	-	(742,775)	-
Unrealized gains on financial assets measured at fair value through other comprehensive income	9,204,430	5	5,874,120	3	11,044,194	6
Total equity attributable to owners of the parent	94,863,498	52	91,651,488	52	97,569,716	53
NON-CONTROLLING INTERESTS (Note 22)	6,524,079	4	7,507,933	4	7,718,113	4
Total equity	101,387,577	56	99,159,421	56	105,287,829	57
TOTAL	\$ 182,602,670	100	\$ 177,784,148	100	\$ 186,255,837	100

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

WINBOND ELECTRONICS CORPORATION AND SUBSIDIARIES

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

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE (Notes 23 and 31)	\$ 21,770,523	100	\$ 21,312,431	100	\$ 62,781,097	100	\$ 62,917,765	100
OPERATING COSTS (Notes 12 and 31)	<u>11,604,994</u>	<u>53</u>	<u>15,066,094</u>	<u>71</u>	<u>42,731,184</u>	<u>68</u>	<u>43,997,896</u>	<u>70</u>
GROSS PROFIT	<u>10,165,529</u>	<u>47</u>	<u>6,246,337</u>	<u>29</u>	<u>20,049,913</u>	<u>32</u>	<u>18,919,869</u>	<u>30</u>
OPERATING EXPENSES (Note 31)								
Selling expenses	602,424	3	587,520	3	1,752,899	3	1,700,511	3
General and administrative expenses	1,157,149	5	1,186,307	5	3,461,527	6	3,565,009	6
Research and development expenses	4,676,850	22	4,189,427	20	13,323,003	21	12,361,851	19
Expected credit (gain) loss (Note 9)	<u>26,121</u>	<u>-</u>	<u>10,761</u>	<u>-</u>	<u>69,888</u>	<u>-</u>	<u>44,339</u>	<u>-</u>
Total operating expenses	<u>6,462,544</u>	<u>30</u>	<u>5,974,015</u>	<u>28</u>	<u>18,607,317</u>	<u>30</u>	<u>17,671,710</u>	<u>28</u>
INCOME FROM OPERATIONS	<u>3,702,985</u>	<u>17</u>	<u>272,322</u>	<u>1</u>	<u>1,442,596</u>	<u>2</u>	<u>1,248,159</u>	<u>2</u>
NON-OPERATING INCOME AND EXPENSES								
Interest income (Note 31)	77,041	1	95,440	-	280,980	1	267,688	-
Dividend income (Note 31)	29,396	-	27,841	-	214,816	-	361,620	1
Other income (Notes 15, 28 and 31)	82,811	1	77,410	-	275,616	-	224,893	-
Share of profit (loss) of associates	51,594	-	20,733	-	94,518	-	170,772	-
Gains (losses) on disposal of property, plant and equipment (Note 31)	251	-	(3,915)	-	(459)	-	934,637	2
Gains (losses) on disposal of intangible assets	-	-	-	-	1,073	-	-	-
Gains (losses) on foreign exchange (Note 34)	470,230	2	(329,551)	(1)	(965,351)	(1)	227,061	-
Gains (losses) on financial instruments at fair value through profit or loss	(439,345)	(2)	213,077	1	506,538	1	(365,681)	(1)
Interest expense (Notes 15, 28 and 31)	(363,835)	(2)	(321,397)	(1)	(1,038,822)	(2)	(910,171)	(1)
Other expenses (Note 31)	<u>(53,033)</u>	<u>-</u>	<u>(76,891)</u>	<u>-</u>	<u>(217,829)</u>	<u>-</u>	<u>(267,020)</u>	<u>-</u>
Total non-operating income and expenses	<u>(144,890)</u>	<u>-</u>	<u>(297,253)</u>	<u>(1)</u>	<u>(848,920)</u>	<u>(1)</u>	<u>643,799</u>	<u>1</u>
INCOME (LOSS) BEFORE INCOME TAX	3,558,095	17	(24,931)	-	593,676	1	1,891,958	3
INCOME TAX EXPENSE (Notes 4 and 25)	<u>857,402</u>	<u>4</u>	<u>35,143</u>	<u>1</u>	<u>510,884</u>	<u>1</u>	<u>504,182</u>	<u>1</u>
NET INCOME (LOSS)	<u>2,700,693</u>	<u>13</u>	<u>(60,074)</u>	<u>(1)</u>	<u>82,792</u>	<u>-</u>	<u>1,387,776</u>	<u>2</u>

(Continued)

WINBOND ELECTRONICS CORPORATION AND SUBSIDIARIES

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

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)								
Components of other comprehensive income (loss) that will not be reclassified to profit or loss:								
Unrealized gains (losses) from investments in equity instruments at fair value through other comprehensive income	\$ 1,654,569	7	\$ (414,750)	(2)	\$ 155,167	1	\$ (1,159,522)	(2)
Share of other comprehensive income (loss) of associates accounted for using equity method	2,371,529	11	(651,951)	(3)	2,619,771	4	(1,668,490)	(3)
Income tax related to items that will not be reclassified	-	-	-	-	82,000	-	-	-
Components of other comprehensive income (loss) that will be reclassified to profit or loss:								
Exchange differences on translation of the financial statements of foreign operations	368,206	2	796,531	4	(555,124)	(1)	412,013	1
Other comprehensive income (loss)	4,394,304	20	(270,170)	(1)	2,301,814	4	(2,415,999)	(4)
TOTAL COMPREHENSIVE INCOME (LOSS)	<u>\$ 7,094,997</u>	<u>33</u>	<u>\$ (330,244)</u>	<u>(2)</u>	<u>\$ 2,384,606</u>	<u>4</u>	<u>\$ (1,028,223)</u>	<u>(2)</u>
NET INCOME (LOSS) ATTRIBUTABLE TO:								
Owners of the parent	\$ 2,943,150	13	\$ (9,437)	-	\$ 539,575	1	\$ 1,249,238	2
Non-controlling interests	(242,457)	(1)	(50,637)	-	(456,783)	(1)	138,538	-
	<u>\$ 2,700,693</u>	<u>12</u>	<u>\$ (60,074)</u>	<u>-</u>	<u>\$ 82,792</u>	<u>-</u>	<u>\$ 1,387,776</u>	<u>2</u>
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:								
Owners of the parent	\$ 7,206,681	33	\$ (651,633)	(3)	\$ 3,223,422	5	\$ (1,334,666)	(2)
Non-controlling interests	(111,684)	-	321,389	1	(838,816)	(1)	306,443	-
	<u>\$ 7,094,997</u>	<u>33</u>	<u>\$ (330,244)</u>	<u>(2)</u>	<u>\$ 2,384,606</u>	<u>4</u>	<u>\$ (1,028,223)</u>	<u>(2)</u>
EARNINGS (LOSSES) PER SHARE (Note 26)								
Basic	<u>\$ 0.65</u>		<u>\$ -</u>		<u>\$ 0.12</u>		<u>\$ 0.29</u>	
Diluted	<u>\$ 0.65</u>		<u>\$ -</u>		<u>\$ 0.12</u>		<u>\$ 0.29</u>	

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

(Concluded)

WINBOND ELECTRONICS CORPORATION AND SUBSIDIARIES

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

	Equity Attributable to Owners of the Parent								
	Retained Earnings				Other Equity		Total	Non-controlling Interests	Total Equity
	Share Capital	Capital Surplus	Legal Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Gains (Losses) on Financial Assets Measured at Fair Value Through Other Comprehensive Income			
BALANCE, JANUARY 1, 2024	\$ 41,800,002	\$ 10,135,865	\$ 4,772,874	\$ 22,702,753	\$ (1,007,855)	\$ 13,893,178	\$ 92,296,817	\$ 8,163,361	\$ 100,460,178
Net income for the nine months ended September 30, 2024	-	-	-	1,249,238	-	-	1,249,238	138,538	1,387,776
Other comprehensive income (loss) for the nine months ended September 30, 2024	-	-	-	-	265,080	(2,848,984)	(2,583,904)	167,905	(2,415,999)
Total comprehensive income (loss) for the nine months ended September 30, 2024	-	-	-	1,249,238	265,080	(2,848,984)	(1,334,666)	306,443	(1,028,223)
Issuance of ordinary shares for cash	3,200,000	3,503,392	-	-	-	-	6,703,392	-	6,703,392
Share-based payment (Notes 24 and 27)	-	60,712	-	-	-	-	60,712	-	60,712
Changes in ownership interests in subsidiaries	-	(921)	-	-	-	-	(921)	941	20
Adjustments of the difference between the carrying amount and consideration in disposal or acquisition of interests in subsidiaries	-	-	-	(155,618)	-	-	(155,618)	(138,200)	(293,818)
Cash dividends distributed by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	(614,432)	(614,432)
BALANCE, SEPTEMBER 30, 2024	\$ 45,000,002	\$ 13,699,048	\$ 4,772,874	\$ 23,796,373	\$ (742,775)	\$ 11,044,194	\$ 97,569,716	\$ 7,718,113	\$ 105,287,829
BALANCE, JANUARY 1, 2025	\$ 45,000,002	\$ 13,699,048	\$ 4,772,874	\$ 23,212,159	\$ (906,715)	\$ 5,874,120	\$ 91,651,488	\$ 7,507,933	\$ 99,159,421
Appropriation of 2024 earnings	-	-	-	-	-	-	-	-	-
Legal reserve appropriated	-	-	50,941	(50,941)	-	-	-	-	-
Net income (loss) for the nine months ended September 30, 2025	-	-	-	539,575	-	-	539,575	(456,783)	82,792
Other comprehensive income (loss) for the nine months ended September 30, 2025	-	-	-	-	(402,469)	3,086,316	2,683,847	(382,033)	2,301,814
Total comprehensive income (loss) for the nine months ended September 30, 2025	-	-	-	539,575	(402,469)	3,086,316	3,223,422	(838,816)	2,384,606
Adjustments of the difference between the carrying amount and consideration in disposal or acquisition of interests in subsidiaries	-	-	-	(64,224)	-	-	(64,224)	(114,831)	(179,055)
Changes in ownership interests in subsidiaries	-	53,150	-	-	-	-	53,150	49,077	102,227
Changes in equity of associates accounted for using equity method	-	(338)	-	-	-	-	(338)	-	(338)
Disposal of investments in equity instruments designated at fair value through other comprehensive income (Note 8)	-	-	-	(243,994)	-	243,994	-	-	-
Cash dividends distributed by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	(79,284)	(79,284)
BALANCE, SEPTEMBER 30, 2025	\$ 45,000,002	\$ 13,751,860	\$ 4,823,815	\$ 23,392,575	\$ (1,309,184)	\$ 9,204,430	\$ 94,863,498	\$ 6,524,079	\$ 101,387,577

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

WINBOND ELECTRONICS CORPORATION AND SUBSIDIARIES

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

	For the Nine Months Ended September 30	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 593,676	\$ 1,891,958
Adjustments for:		
Depreciation expense	9,315,839	9,183,381
Amortization expense	275,417	300,833
Expected credit (gain) loss recognized on accounts receivable	69,888	44,339
Interest expense	1,038,822	910,171
Interest income	(280,980)	(267,688)
Dividend income	(214,816)	(361,620)
Share-based payment	-	60,712
Share of (profit) loss of associates	(94,518)	(170,772)
(Gains) losses on disposal of property, plant and equipment	459	(934,637)
(Gains) losses on disposal of intangible assets	(1,073)	-
(Gains) on lease modification	(2,545)	(8,573)
Other income under government grants	(116,505)	(44,264)
Others	-	2,133
Changes in operating assets and liabilities		
(Increase) decrease in financial assets and liabilities at fair value through profit or loss	(6,081)	117,021
(Increase) decrease in notes and accounts receivable	(3,364,886)	(2,160,212)
(Increase) decrease in accounts receivable due from related parties	(523)	17,991
(Increase) decrease in other receivables	(221,190)	(82,661)
(Increase) decrease in inventories	(1,049,400)	812,794
(Increase) decrease in other current assets	351,807	(538,802)
(Increase) decrease in other non-current assets	13,640	29,165
Increase (decrease) in notes and accounts payable	1,238,493	333,997
Increase (decrease) in accounts payable due to related parties	(195,460)	161,309
Increase (decrease) in other payables	(218,001)	832,708
Increase (decrease) in other current liabilities	(471,276)	(340,160)
Increase (decrease) in other non-current liabilities	(192,950)	(434,497)
Cash flows generated by (used in) operations	6,467,837	9,354,626
Interest received	282,881	276,852
Dividends received	214,816	361,620
Interest paid	(1,045,060)	(1,056,763)
Income taxes paid	(254,032)	(264,877)
Net cash flows generated by (used in) operating activities	<u>5,666,442</u>	<u>8,671,458</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of financial assets at fair value through profit or loss	(248,357)	-
Acquisitions of financial assets at fair value through other comprehensive income	(888,074)	(135,089)
Proceeds from disposal of financial assets at fair value through other comprehensive income	164,847	-

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WINBOND ELECTRONICS CORPORATION AND SUBSIDIARIES

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

	For the Nine Months Ended September 30	
	2025	2024
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	\$ 800	\$ 450
Acquisitions of property, plant and equipment	(4,361,366)	(13,837,644)
Proceeds from disposal of property, plant and equipment	2,589	944,069
Increase (decrease) in unearned receipts - disposal of assets	-	(95,862)
Acquisitions of government grants	55,500	-
(Increase) decrease in refundable deposits	(6,222)	(12,137)
(Increase) decrease in other receivables - time deposits	802	(170)
Acquisitions of intangible assets	(235,234)	(315,791)
(Increase) decrease in finance lease receivables	<u>23,989</u>	<u>68,455</u>
Net cash flows generated by (used in) investing activities	<u>(5,490,726)</u>	<u>(13,383,719)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (decrease) in short-term borrowings	7,528,850	1,343,850
Proceeds from long-term borrowings	11,596,990	5,000,000
Repayments of long-term borrowings	(10,217,881)	(8,786,607)
Proceeds from issuance of bonds payable	4,883,290	-
Repayments of bonds payable	(10,000,000)	-
Change in non-controlling interests	(79,284)	(614,432)
Proceeds from issuance of ordinary shares	-	6,703,392
Acquisitions of additional interests in subsidiaries	(179,055)	(293,818)
Repayments of lease liabilities	(235,382)	(235,645)
Increase (decrease) in guarantee deposits	<u>6,078</u>	<u>(24,820)</u>
Net cash flows generated by (used in) financing activities	<u>3,303,606</u>	<u>3,091,920</u>
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>(376,570)</u>	<u>162,403</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>3,102,752</u>	<u>(1,457,938)</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>14,100,396</u>	<u>16,962,598</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 17,203,148</u>	<u>\$ 15,504,660</u>

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

(Concluded)

WINBOND ELECTRONICS CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Winbond Electronics Corporation (the “Company”) was incorporated in the Republic of China (ROC) in September 1987 and is engaged in the design, development, manufacture and marketing of very large scale integration (VLSI) integrated circuits (ICs) used in a variety of microelectronic applications.

The Company’s shares have been listing on the Taiwan Stock Exchange Corporation since October 18, 1995.

The consolidated financial statements are presented in the Company’s functional currency, New Taiwan dollars.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the board of directors on November 4, 2025.

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

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

Amendments to IAS 21 “Lack of Exchangeability”

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

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

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

Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”

1) The amendments to the application guidance of classification of financial assets

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

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

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

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

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

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

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact of the application of the amendments on the Group’s financial position and financial performance and will disclose the relevant impact when the assessment is completed.

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

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

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

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

IFRS 18 “Presentation and Disclosure in Financial Statements”

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

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

Except for the above-mentioned impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the other impacts of the each of the above-mentioned amended standards and interpretations on the Group’s financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

Except for the following, refer to the summary of material accounting policies of the consolidated financial statements for the year ended December 31, 2024.

Statement of Compliance

These interim 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 endorsed and issued into effect by the FSC. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in a complete set of annual consolidated financial statements.

Basis of Preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments and defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Basis of Consolidation

a. Principles for preparing consolidated financial statements

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company. Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation.

