

TONG YANG INDUSTRY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED 31 MARCH 2025 AND 2024

WITH

REVIEW REPORT OF INDEPENDENT AUDITORS

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

Independent Auditors' Review Report
Review Report of Independent Accountants Translated from Chinese

The Board of Directors and Shareholders of
TONG YANG INDUSTRY CO., LTD.

Introduction

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

Scope of Review

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

Basis for Qualified Conclusion

As explained in Note IV.3, the financial statements of certain insignificant subsidiaries were not reviewed by independent auditors. Those statements reflect total assets of NT\$4,471,750 thousand and NT\$5,741,840 thousand, constituting 11% and 16% of the consolidated total assets, and total liabilities of NT\$1,501,097 thousand and NT\$2,303,779 thousand, constituting 15% and 26% of the consolidated total liabilities as of 31 March 2025 and 2024, respectively; and total comprehensive income of NT\$28,605 thousand and NT\$149,963 thousand, constituting 2% and 11% of the consolidated total comprehensive income for the three-month periods ended 31 March 2025 and

2024, respectively. As explained in Note VI.7, the financial statements of certain associates and joint ventures accounted for under the equity method were not reviewed by independent auditors. Those associates and joint ventures under equity method amounted to NT\$807,276 thousand and NT\$880,790 thousand as of 31 March 2025 and 2024, respectively. The related shares of profits from the associates and joint ventures under the equity method amounted to NT\$(26,408) thousand and NT\$(31,625) thousand, and the related shares of other comprehensive income from the associates and joint ventures under the equity method amounted to NT\$14,047 thousand and NT\$23,199 thousand for the three-month periods ended 31 March 2025 and 2024, respectively. The information related to above subsidiaries, and associates and joint ventures accounted for under the equity method disclosed in Note XIII was also not reviewed by independent auditors.

Qualified Conclusion

Based on our reviews, except for the effect of such adjustments, if any, as might have been determined to be necessary had the financial statements of certain insignificant subsidiaries, associates and joint ventures accounted for using equity method been reviewed by independent auditors described in the preceding paragraph, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Company and its subsidiaries as at 31 March 2025 and 2024, and their consolidated financial performance and cash flows for the three-month periods ended 31 March 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” as endorsed and became effective by Financial Supervisory Commission of the Republic of China.

Hu, Tzu-Ren

Hung, Kuo-Sen

Ernst & Young, Taiwan

8 May 2025

Notice to Readers

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

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

TONG YANG INDUSTRY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

31 March 2025, 31 December 2024 and 31 March 2024

(Expressed in Thousands of New Taiwan Dollars)

ASSETS	Notes	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
Current assets				
Cash and cash equivalents	IV/VI.1	\$5,906,708	\$4,736,971	\$5,052,996
Financial assets at amortized cost-current	IV/VI. 3/VIII	-	785	390,606
Notes receivable,net	IV/VI. 4.16/VII/VIII	431,872	277,494	347,899
Trade receivable,net	IV/VI.5.6.16	4,696,937	4,569,138	4,141,511
Trade receivable-related parties,net	IV/VI.5.16/VII	102,549	120,604	73,828
Other receivables	IV	115,288	131,638	163,464
Inventories,net	IV/VI.6	3,079,800	3,088,758	2,887,420
Other current assets	IV	312,997	331,454	305,958
Total current assets		14,646,151	13,256,842	13,363,682
Non-current assets				
Financial assets at fair value through other comprehensive income-non-current	IV/VI.2	626,492	622,806	663,143
Financial assets at amortized cost-non-current	IV/VI.3/VIII	153,565	153,565	11,498
Investments accounted for under the equity method	IV/VI.7	2,429,359	2,434,502	2,473,587
Property, plant and equipment	IV/VI.8/VIII	17,246,118	17,346,469	17,414,420
Right-of-use assets	IV/VI.17/VIII	1,446,210	1,465,208	233,153
Intangible assets	IV/VI.9.10	476,938	424,418	552,864
Deferred tax assets	IV/VI.21	206,486	207,293	231,564
Prepayment for equipment		2,127,540	2,019,001	876,961
Other non-current assets-others		374,901	361,477	370,356
Total non-current assets		25,087,609	25,034,739	22,827,546
Total assets		\$39,733,760	\$38,291,581	\$36,191,228

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese
TONG YANG INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
31 March 2025, 31 December 2024 and 31 March 2024
(Expressed in Thousands of New Taiwan Dollars)

LIABILITIES AND SHAREHOLDERS' EQUITY	Notes	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
Current liabilities				
Short-term borrowings	IV/VI.11	\$434,852	\$336,995	\$556,871
Notes payable		388	561	205,835
Trade payable		2,682,182	2,894,664	2,539,225
Trade payable-related parties	VII	26,519	29,415	30,979
Other payables		1,263,856	1,578,132	1,187,089
Balance payable-machinery and equipment		474,680	593,623	399,175
Current tax liabilities	IV/VI.21	961,646	588,146	1,112,738
Lease liability-current	IV/VI.17	10,784	10,730	16,204
Current portion of long-term liabilities	IV/VI.12	401,579	399,075	388,614
Other current liabilities-others	IV/VI.15	692,920	604,194	487,336
Total current liabilities		6,949,406	7,035,535	6,924,066
Non-current liabilities				
Long-term borrowings	IV/VI.12	1,042,356	1,142,960	1,353,935
Deferred tax liabilities	IV/VI.21	443,624	442,797	362,254
Lease liability-non-current	IV/VI.17	1,265,871	1,264,059	7,632
Accrued pension liabilities	IV/VI.13	250,466	232,738	253,366
Other noncurrent liabilities-others		17,491	17,491	17,490
Total non-current liabilities		3,019,808	3,100,045	1,994,677
Total liabilities		9,969,214	10,135,580	8,918,743
Equity attributable to the parent company				
Capital	IV/VI.14			
Common stock		5,914,771	5,914,771	5,914,771
Capital surplus	IV/VI.14	4,151,718	4,151,122	4,151,122
Retained earnings	IV/VI.14			
Legal reserve		3,163,500	3,163,500	2,871,990
Special reserve		-	-	96,706
Unappropriated earnings		15,538,259	14,072,632	13,420,186
Subtotal		18,701,759	17,236,132	16,388,882
Other equity	IV/VI.14	405,562	308,474	297,116
Non-controlling interests	IV/VI.14	590,736	545,502	520,594
Total equity		29,764,546	28,156,001	27,272,485
Total liabilities and equity		\$39,733,760	\$38,291,581	\$36,191,228

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese
TONG YANG INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the three-month period ended 31 March 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Share)

ITEMS	NOTE	2025.1.1~2025.3.31	2024.1.1~2024.3.31
Operating revenues	IV/VI.15/VII	\$7,290,680	\$6,174,172
Operating costs	IV/VI.6.18/VII	(4,513,899)	(4,086,172)
Gross profit		2,776,781	2,088,000
Operating expenses	IV/VI.16.17.18/VII		
Sales and marketing expenses		(474,112)	(429,404)
General and administrative expenses		(322,332)	(289,193)
Research and development expenses		(201,653)	(154,088)
Expected credit losses		(4,996)	(4,345)
Subtotal		(1,003,093)	(877,030)
Operating income		1,773,688	1,210,970
Non-operating income and expenses			
Other revenue	IV/VI.19	71,628	185,170
Other gains and losses	IV/VI.19	88,618	171,469
Finance costs	IV/VI.19	(6,895)	(9,177)
Share of profit or loss of associates and joint ventures	IV/VI.7	(49,267)	(60,493)
Subtotal		104,084	286,969
Income from continuing operations before income tax		1,877,772	1,497,939
Income tax expense	IV/VI.21	(374,631)	(302,265)
Net income		\$1,503,141	\$1,195,674
Other comprehensive income	IV/VI.20		
Not to be reclassified to profit or loss in subsequent periods			
Unrealized gains (losses) from equity instruments measured at fair value through other comprehensive income		3,686	(7,914)
To be reclassified to profit or loss in subsequent periods			
Exchange differences resulting from translating the financial statements of foreign operation		56,997	108,983
Share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method		44,125	63,026
Total other comprehensive income, net of tax		104,808	164,095
Total comprehensive income		\$1,607,949	\$1,359,769
Net income attributable to:			
Stockholders of the parent		\$1,465,627	\$1,172,110
Non-controlling interests		\$37,514	\$23,564
Comprehensive income attributable to:			
Stockholder of the parent		\$1,562,715	\$1,299,876
Non-controlling interests		\$45,234	\$59,893
Earnings per share (NTD)			
Earnings per share-basic	IV/VI.22	\$2.48	\$1.98
Earnings per share-diluted	IV/VI.22	\$2.48	\$1.98

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

TONG YANG INDUSTRY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the three-month period ended 31 March 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

ITEMS	Equity attributable to the parent company								Non-controlling interests	Total Equity
	Common Stock	Capital Surplus	Retained Earnings			Other equity		Total		
			Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange differences resulting from translating the financial statements of foreign operation	Unrealized gains (losses) from equity instruments measured at fair value through other comprehensive income			
Balance as of 1 January 2024	\$5,914,771	\$4,150,503	\$2,871,990	\$96,706	\$12,248,076	\$(425,323)	\$594,673	\$25,451,396	\$460,701	\$25,912,097
Other changes in additional paid-in capital	-	619	-	-	-	-	-	619	-	619
Net income (loss) for the three-month period ended 31 March 2024	-	-	-	-	1,172,110	-	-	1,172,110	23,564	1,195,674
Other comprehensive income (loss), net of tax for the three-month period ended 31 March 2024	-	-	-	-	-	135,680	(7,914)	127,766	36,329	164,095
Total comprehensive income (loss)	-	-	-	-	1,172,110	135,680	(7,914)	1,299,876	59,893	1,359,769
Balance as of 31 March 2024	<u>\$5,914,771</u>	<u>\$4,151,122</u>	<u>\$2,871,990</u>	<u>\$96,706</u>	<u>\$13,420,186</u>	<u>\$(289,643)</u>	<u>\$586,759</u>	<u>\$26,751,891</u>	<u>\$520,594</u>	<u>\$27,272,485</u>
Balance as of 1 January 2025	\$5,914,771	\$4,151,122	\$3,163,500	\$-	\$14,072,632	\$(237,948)	\$546,422	\$27,610,499	\$545,502	\$28,156,001
Other changes in additional paid-in capital	-	596	-	-	-	-	-	596	-	596
Net income (loss) for the three-month period ended 31 March 2025	-	-	-	-	1,465,627	-	-	1,465,627	37,514	1,503,141
Other comprehensive income (loss), net of tax for the three-month period ended 31 March 2025	-	-	-	-	-	93,402	3,686	97,088	7,720	104,808
Total comprehensive income (loss)	-	-	-	-	1,465,627	93,402	3,686	1,562,715	45,234	1,607,949
Balance as of 31 March 2025	<u>\$5,914,771</u>	<u>\$4,151,718</u>	<u>\$3,163,500</u>	<u>\$-</u>	<u>\$15,538,259</u>	<u>\$(144,546)</u>	<u>\$550,108</u>	<u>\$29,173,810</u>	<u>\$590,736</u>	<u>\$29,764,546</u>

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

TONG YANG INDUSTRY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the three-month period ended 31 March 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

ITEMS	2025.1.1~ 2025.3.31	2024.1.1~ 2024.3.31	ITEMS	2025.1.1~ 2025.3.31	2024.1.1~ 2024.3.31
Cash flows from operating activities:			Cash flows from investing activities:		
Net income before tax	\$1,877,772	\$1,497,939	Acquisition of financial assets measured at amortized cost	-	(214,851)
Adjustments for:			Disposal of financial assets measured at amortized cost	785	111,301
Income and expense adjustments:			Acquisition of property, plant and equipment	(762,373)	(617,093)
Depreciation (including right-of-use assets)	656,590	657,979	Disposal of property, plant and equipment	11,714	8,493
Amortization	18,650	42,294	Acquisition of intangible assets	(55,068)	(24,623)
Expected credit losses	4,996	4,345	Net cash (used in) investing activities	(804,942)	(736,773)
Interest expense	6,895	9,177			
Interest revenue	(34,933)	(34,463)	Cash flows from financing activities:		
Share of profit of associates for using the equity method	49,267	60,493	Increase in short-term borrowings	42,751	202,593
Loss on disposal of property, plant and equipment	869	9,735	Decrease in short-term borrowings	(42,751)	(174,600)
Loss on disposal of intangible assets	-	11	Reimburse long-term borrowings	(98,100)	(96,838)
Impairment loss on non-financial assets	8,089	5,190	Reimburse lease principal	(406)	-
Changes in operating assets and liabilities:			Interest paid	(4,662)	(9,061)
Notes receivable,net	(154,378)	91,839	Net cash (used in) financing activities	(103,168)	(77,906)
Trade receivable,net	(132,795)	(70,484)			
Trade receivable-related parties,net	18,055	24,927	Effect of exchange rate changes on cash and cash equivalent	111,161	34,196
Other receivables	28,914	257,968			
Inventories	8,958	(200,249)	Net increase in cash and cash equivalents	1,169,737	1,235,988
Other current assets	18,457	(21,200)	Cash and cash equivalents at the beginning of period	4,736,971	3,817,008
Other non-current assets	(12,617)	(13,494)	Cash and cash equivalents at the end of period	\$5,906,708	\$5,052,996
Other operating assets	5,576	38,327			
Notes payable	(173)	(108,289)			
Trade payable	(212,482)	(56,866)			
Trade payable-related parties	(2,896)	543			
Other payables	(314,195)	(324,950)			
Other current liabilities	88,726	107,767			
Accrued pension liabilities	17,728	5,457			
Other non-current liabilities	-	2,823			
Cash generated from operations	1,945,073	1,986,819			
Interest received	22,369	29,652			
Income tax paid	(756)	-			
Net cash provided by operating activities	1,966,686	2,016,471			

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

TONG YANG INDUSTRY CO., LTD. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Three-Month Periods Ended 31 March 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars Unless Otherwise Stated)

I. HISTORY AND ORGANIZATION

1. TONG YANG INDUSTRY CO., LTD. (the “Company”) was incorporated under the laws of the Republic of China (the “ROC”) on 30 October 1967. The Company’s principal activities consist of the manufacture and sale of parts, components and models for automobile. The Company became a listed company on Taiwan Stock Exchange on 12 December 1994.
2. The Company merged with TAIWAN KAI YIH INDUSTRIAL CO., LTD. (TKY) on 1 September 2010 and was the surviving company. The Company merged with KAI MING INDUSTRIAL CO., LTD. (KM) on 1 October 2011 and was the surviving company.