Attribution of total comprehensive income to non-controlling interests

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

Changes in the Group’s ownership interests in existing subsidiaries

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

b. Subsidiaries included in consolidated financial statements

Investor	Investee	Main Business	% of Ownership		
			September 30, 2025	December 31, 2024	September 30, 2024
The Company	Winbond International Corporation (“WIC”)	Investment holding	100.00	100.00	100.00
The Company	Winbond Electronics Corporation Japan (“WE CJ”)	Research, development, sales and after-sales service of semiconductor	100.00	100.00	100.00
The Company	Winbond Electronics (HK) Limited (“WEHK”)	Sales of semiconductor and investment holding	100.00	100.00	100.00
The Company	Winbond Technology Ltd. (“WTL”)	Design and service of semiconductor	100.00	100.00	100.00
The Company	Callisto Holding Limited (“Callisto”)	Electronic commerce and investment holding	100.00	100.00	100.00
The Company	Winbond Electronics Germany GmbH (“WEG”)	Marketing service of semiconductor	100.00	100.00	100.00
The Company	Winbond Electronics India Private Limited (“WEIL”)	Sales and service of semiconductor	99.99	99.99	99.99
The Company	Atfields Manufacturing Technology Corporation (“AMTC”)	Manufacture of semiconductor and smart factory solutions	100.00	100.00	100.00
The Company	Miraxia Edge Technology Corporation (“METC”)	Software and hardware integration design of semiconductor	100.00	100.00	100.00
The Company	Nuvoton Technology Corporation (“NTC”, Note 1)	Research, design, development, manufacture and marketing of Logic IC, 6-inch wafer product, test, and OEM	52.78	52.06	52.06
WIC	Winbond Electronics Corporation America (“WECA”)	Design, sales and service of semiconductor	100.00	100.00	100.00
WEHK	Winbond Electronics (Suzhou) Limited (“WECN”)	Design, development and marketing of VLSI integrated ICs	100.00	100.00	100.00
Callisto	Callisto Technology Limited (“CTL”, Note 2)	Electronic commerce and investment holding	-	100.00	100.00
METC	Miraxia Technology Taiwan Corporation (“MTTC”)	Development of software and services for automotive and industrial control	100.00	100.00	100.00
NTC	Marketplace Management Limited (“MML”, Note 3)	Investment holding	-	100.00	100.00
NTC	Nuvoton Technology Corporation America (“NTCA”)	Design, sales and service of semiconductor	100.00	100.00	100.00
NTC	Nuvoton Investment Holding Ltd. (“NIH”)	Investment holding	100.00	100.00	100.00
NTC	Nuvoton Electronics Technology (H.K.) Limited (“NTHK”)	Sales of semiconductor	100.00	100.00	100.00
NTC	Song Yong Investment Corporation (“SYI”)	Investment holding	100.00	100.00	100.00
NTC	Nuvoton Technology India Private Limited (“NTIPL”)	Design, sales and service of semiconductor	100.00	100.00	100.00
NTC	Nuvoton Technology Singapore Pte. Ltd. (“NTSG”)	Design, sales and service of semiconductor	100.00	100.00	100.00
NTC	Nuvoton Technology Korea Limited (“NTKL”)	Design, sales and service of semiconductor	100.00	100.00	100.00
NTC	Nuvoton Technology Holdings Japan (“NTHJ”)	Investment holding	100.00	100.00	100.00
NTC	Nuvoton Technology Germany GmbH (“NTG”)	Customer service and technical support of semiconductor	100.00	100.00	100.00
NTC	Nuvoton Technology Corporation Japan (“NTCJ”, Note 4)	Design, sales and service of semiconductor	24.00	-	-
MML	Goldbond LLC (“GLLC”, Note 5)	Investment holding	-	-	100.00
NTSH	Song Zhi Electronics Technology (Suzhou) (“Song Zhi Suzhou”, Note 6)	Provide development of semiconductor and technology, consult service and equipment leasing business	-	-	100.00
NIH	Nuvoton Technology Israel Ltd. (“NTIL”)	Design and service of semiconductor	100.00	100.00	100.00
NTHK	Nuvoton Electronics Technology (Shenzhen) Limited (“NTSZ”)	Computer software service (except I.C. design), wholesale business for computer, supplement and software	100.00	100.00	100.00
NTHK	Nuvoton Electronics Technology (Nanjing) Limited (“NTNJ”)	Provide development of semiconductor and technology, consult service and sale	100.00	100.00	100.00
NTHK	Nuvoton Electronics Technology (Shanghai) Limited (“NTSH”)	Provide projects for sale in China and repairing, testing, consulting of software and equipment leasing business	100.00	100.00	100.00
NTHJ	Nuvoton Technology Corporation Japan (“NTCJ”, Note 4)	Design, sales and service of semiconductor	76.00	100.00	100.00

Note 1: The Company acquired 3,000 thousand and 3,600 thousand shares of NTC in the open market in April 2025 and August 2024, respectively. As of September 30, 2025, the Company held 52.78% ownership interest of NTC.

Note 2: CTL completed the liquidation and legal procedures in July 2025.

Note 3: MML completed the liquidation and legal procedures in September 2025.

Note 4: In September 2025, NTCJ completed a cash capital injection that was fully subscribed by NTC, resulting in NTC acquiring a 24% equity interest and reducing NTHJ's ownership in NTCJ to 76%.

Note 5: GLLC completed the liquidation and legal procedures in December 2024.

Note 6: Song Zhi Suzhou completed the liquidation and legal procedures in October 2024.

Other Material Accounting Policies

a. Carbon fee provision

In accordance with the Regulations Governing the Collection of Carbon Fees and related regulations of the ROC, the carbon fee provision (recoded in other payables) of the Company and NTC are recognized and measured on the basis of the best estimate of the expenditure required to settle the obligation for the current year and the proportion of actual emissions to the total annual emissions.

b. Retirement benefits

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

c. Income tax expense

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

d. Financial instrument

Convertible bonds

The component parts of compound instruments (i.e., convertible bonds) issued by NTC are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

On initial recognition, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or upon the instrument's maturity date. Any embedded derivative liability is measured at fair value.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised; in which case, the balance recognized in equity will be transferred to capital surplus - share premiums. When the conversion option remains unexercised at maturity, the balance recognized in equity will be transferred to capital surplus - share premiums.

Transaction costs that relate to the issuance of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognized directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

When developing material accounting estimates, the Group considers the possible impact of US reciprocal tariffs on material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Please refer to the consolidated financial statements for the year ended December 31, 2024, regarding the Group's material accounting judgments and key sources of estimation uncertainty.

6. CASH AND CASH EQUIVALENTS

	September 30, 2025	December 31, 2024	September 30, 2024
Cash and deposits in banks	\$ 15,653,148	\$ 13,150,396	\$ 11,824,760
Repurchase agreements	<u>1,550,000</u>	<u>950,000</u>	<u>3,679,900</u>
	<u>\$ 17,203,148</u>	<u>\$ 14,100,396</u>	<u>\$ 15,504,660</u>

- a. The Group has time deposits pledged to secure land and building leases and customs tariff obligations which are reclassified to "other non-current assets". The amounts were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Time deposits	<u>\$ 308,030</u>	<u>\$ 302,152</u>	<u>\$ 302,055</u>

- b. The Group has partial time deposits which were not held for the purpose of meeting short-term cash commitments and are reclassified to "other receivables". These partial time deposits at the end of the reporting period were as follows (refer to Note 11 to the consolidated financial statements):

	September 30, 2025	December 31, 2024	September 30, 2024
Time deposits	<u>\$ 6,860</u>	<u>\$ 7,662</u>	<u>\$ 7,554</u>

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Financial assets at FVTPL - current</u>			
Derivative financial assets			
Forward exchange contracts	\$ 414	\$ -	\$ 99,584
Non-derivative financial assets			
Domestic listed shares	15,497	15,467	15,198

(Continued)

	September 30, 2025	December 31, 2024	September 30, 2024
Overseas unlisted shares	\$ 60,890	\$ 65,570	\$ 63,300
Mutual funds	<u>113,519</u>	<u>120,767</u>	<u>118,776</u>
	<u>\$ 190,320</u>	<u>\$ 201,804</u>	<u>\$ 296,858</u>
<u>Financial assets at FVTPL - non-current</u>			
Non-derivative financial assets			
Overseas unlisted shares	<u>\$ 248,357</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Financial liabilities at FVTPL - current</u>			
Derivative financial liabilities			
Forward exchange contracts	\$ 121,035	\$ 129,161	\$ 2,705
Swap contracts	<u>21,116</u>	<u>13,320</u>	<u>-</u>
	<u>\$ 142,151</u>	<u>\$ 142,481</u>	<u>\$ 2,705</u>
<u>Financial liabilities at FVTPL - non-current</u>			
Held for trading			
Redemption and put option of convertible bonds (Note 19)	<u>\$ 4,352</u>	<u>\$ -</u>	<u>\$ -</u>
			(Concluded)

- a. At the date of balance sheet, the outstanding derivative foreign exchange contracts not under hedge accounting were as follows:

	Currency	Maturity Date	Contract Amount (In Thousands)
<u>September 30, 2025</u>			
Sell forward exchange contracts	USD to NTD	2025.10.03-2025.12.26	USD311,000/NTD9,332,421
Sell forward exchange contracts	USD to JPY	2025.10.14-2025.11.14	USD30,300/JPY4,445,273
Swap contracts	USD to NTD	2025.10.09-2025.10.31	USD23,000/NTD678,190
<u>December 31, 2024</u>			
Sell forward exchange contracts	USD to NTD	2025.01.03-2025.03.21	USD197,500/NTD6,383,660
Sell forward exchange contracts	USD to JPY	2025.01.14-2025.02.14	USD27,300/JPY4,149,572
Swap contracts	USD to NTD	2025.01.03	USD15,000/NTD478,455
<u>September 30, 2024</u>			
Sell forward exchange contracts	USD to NTD	2024.10.04-2024.12.06	USD224,800/NTD7,186,433
Sell forward exchange contracts	USD to JPY	2024.10.11-2024.11.14	USD29,000/JPY4,145,998
Buy forward exchange contracts	NTD to USD	2024.10.04	NTD1,278,040/USD40,000

- b. The Group entered into derivative financial instruments contracts to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities. The derivative financial instruments contracts entered into by the Group did not meet the criteria of hedge accounting; therefore, the Group did not apply hedge accounting treatment.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Equity Instruments at FVTOCI

	September 30, 2025	December 31, 2024	September 30, 2024
Domestic listed shares	\$ 9,671,920	\$ 8,402,276	\$ 11,626,947
Domestic unlisted shares	1,430,342	1,291,558	1,327,868
Overseas listed shares	269,745	-	-
Overseas unlisted shares	10,293	749,160	723,460
Beneficiary certificates	<u>1,152,318</u>	<u>1,318,257</u>	<u>1,279,939</u>
	<u>\$ 12,534,618</u>	<u>\$ 11,761,251</u>	<u>\$ 14,958,214</u>
Current	\$ 9,611,051	\$ 8,318,400	\$ 11,519,823
Non-current	<u>2,923,567</u>	<u>3,442,851</u>	<u>3,438,391</u>
	<u>\$ 12,534,618</u>	<u>\$ 11,761,251</u>	<u>\$ 14,958,214</u>

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

For the nine months ended September 30, 2025, the Group has disposed partial shares. The unrealized gain and loss on financial assets at fair value through other comprehensive income of NT\$243,994 thousand was realized and transferred to retained earnings, refer to Note 22 to the consolidated financial statements.

9. NOTES AND ACCOUNTS RECEIVABLE

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Notes receivable</u>	\$ 4,401	\$ -	\$ -
<u>Accounts receivable</u>			
At amortized cost			
Gross carrying amount	13,517,598	10,194,306	11,751,710
Less: Allowance for impairment loss	<u>(249,182)</u>	<u>(184,289)</u>	<u>(215,797)</u>
	<u>\$ 13,272,817</u>	<u>\$ 10,010,017</u>	<u>\$ 11,535,913</u>

The average credit period of sales of goods was 30 to 60 days. No interest was charged on accounts receivable. The Group adopted a policy of only dealing with entities that are rated the equivalent of investment grade or higher and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. Credit rating information is supplied by independent rating agencies where available and, if not available, the Group uses other publicly available financial information and its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored, and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved annually.

In order to minimize credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Group's credit risk was significantly reduced.

The Group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of lifetime expected loss provision for all accounts receivable. The expected credit losses on accounts receivable are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. The Group estimates expected credit losses based on past due days. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Group's different customer base.

The Group writes off accounts receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For accounts receivable that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The following table details the loss allowance of accounts receivable based on the overdue aging ratio and individual customer evaluation method.

September 30, 2025

	Not Overdue	Overdue under 30 Days	Overdue 31-90 Days	Overdue 91-180 Days	Overdue Over 180 Days	Total
Expected credit loss rate	0.1%-2%	2%	10%	20%	50%	
Gross carrying amount	\$ 13,390,840	\$ 113,230	\$ 3,848	\$ -	\$ 9,680	\$ 13,517,598
Loss allowance (lifetime ECL)	(236,916)	(2,265)	(385)	-	(64)	(239,630)
Loss allowance (individual customer ECL)	-	-	-	-	(9,552)	(9,552)
Amortized cost	<u>\$ 13,153,924</u>	<u>\$ 110,965</u>	<u>\$ 3,463</u>	<u>\$ -</u>	<u>\$ 64</u>	<u>\$ 13,268,416</u>

December 31, 2024

	Not Overdue	Overdue under 30 Days	Overdue 31-90 Days	Overdue 91-180 Days	Overdue Over 180 Days	Total
Expected credit loss rate	0.1%-2%	2%	10%	20%	50%	
Gross carrying amount	\$ 9,838,641	\$ 320,573	\$ 23,178	\$ 796	\$ 11,118	\$ 10,194,306
Loss allowance (lifetime ECL)	(164,977)	(6,411)	(2,318)	(159)	(694)	(174,559)
Loss allowance (individual customer ECL)	-	-	-	-	(9,730)	(9,730)
Amortized cost	<u>\$ 9,673,664</u>	<u>\$ 314,162</u>	<u>\$ 20,860</u>	<u>\$ 637</u>	<u>\$ 694</u>	<u>\$ 10,010,017</u>

September 30, 2024

	Not Overdue	Overdue under 30 Days	Overdue 31-90 Days	Overdue 91-180 Days	Overdue Over 180 Days	Total
Expected credit loss rate	0.1%-2%	2%	10%	20%	50%-100%	
Gross carrying amount	\$ 11,543,273	\$ 183,255	\$ 13,468	\$ 1,691	\$ 10,023	\$ 11,751,710
Loss allowance (lifetime ECL)	(200,570)	(3,665)	(1,347)	(338)	(147)	(206,067)
Loss allowance (individual customer ECL)	-	-	-	-	(9,730)	(9,730)
Amortized cost	<u>\$ 11,342,703</u>	<u>\$ 179,590</u>	<u>\$ 12,121</u>	<u>\$ 1,353</u>	<u>\$ 146</u>	<u>\$ 11,535,913</u>

The movements of loss allowance of accounts receivable were as follows:

	For the Nine Months Ended September 30	
	2025	2024
Balance at January 1	\$ 184,289	\$ 169,488
Recognized impairment loss	69,888	44,339
Effect of exchange rate changes	<u>(4,995)</u>	<u>1,970</u>
Balance at September 30	<u>\$ 249,182</u>	<u>\$ 215,797</u>

10. FINANCE LEASE RECEIVABLES

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Undiscounted lease payments</u>			
Year 1	\$ -	\$ 22,610	\$ 47,892
Less: Unearned finance income	<u>-</u>	<u>(104)</u>	<u>(331)</u>
Finance lease receivables	<u>\$ -</u>	<u>\$ 22,506</u>	<u>\$ 47,561</u>

Refer to Note 31 to the consolidated financial statements for details of finance lease contracts.

11. OTHER RECEIVABLES

	September 30, 2025	December 31, 2024	September 30, 2024
Business tax refund receivable	\$ 573,730	\$ 498,991	\$ 602,764
Current tax assets	62,548	53,501	42,274
Interest receivable	9,357	11,424	11,046
Time deposits (Note 6)	6,860	7,662	7,554
Dividend receivable	-	-	91,421
Others	<u>267,154</u>	<u>129,106</u>	<u>145,203</u>
	<u>\$ 919,649</u>	<u>\$ 700,684</u>	<u>\$ 900,262</u>

12. INVENTORIES

	September 30, 2025	December 31, 2024	September 30, 2024
Finished goods	\$ 2,831,574	\$ 2,633,126	\$ 2,508,711
Work-in-process	20,598,667	19,626,791	18,690,716
Raw materials and supplies	1,813,533	1,895,968	1,857,604
Inventories in transit	<u>6,789</u>	<u>45,278</u>	<u>144</u>
	<u>\$ 25,250,563</u>	<u>\$ 24,201,163</u>	<u>\$ 23,057,175</u>

The detail of the operating costs related to inventories was as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Inventories sold	\$ 15,808,668	\$ 13,543,655	\$ 44,796,341	\$ 41,865,411
Recognition of inventory write-downs (reversed)	(4,317,769)	1,282,702	(3,647,296)	613,833
Unallocated production overhead	<u>114,095</u>	<u>239,737</u>	<u>1,582,139</u>	<u>1,518,652</u>
Operating costs	<u>\$ 11,604,994</u>	<u>\$ 15,066,094</u>	<u>\$ 42,731,184</u>	<u>\$ 43,997,896</u>

For the three months ended September 30, 2025 and for the nine months ended September 30, 2025, inventory write-downs have been reversed as a result of increased selling prices in markets and the elimination of inventories that were recognized as inventory write-downs.

13. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

Investments in Associates

	September 30, 2025	December 31, 2024	September 30, 2024
Associates that are not individually material			
Chin Xin Investment Co., Ltd. ("Chin Xin")	\$ 7,884,067	\$ 5,240,577	\$ 7,197,587
Tower Partners Semiconductor Co., LTD. ("TPSCo.")	1,881,629	1,887,907	1,940,589
Theaceae Conservation Corporation ("ThCC")	<u>304,576</u>	<u>261,944</u>	<u>283,034</u>
	<u>\$ 10,070,272</u>	<u>\$ 7,390,428</u>	<u>\$ 9,421,210</u>

As of September 30, 2025, the Company held 27,000 thousand shares of ThCC with a 15% ownership interest.

As of September 30, 2025, the Company held 182,841 thousand shares of Chin Xin with a 38% ownership interest.

As of September 30, 2025, NTCJ held 49,539 shares of TPSCo. with a 49% ownership interest.

The Group's investments accounted for using equity method and the shares of profit or loss and other comprehensive income of those investments for the nine months ended September 30, 2025 and 2024 were based on the associates' financial statements reviewed by independent auditors.

14. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Machinery and Equipment	Other Equipment	Construction in Progress and Equipment under Installation	Total
<u>Cost</u>						
Balance at January 1, 2025	\$ 3,523,947	\$ 67,883,419	\$ 213,161,666	\$ 9,575,124	\$ 1,378,863	\$ 295,523,019
Additions	-	476,240	2,095,548	195,596	814,847	3,582,231
Disposals	-	(63,020)	(673,446)	(233,732)	-	(970,198)
Reclassified	-	451,852	993,793	158,113	(1,605,781)	(2,023)
Effect of exchange rate changes	(39,106)	(320,481)	(632,946)	(47,438)	34,526	(1,005,445)
Balance at September 30, 2025	<u>\$ 3,484,841</u>	<u>\$ 68,428,010</u>	<u>\$ 214,944,615</u>	<u>\$ 9,647,663</u>	<u>\$ 622,455</u>	<u>\$ 297,127,584</u>
<u>Accumulated depreciation and impairment</u>						
Balance at January 1, 2025	\$ -	\$ 40,370,126	\$ 147,465,138	\$ 7,435,663	\$ -	\$ 195,270,927
Depreciation expense	-	1,846,693	6,561,344	569,985	-	8,978,022
Disposals	-	(62,326)	(672,367)	(232,457)	-	(967,150)
Reclassified	-	-	-	(2,023)	-	(2,023)
Effect of exchange rate changes	-	(289,824)	(564,090)	(39,052)	-	(892,966)
Balance at September 30, 2025	<u>\$ -</u>	<u>\$ 41,864,669</u>	<u>\$ 152,790,025</u>	<u>\$ 7,732,116</u>	<u>\$ -</u>	<u>\$ 202,386,810</u>
Carrying amount at September 30, 2025	<u>\$ 3,484,841</u>	<u>\$ 26,563,341</u>	<u>\$ 62,154,590</u>	<u>\$ 1,915,547</u>	<u>\$ 622,455</u>	<u>\$ 94,740,774</u>
Carrying amount at January 1, 2025 and December 31, 2024	<u>\$ 3,523,947</u>	<u>\$ 27,513,293</u>	<u>\$ 65,696,528</u>	<u>\$ 2,139,461</u>	<u>\$ 1,378,863</u>	<u>\$ 100,252,092</u>
<u>Cost</u>						
Balance at January 1, 2024	\$ 2,997,080	\$ 66,017,865	\$ 216,054,778	\$ 9,100,361	\$ 1,937,580	\$ 296,107,664
Additions	284,787	701,962	4,459,837	294,812	1,712,020	7,453,418
Disposals	-	(183,169)	(7,431,329)	(68,024)	-	(7,682,522)
Reclassified	296,370	1,238,269	442,381	143,324	(2,089,605)	30,739
Effect of exchange rate changes	43,817	381,800	716,935	68,636	29,963	1,241,151
Balance at September 30, 2024	<u>\$ 3,622,054</u>	<u>\$ 68,156,727</u>	<u>\$ 214,242,602</u>	<u>\$ 9,539,109</u>	<u>\$ 1,589,958</u>	<u>\$ 297,150,450</u>
<u>Accumulated depreciation and impairment</u>						
Balance at January 1, 2024	\$ -	\$ 38,671,022	\$ 148,361,182	\$ 6,927,772	\$ -	\$ 193,959,976
Depreciation expense	-	1,766,677	6,543,188	536,199	-	8,846,064
Disposals	-	(181,555)	(7,424,614)	(66,921)	-	(7,673,090)
Reclassified	-	8,598	-	155	-	8,753
Effect of exchange rate changes	-	344,212	683,463	65,695	-	1,093,370
Balance at September 30, 2024	<u>\$ -</u>	<u>\$ 40,608,954</u>	<u>\$ 148,163,219</u>	<u>\$ 7,462,900</u>	<u>\$ -</u>	<u>\$ 196,235,073</u>
Carrying amount at September 30, 2024	<u>\$ 3,622,054</u>	<u>\$ 27,547,773</u>	<u>\$ 66,079,383</u>	<u>\$ 2,076,209</u>	<u>\$ 1,589,958</u>	<u>\$ 100,915,377</u>

- a. As of September 30, 2025, December 31, 2024 and September 30, 2024, the carrying amounts of NT\$67,218,602 thousand, NT\$61,750,901 thousand and NT\$63,392,514 thousand of property, plant and equipment were pledged to secure long-term borrowings and corporate bonds.

b. Information about capitalized interest

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Capitalized interest amounts	\$ 32,372	\$ 39,366	\$ 91,248	\$ 176,472
Interest rates under capitalization	2.87%	2.81%	2.87%	2.68%-2.81%

15. LEASE ARRANGEMENTS

a. Right-of-use assets

	September 30, 2025	December 31, 2024	September 30, 2024	
<u>Carrying amount</u>				
Land	\$ 1,393,060	\$ 1,480,566	\$ 1,503,615	
Buildings	256,545	353,647	385,658	
Machinery and equipment	92,993	103,214	112,266	
Other equipment	<u>82,958</u>	<u>47,196</u>	<u>44,722</u>	
	<u>\$ 1,825,556</u>	<u>\$ 1,984,623</u>	<u>\$ 2,046,261</u>	
	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Additions to right-of-use assets	<u>\$ 26,804</u>	<u>\$ 40,318</u>	<u>\$ 99,912</u>	<u>\$ 259,015</u>
Depreciation charge for right-of-use assets				
Land	\$ 28,283	\$ 28,368	\$ 84,848	\$ 85,104
Buildings	41,165	41,482	125,529	123,402
Machinery and equipment	2,699	2,882	8,404	8,600
Other equipment	<u>7,262</u>	<u>7,160</u>	<u>22,515</u>	<u>21,610</u>
	<u>\$ 79,409</u>	<u>\$ 79,892</u>	<u>\$ 241,296</u>	<u>\$ 238,716</u>
Income from the subleasing of right-of-use assets (recorded in “other income”)	<u>\$ 511</u>	<u>\$ 488</u>	<u>\$ 1,561</u>	<u>\$ 1,471</u>

b. Lease liabilities

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Carrying amount</u>			
Current	\$ 274,820	\$ 287,101	\$ 291,702
Non-current	\$ 1,663,653	\$ 1,803,971	\$ 1,860,748

Ranges of discount rate for lease liabilities are as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Land	1.76%-2.60%	1.76%-2.60%	1.76%-2.60%
Buildings	0.14%-6.53%	0.14%-7.46%	0.14%-7.46%
Machinery and equipment	0.48%-0.80%	0.48%-0.80%	0.48%-0.80%
Other equipment	0.14%-5.23%	0.14%-5.23%	0.14%-5.10%

For the three months ended September 30, 2025 and 2024 and for the nine months ended September 30, 2025 and 2024, the interest expense under lease liabilities amounted to NT\$11,344 thousand, NT\$12,963 thousand, NT\$36,231 thousand and NT\$38,770 thousand, respectively.

c. Material lease-in activities and terms

The Company and NTC leased lands from Science Park Bureau, and the lease term will expire in 2027, 2037 and 2043, respectively, which can be extended after the expiration of the lease periods.

NTC leased a land from Taiwan Sugar Corporation under a twenty-year term from October 2014 to September 2034, which can be extended after expiration of the lease periods. The chairman of NTC is a joint guarantor of such lease, refer to Note 31 to the consolidated financial statements.

The Group leased office spaces in the United States, China, Hong Kong, Japan, Israel, India, Korea and part in Taiwan, and the lease terms will expire between 2025 and 2032.

d. Subleases

NTC subleases its right-of-use assets for buildings under operating leases. The maturity analysis of lease payments receivable under operating subleases is as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Year 1	\$ 1,975	\$ 1,975	\$ 1,949
Year 2	<u>1,975</u>	<u>1,975</u>	<u>1,949</u>
	\$ 3,950	\$ 3,950	\$ 3,898

To reduce the residual asset risk related to the subleased asset at the end of the relevant sublease, the lease contract between NTC and the lessee includes the receipt of the deposits and the compensation for damage due to the lack of management and maintenance.

e. Other lease information

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Expenses relating to short-term leases	<u>\$ 26,935</u>	<u>\$ 29,515</u>	<u>\$ 81,979</u>	<u>\$ 93,075</u>
Expenses relating to low-value asset leases	<u>\$ 217</u>	<u>\$ 185</u>	<u>\$ 726</u>	<u>\$ 519</u>
Expenses relating to variable lease payments not included in the measurement of lease liabilities	<u>\$ 1,104</u>	<u>\$ 2,135</u>	<u>\$ 3,688</u>	<u>\$ 5,991</u>
			For the Nine Months Ended September 30	
			2025	2024
Total cash outflow for leases			<u>\$ 356,913</u>	<u>\$ 371,895</u>

The Group leases certain building, machinery and equipment, transportation equipment qualify as short-term leases and certain other equipment qualify as low-value lease. The Group has selected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

Lease-out arrangements under operating leases for investment properties are set out in Note 16 to the consolidated financial statements.

16. INVESTMENT PROPERTIES

	September 30, 2025	December 31, 2024	September 30, 2024
Investment properties, net	<u>\$ 1,248,179</u>	<u>\$ 1,369,827</u>	<u>\$ 1,483,554</u>

As of December 31, 2024, the fair values of investment properties held by NTC were NT\$2,397,194 thousand, and the fair values of NT\$2,197,194 thousand were evaluated by independent appraisal agencies, others were evaluated based on Level 3, a commonly used evaluation model, by NTC's management. As of September 30, 2025, NTC's management team evaluated the fair value of investment properties and determined that the fair value of the investment properties had not changed significantly.

	For the Nine Months Ended September 30	
	2025	2024
<u>Cost</u>		
Balance at January 1	\$ 6,931,676	\$ 7,165,730
Effect of exchange rate changes	<u>(138,133)</u>	<u>170,415</u>
Balance at September 30	<u>6,793,543</u>	<u>7,336,145</u>

(Continued)

	For the Nine Months Ended September 30	
	2025	2024
<u>Accumulated depreciation and impairment</u>		
Balance at January 1	\$ 5,561,849	\$ 5,616,730
Depreciation expense	96,521	97,805
Effect of exchange rate changes	(113,006)	138,056
Balance at September 30	<u>5,545,364</u>	<u>5,852,591</u>
Investment properties, net	<u>\$ 1,248,179</u>	<u>\$ 1,483,554</u>

(Concluded)

The investment properties were leased out for 3 to 12 years. The lease contracts contain market review clauses in the event that the lessees exercise their options to extend. The lessees do not have bargain purchase options to acquire the investment properties at the expiry of the lease periods.

The maturity analysis of NTC's lease payments receivable under operating leases of investment properties is as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Year 1	\$ 139,566	\$ 142,541	\$ 150,611
Year 2	136,064	140,872	149,937
Year 3	134,118	138,535	146,565
Year 4	132,741	136,042	144,842
Year 5	132,741	135,386	143,384
More than 5 years	<u>199,111</u>	<u>304,617</u>	<u>358,458</u>
	<u>\$ 874,341</u>	<u>\$ 997,993</u>	<u>\$ 1,093,797</u>

To reduce the residual asset risk related to the subleased asset at the end of the relevant sublease, the lease contract between NTC and the lessee includes the receipt of the deposits and the compensation for damage due to the lack of management and maintenance.

As of September 30, 2025, December 31, 2024 and September 30, 2024, the carrying amounts of NT\$264,398 thousand, NT\$290,024 thousand and NT\$314,344 thousand of investment properties of NTC were pledged to secure long-term borrowings, respectively.

17. INTANGIBLE ASSETS

	Deferred Technical Assets	Other Intangible Assets	Carbon Credits	Total
<u>Cost</u>				
Balance at January 1, 2025	\$ 3,791,479	\$ 1,280,523	\$ 5,750	\$ 5,077,752
Additions	217,948	55,236	-	273,184
Disposals	(51,255)	(212,921)	-	(264,176)
Effect of exchange rate changes	<u>(2,574)</u>	<u>197</u>	<u>-</u>	<u>(2,377)</u>
Balance at September 30, 2025	<u>\$ 3,955,598</u>	<u>\$ 1,123,035</u>	<u>\$ 5,750</u>	<u>\$ 5,084,383</u>
<u>Accumulated amortization and impairment</u>				
Balance at January 1, 2025	\$ 3,193,566	\$ 1,068,597	\$ -	\$ 4,262,163
Amortization expenses	202,093	50,345	-	252,438
Disposals	(24,773)	(212,840)	-	(237,613)
Effect of exchange rate changes	<u>(4,076)</u>	<u>2,583</u>	<u>-</u>	<u>(1,493)</u>
Balance at September 30, 2025	<u>\$ 3,366,810</u>	<u>\$ 908,685</u>	<u>\$ -</u>	<u>\$ 4,275,495</u>
Carrying amount at September 30, 2025	<u>\$ 588,788</u>	<u>\$ 214,350</u>	<u>\$ 5,750</u>	<u>\$ 808,888</u>
Carrying amount at January 1, 2025 and December 31, 2024	<u>\$ 597,913</u>	<u>\$ 211,926</u>	<u>\$ 5,750</u>	<u>\$ 815,589</u>
<u>Cost</u>				
Balance at January 1, 2024	\$ 20,040,063	\$ 1,299,040	\$ 5,804	\$ 21,344,907
Additions	507,448	93,343	-	600,791
Disposals	-	(57,884)	-	(57,884)
Reclassified	17,918	(17,970)	-	(52)
Effect of exchange rate changes	<u>4,971</u>	<u>22,292</u>	<u>-</u>	<u>27,263</u>
Balance at September 30, 2024	<u>\$ 20,570,400</u>	<u>\$ 1,338,821</u>	<u>\$ 5,804</u>	<u>\$ 21,915,025</u>
<u>Accumulated amortization and impairment</u>				
Balance at January 1, 2024	\$ 19,682,066	\$ 1,059,012	\$ -	\$ 20,741,078
Amortization expenses	193,965	75,261	-	269,226
Disposals	-	(57,884)	-	(57,884)
Effect of exchange rate changes	<u>6,029</u>	<u>18,337</u>	<u>-</u>	<u>24,366</u>
Balance at September 30, 2024	<u>\$ 19,882,060</u>	<u>\$ 1,094,726</u>	<u>\$ -</u>	<u>\$ 20,976,786</u>
Carrying amount at September 30, 2024	<u>\$ 688,340</u>	<u>\$ 244,095</u>	<u>\$ 5,804</u>	<u>\$ 938,239</u>

The amounts of deferred technical assets were the technical transfer fees in connection with certain technical transfer agreements. The above technical assets pertained to different products or process technology. The assets were depreciated on a straight-line basis from the commencement of production or over the estimated useful lives of the assets. The estimated useful lives of technical assets were based on the economic benefits generated from the assets or the terms of the technical asset contracts.

The Company's carbon credits were purchased from the TCX platform in Taiwan and the CIX platform in Singapore, which were certified by third parties regarding forest carbon rights, etc. The carbon credits are used to offset carbon emissions to achieve a net-zero emission plan.