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

The consolidated financial statements of the Company and its subsidiaries (hereinafter referred to as “the Group”) for the three-month periods ended 31 March 2025 and 2024 were authorized for issue by the Board of Directors on 8 May 2025.

III. NEWLY ISSUED OR REVISED STANDARDS AND INTERPRETATIONS

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

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

2. The Q&A related to the early application of certain amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" issued by the FSC, which has not yet been adopted by the Group as at the date when the Group's financial statements were authorized for issue.

In the Q&A, only Section 4.1 (Classification of Financial Assets) of the application guidance is allowed to early adopt from 1 January 2025. Additionally, entities must also comply with the requirements of paragraphs 20B, 20C and 20D of IFRS 7 and disclose the fact of early adoption of these amendments in the financial statements.

3. Standards or interpretations issued, revised or amended, by International Accounting Standards Board ("IASB") which have not been endorsed by FSC, and not yet adopted by the Group as at the date when the Group's financial statements were authorized for issue, are listed below.

Items	New, Revised or Amended Standards and Interpretations	Effective Date issued by IASB
a	IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" — Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures	To be determined by IASB
b	IFRS 17 "Insurance Contracts"	1 January 2023
c	IFRS 18 "Presentation and Disclosure in Financial Statements"	1 January 2027
d	Disclosure Initiative – Subsidiaries without Public Accountability: Disclosures (IFRS 19)	1 January 2027
e	Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	1 January 2026
f	Annual Improvements to IFRS Accounting Standards – Volume 11	1 January 2026
g	Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7	1 January 2026

- (a) IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" — Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures

The amendments address the inconsistency between the requirements in IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures, in dealing with the loss of control of a subsidiary that is contributed to an associate or a joint venture. IAS 28 restricts gains and losses arising from contributions of non-monetary assets to an associate or a joint venture to the extent of the interest attributable to the other equity holders in the associate or joint ventures. IFRS 10 requires full profit or loss recognition on the loss of control of the subsidiary. IAS 28 was amended so that the gain or loss resulting from the sale or contribution of assets that constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized in full.

IFRS 10 was also amended so that the gains or loss resulting from the sale or contribution of a subsidiary that does not constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized only to the extent of the unrelated investors' interests in the associate or joint venture.

(b) IFRS 17 “Insurance Contracts”

IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects (including recognition, measurement, presentation and disclosure requirements). The core of IFRS 17 is the General (building block) Model, under this model, on initial recognition, an entity shall measure a group of insurance contracts at the total of the fulfilment cash flows and the contractual service margin. The carrying amount of a group of insurance contracts at the end of each reporting period shall be the sum of the liability for remaining coverage and the liability for incurred claims.

Other than the General Model, the standard also provides a specific adaptation for contracts with direct participation features (the Variable Fee Approach) and a simplified approach (Premium Allocation Approach) mainly for short-duration contracts.

IFRS 17 was issued in May 2017 and it was amended in 2020 and 2021. The amendments include deferral of the date of initial application of IFRS 17 by two years to annual beginning on or after 1 January 2023 (from the original effective date of 1 January 2021); provide additional transition reliefs; simplify some requirements to reduce the costs of applying IFRS 17 and revise some requirements to make the results easier to explain. IFRS 17 replaces an interim Standard – IFRS 4 Insurance Contracts – from annual reporting periods beginning on or after 1 January 2023.

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

IFRS 18 replaces IAS 1 Presentation of Financial Statements. The main changes are as below:

(1) Improved comparability in the statement of profit or loss (income statement)

IFRS 18 requires entities to classify all income and expenses within their statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. The first three categories are new, to improve the structure of the income statement, and requires all entities to provide new defined subtotals, including operating profit or loss. The improved structure and new subtotals will give investors a consistent starting point for analyzing entities’ performance and make it easier to compare entities.

(2) Enhanced transparency of management-defined performance measures

IFRS 18 requires entities to disclose explanations of those entity-specific measures that are related to the income statement, referred to as management-defined performance measures.

(3) Useful grouping of information in the financial statements

IFRS 18 sets out enhanced guidance on how to organize information and whether to provide it in the primary financial statements or in the notes. The changes are expected to provide more detailed and useful information. IFRS 18 also requires entities to provide more transparency about operating expenses, helping investors to find and understand the information they need.

(d) Disclosure Initiative – Subsidiaries without Public Accountability: Disclosures (IFRS 19)

This standard permits subsidiaries without public accountability to provide reduced disclosures when applying IFRS Accounting Standards in their financial statements. IFRS 19 is optional for subsidiaries that are eligible and sets out the disclosure requirements for subsidiaries that elect to apply it.

(e) Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7

The amendments include:

- (1) Clarify that a financial liability is derecognised on the settlement date and describe the accounting treatment for settlement of financial liabilities using an electronic payment system before the settlement date.
- (2) Clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features.
- (3) Clarify the treatment of non-recourse assets and contractually linked instruments.
- (4) Require additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income.

(f) Annual Improvements to IFRS Accounting Standards – Volume 11

- (1) Amendments to IFRS 1
- (2) Amendments to IFRS 7
- (3) Amendments to Guidance on implementing IFRS 7
- (4) Amendments to IFRS 9
- (5) Amendments to IFRS 10
- (6) Amendments to IAS 7

(g) Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

The amendments include:

- (1) Clarify the application of the ‘own-use’ requirements.
- (2) Permit hedge accounting if these contracts are used as hedging instruments.
- (3) Add new disclosure requirements to enable investors to understand the effect of these contracts on a company’s financial performance and cash flows.

The abovementioned standards and interpretations issued by IASB have not yet endorsed by FSC at the date when the Group’s financial statements were authorized for issue, the local effective dates are to be determined by FSC. As the Group is still currently determining the potential impact of the new or amended standards and interpretations listed under and (c), it is not practicable to estimate their impact on the Group at this point in time. The remaining new or amended standards and interpretations have no material impact on the Group.

IV. SUMMARY OF MATERIAL ACCOUNTING POLICIES

1. Statement of compliance

The consolidated financial statements of the Group for the three-month periods ended 31 March 2025 and 2024 have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (“the Regulations”) and IAS 34 Interim Financial Reporting as endorsed and became effective by the FSC.

2. Basis of preparation

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

3. Basis of consolidation

Preparation principle of consolidated financial statement

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

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

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

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

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

Subsidiaries are fully consolidated from the acquisition date, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using uniform accounting policies. All intra-group balances, income and expenses, unrealized gains and losses and dividends resulting from intra-group transactions are eliminated in full.

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

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

If the Group loses control of a subsidiary, it:

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

The consolidated entities are as follows:

Investor	Subsidiary	Major businesses	Percentage of ownership (%)		
			31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
The Company	RU YANG INDUSTRIAL CO., LTD. (RU YANG)	Manufacture and sale of automobile parts	58.95%	58.95%	58.95%
The Company	TONG YANG HOLDING CORPORATION (TONG YANG HOLDING)	Investment holding	100.00%	100.00%	100.00%

Investor	Subsidiary	Major businesses	Percentage of ownership (%)		
			31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
The Company	HOW BOND INVESTMENT CO., LTD. (HOW BOND)	Investment holding	100.00%	100.00%	100.00%
The Company	DING CHUNG INDUSTRY CO., LTD. (DING CHUNG)	Sale of automobile parts and tooling mold	100.00%	100.00%	100.00%
TONG YANG HOLDING	FUZHOU TONG YANG PLASTICS CO., LTD.	Manufacture and sale of automobile parts	100.00%	100.00%	100.00%
TONG YANG HOLDING	CHONGQING DAJING TONG YANG PLASTICS CO., LTD.	Manufacture and sale of automobile parts	55.00%	55.00%	55.00%
TONG YANG HOLDING	GUANGZHOU TONG YANG TATEMATSU MOLD MANUFACTURING CO., LTD.	Design, manufacture and sale of tooling mold	90.00%	90.00%	90.00%
TONG YANG HOLDING	XIANGYANG TONG YANG AUTOMOBILE COMPONENT CO., LTD.	Manufacture and sale of automobile parts	100.00%	100.00%	100.00%
TONG YANG HOLDING	FUSHUN TONG YANG AUTOMOBILE COMPONENT CO., LTD. (FUSHUN TONG YANG)	Manufacture and sale of automobile parts	100.00%	100.00%	100.00%
TONG YANG HOLDING	TONG YANG (GUANGZHOU) TECHNOLOGY R&D SERVICE CO., LTD.	Product Design, R&D, Testing and Service	100.00%	100.00%	100.00%
HOW BOND	TYG HOLDING (U.S.A.), INC. (TYG HOLDING)	Investment holding	100.00%	100.00%	100.00%

Investor	Subsidiary	Major businesses	Percentage of ownership (%)		
			31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
HOW BOND	NANJING TONG YANG AUTO PARTS CO., LTD.	Manufacture and sale of automobile parts	100.00%	100.00%	100.00%
TYG HOLDING	TYG MANAGEMENT, INC.	Management consult	100.00%	100.00%	100.00%
TYG HOLDING	TYG LEASING, L.P.	Leasing	99.00%	99.00%	99.00%
TYG HOLDING	TYG PRODUCTS, L.P.	Manufacture and sale of automobile parts	99.00%	99.00%	99.00%

The financial statements of some of the consolidated subsidiaries listed above were not reviewed by the independent accountants and whose total assets amounted to NT\$4,471,750 thousand and NT\$5,741,840 thousand; the total liabilities amounted to NT\$1,501,097 thousand and NT\$2,303,779 thousand as of 31 March 2025 and 2024; the total comprehensive income amounted to NT\$28,605 thousand, NT\$149,963 thousand for the three-month periods ended 31 March 2025 and 2024.

4. The same accounting policies applied in the Group's consolidated financial statements for the three-month periods ended 31 March 2025 and 2024 as those applied in the Group's consolidated financial statements for the year ended 31 December 2024 except for description below. For summary of other significant accounting policies, please refer to the Group's consolidated financial statements for the year ended 31 December 2024.

(1) Post-employment benefits

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

(2) Income taxes

Interim period income tax expense is accrued using the tax rate that would be applicable to expected total annual earnings, that is, the estimated average annual effective income tax rate applied to the pre-tax income of the interim period. The estimated average annual effective income tax rate only includes current income tax. The recognition and measurement of deferred tax follows annual financial reporting requirements in accordance with IAS 12. The Group recognizes the effect of change in tax rate for deferred taxes in full if the new tax rate is enacted by the end of the interim reporting period, by charging to profit or loss, other comprehensive income, or directly to equity.

V. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The same significant accounting judgements, estimates and assumptions were applied in the Group's consolidated financial statements for the three-month periods ended 31 March 2025 and 2024 as those applied in the Group's consolidated financial statements for the year ended 31 December 2024. Please refer to the Group's consolidated financial statements for the year ended 31 December 2024.