18. BORROWINGS

a. Short-term borrowings

	September 30, 2025		December 31, 2024		September 30, 2024	
	Interest Rate %	Amount	Interest Rate %	Amount	Interest Rate %	Amount
<u>Secured borrowings</u>						
Bank loans	1.37%-2.02%	\$ 3,169,320	1.55%-1.70%	\$ 1,490,290	1.41%-1.54%	\$ 1,022,580
<u>Unsecured borrowings</u>						
Bank lines of credit	1.35%-1.85%	<u>6,423,200</u>	1.17%-1.25%	<u>629,700</u>	1.88%-1.93%	<u>1,400,000</u>
		<u>\$ 9,592,520</u>		<u>\$ 2,119,990</u>		<u>\$ 2,422,580</u>

On May 17, 2021, NTCJ entered into a syndicated loan with CTBC and a group of financial institutions to pay outstanding debt and enrich operating capital, and the line of credit amounted to JPY30 billion. This syndicated loan is secured by property, plant and equipment and investment properties of NTCJ; refer to Notes 14 and 16 to the consolidated financial statements. This syndicated loan also requires the Company to act as a joint guarantor and hold ownership of NTCJ with NTC by no less than 100% with maintenance and operational control as stated in the agreement. According to the financial covenants, the Company and NTCJ are required to maintain their financial ratios not lower than a specific threshold over the effective period, on June 30 and December 31, and there is no breach of the terms of the contract. The financial ratios mentioned above are computed based on the Company's annual audited and semi-annually reviewed consolidated financial statements, and on NTCJ's annual audited individual financial statements.

b. Long-term borrowings

	Period	Interest Rate	September 30, 2025	December 31, 2024	September 30, 2024
<u>Secured borrowings</u>					
Bank of Taiwan syndicated loan (V)	2019.09.19-2026.09.19	2.98%	\$ 21,000,000	\$ 29,400,000	\$ 29,400,000
Bank of Taiwan syndicated loan (VI) (Note 28)	2023.12.15-2030.12.15	2.61%-2.91%	14,460,000	6,300,000	6,300,000
CTBC bank syndicated loan	2025.07.16-2032.07.16	2.58%	3,500,000	-	-
<u>Unsecured borrowings</u>					
The Export - Import Bank of ROC Government preferential loan (Note 28)	2020.08.25-2027.08.25	-	-	857,143	857,143
	2020.12.28-2028.11.15	1.38%-1.58%	<u>3,733,535</u>	<u>4,694,273</u>	<u>4,887,850</u>
			42,693,535	41,251,416	41,444,993
			(22,280,985)	(9,966,699)	(9,840,029)
Less: Current portion					
Less: Syndication agreement management fee			(94,455)	(45,427)	(49,213)
Less: Government loan discount (Note 28)			<u>(72,564)</u>	<u>(111,572)</u>	<u>(126,139)</u>
			<u>\$ 20,245,531</u>	<u>\$ 31,127,718</u>	<u>\$ 31,429,612</u>

1) Bank of Taiwan Syndicated Loan (V)

- a) On January 14, 2019, the Company entered into a syndicated loan, with a group of financial institutions to build up and procure equipment for its fab. The credit line amounted to NT\$42 billion. The principal will be repaid every six months from September 19, 2023 until maturity.
- b) The amounts of 12-inch building, fab facilities, machinery and equipment and related ancillary equipment pledged as collateral for bank borrowings are disclosed in Note 14 to the consolidated financial statements.
- c) The Company is required to maintain certain financial covenants, including current ratio, debt ratio, interest coverage ratio, and total equity, on June 30 and December 31 during the tenures of the loans. The Company was in compliance with the agreed financial ratio requirements. The computations of financial ratios mentioned above are done based on the annual audited and semi-annual reviewed consolidated financial statements.

2) Bank of Taiwan Syndicated Loan (VI)

- a) On April 12, 2023, the Company entered into a syndicated loan with a group of financial institutions to procure equipment and related ancillary equipment for its fab. The credit line was divided into parts A and B, which amounted to NT\$15 billion and NT\$20 billion, respectively; the total line of credit should not exceed NT\$20 billion.
- b) Part A will be repaid every month from December 15, 2026 until maturity; part B will be repaid every six months from December 15, 2026 until maturity.
- c) The amounts of 12-inch building, fab facilities, machinery and equipment and related ancillary equipment pledged as collateral for bank borrowings are disclosed in Note 14 to the consolidated financial statements.
- d) The Company is required to maintain certain financial covenants, including current ratio, debt ratio, interest coverage ratio, and total equity, on June 30 and December 31 during the tenures of the loans. The Company was in compliance with the agreed financial ratio requirements. The computations of financial ratios mentioned above are done based on the annual audited and semi-annual reviewed consolidated financial statements.

3) CTBC Bank Syndicated Loan

- a) On May 8, 2025, the Company entered into a syndicated loan with a group of financial institutions to repay outstanding financial borrowings and to strengthen medium-term working capital. The credit line amounted to NT\$25 billion. The principal will be repaid every six months from July 16, 2028 until maturity.
 - b) The amounts of 12-inch building and related ancillary equipment pledged as collateral for bank borrowings are disclosed in Note 14 to the consolidated financial statements.
 - c) The Company is required to maintain certain financial covenants, including current ratio, debt ratio, interest coverage ratio, and total equity, on June 30 and December 31 during the tenures of the loans. The Company was in compliance with the agreed financial ratio requirements. The computations of financial ratios mentioned above are done based on the annually audited and semi-annually reviewed consolidated financial statements.
- 4) The proceeds of the unsecured borrowings from the Export-Import Bank of ROC were provided to NTC for acquiring Panasonic Semiconductor Solutions Co., Ltd. NTC made an early full repayment of the loan in September 2025.

19. BONDS PAYABLE

	September 30, 2025	December 31, 2024	September 30, 2024
Domestic secured bonds	\$ -	\$ 9,993,636	\$ 9,990,454
Overseas unsecured convertible bonds	4,837,786	-	-
Less: Current portion	<u>-</u>	<u>(9,993,636)</u>	<u>(9,990,454)</u>
	<u>\$ 4,837,786</u>	<u>\$ -</u>	<u>\$ -</u>

a. Domestic secured bonds

On July 10, 2018, the Company was approved by the FSC to offer and issue the first secured corporate bonds of 2018, with an aggregate principal amount of NT\$10 billion. The terms of issuance, amounts and interest rate as follows:

Issuance Date	Period	Amount	Coupon Rate	Repayment and Interest Payment
2018.07.17	7 years	\$10 billion	1%	The principal will be repaid upon maturity. The interest is payable once a year at the coupon rate accrued annually on a simple basis starting from the issue date.

Refer to Note 14 to the consolidated financial statements for collateral of 12-inch Fab Manufacturing facilities on corporate bonds. The bonds were fully repaid upon maturity on July 17, 2025.

b. Overseas unsecured convertible bonds

In November 2024, the board of directors of NTC resolved to issued the 2024 First Overseas Unsecured Convertible Bonds. On January 21, 2025, NTC publicly offered five-year unsecured zero-coupon convertible bonds on the Singapore Exchange, with a total principal amount of USD150 million and a denomination of USD200 thousand per bond. The principal terms of the issuance are as follows:

- 1) Bondholders may request NTC to convert the bonds into ordinary shares of NTC at the conversion price of NT\$118.68 per share, at any time the day following three months after the issuance date until ten days prior to the maturity date, or five days prior to the exercise date of the put option or the issuer's call option. The conversion price will be adjusted according to the anti-dilution clause of the 2024 First Overseas Unsecured Convertible Bonds Issuance and Conversion Rules of NTC. The conversion shall be calculated using a fixed exchange rate of USD1=NT\$32.917, divided by the conversion price per share on the conversion date. Since NTC distributed cash dividends in August 2025, the conversion price should be adjusted according to the issuance and conversion measures, so the conversion price has been adjusted to NT\$118.02 since August 3, 2025.
- 2) From the day following three months after the issuance date until the maturity date, if the closing price of NTC's common shares listed on the Taiwan Stock Exchange equals or exceeds 130% of the prevailing conversion price for at least 20 trading days within any 30 consecutive business days, NTC may redeem all outstanding bonds in cash at their principal amount.
- 3) On or after the third anniversary of the issuance date, bondholders may request NTC to redeem all or part of their bonds. The repurchase price shall be the principal amount plus interest compensation calculated at an annual rate of 1.55%, compounded semiannually.

- 4) Except for the bonds that have been redeemed, repurchased, converted or bought back and cancelled by NTC in the market, all outstanding bonds shall be redeemed at maturity in U.S. dollars at their face value plus a yield calculated at an annual interest rate of 1.55%, compounded semiannually. The redemption amount will be converted into New Taiwan Dollars using the fixed exchange rate of NT\$32.917 to USD1, and then reconverted into U.S. dollars based on the prevailing exchange rate at the time of redemption.
- 5) The effective interest rate of the convertible bonds liability component was 2.29% per annum on initial recognition.

Proceeds from issuance (less transaction costs of NT\$54,260 thousand)	\$ 4,883,290
Equity component (less transaction costs of NT\$1,253 thousand)	(112,804)
Redemption and put option derivative (recognized as financial liability at fair value through profit or loss) (less transaction costs of NT\$92 thousand)	(8,302)
Interest charged at an effective interest rate of 2.29%	<u>75,602</u>
Liability component at September 30, 2025	<u>\$ 4,837,786</u>

20. PROVISIONS

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Non-current</u>			
Employee benefits	\$ 913,852	\$ 1,093,623	\$ 1,220,154
Decommissioning liabilities	452,348	461,360	488,616
Warranties	<u>366,266</u>	<u>415,876</u>	<u>454,137</u>
	<u>\$ 1,732,466</u>	<u>\$ 1,970,859</u>	<u>\$ 2,162,907</u>

NTC purchased the semiconductor business of Panasonic Corporation in September 2020. The expected decommissioning costs and personnel costs from shutting down some fabs were recognized as the decommissioning liabilities and employee benefits provisions.

21. RETIREMENT BENEFIT PLANS

The employee benefit expense in respect of the Group's defined benefit retirement plans was calculated using the actuarially determined pension cost discount rate as of December 31, 2024 and 2023, and recognized NT\$25,223 thousand, NT\$24,072 thousand, NT\$76,667 thousand and NT\$74,435 thousand for the three months ended September 30, 2025 and 2024 and for the nine months ended September 30, 2025 and 2024, respectively.

22. EQUITY

a. Share capital

Ordinary shares

	September 30, 2025	December 31, 2024	September 30, 2024
Number of shares authorized (in thousands)	<u>6,700,000</u>	<u>6,700,000</u>	<u>6,700,000</u>
Shares authorized	<u>\$ 67,000,000</u>	<u>\$ 67,000,000</u>	<u>\$ 67,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>4,500,000</u>	<u>4,500,000</u>	<u>4,500,000</u>
Shares issued	<u>\$ 45,000,002</u>	<u>\$ 45,000,002</u>	<u>\$ 45,000,002</u>

On May 2, 2024, the Company's board of directors resolved to issue 320,000 thousand shares with a par value of NT\$10 for capital increase, and the price of the issue at premium NT\$21 per share. The issuance of shares was approved by the Financial Supervisory Commission, Taiwan, R.O.C. on June 14, 2024. The subscription date of the capital increase, which was determined by the chairman, was set on August 15, 2024. The relevant issuance costs amounted to NT\$16,608 thousand and were recognized as the deduction of capital surplus - from the issuance of share capital.

b. Capital surplus

	September 30, 2025	December 31, 2024	September 30, 2024
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital			
Arising from issuance of share capital	\$ 11,050,593	\$ 11,050,593	\$ 11,050,593
Arising from treasury share transactions	2,342,036	2,342,036	2,342,036
Arising from conversion of bonds	136,352	136,352	136,352
<u>May only be used to offset a deficit</u>			
Arising from changes in percentage of ownership interest in subsidiaries	206,371	153,221	153,221
Arising from share of changes in capital surplus of associates	<u>16,508</u>	<u>16,846</u>	<u>16,846</u>
	<u>\$ 13,751,860</u>	<u>\$ 13,699,048</u>	<u>\$ 13,699,048</u>

The capital surplus generated from the excess of the issuance price over the par value of share capital (including the shares issued for new capital, mergers and convertible bonds) may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or share dividends up to a certain percentage of the Company's paid-in capital. The capital surplus from share of changes in equities of subsidiaries and associates may be used to offset a deficit; however, when generated from issuance of restricted shares for employees, such capital surplus may not be used for any purpose.

c. Retained earnings and dividend policy

According to the Company's Articles of Incorporation, the Company's dividend distribution policy is as follows:

From the pre-tax net profit of the current year, before deducting remuneration of employees and remuneration of directors, no more than 1% shall be allocated as remuneration of directors and no less than 1% as remuneration of employees. No less than 3% of the employee remuneration shall be allocated as remuneration for rank-and-file employees. The remuneration of employees may be distributed in stock or cash upon resolution of the board of directors and may be distributed to the employees of subsidiaries of the Company meeting certain criteria.

However, if the Company has accumulated losses, the Company shall first set aside an amount for making up losses, and then allocate remuneration of employees and remuneration of directors according to the percentage set forth in the preceding paragraph.

The Company purchases its shares for transferring such treasury shares, issues employee options, provides pre-emptive right for employees' subscription upon issuing new shares, issues new restricted employee shares, and distributes employee remuneration, to employees of the Company's controlling or subordinated companies who meet certain criteria, which shall be determined and resolved by the board of directors.

If the Company has pre-tax profits at the end of the current fiscal year, after paying all taxes and covering all accumulated losses, the Company shall set aside 10% of said earnings as legal reserve. However, legal reserve need not be made when the accumulated legal reserve equals the paid-in capital of the Company. After setting aside or reversing special reserve pursuant to applicable laws and regulations and orders of competent authorities or based on the business needs of the Company, if there is any balance, the board of directors may submit a proposal for allocation of the remaining balance and the accumulated undistributed earnings to the shareholders meeting for resolution of distributing bonuses and dividends to shareholders.

The board of directors shall be authorized to distribute the profit, the legal reserve and the capital reserve mentioned in the preceding paragraph in cash upon resolution by a majority vote at a board meeting attended by two-thirds or more of the directors, and shall report the same to the shareholders' meeting.

The Company's dividend distribution policy is made in accordance with the Company Act and the Articles of Incorporation in consideration of factors including capital and financial structure, operating status, retained earnings, industry characteristics and economic cycle. The dividends shall be distributed in a steady manner. With respect to distribution of dividends, in consideration of future operation scale and cash flow needs, no less than 30% of the remaining amount of the net profit after tax of the current year, after covering the accumulative losses and setting aside the legal reserve and the special reserve, shall be distributed to shareholders as dividends (The Company shall not issue dividends if the dividends are less than NT\$0.1.), which may be distributed in share dividend or cash dividend, and the distribution of cash dividend shall not be less than 50% of total dividends, so as to maintain continuous growth.

The Company may distribute its profit or make up its losses at the end of each half of a fiscal year. The business report, the financial statements, and the proposal for distribution of earnings or making up loss shall be prepared by and then resolved by the board of directors.

The Company, in distributing its profit according to the preceding paragraph, shall estimate and reserve employee and director remuneration and any taxes payable as well as cover any losses and set aside the legal reserve in accordance with the law; however, provided that the legal reserve amounts to the total paid-in capital, the legal reserve need not be set aside. Where the Company distributes the profit in cash, such distribution shall be resolved by the board of directors, but where the profit is distributed in the form of newly issued shares, such distribution shall be resolved by the shareholders' meeting.

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

Pursuant to existing regulations, the Company is required to set aside additional special capital reserve equivalent to the net debit balance of the other components of shareholders' equity, such as the accumulated balance of foreign currency translation reserve, unrealized valuation gain (loss) from available-for-sale financial assets, net amount of fair value below the cost of the Company's ordinary shares held by subsidiaries, etc. For the subsequent decrease in the deduction amount to shareholders' equity, any special reserve appropriated may be reversed to the extent that the net debit balance reverses.

The appropriations of earnings and cash dividends per share for 2024 and 2023 were as follows:

	Appropriation of Earnings		Cash Dividends Per Share (NT\$)	
	For Year 2024	For Year 2023	For Year 2024	For Year 2023
Legal reserve appropriated	\$ 50,941	\$ -		
Cash dividends	<u>-</u>	<u>-</u>	\$ -	\$ -
	<u>\$ 50,941</u>	<u>\$ -</u>		

No cash dividends appropriated for 2023 were resolved by the board of directors on February 6, 2024; no legal reserve appropriated for 2023 was resolved by the shareholders on May 9, 2024.

No cash dividends appropriated for 2024 were resolved by the board of directors on February 18, 2025; the appropriation of earnings for 2024 were resolved by the shareholders meeting on May 27, 2025.

d. Other equity items

1) Exchange differences on translation of the financial statements of foreign operations

	For the Nine Months Ended September 30	
	2025	2024
Balance at January 1	\$ (906,715)	\$ (1,007,855)
Exchange differences arising on translating the financial statements of foreign operations	<u>(402,469)</u>	<u>265,080</u>
Balance at September 30	<u>\$ (1,309,184)</u>	<u>\$ (742,775)</u>

The exchange differences arising on translation of foreign operation's net assets from its functional currency to the Group's presentation currency are recognized directly in other comprehensive income and also accumulated in the foreign currency translation reserve.

2) Unrealized gains (losses) on financial assets at FVTOCI

	For the Nine Months Ended September 30	
	2025	2024
Balance at January 1	\$ 5,874,120	\$ 13,893,178
Unrealized gains (losses) on revaluation of financial assets at FVTOCI	423,830	(1,180,494)
Share of unrealized gains (losses) on revaluation of financial assets at FVTOCI of associates accounted for using equity method	2,619,771	(1,668,490)
Income tax related to items that will not be reclassified	42,715	-
Disposal of investments in equity instruments designated at FVTOCI	<u>243,994</u>	<u>-</u>
Balance at September 30	<u>\$ 9,204,430</u>	<u>\$ 11,044,194</u>

Unrealized gains (losses) on financial assets at FVTOCI represents the cumulative gains or losses arising from the fair value measurement on financial assets at FVTOCI that are recognized in other comprehensive income. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, instead, they will be transferred to retained earnings.

e. Non-controlling interests

	For the Nine Months Ended September 30	
	2025	2024
Balance at January 1	\$ 7,507,933	\$ 8,163,361
Share attributable to non-controlling interests		
Profit (loss) for the period	(456,783)	138,538
Exchange differences on translation of the financial statements of foreign operations	(152,655)	146,933
Unrealized gains (losses) on financial assets measured at FVTOCI	(268,663)	20,972
Income tax related to items that will not be reclassified	39,285	-
Cash dividends issued by subsidiaries to non-controlling interests	(79,284)	(614,432)
Acquisition of non-controlling interests in subsidiaries	(114,831)	(138,200)
Changes in ownership interests in subsidiaries	<u>49,077</u>	<u>941</u>
Balance at September 30	<u>\$ 6,524,079</u>	<u>\$ 7,718,113</u>

23. REVENUE

Refer to Note 38 to the consolidated financial statements for the Group's revenue.

24. EMPLOYEE BENEFITS EXPENSE, DEPRECIATION, AND AMORTIZATION

	For the Three Months Ended September 30, 2025			
	Classified as Operating Costs	Classified as Operating Expenses	Classified as Non-operating Income and Losses	Total
Short-term employee benefits	\$ 1,317,847	\$ 3,119,729	\$ -	\$ 4,437,576
Post-employment benefits	\$ 51,359	\$ 165,729	\$ -	\$ 217,088
Depreciation	\$ 2,701,910	\$ 299,510	\$ 32,065	\$ 3,033,485
Amortization	\$ 8,101	\$ 75,035	\$ 6,412	\$ 89,548

	For the Three Months Ended September 30, 2024			
	Classified as Operating Costs	Classified as Operating Expenses	Classified as Non-operating Income and Losses	Total
Short-term employee benefits	\$ 1,070,088	\$ 2,816,979	\$ -	\$ 3,887,067
Post-employment benefits	\$ 51,790	\$ 180,804	\$ -	\$ 232,594
Share-based payment	\$ 27,605	\$ 33,107	\$ -	\$ 60,712
Depreciation	\$ 2,835,883	\$ 267,119	\$ 34,378	\$ 3,137,380
Amortization	\$ 804	\$ 87,181	\$ 10,536	\$ 98,521

	For the Nine Months Ended September 30, 2025			
	Classified as Operating Costs	Classified as Operating Expenses	Classified as Non-operating Income and Losses	Total
Short-term employee benefits	\$ 3,514,892	\$ 8,980,364	\$ -	\$ 12,495,256
Post-employment benefits	\$ 153,513	\$ 503,496	\$ -	\$ 657,009
Depreciation	\$ 8,311,999	\$ 903,804	\$ 100,036	\$ 9,315,839
Amortization	\$ 20,088	\$ 232,349	\$ 13,983	\$ 266,420

	For the Nine Months Ended September 30, 2024			
	Classified as Operating Costs	Classified as Operating Expenses	Classified as Non-operating Income and Losses	Total
Short-term employee benefits	\$ 3,317,013	\$ 8,552,520	\$ -	\$ 11,869,533
Post-employment benefits	\$ 153,540	\$ 530,945	\$ -	\$ 684,485
Share-based payment	\$ 27,605	\$ 33,107	\$ -	\$ 60,712
Depreciation	\$ 8,290,914	\$ 790,058	\$ 102,409	\$ 9,183,381
Amortization	\$ 3,536	\$ 265,690	\$ 31,607	\$ 300,833

The remuneration policies of the Company were as follows:

a. Directors:

In accordance with the Article 22 of the Company's Articles of Incorporation, the distribution of the remuneration of directors shall be appropriated at the rates no more than 1% of net profit before income tax before deducting remuneration to employees and directors. The Remuneration Committee will recommend remuneration to directors in accordance with the Company's Articles of Incorporation, the internal Rules for Remuneration of Directors and Performance Assessment of The Board of Directors, board members' self-assessment results, and annual profit deduct the accumulative losses. The remuneration was resolved by the board of directors and reported to the shareholders' meeting.

b. Managers:

The remuneration of the managers, which depends on responsibilities and performance of individuals to encourage managers to take responsibilities and achieve performance, shall be competitive to attract external talent and stabilize internal talent. The managers have the responsibilities for operating performance, the encouragement shall be taken both short-term and long-term performance into account.

c. Employees:

Employees' compensation, including fixed and variable compensation, was taken both internal fairness and external competitiveness into consideration. The Company gives bonus immediately and shares operating performance with the employees to attract, encourage and retain the talent. In accordance with the Articles of Incorporation, it stipulates distribution of the compensation of employees at the rates no less than 1% of net profit before income tax before deducting remuneration to employees and directors. The compensation to employees may be distributed in shares or cash upon resolution of the board of directors and reported to the shareholders' meeting. Personal salary is determined by responsibilities and professional skills. Bonus and compensation are in relation to individual's performance and contribution. In accordance with the amendment to the Securities and Exchange Act in August 2024, the Company amended its Articles of Incorporation at the 2025 shareholders' meeting to stipulate that no less than 3% of the employees' remuneration shall be allocated as remuneration for rank-and-file employees.

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

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2025		2024		2025		2024	
	Amounts	Accrual Rate	Amounts	Accrual Rate	Amounts	Accrual Rate	Amounts	Accrual Rate
Employees' compensation	\$ 15,340	2%	\$ (1,882)	2%	\$ 15,340	2%	\$ 30,992	2%
Remuneration of directors	7,670	1%	(941)	1%	7,670	1%	15,496	1%

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

The compensation to employees and remuneration to the directors of 2024 were approved by the Company's board of directors on March 14, 2025, were as below: (There was no employees' compensation and remuneration of the directors in 2023 due to a net loss before income tax.)

	For the Year Ended December 31, 2024	
	Amounts	Rate
Employees' compensation in cash	<u>\$ 13,400</u>	2%
Remuneration of directors	<u>\$ 6,700</u>	1%

There was no difference between the actual amounts of employees' compensation and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the year ended December 31, 2024.

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

25. INCOME TAXES RELATING TO CONTINUING OPERATIONS

a. Income tax recognized in profit or loss

Major components of income tax expense were as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Current income tax (benefit) expense				
Current tax expense	\$ 40,101	\$ 21,875	\$ 268,428	\$ (154,989)
Adjustments for prior years	1,020	67,137	18,974	88,105
Deferred income tax				
Change in current year	<u>816,281</u>	<u>(53,869)</u>	<u>223,482</u>	<u>571,066</u>
Income tax expense recognized in profit or loss	<u>\$ 857,402</u>	<u>\$ 35,143</u>	<u>\$ 510,884</u>	<u>\$ 504,182</u>

b. Income tax recognized in other comprehensive income

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Deferred income tax				
Change in current year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 82,000</u>	<u>\$ -</u>
Income tax benefit recognized in other comprehensive income	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 82,000</u>	<u>\$ -</u>

- c. The tax returns of the Company and NTC through 2023 have been assessed and approved by the tax authorities.
- d. Pillar Two Income Tax Act

As of September 30, 2025, the Group has no material current tax exposure from countries that have enforced the Pillar Two income tax legislation. Since the legislation has already taken effect in certain countries and the number of subsidiaries in Japan is relatively high, the Group will continue to assess the potential impact of the Pillar Two income tax legislation on its future financial performance.

26. EARNINGS (LOSSES) PER SHARE

	For the Three Months Ended September 30					
	2025		Earnings Per Share (NT\$)	2024		Losses Per Share (NT\$)
	Amounts (Numerator)	Shares (Denominator) (In Thousands)		Amounts (Numerator)	Shares (Denominator) (In Thousands)	
	Net Income After Income Tax (Attributable to Owners of the Parent)		Net Income After Income Tax (Attributable to Owners of the Parent)	Net Loss After Income Tax (Attributable to Owners of the Parent)		Net Loss After Income Tax (Attributable to Owners of the Parent)
Basic earnings (losses) per share						
Net income (loss) attributed to ordinary shareholders	\$ 2,943,150	4,500,000	<u>\$ 0.65</u>	\$ (9,437)	4,343,478	<u>\$ (-)</u>
Effect of dilutive potential ordinary shares						
Employees' compensation	-	451		-	-	
Diluted earnings (losses) per share						
Net income (loss) attributed to ordinary shareholders	<u>\$ 2,943,150</u>	<u>4,500,451</u>	<u>\$ 0.65</u>	<u>\$ (9,437)</u>	<u>4,343,478</u>	<u>\$ (-)</u>

	For the Nine Months Ended September 30					
	2025		Earnings Per Share (NT\$)	2024		Earnings Per Share (NT\$)
	Amounts (Numerator)	Shares (Denominator) (In Thousands)		Amounts (Numerator)	Shares (Denominator) (In Thousands)	
	Net Income After Income Tax (Attributable to Owners of the Parent)		Net Income After Income Tax (Attributable to Owners of the Parent)	Net Income After Income Tax (Attributable to Owners of the Parent)		Net Income After Income Tax (Attributable to Owners of the Parent)
Basic earnings per share						
Net income attributed to ordinary shareholders	\$ 539,575	4,500,000	<u>\$ 0.12</u>	\$ 1,249,238	4,234,891	<u>\$ 0.29</u>
Effect of dilutive potential ordinary shares						
Employees' compensation	-	621		-	1,452	
Diluted earnings per share						
Net income attributed to ordinary shareholders	<u>\$ 539,575</u>	<u>4,500,621</u>	<u>\$ 0.12</u>	<u>\$ 1,249,238</u>	<u>4,236,343</u>	<u>\$ 0.29</u>

The Company may settle the compensation or bonuses paid to employees by cash or shares; therefore, the Company assumes that the entire amount of the compensation or bonuses will be settled in shares and the resulting potential shares will be included in the weighted average number of shares outstanding used in the computation of diluted earnings per share (EPS), if the shares have a dilutive effect. Such dilutive effect of the potential shares is included in the computation of diluted EPS until the number of shares to be distributed to employees is resolved in the following year.

For the three months ended September 30, 2024, the Company had a loss. If the effects of the compensation or bonuses paid to employees in 2024 were included in the computation of diluted EPS, there would be an anti-dilutive effect; therefore, the compensation or bonuses paid to employees were excluded from the computation of diluted losses per share.

27. SHARE-BASED PAYMENT ARRANGEMENTS

The Company was approved by the FSC on June 14, 2024 to issue 320,000 thousand shares for cash capital increase. The board of directors resolved to retain 10% of the issued shares for employees' subscription (including NTC's employees). The number of shares retained for employees' subscriptions was confirmed on August 11, 2024. The fair value of such share options subscribed for by the Company's employees on the grant date was measured using the Black-Scholes Option Pricing Model and amounted to NT\$60,712 thousand which was recorded as compensation costs with a corresponding increase in capital surplus.

a. The Company's share-based payment agreements were as follows:

Agreement	Grant Date	Number of Shares Confirmed on Grant Date	Vesting Conditions
Cash capital increase reserved for employee share options	2024.8.11	31,954 thousand shares	Vested immediately

b. The fair value of share options acquired by employees on grant day, August 11, 2024, was measured using the Black-Scholes Option Pricing Model. Relevant information is as follows:

Share Price (NT\$)	Exercise Price (NT\$)	Expected Price Volatility	Expected Vesting Period	Risk-free Interest Rate	Fair Value Per Share (NT\$)
\$22.90	\$21	29.87%	2 days	1.27%	\$1.9

28. GOVERNMENT GRANTS

The Company received government preferential loans of NT\$5,131,600 thousand at a below-market interest rates. These loans will be used for the purchase of machinery and equipment and to support working capital. The first installment will be made in the 36th-37th month of the principal, and each month thereafter, the principal will be repaid in 48-49 equal installments. The Company also received Part A of Bank of Taiwan Syndicated Loan (VI) of NT\$1,770,000 thousand at a below-market interest rates. The total fair value of the loans was estimated by using the prevailing market interest rates. The difference between the proceeds and the fair value of the loans is the benefit derived from the below-market interest rates which has been recognized as deferred revenue. The deferred revenue will be recognized as other income over time. For the three months ended September 30, 2025 and 2024 and for the nine months ended September 30, 2025 and 2024, the other income under government grants were NT\$12,121 thousand, NT\$14,848 thousand, NT\$39,008 thousand and NT\$44,264 thousand, respectively. The interest expense under loans were NT\$37,763 thousand, NT\$44,115 thousand, NT\$118,872 thousand and NT\$123,825 thousand, respectively.

Additionally, the Company applied for the "IC Design Summit Grant Program" from the Ministry of Economic Affairs' Industrial Technology Department, which was approved in September 2024. The total approved grant was NT\$555,500 thousand, with the grant program starting from April 1, 2024 to September 30, 2027. As of September 30, 2025, a total of NT\$91,043 thousand has been recognized as other income under government grants. The Company has established a dedicated account for the grant, and monthly withdrawals must be based on the expenses summary report, with the withdrawal amount not exceeding the actual expenses incurred. The dedicated account for the grant will be closed once the project is completed. Starting from April 1, 2025, each grant installment (with a six-month period) will be disbursed by the Ministry of Economic Affairs after the actual expense report has been reviewed.

Additionally, the Company participated in the Industrial Development Administration, Ministry of Economic Affairs' "Post-Pandemic Low Carbon Transformation Grant Program" to collaborate with 13 suppliers and outsourcing manufacturers to develop a carbon reduction plan. The grant program started from September 1, 2023 to August 31, 2025, with annual progress reviews. The Ministry of Economic Affairs will allocate the grant after reviewing the actual expenses summary report. As of September 30, 2025, a total of NT\$6,635 thousand has been received, of which NT\$5,490 thousand has been recognized as other income under government grants.

29. CAPITAL MANAGEMENT

The Group's capital management objective is to ensure it has the necessary financial resources and operational plan so that it can cope with the next twelve months working capital requirements, capital expenditures, research and development activities, debt repayments and dividends payments.

30. FINANCIAL INSTRUMENT

a. Fair value of financial instruments

1) Valuation techniques and assumptions used in fair value measurement

The fair values of financial assets and financial liabilities are determined as follows:

- The fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices (includes publicly traded stock and mutual funds).
- The fair values of derivative foreign exchange contracts are measured using quoted middle and discount rates of foreign exchange contracts matching the foreign exchange rate on the maturity date of the contracts.
- Domestic and overseas unlisted equity instrument at FVTPL and FVTOCI were all measured based on Level 3. Fair values of the above equity instruments were determined using discounted cash flow of income approach and comparable listed company approach, refer to strike price of similar business at active market, implied value multiple of the price and relevant information. Significant unobservable inputs included PE ratio, value multiple and market liquidity discount.
- The put options and redemption options of the overseas convertible bonds issued by NTC are derivative instruments for which there is no market price available for reference. NTC assesses the fair value using a binomial tree convertible bond valuation model. The significant unobservable input used is the stock price volatility. As the stock price volatility increases, the fair value of these derivative instruments will change. As of September 30, 2025, the stock price volatility applied was 46%.

2) Fair value measurements recognized in the consolidated balance sheets

The fair value of financial instruments is grouped into Levels 1 to 3 based on the degree to observability of inputs:

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

- Level 3 inputs are unobservable inputs for an asset or liability.