VI. CONTENTS OF SIGNIFICANT ACCOUNTS

1. Cash and cash equivalents

	As at		
	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
Cash on hand	\$2,491	\$3,739	\$3,408
Saving account	3,445,326	2,777,911	2,661,540
Time deposits	2,387,139	1,883,764	2,302,031
Cash equivalents — short-term notes and bills	71,752	71,557	86,017
Total	<u>\$5,906,708</u>	<u>\$4,736,971</u>	<u>\$5,052,996</u>

2. Financial assets at fair value through other comprehensive income

	As at		
	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
Equity instrument investments measured at fair value through other comprehensive income – non-current:			
Unlisted companies stocks	<u>\$626,492</u>	<u>\$622,806</u>	<u>\$663,143</u>

The Group classified certain of its financial assets at fair value through other comprehensive income were not pledged.

3. Financial assets measured at amortized cost

	As at		
	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
Time deposits	\$-	\$-	\$247,378
Restricted deposits	153,565	154,350	154,726
Total	<u>\$153,565</u>	<u>\$154,350</u>	<u>\$402,104</u>
Current	\$-	\$785	\$390,606
Non-current	153,565	153,565	11,498
Total	<u>\$153,565</u>	<u>\$154,350</u>	<u>\$402,104</u>

The Group classified certain financial assets as financial assets measured at amortized cost.

Please refer to Note VI.(16) for more details on loss allowance and Note VIII for more details on financial assets measured at amortized cost under pledge and Note XII for more details on credit risk.

4. Notes receivables

	As at		
	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
Notes receivables arising from operating activities	\$432,523	\$278,145	\$348,550
Less: loss allowance	(651)	(651)	(651)
Total	<u>\$431,872</u>	<u>\$277,494</u>	<u>\$347,899</u>

Please refer to Note VIII for more details on notes receivables under pledge.

The Group adopted IFRS 9 for impairment assessment. Please refer to Note VI.(16) for more details on accumulated impairment and Note XII for more details on credit risk.

5. Trade receivables and Trade receivables-related parties

	As at		
	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
Trade receivables	\$4,772,445	\$4,638,853	\$4,208,266
Less: loss allowance	(75,508)	(69,715)	(66,755)
Subtotal	4,696,937	4,569,138	4,141,511
Trade receivables from related parties	102,549	120,604	73,828
Less: loss allowance	-	-	-
Subtotal	102,549	120,604	73,828
Total	<u>\$4,799,486</u>	<u>\$4,689,742</u>	<u>\$4,215,339</u>

Please refer to Note VIII for more details on trade receivables under pledge.

Trade receivables are generally on 7-120 day terms. The total carrying amount as of 31 March 2025, 31 December 2024 and 31 March 2024 were NT\$4,874,994 thousand, NT\$4,759,457 thousand and NT\$4,282,094 thousand, respectively. Please refer to Note VI.(16) for more details on loss allowance of trade receivables for the three-month periods ended 31 March 2025 and 2024 and please refer to Note XII for credit risk management.

6. Inventories

	As at		
	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
Raw materials	\$638,530	\$640,857	\$597,931
Supplies and parts	231,534	227,537	227,378
Work in progress	520,455	494,285	469,022
Finished goods	1,526,446	1,565,415	1,433,755
Merchandise	162,835	160,664	159,334
Total	<u>\$3,079,800</u>	<u>\$3,088,758</u>	<u>\$2,887,420</u>

The cost of inventories recognized in expenses amounted to NT\$4,513,899 thousand and NT\$4,086,172 thousand for the three-month period ended 31 March 2025 and 2024, respectively, including the reversal of write-down of inventories of NT\$87 thousand and NT\$0 thousand for the three-month periods ended 31 March 2025 and 2024, respectively.

No inventories were pledged.

7. Investments accounted for using the equity method

(1) The following table lists the investments accounted for using the equity method of the Group:

Investees	As at					
	31 Mar. 2025		31 Dec. 2024		31 Mar. 2024	
	Carrying amount	Percentage of ownership (%)	Carrying amount	Percentage of ownership (%)	Carrying amount	Percentage of ownership (%)
<u>Unlisted company</u>						
TUNG YANG CHEMICAL CO., LTD.	\$113,671	40.00%	\$113,033	40.00%	\$120,340	40.00%
C&D CAPITAL II CORPORATION.	38,330	42.53%	62,758	42.53%	67,822	42.53%
CHANGCHUEN FAWAY TONG YANG AUTOMOBILE COMPONENT CO., LTD.	1,622,083	49.00%	1,614,865	49.00%	1,592,797	49.00%
CHANGSHA GACC TONG YANG AUTOMOBILE COMPONENT CO., LTD.	268,967	49.00%	263,506	49.00%	255,007	49.00%
DAIKYO NISHIKAWA TONG YANG AUTO PARTS (NANJING) CO., LTD.	331,441	45.00%	326,945	45.00%	335,368	45.00%
WUHAN XIANG XING AUTO PARTS CO., LTD.	39,677	25.00%	38,205	25.00%	87,107	25.00%
WU'S PLASTICS CO.,LTD. (literal translation)	15,190	50.00%	15,190	50.00%	15,146	50.00%
Total	<u>\$2,429,359</u>		<u>\$2,434,502</u>		<u>\$2,473,587</u>	

- (2) The Group's investments in the associates are not individually material. The related share of investment in the associates amounted to NT\$2,429,359 thousand, NT\$2,434,502 thousand and NT\$2,473,587 thousand as at 31 March 2025, 31 December 2024 and 31 March 2024.

The aggregate financial information of the Group's investments in associates is as follows:

	1 Jan.~ 31 Mar. 2025	1 Jan.~ 31 Mar. 2024
Profit or loss from continuing operations	\$(49,267)	\$(60,493)
Other comprehensive income	44,125	63,026
Total comprehensive income	<u>\$(5,142)</u>	<u>\$2,533</u>

- (3) The carrying amount of investments accounted for under the equity method in investees whose unreviewed financial statements, amounted to NT\$807,276 thousand and NT\$880,790 thousand, as at 31 March 2025 and 2024, respectively. The share of the profit or loss of these associates and joint ventures accounted for using the equity method amounted to NT\$(26,408) thousand and NT\$(31,625) thousand for the three-month periods ended 31 March 2025 and 2024, respectively. The share of other comprehensive income of these associates and joint ventures accounted for using the equity method amounted to NT\$14,047 thousand and NT\$23,199 thousand for the three-month periods ended 31 March 2025 and 2024, respectively. These amounts were based on the unreviewed financial statements of the investees.

- (4) The associates had no contingent liabilities or capital commitments and as investment in the associates were not pledged of 31 March 2025, 31 December 2024 and 31 March 2024.

8. Property, plant and equipment

	As at		
	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
Owner occupied property, plant and equipment	<u>\$17,246,118</u>	<u>\$17,346,469</u>	<u>\$17,414,420</u>

										Construction in progress and equipment awaiting examination	Total
	Land	Buildings	Machinery and equipment	Molding equipment	Office equipment	Transportation equipment	Utilities equipment	Other facilities	Leasehold improvements		
Cost:											
As at 1 Jan. 2025	\$4,703,560	\$8,197,535	\$5,801,947	\$11,716,352	\$112,959	\$390,070	\$460,668	\$364,543	\$-	\$202,432	\$31,950,066
Additions	-	5,028	28,958	365,479	3,455	16,583	22,022	16,249	-	57,783	515,557
Disposals	-	(5,581)	(12,653)	(55,075)	(2,033)	(1,409)	(175)	(2,925)	-	-	(79,851)
Exchange differences	185	39,199	48,754	3,036	3,699	462	976	(2,720)	-	1,493	95,084
Transfers	-	1,160	-	-	-	-	-	-	-	(1,160)	-
Other changes	-	-	-	-	-	-	-	(54)	-	-	(54)
As at 31 Mar. 2025	<u>\$4,703,745</u>	<u>\$8,237,341</u>	<u>\$5,867,006</u>	<u>\$12,029,792</u>	<u>\$118,080</u>	<u>\$405,706</u>	<u>\$483,491</u>	<u>\$375,093</u>	<u>\$-</u>	<u>\$260,548</u>	<u>\$32,480,802</u>
As at 1 Jan. 2024	\$4,702,614	\$8,001,535	\$6,251,015	\$11,910,272	\$114,611	\$377,763	\$491,736	\$379,928	\$-	\$233,567	\$32,463,041
Additions	-	7,900	50,342	299,925	2,914	5,983	5,627	23,969	-	24,414	421,074
Disposals	-	(89,901)	(454,046)	(789,354)	(3,728)	(20,407)	(37,908)	(54,988)	-	-	(1,450,332)
Exchange differences	580	59,529	79,197	9,778	3,852	585	1,214	(1,895)	-	3,641	156,481
Transfers	-	4,020	-	-	-	-	-	-	-	(4,020)	-
Other changes	-	-	(11,525)	-	-	-	-	(1,315)	-	-	(12,840)
As at 31 Mar. 2024	<u>\$4,703,194</u>	<u>\$7,983,083</u>	<u>\$5,914,983</u>	<u>\$11,430,621</u>	<u>\$117,649</u>	<u>\$363,924</u>	<u>\$460,669</u>	<u>\$345,699</u>	<u>\$-</u>	<u>\$257,602</u>	<u>\$31,577,424</u>
Depreciation and impairment:											
As at 1 Jan. 2025	\$-	\$3,304,580	\$4,170,720	\$6,342,077	\$66,929	\$210,446	\$278,099	\$230,746	\$-	\$-	\$14,603,597
Depreciation	-	77,470	113,914	397,549	3,946	11,478	11,828	17,363	-	-	633,548
Impairment loss	-	-	8,089	-	-	-	-	-	-	-	8,089
Disposals	-	(5,581)	(9,631)	(45,762)	(1,931)	(1,409)	(175)	(2,779)	-	-	(67,268)
Exchange differences	-	16,564	32,735	1,528	4,079	347	570	925	-	-	56,748
Other changes	-	-	-	-	-	-	-	(30)	-	-	(30)
As at 31 Mar. 2025	<u>\$-</u>	<u>\$3,393,033</u>	<u>\$4,315,827</u>	<u>\$6,695,392</u>	<u>\$73,023</u>	<u>\$220,862</u>	<u>\$290,322</u>	<u>\$246,225</u>	<u>\$-</u>	<u>\$-</u>	<u>\$15,234,684</u>

										Construction in progress and equipment awaiting examination	Total
	Land	Buildings	Machinery and equipment	Molding equipment	Office equipment	Transportation equipment	Utilities equipment	Other facilities	Leasehold improvements		
As at 1 Jan. 2024	\$-	\$3,078,056	\$4,506,811	\$6,449,133	\$63,699	\$218,743	\$289,677	\$252,045	\$-	\$-	\$14,858,164
Depreciation	-	75,315	123,438	410,251	3,706	10,855	11,873	15,574	-	-	651,012
Impairment loss	-	-	5,190	-	-	-	-	-	-	-	5,190
Disposals	-	(90,177)	(447,695)	(787,130)	(3,717)	(20,079)	(29,810)	(53,496)	-	-	(1,432,104)
Exchange differences	-	25,282	52,428	4,908	4,339	451	712	1,271	-	-	89,391
Other changes	-	-	(8,211)	-	-	-	-	(438)	-	-	(8,649)
As at 31 Mar. 2024	<u>\$-</u>	<u>\$3,088,476</u>	<u>\$4,231,961</u>	<u>\$6,077,162</u>	<u>\$68,027</u>	<u>\$209,970</u>	<u>\$272,452</u>	<u>\$214,956</u>	<u>\$-</u>	<u>\$-</u>	<u>\$14,163,004</u>

Net carrying amount
as at:

31 Mar. 2025	<u>\$4,703,745</u>	<u>\$4,844,308</u>	<u>\$1,551,179</u>	<u>\$5,334,400</u>	<u>\$45,057</u>	<u>\$184,844</u>	<u>\$193,169</u>	<u>\$128,868</u>	<u>\$-</u>	<u>\$260,548</u>	<u>\$17,246,118</u>
31 Dec. 2024	<u>\$4,703,560</u>	<u>\$4,892,955</u>	<u>\$1,631,227</u>	<u>\$5,374,275</u>	<u>\$46,030</u>	<u>\$179,624</u>	<u>\$182,569</u>	<u>\$133,797</u>	<u>\$-</u>	<u>\$202,432</u>	<u>\$17,346,469</u>
31 Mar. 2024	<u>\$4,703,194</u>	<u>\$4,894,607</u>	<u>\$1,683,022</u>	<u>\$5,353,459</u>	<u>\$49,622</u>	<u>\$153,954</u>	<u>\$188,217</u>	<u>\$130,743</u>	<u>\$-</u>	<u>\$257,602</u>	<u>\$17,414,420</u>

(1) The amount of capitalized interests and interest rates are as follows:

Items	1 Jan. ~ 31 Mar. 2025	1 Jan. ~ 31 Mar. 2024
Construction in progress	\$2,358	\$1,388
The interest rate interval of borrowing cost capitalization	0.73%~1.70%	0.60%~0.73%

(2) Please refer to Note VIII for more details on property, plant and equipment under pledge.

(3) Investing activities with only partial cash payments :

	As at	
	31 Mar. 2025	31 Mar. 2024
Purchase of property, plant and equipment	\$515,557	\$421,074
Changes in prepayment for equipment ,net	108,539	107,489
Changes in balance payable-machinery and equipment ,net	118,943	78,407
Others	19,334	10,123
Cash payment for the current year	<u>\$762,373</u>	<u>\$617,093</u>

9. Intangible assets

	Computer software	Other intangible assets	Goodwill	Total
Cost:				
As at 1 Jan. 2025	\$170,451	\$2,931,680	\$319,650	\$3,421,781
Addition - acquired separately	2,130	52,938	-	55,068
Decrease	(4,999)	(6,588)	-	(11,587)
Exchange differences	1,484	34,112	-	35,596
Other changes	-	19,334	-	19,334
As at 31 Mar. 2025	<u>\$169,066</u>	<u>\$3,031,476</u>	<u>\$319,650</u>	<u>\$3,520,192</u>
As at 1 Jan. 2024	\$197,311	\$2,823,731	\$319,650	\$3,340,692
Addition - acquired separately	5,126	19,497	-	24,623
Decrease	(22,349)	(38,704)	-	(61,053)
Exchange differences	2,339	41,266	-	43,605
Other changes	-	12,984	-	12,984
As at 31 Mar. 2024	<u>\$182,427</u>	<u>\$2,858,774</u>	<u>\$319,650</u>	<u>\$3,360,851</u>
Amortization and impairment:				
As at 1 Jan. 2025	\$139,492	\$2,857,871	\$-	\$2,997,363
Amortization	3,812	14,838	-	18,650
Decrease	(4,999)	(1,012)	-	(6,011)
Exchange differences	1,404	31,848	-	33,252
As at 31 Mar. 2025	<u>\$139,709</u>	<u>\$2,903,545</u>	<u>\$-</u>	<u>\$3,043,254</u>

	Computer software	Other intangible assets	Goodwill	Total
As at 1 Jan. 2024	\$153,988	\$2,596,522	\$-	\$2,750,510
Amortization	5,713	36,581	-	42,294
Decrease	(22,338)	(377)	-	(22,715)
Exchange differences	2,029	35,869	-	37,898
As at 31 Mar. 2024	<u>\$139,392</u>	<u>\$2,668,595</u>	<u>\$-</u>	<u>\$2,807,987</u>
Net carrying amount as at:				
31 Mar. 2025	<u>\$29,357</u>	<u>\$127,931</u>	<u>\$319,650</u>	<u>\$476,938</u>
31 Dec. 2024	<u>\$30,959</u>	<u>\$73,809</u>	<u>\$319,650</u>	<u>\$424,418</u>
31 Mar. 2024	<u>\$43,035</u>	<u>\$190,179</u>	<u>\$319,650</u>	<u>\$552,864</u>

Amortization expense of intangible assets under the statement of comprehensive income:

	1 Jan. ~ 31 Mar. 2025	1 Jan. ~ 31 Mar. 2024
Operating costs	<u>\$13,382</u>	<u>\$35,188</u>
Sales and marketing expenses	<u>\$1,125</u>	<u>\$1,173</u>
General and administrative expenses	<u>\$3,366</u>	<u>\$5,120</u>
Research and development expenses	<u>\$777</u>	<u>\$813</u>

10. Impairment test of goodwill and intangible assets with indefinite lives

Goodwill acquired through business combinations and licences with indefinite lives have been allocated to Aftermarket-department A CGU, for impairment testing as follows:

Carrying amount of goodwill and licences allocated to each of the cash-generating units:

As at	Goodwill Aftermarket- department A
31 Mar. 2025	<u>\$319,650</u>
31 Dec. 2024	<u>\$319,650</u>
31 Mar. 2024	<u>\$319,650</u>

After Market-Department A CGU

The recoverable amount of Aftermarket-department A CGU is determined by value-in-use, and the value-in-use is calculated based on the five year cash flow forecast which is authorized by management. Cash flow forecast has been updated to reflect the fluctuation of related product demands. The discount rate used by cash flow forecast were 12.22% and 11.73% for the three-month periods ended 31 March 2025 and 2024.

11. Short-term borrowings

	Interest rate range	As at 31 Mar. 2025
Unsecured bank loans	3.85%~6.40%	\$379,942
Secured bank loans	4.10%~4.50%	54,910
Total		<u>\$434,852</u>
	Interest rate range	As at 31 Dec. 2024
Unsecured bank loans	4.00%~6.40%	\$202,422
Secured bank loans	3.95%~5.89%	134,573
Total		<u>\$336,995</u>
	Interest rate range	As at 31 Mar. 2024
Unsecured bank loans	5.01%~7.15%	\$468,259
Secured bank loans	4.25%~4.79%	88,612
Total		<u>\$556,871</u>

Please refer to Note VIII for the detail of the assets pledged as security.

12. Long-term borrowings

Details of long-term borrowings as at 31 March 2025, 31 December 2024 and 31 March 2024 are as follows:

	As at		
	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
Unsecured bank loans	\$1,443,935	\$1,542,035	\$1,742,549
Less: current portion	(401,579)	(399,075)	(388,614)
Total	<u>\$1,042,356</u>	<u>\$1,142,960</u>	<u>\$1,353,935</u>
Interest rate range	(Note)	(Note)	(Note)
Maturity date	Maturity successively before May 2032	Maturity successively before May 2032	Maturity successively before May 2032

Please refer to Note VIII for the detail of the assets pledged as security.

Note: In 2019, the Group enter into contracts with designated banks in accordance with the “Project Loans Guidelines to Welcome Overseas Taiwanese Businesses to Return to Invest in Taiwan”. The terms and conditions have been prescribed in accordance with the approval letter. The interest rates are based on the variable interest rate of the two-year fixed deposit of Chunghwa Post Co., Ltd minus 0.095% ~ 0.995%, and must not exceed the variable interest rates of the two-year fixed deposit of Chunghwa Post Co., Ltd plus 0.5 percentage points of annual interest.

13. Post-employment benefits

Defined contribution plan

Expenses under the defined contribution plan for the three-month periods ended 31 March 2025 and 2024 were NT\$34,632 thousand and NT\$32,799 thousand, respectively.

Defined benefits plan

Expenses under the defined benefits plan for the three-month periods ended 31 March 2025 and 2024 were NT\$12,305 thousand and NT\$1,867 thousand, respectively.

14. Equities

(1) Common stock

As of 31 March 2025, 31 December 2024 and 31 March 2024, TONG YANG INDUSTRY CO., LTD.’s registered capital was all NT\$8,000,000 thousand with par value at NT\$10 per share, and had 591,477 thousand common shares, 591,477 thousand common shares authorized to be issued, respectively. Each share has one voting right and a right to receive dividends.

(2) Capital surplus

	As at		
	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
Additional paid-in capital	\$232,190	\$232,190	\$232,190
Bond conversion	695,219	695,219	695,219
Treasury share transactions	93,950	93,950	93,950
Difference between acquisition of subsidiaries' share and book value	6,032	6,032	6,032
Changes in ownership interests in subsidiaries	3,712	3,712	3,712
Share of changes in net assets of associate and joint ventures accounted for using the equity method	90,302	90,302	90,302
Premium from merger	2,960,398	2,960,398	2,960,398
Other	69,915	69,319	69,319
Total	<u>\$4,151,718</u>	<u>\$4,151,122</u>	<u>\$4,151,122</u>

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

(3) Retained earnings and dividend policies

The Company's Articles of Incorporation provide that the current net income, after deducting the previous years' losses, shall appropriate 10% as legal reserve and special reserve according to the company laws and other regulations of R.O.C. If there is still more than the accumulated undistributed income in the previous year, the board of directors shall propose a income distribution proposal. When issuing new shares, it should be submitted to the shareholders meeting for resolution. The board of directors of the Company is able to distribute more than two-thirds of the directors and more than half of the directors' resolutions, and for all or part of the dividends and bonuses, which is a part of the legal reserve or capital surplus, shall be distributed in cash and reported to the board of directors.

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

According to existing regulations, when the Company distributing distributable earnings, it shall set aside to special reserve, from the profit/loss of the current period and the undistributed earnings from the previous period, an amount equal to “other net deductions from shareholders’ equity for the current fiscal year, provided that if the company has already set aside special reserve in the first-time adoption of the IFRS, it shall set aside supplemental special reserve based on the difference between the amount already set aside and other net deductions from shareholders’ equity. For any subsequent reversal of other net deductions from shareholders’ equity, the amount reversed may be distributed from the special reserve.

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

On a public company's first-time adoption of the IFRS, for any unrealized revaluation gains and cumulative translation adjustments (gains) recorded to shareholders’ equity that the company elects to transfer to retained earnings by application of the exemption under IFRS 1, the company shall set aside special reserve. For any subsequent use, disposal or reclassification of related assets, the Company can reverse the special reserve by the proportion of the special reserve first appropriated and distribute it. Due to the adoption of IFRSs for the first time on the conversion date, the Company's retained earnings had become negative. Therefore, there was no need to allocate a special surplus reserve.

Details of the 2024 and 2023 earnings distribution and dividends per share as approved and resolved by the Board of Directors’ meeting and shareholders’ meeting on 7 March 2025 and 18 June 2024, respectively, are as follows:

	Appropriation of earnings		Dividend per share (NT\$)	
	2024	2023	2024	2023
Legal reserve	\$438,527	\$291,510		
Special reserve	-	(96,706)		
Common stock -cash dividend	3,134,828	2,365,908	NT\$5.3/ per share	NT\$4/ per share
Total	<u>\$3,573,355</u>	<u>\$2,560,712</u>		

Please refer to Note VI.(18) for relevant information on estimation basis and recognized amount of employees compensations and remunerations to directors.

(4) Non-controlling interests:

	1 Jan. 2025~ 31 Mar. 2025	1 Jan. 2024~ 31 Mar. 2024
Beginning balance	\$545,502	\$460,701
Profit attributable to non-controlling interests	37,514	23,564
Other comprehensive income, attributable to non-controlling interests, net of tax:		
Exchange differences resulting from translating the financial statements of foreign operation	7,720	36,329
Ending balance	<u>\$590,736</u>	<u>\$520,594</u>

15. Operating Revenue

	1 Jan. 2025~ 31 Mar. 2025	1 Jan. 2024~ 31 Mar. 2024
Sales - Finished goods	\$6,257,818	\$5,312,617
Sales - Merchandise	889,502	716,362
Sales - Others	143,360	145,193
Total	<u>\$7,290,680</u>	<u>\$6,174,172</u>

Analysis of revenue from contracts with customers during the three-month periods ended 31 March 2025 and 2024 are as follows:

(1) Disaggregation of revenue

For the three-month periods ended 31 March 2025:

	Assembly Market	Maintenance Market	Total
Sales - Finished goods	\$1,379,823	\$4,877,995	\$6,257,818
Sales - Merchandise	62,389	827,113	889,502
Sales - Others	94,915	48,445	143,360
Total	<u>\$1,537,127</u>	<u>\$5,753,553</u>	<u>\$7,290,680</u>

Timing of revenue recognition:

At a point in time	<u>\$1,537,127</u>	<u>\$5,753,553</u>	<u>\$7,290,680</u>
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For the three-month periods ended 31 March 2024:

	Assembly Market	Maintenance Market	Total
Sales - Finished goods	\$1,354,081	\$3,958,536	\$5,312,617
Sales - Merchandise	40,748	675,614	716,362
Sales - Others	95,272	49,921	145,193
Total	<u>\$1,490,101</u>	<u>\$4,684,071</u>	<u>\$6,174,172</u>
Timing of revenue recognition:			
At a point in time	<u>\$1,490,101</u>	<u>\$4,684,071</u>	<u>\$6,174,172</u>

(2) Contract balances

A. Contract assets - current

	As at			
	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024	1 Jan. 2024
Sales of goods	\$106,267	\$198,755	\$92,829	\$76,132
Less: loss allowance	-	-	-	-
Total	<u>\$106,267</u>	<u>\$198,755</u>	<u>\$92,829</u>	<u>\$76,132</u>

The significant changes in the Group's balances of contract assets during the three-month periods ended 31 March 2025 and 2024 are as follows:

	1 Jan. 2025~ 31 Mar. 2025	1 Jan. 2024~ 31 Mar. 2024
The opening balance transferred to trade receivables	\$(198,755)	\$(75,392)
The current contract consideration has not yet been unconditionally charged	106,267	92,089

B. Contract liabilities - current

	As at			
	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024	1 Jan. 2024
Sales of goods	<u>\$319,861</u>	<u>\$309,666</u>	<u>\$255,008</u>	<u>\$205,217</u>

The significant changes in the Group's balances of contract liabilities for the three-month periods ended 31 March 2025 and 2024 are as follows:

	1 Jan. 2025~ 31 Mar. 2025	1 Jan. 2024~ 31 Mar. 2024
The opening balance transferred to revenue	\$(43,938)	\$(27,836)
Increase in receipts in advance during the period (excluding the amount incurred and transferred to revenue during the period)	54,133	77,627

16. Expected credit losses / (gains)

	1 Jan. 2025~ 31 Mar. 2025	1 Jan. 2024~ 31 Mar. 2024
Operating expense- Expected credit losses		
Trade receivables	\$4,996	\$4,345

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

The credit risk for financial assets measured at amortized cost is assessed as low as of 31 March 2025 and 2024 (the same as the assessment result in the beginning of the period). As the Group transacts with are financial institutions with good credit, no allowance for losses has been provided in this period.