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

Fair value hierarchy as of September 30, 2025

	Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>				
Financial liabilities at amortized cost				
Bonds payable (unsecured)	\$ -	\$ -	\$ 4,837,786	\$ 4,837,786

Fair value hierarchy as of December 31, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>				
Financial liabilities at amortized cost				
Bonds payable (secured)	\$ -	\$ 9,993,636	\$ -	\$ 9,993,636

Fair value hierarchy as of September 30, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>				
Financial liabilities at amortized cost				
Bonds payable (secured)	\$ -	\$ 9,990,454	\$ -	\$ 9,990,454

4) Fair value of financial instruments that are measured at fair value on a recurring basis

Fair value hierarchy as of September 30, 2025

	Level 1	Level 2	Level 3	Total
<u>Financial assets</u>				
<u>Financial assets at FVTPL</u>				
Derivative financial assets	\$ -	\$ 414	\$ -	\$ 414
Non-derivative financial assets				
Domestic listed securities	15,497	-	-	15,497
Overseas unlisted securities	-	-	309,247	309,247
Mutual funds	113,519	-	-	113,519
	\$ 129,016	\$ 414	\$ 309,247	\$ 438,677

(Continued)

	Level 1	Level 2	Level 3	Total
<u>Financial assets at FVTOCI</u>				
Equity securities				
Domestic and overseas listed securities	\$ 9,941,665	\$ -	\$ -	\$ 9,941,665
Domestic and overseas unlisted securities	-	34,080	1,406,555	1,440,635
Beneficiary certificates	-	-	1,152,318	1,152,318
	<u>\$ 9,941,665</u>	<u>\$ 34,080</u>	<u>\$ 2,558,873</u>	<u>\$ 12,534,618</u>

Financial liabilities

Financial liabilities at FVTPL

Derivative financial liabilities	<u>\$ -</u>	<u>\$ 142,151</u>	<u>\$ 4,352</u>	<u>\$ 146,503</u> (Concluded)
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Fair value hierarchy as of December 31, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets</u>				
<u>Financial assets at FVTPL</u>				
Non-derivative financial assets				
Domestic listed securities	\$ 15,467	\$ -	\$ -	\$ 15,467
Overseas unlisted securities	-	-	65,570	65,570
Mutual funds	120,767	-	-	120,767
	<u>\$ 136,234</u>	<u>\$ -</u>	<u>\$ 65,570</u>	<u>\$ 201,804</u>
<u>Financial assets at FVTOCI</u>				
Equity securities				
Domestic listed securities	\$ 8,402,276	\$ -	\$ -	\$ 8,402,276
Domestic and overseas unlisted securities	-	29,400	2,011,318	2,040,718
Beneficiary certificates	-	-	1,318,257	1,318,257
	<u>\$ 8,402,276</u>	<u>\$ 29,400</u>	<u>\$ 3,329,575</u>	<u>\$ 11,761,251</u>
<u>Financial liabilities</u>				
<u>Financial liabilities at FVTPL</u>				
Derivative financial liabilities	<u>\$ -</u>	<u>\$ 142,481</u>	<u>\$ -</u>	<u>\$ 142,481</u>

Fair value hierarchy as of September 30, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets</u>				
<u>Financial assets at FVTPL</u>				
Derivative financial assets	\$ -	\$ 99,584	\$ -	\$ 99,584
Non-derivative financial assets				
Domestic listed securities	15,198	-	-	15,198
Overseas unlisted securities	-	-	63,300	63,300
Mutual funds	<u>118,776</u>	<u>-</u>	<u>-</u>	<u>118,776</u>
	<u>\$ 133,974</u>	<u>\$ 99,584</u>	<u>\$ 63,300</u>	<u>\$ 296,858</u>
<u>Financial assets at FVTOCI</u>				
Equity securities				
Domestic listed securities	\$ 11,626,947	\$ -	\$ -	\$ 11,626,947
Domestic and overseas unlisted securities	-	28,710	2,022,618	2,051,328
Beneficiary certificates	<u>-</u>	<u>-</u>	<u>1,279,939</u>	<u>1,279,939</u>
	<u>\$ 11,626,947</u>	<u>\$ 28,710</u>	<u>\$ 3,302,557</u>	<u>\$ 14,958,214</u>
<u>Financial liabilities</u>				
<u>Financial liabilities at FVTPL</u>				
Derivative financial liabilities	<u>\$ -</u>	<u>\$ 2,705</u>	<u>\$ -</u>	<u>\$ 2,705</u>

5) Reconciliation of Level 3 fair value measurements of financial instruments

The financial assets measured at Level 3 fair value were non-derivative financial assets classified as financial assets at FVTPL and equity investments classified as financial assets at FVTOCI. Reconciliations for the nine months ended September 30, 2025 and 2024 were as follows:

	For the Nine Months Ended September 30	
	2025	2024
Balance at January 1	\$ 3,395,145	\$ 3,097,755
Additions	317,731	135,089
Recognized in other comprehensive income	(604,001)	102,417
Recognized in profit or loss	-	2,362
Proceeds from capital reduction of investment	(800)	(450)
Disposals	(164,847)	-
Effect of exchange rate changes	<u>(75,108)</u>	<u>28,684</u>
Balance at September 30	<u>\$ 2,868,120</u>	<u>\$ 3,365,857</u>

The financial liabilities measured at Level 3 fair value were the put options and redemption options of overseas convertible bonds classified as financial liabilities at FVTPL. Reconciliations for the nine months ended September 30, 2025 was as follows:

	For the Nine Months Ended September 30, 2025
Balance at January 1	\$ -
Additions	8,302
Recognized in profit or loss	<u>(3,950)</u>
Balance at September 30	<u>\$ 4,352</u>

b. Categories of financial instruments

Fair values of financial assets and liabilities were summarized as follows:

	September 30, 2025		December 31, 2024		September 30, 2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets						
Measured at amortized cost						
Cash and cash equivalents	\$ 17,203,148	\$ 17,203,148	\$ 14,100,396	\$ 14,100,396	\$ 15,504,660	\$ 15,504,660
Notes and accounts receivable (included related parties)	13,301,669	13,301,669	10,038,346	10,038,346	11,562,629	11,562,629
Finance lease receivables	-	-	22,506	22,506	47,561	47,561
Other receivables	919,649	919,649	700,684	700,684	900,262	900,262
Refundable deposits (recorded in other non-current assets)	491,697	491,697	485,859	485,859	597,903	597,903
Financial assets at FVTPL (current and non-current)	438,677	438,677	201,804	201,804	296,858	296,858
Financial assets at FVTOCI (current and non-current)	12,534,618	12,534,618	11,761,251	11,761,251	14,958,214	14,958,214
Financial liabilities						
Measured at amortized cost						
Short-term borrowings	9,592,520	9,592,520	2,119,990	2,119,990	2,422,580	2,422,580
Notes and accounts payable (included related parties)	7,983,346	7,983,346	7,061,317	7,061,317	7,298,037	7,298,037
Payable on equipment and other payables	9,118,597	9,118,597	10,234,795	10,234,795	11,432,528	11,432,528
Bonds payable (included current portion)	4,837,786	4,837,786	9,993,636	9,993,636	9,990,454	9,990,454
Long-term borrowings (included current portion)	42,526,516	42,526,516	41,094,417	41,094,417	41,269,641	41,269,641
Guarantee deposits (recorded in other current liabilities and other non-current liabilities)	969,766	969,766	1,217,192	1,217,192	1,294,192	1,294,192
Financial liabilities at FVTPL (current and non-current)	146,503	146,503	142,481	142,481	2,705	2,705

c. Financial risk management objectives and policies

The Group's Corporate Treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk, credit risk and liquidity risk.

The use of financial derivatives was governed by the Group's policies approved by the board of directors, which provide written principles on foreign exchange risk, and use of financial derivatives. Compliance with policies and exposure limits was reviewed by the internal auditors on a continuous basis.

1) Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group uses forward foreign exchange contracts to hedge the foreign currency risk on export.

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

a) Foreign currency risk

Substantially all the Group's sales are denominated in U.S. dollar, and more than half of its capital expenditures are in currencies other than NT dollar, primarily U.S. dollar and Japanese yen. As a result, any significant adverse fluctuations in the exchanges rate of NT dollar against these currencies, in particular a weakening of U.S. dollar against NT dollar, would negatively affect the Group's revenue and operating profit when expressed in NT dollars. The Group uses forward foreign exchange contracts to hedge the exchange rate risk within approved policy parameters utilizing forward foreign exchange contracts.

The sensitivity analysis of foreign currency risk focuses on monetary items denominated in foreign currencies as of the end of the reporting period. It estimates the potential adverse impact resulting from exchange rate fluctuations. Based on a sensitivity analysis performed on the Group's total monetary assets and liabilities for the nine months ended September 30, 2025 and 2024, a hypothetical adverse foreign currency exchange rate change of 1% would have decreased (increased) its net income (loss) by NT\$113,938 thousand and NT\$74,106 thousand respectively. The amounts did not consider the impact of hedge contracts and hedged item.

b) Interest rate risk

The Group's interest rate risk arises primarily from floating rate borrowings.

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

	September 30, 2025	December 31, 2024	September 30, 2024
Cash flow interest rate risk			
Financial assets	\$ 7,713	\$ 8,413	\$ 8,413
Financial liabilities	46,986,055	43,371,406	42,967,573

The sensitivity analyses below were determined based on the Group's exposure to interest rates for fair value of variable-rate derivatives instruments at the end of the reporting period. If interest rates had been higher by 100 basis points, the Group's cash outflows would have increased by NT\$352,338 thousand and NT\$322,194 thousand for the nine months ended September 30, 2025 and 2024, respectively.

2) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in a financial loss to the Group.

The Group adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. In order to minimize credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue receivables. In addition, the Group reviews the recoverable amount of each individual accounts receivables at the end of the reporting period to ensure that adequate impairment losses are recognized for irrecoverable amounts. In this regard, the directors of the Group consider that the Group's credit risk was significantly reduced.

3) Liquidity risk

The Group has enough operating capital to comply with loan covenants; liquidity risk is low.

The Group's non-derivative financial liabilities and their agreed repayment period were as follows:

	September 30, 2025			
	Within 1 Year	1-2 Years	Over 2 Years	Total
Non-interest bearing	\$ 17,871,076	\$ 200,633	\$ -	\$ 18,071,709
Lease liabilities	324,494	243,043	1,669,937	2,237,474
Variable interest rate liabilities	26,573,505	2,911,209	17,501,341	46,986,055
Fixed interest rate liabilities	<u>5,300,000</u>	<u>-</u>	<u>5,334,035</u>	<u>10,634,035</u>
	<u>\$ 50,069,075</u>	<u>\$ 3,354,885</u>	<u>\$ 24,505,313</u>	<u>\$ 77,929,273</u>

Additional information about the maturity analysis for lease liabilities:

	Less than 2 Years	2-5 Years	Over 5 Years
<u>Non-derivative financial liabilities</u>			
Lease liabilities	<u>\$ 567,537</u>	<u>\$ 463,377</u>	<u>\$ 1,206,560</u>

	December 31, 2024			
	Within 1 Year	1-2 Years	Over 2 Years	Total
Non-interest bearing	\$ 18,118,164	\$ 395,140	\$ -	\$ 18,513,304
Lease liabilities	332,371	270,273	1,810,682	2,413,326
Variable interest rate liabilities	12,086,689	22,829,321	8,455,396	43,371,406
Fixed interest rate liabilities	<u>10,000,000</u>	<u>-</u>	<u>-</u>	<u>10,000,000</u>
	<u>\$ 40,537,224</u>	<u>\$ 23,494,734</u>	<u>\$ 10,266,078</u>	<u>\$ 74,298,036</u>

Additional information about the maturity analysis for lease liabilities:

	Less than 2 Years	2-5 Years	Over 5 Years
<u>Non-derivative financial liabilities</u>			
Lease liabilities	<u>\$ 602,644</u>	<u>\$ 509,747</u>	<u>\$ 1,300,935</u>

	September 30, 2024			
	Within 1 Year	1-2 Years	Over 2 Years	Total
Non-interest bearing	\$ 18,730,565	\$ 1,294,192	\$ -	\$ 20,024,757
Lease liabilities	317,850	273,703	1,851,143	2,442,696
Variable interest rate liabilities	11,362,610	22,566,699	9,038,264	42,967,573
Fixed interest rate liabilities	<u>10,900,000</u>	<u>-</u>	<u>-</u>	<u>10,900,000</u>
	<u>\$ 41,311,025</u>	<u>\$ 24,134,594</u>	<u>\$ 10,889,407</u>	<u>\$ 76,335,026</u>

Additional information about the maturity analysis for lease liabilities:

	Less than 2 Years	2-5 Years	Over 5 Years
<u>Non-derivative financial liabilities</u>			
Lease liabilities	<u>\$ 591,553</u>	<u>\$ 513,287</u>	<u>\$ 1,337,856</u>

31. RELATED PARTY TRANSACTIONS

- a. The names and relationships of related parties are as follows:

Related Party	Relationship with the Group
Walsin Lihwa Corporation (“Walsin Lihwa”)	Investor that exercises significant influence over the Group
ThCC	Associate
Chin Xin	Associate
TPSCo.	Associate
Nyquest Technology Co., Ltd. (“Nyquest”)	Related party in substance
Walton Advanced Engineering Inc. (“Walton”)	Related party in substance
Walton Advanced Engineering Ltd. (Suzhou) (“Walton (Suzhou)”)	Related party in substance
Chin Cherng Construction Co., Ltd. (“Chin Cherng”)	Related party in substance
Walsin Technology Corporation (“Walsin Technology”)	Related party in substance
Waltech Advanced Engineering (Suzhou) Ltd. (“Waltech (Suzhou)”)	Related party in substance
Taiwan Cement Corporation (“Taiwan Cement”)	Related party in substance
United Industrial Gases Co., Ltd. (“United Industrial Gases”)	Related party in substance
Walsin (Nanjing) Development Co., Ltd. (“Walsin (Nanjing) Development”)	Related party in substance
Infopower Technologies Private Limited	Related party in substance
Energy Helper TCC Corporation (“Energy Helper TCC”)	Related party in substance
Su, Yuan-Mou	Chairman of NTC

b. Operating activities

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
1) Operating revenue				
Associate	\$ 68,742	\$ 63,599	\$ 193,227	\$ 183,880
Related party in substance	<u>17,083</u>	<u>25,224</u>	<u>56,593</u>	<u>83,453</u>
	<u>\$ 85,825</u>	<u>\$ 88,823</u>	<u>\$ 249,820</u>	<u>\$ 267,333</u>

Price and terms were determined in accordance with mutual agreements.

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
2) Purchases of goods				
Associate TPSCo.	<u>\$ 702,960</u>	<u>\$ 1,053,647</u>	<u>\$ 2,669,089</u>	<u>\$ 2,663,551</u>

Price and terms were determined in accordance with mutual agreements.

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
3) Manufacturing expenses				
Related party in substance	\$ 1,096,479	\$ 1,290,795	\$ 3,390,724	\$ 3,884,342
Associate	<u>407,438</u>	<u>454,542</u>	<u>1,275,655</u>	<u>1,278,956</u>
	<u>\$ 1,503,917</u>	<u>\$ 1,745,337</u>	<u>\$ 4,666,379</u>	<u>\$ 5,163,298</u>

4) Operating expenses				
Associate	\$ 68,693	\$ 69,148	\$ 209,619	\$ 190,253
Related party in substance	2,873	5,192	12,883	44,236
Investor that exercises significant influence over the Group	<u>3,618</u>	<u>2,362</u>	<u>11,204</u>	<u>7,840</u>
	<u>\$ 75,184</u>	<u>\$ 76,702</u>	<u>\$ 233,706</u>	<u>\$ 242,329</u>

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
5) Dividend income				
Investor that exercises significant influence over the Group				
Walsin Lihwa	\$ -	\$ -	\$ 123,764	\$ 272,280
Related party in substance				
United Industrial Gases.	-	-	59,840	59,840
Others	<u>26,653</u>	<u>24,371</u>	<u>26,653</u>	<u>24,371</u>
	<u>\$ 26,653</u>	<u>\$ 24,371</u>	<u>\$ 210,257</u>	<u>\$ 356,491</u>
6) Other income and expenses				
Related party in substance	\$ 1,715	\$ 3,089	\$ 4,272	\$ (18,227)
Associate	<u>-</u>	<u>-</u>	<u>30</u>	<u>8,010</u>
	<u>\$ 1,715</u>	<u>\$ 3,089</u>	<u>\$ 4,302</u>	<u>\$ (10,217)</u>
	September 30, 2025	December 31, 2024	September 30, 2024	
7) Accounts receivable				
Associate	\$ 21,364	\$ 24,349	\$ 23,485	
Related party in substance	<u>7,488</u>	<u>3,980</u>	<u>3,231</u>	
	<u>\$ 28,852</u>	<u>\$ 28,329</u>	<u>\$ 26,716</u>	
8) Accounts payable				
Related party in substance	\$ 910,047	\$ 1,056,797	\$ 1,042,804	
Associate	<u>449,088</u>	<u>497,798</u>	<u>432,979</u>	
	<u>\$ 1,359,135</u>	<u>\$ 1,554,595</u>	<u>\$ 1,475,783</u>	
9) Other receivables and other current assets				
Associate	\$ 6,614	\$ 34,235	\$ 126,483	
Related party in substance	2,749	1,089	898	
Investor that exercises significant influence over the Group	<u>20</u>	<u>-</u>	<u>20</u>	
	<u>\$ 9,383</u>	<u>\$ 35,324</u>	<u>\$ 127,401</u>	

	September 30, 2025	December 31, 2024	September 30, 2024
10) Other payables and other current liabilities			
Related party in substance	\$ 148,487	\$ 369,785	\$ 421,579
Associate	26,274	196,709	196,456
Investor that exercises significant influence over the Group	<u>1,260</u>	<u>1,449</u>	<u>3,282</u>
	<u>\$ 176,021</u>	<u>\$ 567,943</u>	<u>\$ 621,317</u>
11) Refundable deposits (recorded in “other non-current assets”)			
Related party in substance	\$ 33,830	\$ 1,722	\$ 1,722
Investor that exercises significant influence over the Group	<u>203</u>	<u>203</u>	<u>203</u>
	<u>\$ 34,033</u>	<u>\$ 1,925</u>	<u>\$ 1,925</u>

The Group’s transactions with the related party were conducted in accordance with bilateral contracts, covering transaction price and payment terms.

c. Disposal of property, plant and equipment

	Disposal Price			
	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Associate	\$ -	\$ -	\$ -	\$ 687
Related party in substance	<u>-</u>	<u>-</u>	<u>-</u>	<u>2</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 689</u>
	Gain (Loss) on Disposal			
	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Associate	\$ -	\$ -	\$ -	\$ 687
Related party in substance	<u>-</u>	<u>-</u>	<u>-</u>	<u>2</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 689</u>

The prices of the above transactions were determined based on the acquisition cost of the machinery equipment and reference to the recent quoted market price.

d. Lease arrangements - the Group is lessee

		For the Nine Months Ended September 30	
		2025	2024
1) Acquisition of right of use assets			
Investor that exercises significant influence over the Group		\$ 9,025	\$ -
Related party in substance		<u>-</u>	<u>30,315</u>
		<u>\$ 9,025</u>	<u>\$ 30,315</u>
	September 30, 2025	December 31, 2024	September 30, 2024
2) Lease liabilities			
Related party in substance	\$ 15,292	\$ 19,827	\$ 21,285
Investor that exercises significant influence over the Group	<u>6,848</u>	<u>-</u>	<u>-</u>
	<u>\$ 22,140</u>	<u>\$ 19,827</u>	<u>\$ 21,285</u>
	For the Three Months Ended September 30	For the Nine Months Ended September 30	
	2025	2024	2025
			2024
3) Interest expense			
Related party in substance	\$ 120	\$ 164	\$ 392
Investor that exercises significant influence over the Group	<u>41</u>	<u>-</u>	<u>137</u>
	<u>\$ 161</u>	<u>\$ 164</u>	<u>\$ 529</u>
			<u>\$ 558</u>

e. Lease arrangements - the Group is lessor/sublease arrangements

Lease arrangements - sublease arrangement under operating leases

NTC subleased its right-of-use asset to TPSCo. under operating lease with lease term of 12 years, and the rental is based on similar asset's market rental rates and fixed lease payments are received monthly.