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

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

As at 31 March 2025

	Overdue						Total
	Not yet due	<=30 days	31-90 days	91-180days	181-360 days	>=360 days	
Gross carrying amount	\$4,714,918	\$529,264	\$11,165	\$12,203	\$4,067	\$35,900	\$5,307,517
Loss rate	0.5%	0.5~1%	2~5%	6~21%	21~100%	100%	
Lifetime expected credit losses	34,427	2,937	420	1,237	1,238	35,900	76,159
Carrying amount	\$4,680,491	\$526,327	\$10,745	\$10,966	\$2,829	\$-	\$5,231,358

As at 31 December 2024

	Overdue						
		181-360					
	Not yet due	<=30 days	31-90 days	91-180days	days	>=360 days	Total
Gross carrying amount	\$4,683,491	\$263,589	\$38,661	\$16,031	\$-	\$35,830	\$5,037,602
Loss rate	0.5%	0.5~1%	2~14%	15~27%	27~100%	100%	
Lifetime expected credit losses	26,974	1,743	3,160	2,659	-	35,830	70,366
Carrying amount	\$4,656,517	\$261,846	\$35,501	\$13,372	\$-	\$-	\$4,967,236

As at 31 March 2024

	Overdue						
		181-360					
	Not yet due	<=30 days	31-90 days	91-180days	days	>=360 days	Total
Gross carrying amount	\$4,246,119	\$330,988	\$14,685	\$2,495	\$3,746	\$32,611	\$4,630,644
Loss rate	0.5%	0.5~1%	2~9%	10~22%	23~84%	100%	
Lifetime expected credit losses	29,648	1,978	690	536	1,943	32,611	67,406
Carrying amount	\$4,216,471	\$329,010	\$13,995	\$1,959	\$1,803	\$-	\$4,563,238

The movement in the provision for impairment of contract assets, note receivables and trade receivables during the three-month periods ended 31 March 2025 and 2024 is as follows:

	Contract assets	Note receivables	Trade receivables
Bal. as at 1 Jan. 2025	\$-	\$651	\$69,715
Addition/(reversal) for the current period	-	-	4,996
Write off	-	-	-
Other	-	-	-
Exchange differences	-	-	797
Bal. as at 31 Mar. 2025	<u>\$-</u>	<u>\$651</u>	<u>\$75,508</u>

	Contract assets	Note receivables	Trade receivables
Bal. as at 1 Jan. 2024	\$-	\$651	\$61,300
Addition/(reversal) for the current period	-	-	4,345
Write off	-	-	-
Other	-	-	-
Exchange differences	-	-	1,110
Bal. as at 31 Mar. 2024	<u>\$-</u>	<u>\$651</u>	<u>\$66,755</u>

17. Leases

(1) Group as a lessee

The Group leases various properties, including real estate such as land and other equipment. The lease terms range from 2 to 50 years.

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

A. Amounts recognized in the balance sheet

(a) Right-of-use assets

The carrying amount of right-of-use assets

	As at		
	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
Land	\$1,409,607	\$1,427,649	\$223,384
Other equipment	36,603	37,559	9,769
Total	<u>\$1,446,210</u>	<u>\$1,465,208</u>	<u>\$233,153</u>

During the three-month periods ended 31 March 2025 and 2024, the Group's additions to right-of-use assets amounted to NT\$0 thousand and NT\$1,313 thousand, respectively.

(b) Lease liabilities

	As at		
	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
Lease liabilities	<u>\$1,276,655</u>	<u>\$1,274,789</u>	<u>\$23,836</u>
Current	\$10,784	\$10,730	\$16,204
Non-current	<u>1,265,871</u>	<u>1,264,059</u>	<u>7,632</u>
Total	<u>\$1,276,655</u>	<u>\$1,274,789</u>	<u>\$23,836</u>

Please refer to Note VI.(19) for the interest on lease liabilities recognized during the three-month periods ended 31 March 2025 and 2024 and refer to Note XII.(5) Liquidity Risk Management for the maturity analysis for lease liabilities.

B. Amounts recognized in the statement of profit or loss

Depreciation charge for right-of-use assets

	1 Jan. 2025~ 31 Mar. 2025	1 Jan. 2024~ 31 Mar. 2024
Land	\$21,882	\$6,000
Other equipment	<u>1,160</u>	<u>967</u>
Total	<u>\$23,042</u>	<u>\$6,967</u>

C. Income and costs relating to leasing activities

	1 Jan. 2025~ 31 Mar. 2025	1 Jan. 2024~ 31 Mar. 2024
The expenses relating to short-term leases	\$2,402	\$2,540
The expenses relating to leases of low-value assets (Not including the expenses relating to short-term leases of low-value assets)	<u>64</u>	<u>59</u>
Total	<u>\$2,466</u>	<u>\$2,599</u>

D. Cash outflow relating to leasing activities

During the three-month periods ended 31 March 2025 and 2024, the Group's total cash outflows for leases amounted to NT\$2,872 thousand and NT\$2,599 thousand.

18. Summary statement of employee benefits, depreciation and amortization expenses by function during the three-month periods ended 31 March 2025 and 2024:

Function Character	1 Jan. 2025~31 Mar. 2025			1 Jan. 2024~31 Mar. 2024		
	Operating costs	Operating expenses	Total amount	Operating costs	Operating expenses	Total amount
Salaries	\$550,657	\$426,066	\$976,723	\$501,306	\$368,975	\$870,281
Labor and health insurances	57,797	38,475	96,272	50,478	33,384	83,862
Pension	28,913	18,024	46,937	19,418	15,248	34,666
Other employee benefits expense	28,912	16,407	45,319	26,753	18,778	45,531
Depreciation	600,927	55,663	656,590	605,805	52,174	657,979
Amortization	13,382	5,268	18,650	35,188	7,106	42,294

According to the resolution, if the Company's annual profit is more than NT\$500,000 thousand, NT\$5,000 thousand is distributable as employees' compensation and NT\$15,000 thousand is distributable as remuneration to directors; if the Company's annual profit is less than NT\$500,000 thousand, then 1% of profit of the current year is distributable as employees' compensation and no higher than 3% profit of the current year is distributable as remuneration to directors.

However, the Company's accumulated losses shall have been covered (if any). The Company may, by a resolution adopted by a majority vote at a meeting of board of directors attended by two-thirds of the total number of directors, have the profit distributable as employees' compensation in the form of shares or in cash; and in addition thereto a report of such distribution is submitted to the shareholders' meeting. Information on the board of directors' resolution regarding the employees' compensation and remuneration to directors is available from the "Market Observation Post System" on the website of the TWSE.

The Company accrued employees' compensation and remunerations to director based on the level of the profit of the three-month period ended 31 March 2025 and 2024. The amounts of employees' compensation and remunerations to directors were NT\$1,250 thousand and NT\$3,750 thousand for the three-month period ended 31 March 2025 and 2024. The employees' compensation and remunerations to directors were recognized as expense.

A resolution was approved at the board of directors' meeting held on 7 March 2025 to distribute NT\$5,000 thousand and NT\$15,000 thousand in cash as employee's compensation and remuneration to directors, respectively. No material differences exist between the estimated amount and the actual distribution of the employee compensation and remuneration to directors for the year ended 31 December 2024.

No material differences exist between the estimated amount and the actual distribution of the employee compensation and remuneration to directors for the year ended 31 December 2023.

19. Non-operating income and expenses

(1) Other income

	1 Jan. 2025~ 31 Mar. 2025	1 Jan. 2024~ 31 Mar. 2024
Rental income	\$1,114	\$693
Interest income	34,933	34,463
Others	35,581	150,014
Total	<u>\$71,628</u>	<u>\$185,170</u>

(2) Other gains and losses

	1 Jan. 2025~ 31 Mar. 2025	1 Jan. 2024~ 31 Mar. 2024
(Losses) on disposal of property, plant and equipment	\$(869)	\$(9,735)
(Losses) on disposal of intangible assets	-	(11)
Foreign exchange gains, net	97,952	190,242
Impairment losses	(8,089)	(5,190)
Other (losses)	(376)	(3,837)
Total	<u>\$88,618</u>	<u>\$171,469</u>

(3) Finance costs

	1 Jan. 2025~ 31 Mar. 2025	1 Jan. 2024~ 31 Mar. 2024
Interest on borrowings from bank	\$(4,826)	\$(9,139)
Interest on lease liabilities	(2,069)	(38)
Subtotal	<u>(6,895)</u>	<u>(9,177)</u>
Total	<u>\$(6,895)</u>	<u>\$(9,177)</u>

20. Components of other comprehensive income

Three-month period ended 31 March 2025	Income tax	Other
Arising during the period	profit (expense)	comprehensive income, net of tax
Not to be reclassified to profit or loss in subsequent periods:		
Unrealized gains (losses) from equity instruments investments measured at fair value through other comprehensive income	\$3,686	\$- \$3,686
To be reclassified to profit or loss in subsequent periods:		
Exchange differences resulting from translating the financial statements of a foreign operation	56,997	- 56,997
Share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method	44,125	- 44,125
Total other comprehensive income	<u>\$104,808</u>	<u>\$- \$104,808</u>
Three-month period ended 31 March 2024	Income tax	Other
Arising during the period	profit (expense)	comprehensive income, net of tax
Not to be reclassified to profit or loss in subsequent periods:		
Unrealized gains (losses) from equity instruments investments measured at fair value through other comprehensive income	\$(7,914)	\$- \$(7,914)
To be reclassified to profit or loss in subsequent periods:		
Exchange differences resulting from translating the financial statements of a foreign operation	108,983	- 108,983
Share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method	63,026	- 63,026
Total other comprehensive income	<u>\$164,095</u>	<u>\$- \$164,095</u>

21. Income tax

The major components of income tax expense for the three-months ended 31 March 2025 and 2024 are as follows:

Income tax recognized in profit or loss

	1 Jan. 2025~ 31 Mar. 2025	1 Jan. 2024~ 31 Mar. 2024
Current income tax expense :		
Current income tax charge	\$374,631	\$302,265
Deferred income tax expense :		
Deferred tax expense relating to origination and reversal of temporary differences	-	-
Total income tax expense	<u>\$374,631</u>	<u>\$302,265</u>

The assessment of income tax returns

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

	<u>The assessment of income tax returns</u>
The Company	2023
Subsidiary—RU YANG INDUSTRIAL CO., LTD.	2022
Subsidiary—DING CHUNG INDUSTRY CO., LTD.	2023

22. Earnings per share

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

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the parent entity (after adjusting for interest on the convertible bonds payable) by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

	1 Jan. 2025~ 31 Mar. 2025	1 Jan. 2024~ 31 Mar. 2024
(1) Basic earnings per share		
Profit attributable to ordinary equity holders of the Company (in thousand NT\$)	<u>\$1,465,627</u>	<u>\$1,172,110</u>
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	<u>591,477</u>	<u>591,477</u>
Basic earnings per share (NT\$)	<u>\$2.48</u>	<u>\$1.98</u>
	1 Jan. 2025~ 31 Mar. 2025	1 Jan. 2024~ 31 Mar. 2024
(2) Diluted earnings per share		
Profit attributable to ordinary equity holders of the Company (in thousand NT\$)	<u>\$1,465,627</u>	<u>\$1,172,110</u>
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	591,477	591,477
Effect of dilution:		
Employee compensation — stock (in thousands)	<u>40</u>	<u>48</u>
Weighted average number of ordinary shares outstanding after dilution (in thousands)	<u>591,517</u>	<u>591,525</u>
Diluted earnings per share (NT\$)	<u>\$2.48</u>	<u>\$1.98</u>

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of the financial statements.

VII. RELATED PARTIES TRANSACTIONS

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

Name and nature of relationship of the related parties

<u>Name of the related parties</u>	<u>Nature of relationship of the related parties</u>
TUNG YANG CHEMICAL CO., LTD.	Associate
CHANGCHUEN FAWAY TONG YANG AUTOMOBILE COMPONENT CO., LTD.	Associate
CHANGSHA GACC TONG YANG AUTOMOBILE COMPONENT CO., LTD.	Associate
DAIKYO NISHIKAWA TONG YANG AUTO PARTS (NANJING) CO., LTD.	Associate
WUHAN XIANG XING AUTO PARTS CO., LTD.	Associate
TAI Plus LLC	Other related party

Significant transactions with the related parties

(1) Sales

	1 Jan. 2025~ 31 Mar. 2025	1 Jan. 2024~ 31 Mar. 2024
Associates industries	\$71,814	\$63,346

The prices and collection conditions are the same between associates industries and non-related parties.

(2) Purchases

	1 Jan. 2025~ 31 Mar. 2025	1 Jan. 2024~ 31 Mar. 2024
Associates industries	\$28,284	\$35,736

The prices and payment conditions are the same between associates industries and non-related parties.

(3) Trade receivables - related parties

	As at		
	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
Associates industries	\$102,549	\$120,604	\$73,828

(4) Note receivables - related parties

	As at		
	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
Associates industries	\$413	\$1,287	\$5,122

(5) Trade payables - related parties

	As at		
	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
Associates industries	\$26,519	\$29,415	\$30,979

(6) Key management personnel compensation

	1 Jan. 2025~ 31 Mar. 2025	1 Jan. 2024~ 31 Mar. 2024
Short-term employee benefits	\$20,466	\$19,227
Post-employment benefits	27	27
Total	\$20,493	\$19,254

(7) Other

The amount of service fees paid by the Group to an other related party for the three-month periods ended 31 March 2025 and 2024 were NT\$2,946 thousand and NT\$2,817 thousand, respectively.

VIII. ASSETS PLEDGED AS SECURITY

The following assets of the Group are pledged as security:

Items	Carrying amount			Secured liabilities
	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024	
Financial assets measured at amortized cost-non-current	\$153,529	\$153,529	\$11,498	Guarantee
Financial assets measured at amortized cost-current	-	-	143,228	Notes payables
Notes receivables	-	-	60,965	Notes payables
Property, plant and equipment- Land	225,647	225,647	225,647	Bank borrowings
Property, plant and equipment- Buildings	520,925	787,153	804,803	Bank borrowings
Right-of-use assets	123,727	149,779	150,936	Bank borrowings
Total	<u>\$1,023,828</u>	<u>\$1,316,108</u>	<u>\$1,397,077</u>	

IX. SIGNIFICANT CONTINGENCIES AND UNRECOGNIZED CONTRACTUAL COMMITMENTS

1. As of 31 March 2025, the Company was involved in the following activities that were not shown in the financial statements:

(1) Unused letters of credit (in thousands)

Currency	31 Mar. 2025
USD	\$1,078
JPY	59,179
NTD	130,545

(2) The financial institution provided a guarantee of NTD\$71,000 thousand to the Group's vendors for securing the Group's purchases.

2. As of 31 March 2025, the related parties, FUZHOU TONG YANG, FUSHUN TONG YANG, TONG YANG HOLDING CORPORATION and GUANGZHOU TONG YANG TATEMATSU borrowed from the financial institution and the Company issued “letter of support” to the financial institution stating that the Company will continue to assist the affiliated institutions to sustain a satisfactory financial position until the related bank borrowings have been paid off.
3. As of 31 March 2025, the Company has entered into a binding contract for the second quarter of 2025 with CHINA STEEL CORPORATION. The contract price is NT\$262,318 thousand. The Company has already drawn up a guarantee note of NT\$18,000 thousand.

X. LOSSES DUE TO MAJOR DISASTERS

None.

XI. SIGNIFICANT SUBSEQUENT EVENTS

None.

XII. OTHER

1. Categories of financial instruments

Financial assets

	As at		
	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
Financial assets at fair value through other comprehensive income	\$626,492	\$622,806	\$663,143
Financial assets measured at amortized cost:			
Cash and cash equivalents (excludes cash on hand)	5,904,217	4,733,232	5,049,588
Financial assets measured at amortized cost			
cost	153,565	154,350	402,104
Notes receivables(related parties included)	431,872	277,494	347,899
Trade receivables(related parties included)	4,799,486	4,689,742	4,215,339
Other receivables(related parties included)	115,288	131,638	163,464
Refundable deposits	15,138	28,849	12,414
Total	<u>\$12,046,058</u>	<u>\$10,638,111</u>	<u>\$10,853,951</u>

Financial liabilities

	As at		
	31 Mar. 2025	31 Dec. 2024	31 Mar. 2024
Financial liabilities at amortized cost:			
Short-term borrowings	\$434,852	\$336,995	\$556,871
Trade and other payables	4,447,625	5,096,395	4,362,303
Lease liabilities	1,276,655	1,274,789	23,836
Long-term borrowings(including current portion with maturity less than 1 year)	1,443,935	1,542,035	1,742,549
Total	<u>\$7,603,067</u>	<u>\$8,250,214</u>	<u>\$6,685,559</u>

2. Financial risk management objectives and policies

The Group's principal financial risk management objective is to manage the market risk, credit risk and liquidity risk related to its operating activities. The Group identifies measures and manages the aforementioned risks based on the Group's policy and risk appetite.

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

3. Market risk

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

Foreign currency risk

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

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

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

When NTD strengthens/weakens against USD by 1%, the profit for the three-month periods ended 31 March 2025 and 2024 decreases/increases by NT\$64,675 thousand and NT\$55,665 thousand, respectively.

Interest rate risk

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

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

The interest rate sensitivity analysis is performed on items exposed to interest rate risk as at the end of the reporting period, including investments and borrowings with variable interest rates and interest rate swaps. At the reporting date, a change of 10 basis points of interest rate in a reporting period could cause the profit for the three-month period ended 31 March 2025 and 2024 to increase /decrease by NT\$1,045 thousand and NT\$788 thousand, respectively.

Equity price risk

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

Please refer to Note XII.(8) for sensitivity analysis information of other equity instruments or derivatives that are linked to such equity instruments whose fair value measurement is categorized under Level 3.

4. Credit risk management

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

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

As of 31 March 2025, 31 December 2024 and 31 March 2024, trade receivables from top ten customers represented 53%, 53% and 48% of the total trade receivables of the Group, respectively. The credit concentration risk of other trade receivables is insignificant.

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

5. Liquidity risk management

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

Non-derivative financial liabilities

	Less than 1 year	1 to 2 years	2 to 3 years	> 3 years	Total
As at 31 Mar. 2025					
Borrowings	\$856,352	\$312,613	\$269,741	\$477,467	\$1,916,173
Trade and other payables	4,447,625	-	-	-	4,447,625
Lease liabilities	10,784	9,433	8,222	1,248,445	1,276,884
As at 31 Dec. 2024					
Borrowings	\$756,972	\$349,542	\$264,595	\$548,447	\$1,919,556
Trade and other payables	5,096,395	-	-	-	5,096,395
Lease liabilities	10,730	9,713	8,260	1,246,350	1,275,053
As at 31 Mar. 2024					
Borrowings	\$973,735	\$409,936	\$311,114	\$653,211	\$2,347,996
Trade and other payables	4,362,303	-	-	-	4,362,303
Lease liabilities	16,227	4,112	2,172	1,504	24,015

6. Reconciliation of liabilities arising from financing activities

Reconciliation of liabilities for the three-month periods ended 31 March 2025:

	Short-term borrowings	Long-term borrowings (current portion included)	Lease liabilities	Total liabilities from financing activities
As at 1 Jan. 2025	\$336,995	\$1,542,035	\$1,274,789	\$3,153,819
Cash flows	-	(98,100)	(406)	(98,506)
Non-cash changes	-	-	2,069	2,069
Foreign exchange movement	97,857	-	203	98,060
As at 31 Mar. 2025	\$434,852	\$1,443,935	\$1,276,655	\$3,155,442

Reconciliation of liabilities for the three-month periods ended 31 March 2024:

	Short-term borrowings	Long-term borrowings (current portion included)	Lease liabilities	Total liabilities from financing activities
As at 1 Jan. 2024	\$528,878	\$1,839,387	\$22,124	\$2,390,389
Cash flows	27,993	(96,838)	-	(68,845)
Non-cash changes	-	-	1,712	1,712
Foreign exchange movement	-	-	-	-
As at 31 Mar. 2024	<u>\$556,871</u>	<u>\$1,742,549</u>	<u>\$23,836</u>	<u>\$2,323,256</u>

7. Fair values of financial instruments

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

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

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

- E. The fair value of derivatives which are not options and without market quotations, is determined based on the counterparty prices or discounted cash flow analysis using interest rate yield curve for the contract period. Fair value of option-based derivative financial instruments is obtained using on the counterparty prices or appropriate option pricing model (for example, Black-Scholes model) or other valuation method (for example, Monte Carlo Simulation).

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

The book value of financial assets and liabilities measured at amortized cost of the Group approximate the fair value.

(3) Fair value measurement hierarchy for financial instruments

Please refer to Note XII. (8) for fair value measurement hierarchy for financial instruments of the Group.

8. Fair value measurement hierarchy

(a) Fair value measurement hierarchy

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

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

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

Level 3 - Unobservable inputs for the asset or liability

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

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

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

As at 31 Mar. 2025

	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at fair value through other comprehensive income				
Equity instrument measured at fair value through other comprehensive income	\$-	\$-	\$626,492	\$626,492

As at 31 Dec. 2024

	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at fair value through other comprehensive income				
Equity instrument measured at fair value through other comprehensive income	\$-	\$-	\$622,806	\$622,806

As at 31 Mar. 2024

	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at fair value through other comprehensive income				
Equity instrument measured at fair value through other comprehensive income	\$-	\$-	\$663,143	\$663,143

Transfers between Level 1 and Level 2 during the period

During the three-month periods ended 31 March 2025 and 2024, there were no transfers between Level 1 and Level 2 fair value measurements.

Reconciliation for fair value measurements in Level 3 of the fair value hierarchy for movements during the period is as follows:

	Measured at fair value through other comprehensive income- stocks	Measured at fair value through other comprehensive income- stocks
	1 Jan. 2025~ 31 Mar. 2025	1 Jan. 2024~ 31 Mar. 2024
Beginning balances	\$622,806	\$671,057
Total gains and losses recognized:		
Amount recognized in OCI	3,686	(7,914)
Ending balances	\$626,492	\$663,143

Information on significant unobservable inputs to valuation

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

As at 31 March 2025

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets: Measured at fair value through other comprehensive income					
Stocks	Market approach	P/E ratio of similar entities	10.17~ 17.36	The higher the P/E ratio of similar entities, the higher the fair value of the stocks	10% increase (decrease) in the P/E ratio of similar entities would result in increase/ decrease in the Group's equity by NT\$61,649 thousand

As at 31 December 2024

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets: Measured at fair value through other comprehensive income					
Stocks	Market approach	P/E ratio of similar entities	10.11~ 17.02	The higher the P/E ratio of similar entities, the higher the fair value of the stocks	10% increase (decrease) in the P/E ratio of similar entities would result in increase/ decrease in the Group's equity by NT\$61,281 thousand

As at 31 March 2024

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets: Measured at fair value through other comprehensive income					
Stocks	Market approach	P/E ratio of similar entities	11.58~ 24.51	The higher the P/E ratio of similar entities, the higher the fair value of the stocks	10% increase (decrease) in the P/E ratio of similar entities would result in increase/ decrease in the Group's equity by NT\$65,314 thousand

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

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

9. Significant assets and liabilities denominated in foreign currencies

Information regarding the significant assets and liabilities denominated in foreign currencies is listed below:

Unit: thousands			
As at 31 Mar. 2025			
	Foreign Currency	Exchange	NTD
<u>Financial assets</u>			
Monetary items:			
USD	\$197,236	33.182	\$6,544,685
CNY	385,529	4.575	1,763,795
Non-monetary items:			
CNY	494,463	4.575	2,262,168
<u>Financial liabilities</u>			
Monetary items:			
USD	\$2,326	33.182	\$77,181
CNY	364,129	4.575	1,665,890
As at 31 Dec. 2024			
	Foreign Currency	Exchange	NTD
<u>Financial assets</u>			
Monetary items:			
USD	\$164,136	32.781	\$5,380,542
CNY	431,056	4.491	1,935,872
Non-monetary items:			
CNY	499,559	4.491	2,243,521
<u>Financial liabilities</u>			
Monetary items:			
USD	\$2,273	32.781	\$74,511
CNY	442,437	4.491	1,986,985

	As at 31 Mar. 2024		
	Foreign Currency	Exchange	NTD
<u>Financial assets</u>			
Monetary items:			
USD	\$176,137	31.99	\$5,634,623
CNY	357,414	4.431	1,583,701
Non-monetary items:			
CNY	512,362	4.431	2,270,279
<u>Financial liabilities</u>			
Monetary items:			
USD	\$2,128	31.99	\$68,075
CNY	436,876	4.431	1,935,798

The Group has various functional currencies, no information about the foreign exchange gains or losses by a specific currency is available. For the three-month periods ended 31 March 2025 and 2024, the foreign exchange gains or losses on monetary financial assets and financial liabilities were NT\$97,952 thousands and NT\$190,242 thousand, respectively.