	September 30, 2025	December 31, 2024	September 30, 2024
1) Operating lease receivables			
Associate TPSCo.	<u>\$ 12,168</u>	<u>\$ 12,410</u>	<u>\$ 13,144</u>
2) Future lease payment receivables			
Associate TPSCo.	<u>\$ 862,816</u>	<u>\$ 981,545</u>	<u>\$ 1,075,376</u>
	For the Three Months Ended September 30		For the Nine Months Ended September 30
	2025	2024	2025
			2024
3) Lease income			
Associate TPSCo.	<u>\$ 32,756</u>	<u>\$ 34,956</u>	<u>\$ 101,970</u>
			<u>\$ 102,615</u>

Lease arrangements under finance leases

NTCJ leased out equipment and intangible assets to its associate company, TPSCo., under finance leases with 3-year lease term from the second quarter of 2022. The net investment in leases was NT\$277,390 thousand at the inception of the lease and the contract has average implicit interest rate of approximately 1.85% per year. The rental is based on similar asset's market rental rates and the fixed lease payment of JPY107,719 thousand is received quarterly.

As of September 30, 2025, December 31, 2024 and September 30, 2024, the balance of finance lease receivables were NT\$0 thousand, NT\$22,506 thousand and NT\$47,561 thousand, respectively. No impairment loss was recognized as of December 31, 2024 and September 30, 2024. The amounts of interest income under finance leases for the three months ended September 30, 2025 and 2024 and for the nine months ended September 30, 2025 and 2024, were NT\$0 thousand, NT\$330 thousand, NT\$110 thousand and NT\$1,254 thousand, respectively.

f. Acquisition of financial assets

For the nine months ended September 30, 2025

Related Party Category/Name	Line Item	Number of Shares	Underlying Assets	Purchase Price
Investor that exercises significant influence over the Group				
Walsin Lihwa	Financial assets at FVTOCI - current	19,648,289	Ordinary shares of Walsin Lihwa	\$ <u>373,317</u>

For the nine months ended September 30, 2024: None.

g. Guarantee

Acquisition of guarantee

The chairman of NTC is a joint guarantor of the land-leasing from Taiwan Sugar Corporation. Refer to Note 15 to the consolidated financial statements.

h. Compensation of key management personnel

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2025	2024	2025	2024
Short-term employment benefits	\$ 107,950	\$ 101,609	\$ 324,673	\$ 325,004
Post-employment benefits	3,164	2,898	9,073	8,251
Termination benefits	202	-	202	3,265
Share-based payment	<u>-</u>	<u>4,015</u>	<u>-</u>	<u>4,015</u>
	<u>\$ 111,316</u>	<u>\$ 108,522</u>	<u>\$ 333,948</u>	<u>\$ 340,535</u>

The remuneration of directors and key management personnel was suggested by the remuneration committee having regard to the performance of individuals and market trends; additionally the remuneration was resolved by the board of directors.

32. PLEDGED AND COLLATERALIZED ASSETS

Refer to Notes 6, 14 and 16 to the consolidated financial statements.

33. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

Significant contingent liabilities and unrecognized commitments of the Group as of the end of the reporting period, excluding those disclosed in other notes, were as follows:

a. Amounts available under unused letters of credit were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
USD	\$ <u>574</u>	\$ <u>-</u>	\$ <u>977</u>
JPY	\$ <u>411,400</u>	\$ <u>1,116,637</u>	\$ <u>558,000</u>

b. Unrecognized commitments were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Acquisition of property, plant and equipment	\$ <u>2,449,410</u>	\$ <u>1,945,070</u>	\$ <u>8,377,772</u>

34. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information was aggregated by the foreign currencies other than functional currencies of the Group entities and the exchange rates between foreign currencies and respective functional currencies were disclosed.

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

	September 30, 2025			December 31, 2024			September 30, 2024		
	Foreign Currency (In Thousands)	Exchange Rate (Note 1)	New Taiwan Dollar (In Thousands)	Foreign Currency (In Thousands)	Exchange Rate (Note 1)	New Taiwan Dollar (In Thousands)	Foreign Currency (In Thousands)	Exchange Rate (Note 1)	New Taiwan Dollar (In Thousands)
<u>Financial assets</u>									
Monetary items									
USD	\$ 465,300	30.445	\$ 14,166,052	\$ 341,580	32.785	\$ 11,198,694	\$ 373,187	31.65	\$ 11,811,378
USD	71,274	147.93 (Note 2)	2,169,944	44,195	156.19 (Note 2)	1,448,921	67,444	142.38 (Note 2)	2,134,598
USD	1,192	3.3012 (Note 3)	36,301	823	3.6557 (Note 3)	26,989	823	3.7033 (Note 3)	26,054
EUR	1,972	35.77	70,553	3,134	34.14	107,009	4,768	35.38	168,701
JPY	3,661,907	0.2058	753,620	4,077,263	0.2099	855,817	5,537,126	0.2223	1,230,903
RMB	38,832	4.271	165,853	30,696	4.478	137,457	45,568	4.523	206,106
<u>Financial liabilities</u>									
Monetary items									
USD	125,521	30.445	3,821,485	153,973	32.785	5,048,005	182,469	31.65	5,775,156
USD	39,272	147.93 (Note 2)	1,195,632	21,598	156.19 (Note 2)	708,105	30,572	142.38 (Note 2)	967,600
EUR	2,235	35.77	79,945	2,319	34.14	79,174	2,889	35.38	102,227
JPY	3,400,288	0.2058	699,779	4,425,259	0.2099	928,862	5,821,151	0.2223	1,294,042
ILS	17,832	9.2224	164,455	21,228	8.9682	190,380	16,164	8.5464	138,140

Note 1: Except as otherwise noted, exchange rate represents the number of New Taiwan dollars for which one unit of foreign currency could be exchanged.

Note 2: The exchange rate represents the number of JPY for which one U.S. dollar could be exchanged.

Note 3: The exchange rate represents the number of ILS for which one U.S. dollar could be exchanged.

For the three months ended September 30, 2025 and 2024 and for the nine months ended September 30, 2025 and 2024, refer to the consolidated statements of comprehensive income for details on realized and unrealized net foreign exchange profit (loss). It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the group entities.

35. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD: NONE

36. OTHER ITEMS: NONE

37. ADDITIONAL DISCLOSURE

- a. Following are the additional disclosures for material transactions, which the major transactions of parent and subsidiaries and their balances have been fully eliminated when preparing the consolidated financial report:

Number	Item	Index
1)	Financings provided	Table 1
2)	Endorsements/guarantees provided	Table 2
3)	Significant marketable securities held (excluding investments in subsidiaries and associates)	Table 3
4)	Total purchases from or sales to related parties of at least NT\$100 million or 20% of the paid-in capital	Table 4
5)	Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital	Table 5
6)	Intercompany relationships and significant intercompany transactions	Table 8

- b. Information on investments: Refer to Table 6 to the consolidated financial statements attached.
- c. Information on investment in mainland China

Number	Item	Index
1)	The name of the investee in mainland China, the main businesses and products, its issued capital, method of investment, information on inflow or outflow of capital, percentage of ownership, income (losses) of the investee, share of profits (losses) of investee, ending balance, amount received as dividends from the investee, and the limitation on investee	Table 7
2)	Significant direct or indirect transactions with the investee, its prices and terms of payment, unrealized gain or loss, and other related information which is helpful to understand the impact of investment in mainland China on financial reports <ul style="list-style-type: none"> a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period c) The amount of property transactions and the amount of the resultant gains or losses d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes e) The highest balance, the ending balance, the interest rate range, and total current period interest with respect to the financing of funds f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services 	Table 7

38. SEGMENT INFORMATION

a. Basic information about operating segment

1) Classification of operating segments

The Group's reportable segments under IFRS 8 "Operating Segments" and IAS 34 "Interim Financial Reporting" was as follows:

a) Segment of Customized Memory Solution product

The Customized Memory Solution product segment engages mainly in the manufacturing, selling, researching, designing and after-sales service of Mobile RAM and Specialty DRAM.

b) Segment of Flash Memory product

The Flash Memory product segment engages mainly in the manufacturing, selling, researching, designing and after-sales service of Flash Memory product.

c) Segment of Logic IC product

The Logic IC product segment engages mainly in the manufacturing, selling, researching, designing and after-sales service of Logic IC product.

2) Principles of measuring reportable segments, profit, assets and liabilities

The significant accounting principles of each operating segment are the same as those stated in Note 4 to the consolidated financial statements. The Group's operating segment profit or loss represents the profit or loss earned by each segment. The profit or loss is controllable by segment managers and is the basis for assessment of segment performance. Individual segment assets are disclosed as zero since those measures are not reviewed by the chief operating decision maker. Major liabilities are arranged based on the capital cost and deployment of the whole company, which are not controlled by individual segment managers.

b. Segment revenues and operating results

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

	Segment Revenue		Segment Profit and Loss	
	For the Nine Months Ended		For the Nine Months Ended	
	September 30		September 30	
	2025	2024	2025	2024
Customized memory solution product	\$ 16,990,296	\$ 15,559,179	\$ (132,219)	\$ (2,307,659)
Flash memory product	21,156,075	21,612,131	5,545,703	6,404,899
Logic IC product	<u>23,268,793</u>	<u>24,493,102</u>	<u>2,168,016</u>	<u>2,927,138</u>
Total of segment revenue	61,415,164	61,664,412	7,581,500	7,024,378
Other revenue	<u>1,365,933</u>	<u>1,253,353</u>	1,365,933	1,253,353
Operating revenue	<u>\$ 62,781,097</u>	<u>\$ 62,917,765</u>		

(Continued)

	Segment Revenue		Segment Profit and Loss	
	For the Nine Months Ended		For the Nine Months Ended	
	September 30		September 30	
	2025	2024	2025	2024
Unallocated expenditure				
Administrative and				
supporting expenses			\$ (3,461,527)	\$ (3,565,009)
Sales and other common				
expenses			<u>(4,043,310)</u>	<u>(3,464,563)</u>
Income from operations			<u>1,442,596</u>	<u>1,248,159</u>
Non-operating income and				
expenses				
Interest income			280,980	267,688
Dividend income			214,816	361,620
Other income			275,616	224,893
Share of profit (loss) of				
associates			94,518	170,772
Gains (losses) on disposal of				
property, plant and				
equipment			(459)	934,637
Gains (losses) on disposal of				
intangible assets			1,073	-
Gains (losses) on foreign				
exchange			(965,351)	227,061
Gains (losses) on financial				
instruments at fair value				
through profit or loss			506,538	(365,681)
Interest expense			(1,038,822)	(910,171)
Other expenses			<u>(217,829)</u>	<u>(267,020)</u>
Income before income tax			<u>\$ 593,676</u>	<u>\$ 1,891,958</u>

(Concluded)

TABLE 1

WINBOND ELECTRONICS CORPORATION AND SUBSIDIARIES

FINANCINGS PROVIDED
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025
(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

No.	Financing Company	Counterparty	Financial Statement Account	Related Party	Maximum Balance for the Period (Note 1)	Ending Balance (Note 1)	Amount Actually Drawn	Interest Rate	Nature of Financing	Transaction Amounts	Reasons for Short-term Financing	Allowance for Bad Debt	Collateral		Financing Limit for Each Borrower (Note 2)	Financing Company's Total Financing Amount Limits (Note 2)
													Item	Value		
1	NTSZ	NTNJ	Other receivables - related parties	Yes	\$ 64,065	\$ 64,065	\$ -	3%	The need for short-term financing	\$ -	Operating capital	\$ -	None	\$ -	\$ 246,525	\$ 246,525

Note 1: The maximum balance for the period and ending balance represent the amounts approved by the board of director of NTSZ.

Note 2: The aggregate amount available for lending to others by NTSZ shall not exceed the net worth of NTSZ nor 40% of the net worth of NTC as shown in its latest financial statements, and shall be limited to the lower of the two.

TABLE 2

WINBOND ELECTRONICS CORPORATION AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025
(Amounts in Thousands of New Taiwan Dollars)

No.	Endorser/Guarantor	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship										
0	WEC	NTCJ	NTC’s indirect subsidiary with 100% ownership	\$ 16,609,183 (Note 1)	\$ 6,174,000 (Note 3)	\$ 6,174,000 (Note 3)	\$ 2,757,720	\$ -	6.51	\$ 47,431,749 (Note 5)	Y	N	N
1	NTC	NTCJ	Subsidiary	13,816,524 (Note 2)	2,604,825 (Note 4)	2,604,825 (Note 4)	661,410	-	18.85	13,816,524 (Note 6)	Y	N	N

Note 1: WEC’s maximum amount endorsed are limited to 30% of the net equity in latest financial statements of WEC or 150% of the net value of the endorsee company, whichever is lower. WEC’s limitation of maximum endorse amount as described are not limited to subsidiaries that directly or indirectly hold 100% of voting shares.

Note 2: NTC’s maximum amount endorsed are limited to 20% of the net equity in latest financial statements of NTC or the net value of the endorsee company, whichever is lower. NTC’s limitation of maximum endorse amount as described are not limited to subsidiaries that directly or indirectly hold more than 50% of voting shares.

Note 3: The ending balance is approved by the boards of directors of WEC.

Note 4: The ending balance is approved by the boards of directors of NTC.

Note 5: WEC’s total maximum amount endorsed are limited to 50% of the net equity in the latest financial statements of WEC.

Note 6: NTC’s maximum amount endorsed are based on the net equity in the latest financial statements of NTC.

TABLE 3

WINBOND ELECTRONICS CORPORATION AND SUBSIDIARIES

SIGNIFICANT MARKETABLE SECURITIES HELD
SEPTEMBER 30, 2025
(Amounts in Thousands of New Taiwan Dollars and Foreign Currencies)

Held Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	September 30, 2025				Note
				Shares/Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
WEC	<u>Shares</u> Walsin Lihwa Corporation	The investee’s chairman are relatives within the second degree of relationship of WEC’s chairman. As WEC’s corporate director, the investee held 22.11% ownership interest in WEC.	Current financial assets at FVTOCI	267,175,782	\$ 6,933,211	6	\$ 6,933,211	
	Hannstar Display Corporation	The investee’s chairman are relatives within the second degree of relationship of WEC’s chairman.	”	150,000,210	1,222,502	5	1,222,502	
	Walsin Technology Corporation	The investee’s chairman are relatives within the second degree of relationship of WEC’s chairman.	”	5,300,117	553,862	1	553,862	
	Walton Advanced Engineering Inc.	The investee’s chairman are relatives within the second degree of relationship of WEC’s chairman. WEC as the investee’s director.	”	50,062,641	901,128	10	901,128	
	<u>Shares</u> IQM Quantum Computers	None	Non-current financial assets at FVTPL	14,741	248,357	1	248,357	
	<u>Shares</u> CHIA-HO Green Energy Corporation	WEC’s chairman as a director of the investee’s parent company	Non-current financial assets at FVTOCI	55,500,000	554,351	15	554,351	
	Kai-Hong Energy Co., Ltd	WEC as the investee’s supervisor	”	12,698,800	119,253	7	119,253	
WECA	<u>Beneficiary certificates</u> JVP VIII, L.P.	None	Non-current financial assets at FVTOCI	-	USD 21,915	7	USD 21,915	
	JVP X Funds	None	”	-	USD 15,934	8	USD 15,934	
WECJ	<u>Shares</u> Progress Technologies Group Inc.	None	Non-current financial assets at FVTOCI	512,800	JPY 655,358	7	JPY 655,358	
NTC	<u>Shares</u> United Industrial Gases Co., Ltd.	NTC as the investee’s director	Non-current financial assets at FVTOCI	8,800,000	651,200	4	651,200	

Note 1: Significant marketable securities refer to securities amounted to NT\$100 million.