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

10. Capital management

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

11. Technical license agreement:

- ① According to a technical license agreement made between the Company and Hitachi Chemical CORPORATION (Now renamed to Resonac Co., Ltd) on 17 July 2018, Hitachi shall provide technical information and relevant technical assistance regarding to all plastic tailgate of cars. Accordingly, the Company shall pay royalty under the term of payment state in the agreement.

- ② According to a technical license agreement made between the Company and FALTEC. On 15 November 2021, FALTEC shall provide technical information and relevant technical assistance regarding to automobile parts of P33A cars. Accordingly, the Company shall pay royalty under the term of payment state in the agreement.

XIII. OTHER DISCLOSURES

- (1) The following are additional disclosures for the Company and its affiliates as required by the R.O.C. Securities and Futures Bureau:
- (a) Financing provided to others for the three-month periods ended 31 March 2025: Please refer to Attachment 2.
 - (b) Endorsement/Guarantee provided to others for the three-month periods ended 31 March 2025: Please refer to Attachment 3.
 - (c) Securities held as of 31 March 2025 (excluding subsidiaries, associates and joint venture): Please refer to Attachment 4.
 - (d) Related party transactions for purchases and sales amounts exceeding the lower of NT\$100 million or 20 percent of the capital stock for the three-month periods ended 31 March 2025: None.
 - (e) Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20 percent of capital stock as of 31 March 2025: None.
 - (f) The business relationship, significant transactions and amounts between parent company and subsidiaries: Please refer to Attachment 1.
- (2) Information on investees:

Names, locations, main businesses and products, original investment amount, investment as of 31 March 2025, net income (loss) of investee company and investment income (loss) recognized as of 31 March 2025 Please refer to Attachment 5.

(3) Investment in Mainland China:

- (a) Investee company name, main businesses and products, total amount of capital, method of investment, accumulated inflow and outflow of investments from Taiwan, net income (loss) of investee company, percentage of ownership, investment income (loss), carrying amount of investments, cumulated inward remittance of earnings and limits on investment in Mainland China: Please refer to Attachment 6.
- (b) Directly or indirectly significant transactions through third regions with the investees in Mainland China, including price, payment terms, unrealized gain or loss, and other events with significant effects on the operating results and financial condition: Please refer to Attachment 2 , Attachment 3 and Attachment 6.

XIV. SEGMENT INFORMATION

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

Domestic Operating Entity: Responsible for the auto parts and components required by domestic production and sales.

Foreign Operating Entity: Responsible for the auto parts and components required by foreign production and sales.

No operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on material accounting policies consistent with those in the consolidated financial statements.

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

1. Segment information about profit and assets (loss and liabilities).

1 Jan. 2025~ 31 Mar. 2025	Domestic Operating Entity	Foreign Operating Entity	Adjustments and eliminations	Total
Revenue				
External customers	\$5,989,859	\$1,300,821	\$-	\$7,290,680
Inter-segment	-	-	-	-
Total revenue	<u>\$5,989,859</u>	<u>\$1,300,821</u>	<u>\$-</u>	<u>\$7,290,680</u>
Segment profit	<u>\$1,771,329</u>	<u>\$68,929</u>	<u>\$37,514</u> Note	<u>\$1,877,772</u>

Note:

None of the operating division's profit/loss included profit attributable to non-controlling interests (loss) of NT\$37,514 thousand.

1 Jan. 2024~ 31 Mar. 2024	Domestic Operating Entity	Foreign Operating Entity	Adjustments and eliminations	Total
Revenue				
External customers	\$4,932,394	\$1,241,778	\$-	\$6,174,172
Inter-segment	-	-	-	-
Total revenue	<u>\$4,932,394</u>	<u>\$1,241,778</u>	<u>\$-</u>	<u>\$6,174,172</u>
Segment profit	<u>\$1,479,718</u>	<u>\$(5,343)</u>	<u>\$23,564</u> Note	<u>\$1,497,939</u>

Note:

None of the operating division's profit/loss included profit attributable to non-controlling interests (loss) of NT\$23,564 thousand.

Attachment 1: The business relationship, significant transactions and amounts between parent company and subsidiaries

No. (Note 1)	Related-party	Counter-party	Relationship with the Company (Note 2)	Transactions			
				Account	Amount	Terms	Percentage of consolidated operating revenues or consolidated total assets (Note 3)
0	The Company	DING CHUNG INDUSTRY CO., LTD.	1	Sales	\$21,081	Approximately 60 days from the date of sale	0.29%
0	The Company	TYG PRODUCTS	1	Sales	22,036	Approximately 90 days from the date of sale	0.30%
0	The Company	DING CHUNG INDUSTRY CO., LTD.	1	Sales	13,805	Approximately 60 days from the date of sale	0.03%
0	The Company	TYG PRODUCTS	1	Sales	35,682	Approximately 90 days from the date of sale	0.09%
1	TONG YANG HOLDING CORPORATION	XIANGYANG TONG YANG AUTOMOBILE COMPONENT CO., LTD	3	Other receivables	91,500	Financing	0.23%

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

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

Note 2: Transactions are categorized as follows:

- 1.The holding company to subsidiary.
- 2.Subsidiary to holding company.
- 3.Subsidiary to subsidiary.

Note 3: The percentage with respect to the consolidated asset/liability for transactions of balance sheet items are based on each item's balance at period-end.

For profit or loss items, interim cumulative balances are used as basis.

Attachment 2: Financing provided to others

No. (Note 1)	Lender	Counter-party	Financial statement account	Related Party	Maximum balance for the period (Note 8)	Ending balance	Actual amount provided	Interest rate	Nature of financing (Note 4)	Amount of sales to (purchases from) Counterparty (Note 5)	Reason for short-term financing (Note 6)	Allowance for doubtful accounts	Collateral		Limit of financing amount for individual counterparty (Note 2)	Limit of total financing amount (Note 3)	Note
													Item	Value			
1	TONG YANG HOLDING CORPORATION	XIANGYANG TONG YANG AUTOMOBILE COMPONENT CO., LTD.	Other receivables	Y	\$183,000 (RMB 40,000)	\$183,000 (RMB 40,000)	\$91,500 (RMB 20,000)	-%	2	-	Need for operating	-	-	-	\$854,005 (USD 25,737)	\$1,708,010 (USD 51,474)	(Note 7)

(Note 1) The financial information of the parent company and its subsidiaries are coded as follows:

(1) The parent company is coded "0".

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

(Note 2) Limit of financing amount for individual counterparty:

(1) Limit of financing amount for individual counterparty shall not exceed the needed amount for operation.

(2) The Company : Limit of financing amount for individual counterparty shall not exceed 10% of the lender's net assets value as of the period.

TONG YANG HOLDING CORPORATION : Limit of financing amount for individual counterparty shall not exceed 20% of the lender's net assets value as of the period.

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

(Note 4) The financing provided to others are coded as follows:

(1) Business contacts is coded "1".

(2) Short-term financing is coded "2".

(Note 5) If financing provided to others is coded "1" , the amount of business transactions should be filled in.

(Note 6) If financing provided to others is coded "2". The reasons for the necessary loans and funds and the use of the loans and objects.

(Note 7) The above transactions were all made between consolidated entities in the Group and have been reversed.

(Note 8) The balance of which is at its maximum balance of financing provided to others in the current year.

(Note 9) The exchange rate of the US dollar to the NTD is 1: 33.182. The exchange rate of the RMB to the NTD is 1: 4.575.

Attachment 3: Endorsement/Guarantee provided to others

No. (Note1)	Endorsor/ Guarantor	Receiving party		Limit of guarantee/ endorsement amount for receiving party (Note 3)	Maximum balance for the period (Note 6)	Ending balance	Actual amount provided	Amount of collateral guarantee/ endorsement	Percentage of accumulated guarantee amount to net assets value from the latest financial statement	Limit of total guarantee/ endorsement amount (Note 4)	Parent company's guarantee/ endorsement amount to subsidiaries	Subsidiaries' guarantee/ endorsement amount to parent company	Guarantee/ endorsement amount to company in Mainland China	Note
		Company Name	Relationship (Note 2)											
1	TONG YANG HOLDING CORPORATION	XIANGYANG TONG YANG AUTOMOBILE COMPONENT CO., LTD	(2)	\$854,005 (USD 25,737)	\$274,500 (RMB60,000)	\$274,500 (RMB60,000)	\$228,590 (RMB 49,965)	-	6.43%	\$1,708,010 (USD 51,474)	Y	N	Y	(Note 5)
1	TONG YANG HOLDING CORPORATION	FUZHOU TONG YANG PLASTICS CO., LTD.	(2)	854,005 (USD 25,737)	320,250 (RMB70,000)	320,250 (RMB70,000)	15,294 (RMB 3,343)	-	7.50%	1,708,010 (USD 51,474)	Y	N	Y	(Note 5)
1	TONG YANG HOLDING CORPORATION	FUSHUN TONG YANG AUTOMOBILE COMPONENT CO., LTD.	(2)	854,005 (USD 25,737)	68,625 (RMB 15,000)	68,625 (RMB15,000)	22,875 (RMB 5,000)	-	1.61%	1,708,010 (USD 51,474)	Y	N	Y	(Note 5)

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

The Company is coded "0".

The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

Note 2: According to the "Guidelines Governing the Preparation of Financial Reports by Securities Issuers" issued by the R.O.C. Securities and Futures Bureau, the receiving parties shall be disclosed as one of the following:

(1) A company with which it does business.

- (2) A company in which the public company directly and indirectly holds more than 50% of the voting shares.
- (3) A company that directly and indirectly holds more than 50% of the voting shares in the public company.
- (4) A company in which the public company holds, directly or indirectly, 90% or more of the voting shares.
- (5) A company that fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project.
- (6) A company that all capital contributing shareholders make endorsements/ guarantees for their jointly invested company in proportion to their shareholding percentages.
- (7) Companies in the same industry provide among themselves joint and several security for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.

Note 3: Limit of guarantee/endorsement amount for receiving party is 20% of the net worth of the financial report reviewed by the certified public accountants as of 31 March 2025.

Note 4: Limit of total guarantee/ endorsement amount is 40% of the net worth of the financial report reviewed by the certified public accountants as of 31 March 2025.

Note 5: The above transactions were all made between consolidated entities in the Group and have been reversed.

Note 6: The balance of which is at its maximum balance of endorsement/guarantee provided to others in the current year.

Note 7: The exchange rate of US dollar to NTD is 1: 33.182.

The exchange rate of the RMB to the NTD is 1: 4.575.

Attachment 4: Securities held as of 31 March 2025. (Excluding subsidiaries, associates and joint ventures)

Holding Company	Type and name of securities (Note1)	Relationship	Financial statement account	As of 31 March 2025				Note
				Shares (thousand)	Book value (thousand)	Percentage of ownership (%)	Fair value (Note2)	
The Company	Stock-FONG YUE CO.,LTD	Investment company measured at fair value through other comprehensive gains and losses	Financial assets measured at fair value through other comprehensive gains and losses - non-current	20	10,000	10.00%	500	
	Stock-PRO FORTUNE INDUSTRIAL, CO.,LTD	"	"	6,622	520,454	14.14%	78.6	
DING CHUNG INDUSTRY CO.,LTD. (DING CHUNG)	Stock-PRO FORTUNE INDUSTRIAL, CO.,LTD	Investment company measured at fair value through other comprehensive gains and losses	Financial assets measured at fair value through other comprehensive gains and losses - non-current	1,222	96,038	2.61%	78.6	

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities within the scope of IFRS 9 'Financial instruments'.

Note 2: Financial asset measured at fair value through other comprehensive income-non current refers to the fair value per share after the comparable company's evaluation.

Attachment 5: Names, locations, main businesses and products, original investment amount, investment as of 31 March 2025, net income (loss) of investee company and investment income (loss) recognized as of 31 March 2025

Investor	Investee company	Location	Main businesses and products	Initial Investment (Note1)		Investment as of 31 March 2025			Shareholding ratio* net value of the investee company at the end of the period	Net income (loss) of investee company	Investment income (loss) recognized (Note 2)	Note
				Ending balance	Beginning balance	Number of shares (thousand)	Percentage of ownership (%)	Book value (Note 3)				
The Company	TUNG YANG CHEMICAL CO., LTD.	Taiwan	Processing and trading of coatings and chemical raw materials	\$58,465	\$58,465	3,600	40.00%	\$113,671	\$111,614	\$1,596	\$639	
	TONG YANG HOLDING CORPORATION	Cayman Islands	Holding company	3,059,545 (USD 91,058)	3,059,545 (USD 91,058)	59,000	100.00%	4,269,598	4,269,986	(12,082)	(12,082)	(Note4)
	HOW BOND INVESTMENT CO.,LTD.	British Virgin Islands	Holding company	603,434 (USD 16,000)	603,434 (USD 16,000)	16,000	100.00%	1,520,945	1,536,014	34,043	34,043	(Note4)
	DING CHUNG INDUSTRY CO., LTD. (DING CHUNG)	Taiwan	Automobile parts and components import and export business	66,865	66,865	2,000	100.00%	120,368	120,368	373	373	(Note4)
	RU YANG INDUSTRIAL CO., LTD. (RU YANG)	Taiwan	Production and sales of automotive parts	242,740	242,740	12,947	58.95%	240,723	240,729	127	75	(Note4)
	C&D CAPITAL II CORPORATION	British Virgin Islands	Holding company	147,364 (USD 4,557)	147,364 (USD 4,557)	4,557	42.53%	38,330	150,673	-	(26,249)	(Note6)
	WU'S PLASTICS CO.,LTD. (literal translation)	Taiwan	Production and sales of automotive parts	15,000	15,000	1,500	50.00%	15,190	15,192	-	-	

Investor	Investee company	Location	Main businesses and products	Initial Investment (Note 1)		Investment as of 31 March 2025			Net income (loss) of investee company	Investment income (loss) recognized (Note 2)	Note
				Ending balance	Beginning balance	Number of shares (thousand)	Percentage of ownership (%)	Book value (Note 3)			
TONG YANG HOLDING CORPORATION	CHANGCHUN FAWAY TONG YANG AUTOMOBILE COMPONENTS CO.,LTD.	China	Production and sales of various plastic vehicles, plastic products, etc.	USD 13,230	USD 13,230	-	49.00%	USD 48,884	USD (1,425)	USD (698)	
	FUZHOU TONG YANG PLASTICS CO., LTD.	China	Production and sales of various plastic vehicles, plastic products, etc.	USD 34,000	USD 34,000	-	100.00%	USD 6,832	USD 326	USD 326	(Note 4)
	CHONGQING DAJING TONG YANG PLASTICS CO., LTD.	China	Production and sales of various plastic vehicles, plastic products, etc.	USD 7,150	USD 7,150	-	55.00%	USD 15,098	USD 2,557	USD 1,406	(Note 4)
	DAIKYO NISHIKAWA TONG YANG AUTO PARTS (NANJING) CO., LTD.	China	Production and sales of various plastic vehicles, plastic products, etc.	USD 12,375	USD 12,375	-	45.00%	USD 9,989	USD (89)	USD (40)	
	XIANGYANG TONG YANG AUTOMOBILE COMPONENT CO., LTD.	China	Production and sales of various plastic vehicles, plastic products, etc.	USD 37,798	USD 37,798	-	100.00%	USD (146)	USD (1,006)	USD (1,006)	(Note 4)
	FUSHUN TONG YANG AUTOMOBILE COMPONENT CO., LTD. (FUSHUN TONG YANG)	China	Production and sales of various plastic vehicles, plastic products, etc.	USD 18,500	USD 18,500	-	100.00%	USD 12,193	USD (313)	USD (313)	(Note 4)
	WUHAN XIANG XING AUTO PARTS CO., LTD.	China	Production and sales of various plastic vehicles, plastic products, etc.	USD 3,000	USD 3,000	-	25.00%	USD 1,196	USD 5	USD 1	

Investor	Investee company	Location	Main businesses and products	Initial Investment (Note 1)		Investment as of 31 March 2025			Net income (loss) of investee company	Investment income (loss) recognized (Note 2)	Note
				Ending balance	Beginning balance	Number of shares (thousand)	Percentage of ownership (%)	Book value (Note 3)			
	GUANGZHOU TONG YANG TATEMATSU MOLD MANUFACTURING CO., LTD.	China	Design, manufacture, maintenance and trading of all types of molds	USD 7,599	USD 7,599	-	90.00%	USD 6,182	USD (61)	USD (55)	(Note 4)
	CHANGSHA GACC TONG YANG AUTOMOBILE COMPONENT CO., LTD.	China	Production and sales of various plastic vehicles, plastic products, etc.	USD 17,150	USD 17,150	-	49.00%	USD 8,106	USD 30	USD 15	
	TONG YANG (GUANGZHOU) TECHNOLOGY R&D SERVICE CO., LTD.	China	Product design, technology development, experimental testing and service management, etc.	USD 1,840	USD 1,840	-	100.00%	USD 1,843	USD (95)	USD (95)	(Note 4)
HOW BOND INVESTMENT CO., LTD.	TYG HOLDING (U.S.A), INC.	America	Investment holding	USD -	USD -	1	100.00%	1,093,206	35,711	35,711	(Note 4.5)
	NANJING TONG YANG AUTO PARTS CO., LTD.	China	Production and sales of various plastic vehicles, plastic products, etc.	\$820,610	\$820,610	-	100.00%	227,577	(6,221)	(6,221)	(Note 4)

Note 1: The original investment amount does not include the amount of surplus to capital increase.

Note 2: The investment income recognized for this period is based on the direct investee companies own outstanding shares.

Note 3: The investment income recognized for this period had eliminated unrealized gain or loss on the transactions between the Company and its investees.

Note 4: The above transactions were all made between consolidated entities in the Group and have been reversed.

Note 5: TYG HOLDING (U.S.A), INC is a foreign holding investee company, and it prepares consolidated financial statements only, the disclosure of the company's investments over which the Company has significant influence or control, directly or indirectly, is only disclosed to the level of the holding company.

Note 6: Investment income(loss) recognized during this period includes the valuation income(loss) of financial assets at fair value according to IFRS9.

Note 7: The exchange rate of US dollar to NTD is 1: 33.182.

The exchange rate of RMB to NTD is 1: 4.575.

The average exchange rate of US dollar to NTD is 1: 32.732.

The average exchange rate of RMB to NTD is 1: 4.493.

Attachment 6: Investment in Mainland China

Investee company	Main Businesses and Products	Total Amount of Paid-in Capital	Method of Investment	Accumulated Outflow of Investment from Taiwan as of 1 January 2025	Investment Flows		Accumulated Outflow of Investment from Taiwan as of 31 March 2025	Net income (loss) of investee company	Percentage of Ownership	Investment income (loss) recognized (Note 3/4)	Carrying Value as of 31 March 2025 (Note 3/5)	Accumulated Inward Remittance of Earnings as of 31 March 2025
					Outflow	Inflow						
Nanjing Tongyang Plastic Products Co., Ltd.	1. Regarding automobile bumpers and their parts, and other motor vehicles, parts and accessories for motorcycles, chemical raw materials, production and sales of pollution prevention equipment, and varnished water and other varnishes based on natural polymers. Business of processing and trading of paint materials and fine chemical raw materials.	USD -	Note 1	USD 3,659	-	-	USD 3,659	-	-	-	-	-
Wuhu You Shr Tongyang Plastics Co., Ltd.		USD -	Note 1	USD 4,407	-	-	USD 4,407	-	-	-	-	-
Haerbin Hafei Kai Yih Metal Co., Ltd.		USD -	Note 1	USD 10,860	-	-	USD 10,860	-	-	-	-	-
Tianjin Mitsuboshi Belting Co., Ltd.		USD -	Note 1	USD 1,033	-	-	USD 1,033	-	-	-	-	-
Tianjin Nagase Plastics Co., Ltd.		USD -	Note 1	USD 54	-	-	USD 54	-	-	-	-	-
Fuzhou Tongyang Plastic Products Co., Ltd.		USD 35,000	Note 1	USD 25,808	-	-	USD 25,808	USD 326	100.00%	USD 326	USD 6,832	-
Chongqing Dajing Yuchyang Plastics Co., Ltd.		USD -	Note 1	USD 6,372	-	-	USD 6,372	-	-	-	-	USD 4,000
NBC (Guangzhou) Co., Ltd.		USD -	Note 1	USD (6,340)	-	-	USD (6,340)	-	-	-	-	USD 6,340
NBC (Changchuen) Co., Ltd.		USD -	Note 1	USD 469	-	-	USD 469	-	-	-	-	-
NBC (Tianjin) Co., Ltd.		USD -	Note 1	USD (998)	-	-	USD (998)	-	-	-	-	USD 998
Tianjin Binhai NBC Co., Ltd.		RMB -	Note 1	USD 2,960	-	-	USD 2,960	-	-	-	-	-
ChangChun Faway Tong Yang Automobile Component Co., Ltd.		USD 27,000	Note 1	USD 3,747	-	-	USD 3,747	USD (1,425)	49.00%	USD (698)	USD 48,884	USD 13,000
Haerbin Hafei Tongyang Plastic Products Co., Ltd.		USD -	Note 1	USD 4,113	-	-	USD 4,113	-	-	-	-	-
NBC (Wuhan) Co., Ltd.		USD -	Note 1	USD (4,602)	-	-	USD (4,602)	-	-	-	-	USD 4,602
NBC (Nanjing) Co., Ltd.		USD -	Note 1	USD (43)	-	-	USD (43)	-	-	-	-	USD 43

Investee company	Main Businesses and Products	Total Amount of Paid-in Capital	Method of Investment	Accumulated Outflow of Investment from Taiwan as of 1 January 2025	Investment Flows		Accumulated Outflow of Investment from Taiwan as of 31 March 2025	Net income (loss) of investee company	Percentage of Ownership	Investment income (loss) recognized (Note 3/4)	Carrying Value as of 31 March 2025 (Note 3/5)	Accumulated Inward Remittance of Earnings as of 31 March 2025
					Outflow	Inflow						
Chongqing Dajiang Tongyang Plastic Products Co., Ltd.	2. All of them are domestic products sold in mainland China. Due to market segmentation, there is no adverse impact on the company's operations.	USD 13,000	Note 1	USD 3,692	-	-	USD 3,692	USD 2,557	55.00%	USD 1,406	USD 15,098	-
Daikyo Nishikawa Tong Yang Auto Parts (Nanjing) Co., Ltd.		USD 27,500	Note 1	USD 19,670	-	-	USD 19,670	USD (89)	45.00%	USD (40)	USD 9,989	-
Wuhan Xiangxing Auto Parts Co., Ltd.		USD 12,000	Note 1	USD 3,228	-	-	USD 3,228	USD 5	25.00%	USD 1	USD 1,196	-
Nanjing Tong Yang Auto Parts Co., Ltd.		USD 28,000	Note 2	USD 27,453	-	-	USD 27,453	(6,221)	100.00%	(6,221)	227,577	-
Guangzhou Tong Yang Tatematsu Mold Manufacturing Co., Ltd.		RMB 100,000	Note 1	USD 11,172	-	-	USD 11,172	USD (61)	90.00%	USD (55)	USD 6,182	-
Changsha Gacc Tong Yang Automobile Component Co., Ltd.		USD 35,000	Note 1	USD 17,132	-	-	USD 17,132	USD 30	49.00%	USD 15	USD 8,106	-
Fuzhou Kai Ming Mold Co., Ltd.		USD -	Note 3	USD 200	-	-	USD 200	-	-	-	-	-
Xiangyang Tong Yang Automobile Component Co., Ltd.		USD 46,500	Note 1	USD 39,651	-	-	USD 39,651	USD (1,006)	100.00%	USD (1,006)	USD (146)	-
Fushun Tong Yang Automobile Component Co., Ltd.		USD 18,500	Note 1	USD 18,586	-	-	USD 18,586	USD (313)	100.00%	USD (313)	USD 12,193	-
Tong Yang (Guangzhou) Technology R&D Service Co., Ltd.		RMB 12,000	Note 1	USD 1,840	-	-	USD 1,840	USD (95)	100.00%	USD (95)	USD 1,843	-

Accumulated Investment in Mainland China	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
USD 194,123	USD 197,935	(Note 6)

Note 1: Indirectly investment in Mainland China through companies registered in a third region - TONG YANG HOLDING CORPORATION.

Note 2: Indirectly investment in Mainland China through companies registered in a third region - HOW BOND INVESTMENT CO., LTD.

Note 3: Indirectly investment in Mainland China through companies registered in a third region - Jundong International Co., Ltd.

Note 4: The exchange rate of US dollar to NTD is 1: 33.182, the exchange rate of RMB to NTD is 1: 4.575; the average exchange rate of US dollar to NTD is 1: 32.732, the average exchange rate of RMB to NTD is 1: 4.493.

Note 5: The book value of the investment at the end of the period is calculated based on the shareholding ratio of the direct or indirect investment of the company.

Note 6: According to the provisions of 97.8.22 “Investment or Technical Cooperation Licensing in Mainland China” and “Investment or Technical Cooperation Review Principles in Mainland China”, the cumulative amount of investors' investment in mainland China depends on the upper limit of other enterprises: net value or a combined net value of 60%, whichever is higher. However, the Ministry of Economic Affairs issued the certificate of compliance with the business scope of the company's operating headquarters. The enterprise or multinational company is not limited to this. The company is applicable to the corporate operation headquarters, so there is no quota.