Note 2: Refer to Tables 6 and 7 for information of investment in subsidiaries, investments in associates and investment in mainland China.

TABLE 4

WINBOND ELECTRONICS CORPORATION AND SUBSIDIARIES

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

Company Name	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Payable or Receivable		Note
			Purchase/ Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
WEC	WEHK	Direct subsidiary with 100% ownership	Sales	\$ 9,407,006	25	Net 90 days from invoice date	N/A	N/A	\$ 1,261,179	16	
	WECJ	Direct subsidiary with 100% ownership	Sales	2,741,724	7	Net 90 days from invoice date	N/A	N/A	547,536	7	
	WECN	Indirect subsidiary with 100% ownership	Sales	1,920,855	5	Net 90 days from invoice date	N/A	N/A	46,033	1	
	WECA	Indirect subsidiary with 100% ownership	Sales	1,233,848	3	Net 90 days from invoice date	N/A	N/A	114,834	1	
	NTC	Direct subsidiary with 52.78% ownership	Sales	125,118	-	Net 30 days from invoice date	N/A	N/A	30,013	-	
AMTC	TPSCo.	Associate	Sales	JPY 898,406	33	Net 15 days end of the month	N/A	N/A	JPY 97,479	22	
	NTCJ	NTC's indirect subsidiary with 100% ownership	Sales	JPY 735,397	27	Net 30 days end of the month	N/A	N/A	JPY 177,168	40	
NTC	NTHK	NTC's direct subsidiary with 100% ownership	Sales	5,931,952	40	Net 50 days from invoice date	N/A	N/A	1,135,826	40	
	NTCA	NTC's direct subsidiary with 100% ownership	Sales	134,917	1	Net 50 days from invoice date	N/A	N/A	16,220	1	
	NTSG	NTC's direct subsidiary with 100% ownership	Sales	230,437	2	Net 8 days end of the month	N/A	N/A	40,099	1	
	NTCJ	NTC's indirect subsidiary with 100% ownership	Sales	708,769	5	Net 8 days end of the month	N/A	N/A	236,919	8	
	NTSG	NTC's direct subsidiary with 100% ownership	Purchases	325,184	5	Net 8 days end of the month	N/A	N/A	(40,272)	(2)	
	NTCJ	NTC's indirect subsidiary with 100% ownership	Purchases	3,380,573	53	Net 8 days end of the month	N/A	N/A	(173,475)	(10)	
NTSG	NTCJ	NTC's indirect subsidiary with 100% ownership	Sales	USD 45,212	53	Net 10 days end of the month	N/A	N/A	USD 5,049	43	
	NTHK	NTC's direct subsidiary with 100% ownership	Sales	USD 6,716	8	Net 10 days end of the month	N/A	N/A	USD 798	7	
NTCJ	NTSG	NTC's direct subsidiary with 100% ownership	Sales	JPY 7,163,014	13	Net 10 days end of the month	N/A	N/A	JPY 805,116	8	
	NTHK	NTC's direct subsidiary with 100% ownership	Sales	JPY 10,575,701	19	Net 10 days end of the month	N/A	N/A	JPY 2,477,219	23	
	TPSCo.	Associate	Purchases	JPY 12,617,007	46	Net 10 days end of the month	N/A	N/A	JPY (2,182,157)	(44)	

TABLE 5

WINBOND ELECTRONICS CORPORATION AND SUBSIDIARIES

**RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
SEPTEMBER 30, 2025**

(Amounts in Thousands of New Taiwan Dollars and Foreign Currencies)

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Action Taken		
WEC	WEHK	Direct subsidiary with 100% ownership	\$ 1,261,179	13.75	\$ -	-	\$ 618,943	\$ -
	WECJ	Direct subsidiary with 100% ownership	547,536	7.09	-	-	-	-
	WECA	Indirect subsidiary with 100% ownership	114,834	9.80	-	-	5,193	-
WECA	WEC	Parent company	USD 6,073	(Note)	-	-	USD 2,031	-
NTC	NTHK	NTC's direct subsidiary with 100% ownership	1,135,826	6.30	-	-	645,657	-
	NTCJ	NTC's indirect subsidiary with 100% ownership	236,919	5.41	-	-	217,566	-
NTSG	NTCJ	NTC's indirect subsidiary with 100% ownership	USD 5,049	11.51	-	-	USD 5,049	-
NTCJ	NTSG	NTC's direct subsidiary with 100% ownership	JPY 805,116	9.14	-	-	JPY 805,116	-
	NTHK	NTC's direct subsidiary with 100% ownership	JPY 2,477,219	7.62	-	-	JPY 2,477,219	-
	NTC	Parent company	JPY 842,929	20.66	-	-	JPY 842,929	-
NTIL	NTC	Parent company	ILS 13,437	(Note)	-	-	ILS 13,437	-

Note: Other receivables are not applicable to calculation of turnover rate.

TABLE 6

WINBOND ELECTRONICS CORPORATION AND SUBSIDIARIES

NAMES, LOCATIONS, AND RELATED INFORMATION OF INVESTEEES OVER WHICH THE COMPANY EXERCISES SIGNIFICANT INFLUENCE (EXCLUDING INFORMATION ON INVESTMENT IN MAINLAND CHINA)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025
(Amounts in Thousands of New Taiwan Dollars and Foreign Currencies)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of September 30, 2025			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				September 30, 2025	December 31, 2024	Number of Shares	%	Carrying Amount			
WEC	NTC	Taiwan	Research, design, development, manufacture and marketing of Logic IC, 6-inch wafer product, test, and OEM	\$ 4,909,793	\$ 4,730,738	221,554,635	52.78	\$ 7,271,837	\$ (970,654)	\$ (513,099)	
	WIC	British Virgin Islands	Investment holding	2,758,517	2,758,517	87,960,000	100.00	1,954,430	30,617	30,617	
	WEHK	Hong Kong	Sales of semiconductor and investment holding	278,158	278,158	71,150,000	100.00	965,807	114,715	114,715	
	METC	Japan	Software and hardware integration design of semiconductor	167,660	167,660	4,000	100.00	359,994	50,005	50,005	
	AMTC	Japan	Manufacture of semiconductor and smart factory solutions	237,052	237,052	4,000	100.00	382,902	53,694	53,694	
	WECJ	Japan	Research, development, sales and after-sales service of semiconductor	190,070	190,070	2,970	100.00	349,300	18,593	18,593	
	WEIL	India	Sales and service of semiconductor	133,617	133,617	27,998,400	99.99	124,376	158	158	
	Callisto	Hong Kong	Electronic commerce and investment holding	156,292	156,292	40,000,000	100.00	74,259	977	977	
	WTL	Israel	Design and service of semiconductor	21,242	21,242	100,000	100.00	119,497	11,947	11,947	
	WEG	Germany	Marketing service of semiconductor	28,679	28,679	850,000	100.00	32,217	480	480	
	Chin Xin	Taiwan	Investment holding	1,874,825	1,874,825	182,840,999	38.00	7,884,067	173,626	65,441	
	ThCC	Taiwan	Agriculture and forestry botanic conservation	270,000	270,000	27,000,000	15.00	304,576	8,311	1,247	
WIC	WECA	United States of America	Design, sales and service of semiconductor	1,683,207	1,683,207	3,067	100.00	1,997,353	30,683	30,683	
Callisto	CTL	Hong Kong	Electronic commerce and investment holding	-	30,895	-	-	-	-	-	Note 1
				USD -	USD 1,000			USD -	USD -	USD -	
METC	MTTC	Taiwan	Development of software and services for automotive and industrial control	3,000	3,000	300,000	100.00	2,475	(124)	(124)	
NTC	NTHK	Hong Kong	Sales of semiconductor	427,092	427,092	107,400,000	100.00	870,259	69,089	69,089	Note 2
	MML	British Virgin Islands	Investment holding	-	274,987	-	-	-	(7,803)	(7,803)	
	NIH	British Virgin Islands	Investment holding	515,251	515,251	15,633,161	100.00	517,625	48,425	48,425	
	SYI	Taiwan	Investment holding	38,500	38,500	3,850,000	100.00	82,559	3,997	3,997	
	NTIPL	India	Design, sales and service of semiconductor	30,211	30,211	600,000	100.00	20,680	303	303	
	NTCA	United States of America	Design, sales and service of semiconductor	190,862	190,862	60,500	100.00	241,075	11,632	11,632	Note 3
	NTSG	Singapore	Design, sales and service of semiconductor	1,319,054	1,319,054	45,100,000	100.00	2,136,592	67,552	67,552	
	NTKL	Korea	Design, sales and service of semiconductor	67,611	67,611	280,000	100.00	51,241	2,531	2,531	
	NTHJ	Japan	Investment holding	5,927,849	5,927,849	100	100.00	5,991,708	(1,497,135)	(1,497,135)	
	NTG	Germany	Customer service and technical support of semiconductor	67,980	67,980	2,000,000	100.00	71,222	1,158	1,158	
	NTCJ	Japan	Design, sales and service of semiconductor	3,067,500	-	3,000	24.00	3,087,000	(1,497,248)	-	
NIH	NTIL	Israel	Design and service of semiconductor	46,905	46,905	1,000	100.00	516,923	48,598	48,598	
NTHJ	NTCJ	Japan	Design, sales and service of semiconductor	111,520	111,520	9,480	76.00	7,985,789	(1,497,248)	(1,497,248)	Note 3
NTCJ	TPSCo.	Japan	Foundry and sales of semiconductor	1,708,037	1,708,037	49,539	49.00	1,881,629	47,817	27,831	Note 4

Note 1: CTL completed the liquidation and legal procedures in July 2025.

Note 2: MML completed the liquidation and legal procedures in September 2025.

Note 3: In September 2025, NTCJ completed a cash capital injection that was fully subscribed by NTC, resulting in NTC acquiring a 24% equity interest and reducing NTHJ’s ownership in NTCJ to 76%.

Note 4: NTCJ’s share of profit (loss) includes downstream and upstream transactions.

Note 5: Refer to Table 7 for information on investment in mainland China.

TABLE 7

WINBOND ELECTRONICS CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENT IN MAINLAND CHINA
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025
(Amounts in Thousands of New Taiwan Dollars and Foreign Dollars)

1. Information on any investee company in mainland China, main businesses and procedures, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, investment income or loss, carrying amount of the investment at the end of the period and repatriations of investment income:

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2025	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of September 30, 2025	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 1)	Carrying Amount as of September 30, 2025	Accumulated Repatriation of Investment Income as of September 30, 2025
					Outward	Inward						
WECN	Design, development and marketing of VLSI integrated ICs	\$ 276,435 (USD 9,000)	Through investing in WEHK in the third area, which then invested in the investee in mainland China indirectly	\$ 276,435 (USD 9,000)	\$ -	\$ -	\$ 276,435 (USD 9,000)	\$ (6,709)	100.00	\$ (6,709)	\$ 323,373	\$ 35,880
NTSH	Provide projects for sale in China and repairing, testing, consulting of software and equipment leasing business	68,036 (USD 2,000)	Through investing in NTHK in the third area, which then invested in the investee in mainland China indirectly	68,036 (USD 2,000)	-	-	68,036 (USD 2,000)	1,670	52.78	881	50,607	-
NTSZ	Computer software service (except I.C. design), wholesale business for computer, supplement and software	197,670 (USD 6,000)	Through investing in NTHK in the third area, which then invested in the investee in mainland China indirectly	197,670 (USD 6,000)	-	-	197,670 (USD 6,000)	2,893	52.78	1,527	126,143	-
NTNJ	Provide development of semiconductor and technology, consult service and sale	28,800 (USD 900) (Note 2)	Through investing in NTHK in the third area, which then invested in the investee in mainland China indirectly	- (Note 2)	-	-	- (Note 2)	427	52.78	225	11,924	-

Note 1: The gain or loss on investment for the nine months ended September 30, 2025 was recognized on the basis of the financial statements reviewed by the auditor.

Note 2: NTHK directly injected the capital in NTNJ.

2. Information on any investee company in mainland China, main businesses and procedures, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, investment income or loss, carrying amount of the investment at the end of the period and repatriations of investment income:

Company	Accumulated Outward Remittance for Investment in Mainland China as of September 30, 2025	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA (Note 4)
WEC	\$ 276,435 (USD9,000)	\$ 276,435 (USD9,000)	\$ 60,832,546
NTC	282,135 (USD8,500) (Note 3)	282,135 (USD8,500) (Note 3)	8,289,914

Note 3: The investment amounts of Winbond Electronics (Nanjing) Ltd. which has completed the cancellation and liquidation process in May 2023 was NT\$16,429 thousand (USD500 thousand).

Note 4: Upper limit on the amount of 60% of the investee’s net carrying amount.

3. Refer to Table 4 for significant transactions with the investee in mainland China directly and indirectly through investing in companies in the third area.
4. Handling endorsement, guarantee and collateral to the investee in mainland China directly and indirectly through investing in companies in the third area: None.
5. Refer to Table 1 for financing of funds to investee in mainland China directly and indirectly through investing in companies in the third area.
6. Other transactions with significant influence on profit or loss for the period or financial performance: None.

TABLE 8

WINBOND ELECTRONICS CORPORATION AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025
(Amounts in Thousands of New Taiwan Dollars)

No.	Company Name	Counterparty	Nature of Relationship	Transaction Details			Percentage of Consolidated Operating Revenue or Total Assets (%)
				Financial Statement Account	Amount	Terms (Note 1)	
0	WEC	WEHK	Transactions between parent company and subsidiaries	Operating revenue	\$ 9,407,006	-	15
		WEHK	Transactions between parent company and subsidiaries	Accounts receivable due from related parties	1,261,179	-	1
		WECA	Transactions between parent company and subsidiaries	Operating revenue	1,233,848	-	2
		WECA	Transactions between parent company and subsidiaries	Accounts receivable due from related parties	114,834	-	-
		WECA	Transactions between parent company and subsidiaries	Operating expenses	565,331	-	1
		WECA	Transactions between parent company and subsidiaries	Other payables	184,895	-	-
		WECJ	Transactions between parent company and subsidiaries	Operating revenue	2,741,724	-	4
		WECJ	Transactions between parent company and subsidiaries	Accounts receivable due from related parties	547,536	-	-
		WECJ	Transactions between parent company and subsidiaries	Operating expenses	227,825	-	-
		WTL	Transactions between parent company and subsidiaries	Operating expenses	332,433	-	1
		WECN	Transactions between parent company and subsidiaries	Operating revenue	1,920,855	-	3
		NTC	Transactions between parent company and subsidiaries	Operating revenue	125,118	-	-
		NTC	Transactions between parent company and subsidiaries	Other revenue	101,170	-	-
1	AMTC	NTCJ	Transactions between subsidiaries	Operating revenue	155,013	-	-
2	NTC	NTHK	Transactions between parent company and subsidiaries	Operating revenue	5,931,952	-	9
		NTHK	Transactions between parent company and subsidiaries	Accounts receivable due from related parties	1,135,826	-	1
		NTCA	Transactions between parent company and subsidiaries	Operating revenue	134,917	-	-
		NTSG	Transactions between parent company and subsidiaries	Operating revenue	230,437	-	-
		NTCJ	Transactions between parent company and subsidiaries	Operating revenue	708,769	-	1
		NTCJ	Transactions between parent company and subsidiaries	Accounts receivable due from related parties	236,919	-	-
		NTSG	Transactions between parent company and subsidiaries	Operating costs	325,184	-	1
		NTCJ	Transactions between parent company and subsidiaries	Operating costs	3,380,573	-	5
		NTCJ	Transactions between parent company and subsidiaries	Accounts payable due to related parties	173,475	-	-
		NTIL	Transactions between parent company and subsidiaries	Operating expenses	1,149,085	-	2
		NTIL	Transactions between parent company and subsidiaries	Other payables	123,923	-	-
		NTCA	Transactions between parent company and subsidiaries	Operating expenses	331,033	-	1
3	NTCJ	NTSG	Transactions between subsidiaries	Operating revenue	1,512,630	-	2
		NTSG	Transactions between subsidiaries	Accounts receivable due from related parties	165,693	-	-
		NTHK	Transactions between subsidiaries	Operating revenue	2,215,332	-	4
		NTHK	Transactions between subsidiaries	Accounts receivable due from related parties	509,812	-	-
4	NTSG	NTCJ	Transactions between subsidiaries	Operating revenue	1,421,563	-	2
		NTCJ	Transactions between subsidiaries	Accounts receivable due from related parties	153,730	-	-
		NTHK	Transactions between subsidiaries	Operating revenue	210,637	-	-

Note 1: There is no significant difference between the sales conditions of parent-subsidiary sales and general sales, and the rest of the transactions have no similar transactions to follow, thus the transactions between the two parties are based on the agreement.

Note 2: Significant intercompany transactions refer to transactions amounted to NT\$100 million.