

**TOPCO SCIENTIFIC CO., LTD.
AND SUBSIDIARIES**

Consolidated Financial Statements

**With Independent Auditors' Review Report
For the Three Months Ended March 31, 2025 and 2024**

Address: 6F., No. 483, Sec. 2, Tiding Blvd., Neihu District, Taipei City
Telephone: 02-87978020

The independent auditors' review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' review report and consolidated financial statements, the Chinese version shall prevail.

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安侯建業聯合會計師事務所
KPMG

台北市110615信義路5段7號68樓(台北101大樓)
68F., TAIPEI 101 TOWER, No. 7, Sec. 5,
Xinyi Road, Taipei City 110615, Taiwan (R.O.C.)

電話 Tel + 886 2 8101 6666
傳真 Fax + 886 2 8101 6667
網址 Web kpmg.com/tw

Independent Auditors' Review Report

To the Board of Directors of Topco Scientific Co., Ltd.:

Introduction

We have reviewed the accompanying consolidated balance sheets of Topco Scientific Co., Ltd. and its subsidiaries as of March 31, 2025 and 2024, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months ended March 31, 2025 and 2024, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the Basis for Qualified Conclusion paragraph, we conducted our reviews in accordance with the Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. A review of the 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 stated in Note 4(b), the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect total assets amounting to \$1,959,447 thousand and \$2,305,965 thousand, constituting 5.26% and 6.89% of consolidated total assets as of March 31, 2025 and 2024, respectively, total liabilities amounting to \$989,981 thousand and \$687,269 thousand, constituting 4.82% and 3.62% of consolidated total liabilities as of March 31, 2025 and 2024, respectively, and total comprehensive income amounting to \$65,179 thousand and \$124,647 thousand, constituting 6.71% and 11.80% of consolidated total comprehensive income for the three months ended March 31, 2025 and 2024, respectively.

Furthermore, as stated in Note 6(f), the other equity accounted investments of Topco Scientific Co., Ltd. and its subsidiaries in its investee companies of \$2,924,717 thousand and \$2,539,672 thousand as of March 31, 2025 and 2024, respectively, and its equity in net earnings on these investee companies of \$131,581 thousand and \$109,101 thousand for the three months ended March 31, 2025 and 2024, respectively, were recognized solely on the financial statements prepared by these investee companies, but not reviewed by independent auditors.

Qualified Conclusion

Except for the adjustments, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries and equity accounted investee companies described in the Basis for Qualified Conclusion paragraph above been reviewed by independent auditors, based on our reviews, 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 Topco Scientific Co., Ltd. and its subsidiaries as of March 31, 2025 and 2024, and of its consolidated financial performance and its consolidated cash flows for the three months ended March 31, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors’ review report are Kuan-Ying Kuo and Keng-Chia Huang.

KPMG

Taipei, Taiwan (Republic of China)
May 6, 2025

Notes to Readers

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

The independent auditors’ review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors’ review report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

March 31, 2025, December 31, 2024, and March 31, 2024

(Expressed in Thousands of New Taiwan Dollars)

Assets	March 31, 2025		December 31, 2024		March 31, 2024			Liabilities and Equity	March 31, 2025		December 31, 2024		March 31, 2024	
	Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%
Current assets:								Current liabilities:						
1100 Cash and cash equivalents (note 6(a))	\$ 5,530,647	15	5,162,017	14	3,913,307	12	2100 Short-term borrowings (note 6(m))	\$ 772,661	2	855,071	2	977,661	3	
1110 Current financial assets at fair value through profit or loss (note 6(b))	257,509	1	321,019	1	410,389	1	2123 Total current financial liabilities at fair value through profit or loss (note 6(b))	-	-	-	-	409	-	
1140 Current contract assets (note 6(w))	1,512,503	4	1,586,101	4	1,559,851	5	2130 Current contract liabilities (note 6(w))	2,351,133	6	2,070,986	6	1,478,936	5	
1170 Notes and accounts receivable, net (note 6(d))	8,231,200	22	8,398,425	22	6,817,998	20	2170 Notes and accounts payable	6,901,983	19	6,884,655	19	5,445,936	16	
1180 Notes and accounts receivable due from related parties, net (notes 6(d) and 7)	112,518	-	129,585	-	98,923	-	2180 Accounts payable to related parties (note 7)	1,578,241	4	2,671,796	7	1,682,985	5	
1476 Other current financial assets (notes 6(l) and 8)	235,188	1	270,105	1	227,706	1	2200 Accrued expenses and other payables	1,284,830	3	1,500,091	4	985,562	3	
1300 Inventories, net (note 6(e))	4,633,714	12	5,017,982	14	4,107,450	12	2216 Dividends payable	2,293,351	6	-	-	1,886,996	6	
1479 Other current assets, others	867,986	2	706,940	2	1,002,212	3	2230 Current tax liabilities	628,219	2	426,940	1	789,709	2	
	<u>21,381,265</u>	<u>57</u>	<u>21,592,174</u>	<u>58</u>	<u>18,137,836</u>	<u>54</u>	2250 Current provisions (note 6(q))	186,611	1	207,006	1	267,027	1	
Non-current assets:							2280 Current lease liabilities (note 6(p))	123,970	-	124,041	-	134,237	-	
1510 Non-current financial assets at fair value through profit or loss (note 6(b))	634,832	2	630,832	2	669,122	2	2320 Long-term borrowings, current portion (note 6(n))	94,892	-	94,892	-	90,429	-	
1517 Non-current financial assets at fair value through other comprehensive income (note 6(c))	1,475,308	4	1,524,600	4	1,586,657	5	2365 Current refund liabilities	1,415	-	1,364	-	1,422	-	
1550 Investments accounted for using equity method (notes 6(f) and 6(g))	2,924,717	8	2,792,002	7	2,539,672	8	2399 Other current liabilities	50,069	1	117,035	-	56,844	-	
1600 Property, plant and equipment (notes 6(h) and 8)	9,337,458	25	9,243,738	25	9,100,575	27		<u>16,267,375</u>	<u>44</u>	<u>14,953,877</u>	<u>40</u>	<u>13,798,153</u>	<u>41</u>	
1755 Right-of-use assets (note 6(i))	577,141	2	571,051	2	532,545	2	Non-Current liabilities:							
1760 Investment property, net (note 6(j))	133,252	-	131,717	-	134,484	-	2530 Bonds payable (note 6(o))	479,441	2	532,746	2	961,037	3	
1780 Intangible assets (note 6(k))	340,843	1	353,806	1	426,521	1	2540 Long-term borrowings (note 6(n))	2,320,981	6	2,344,704	6	2,915,873	9	
1840 Deferred tax assets	60,979	-	58,876	-	59,005	-	2580 Non-current lease liabilities (note 6(p))	453,865	1	445,915	1	398,514	1	
1900 Other non-current assets (notes 6(l) and 8)	409,468	1	376,116	1	302,325	1	2670 Deferred tax liabilities and others	874,295	2	853,378	2	773,421	2	
	<u>15,893,998</u>	<u>43</u>	<u>15,682,738</u>	<u>42</u>	<u>15,350,906</u>	<u>46</u>	2640 Non-current net defined benefit liability	138,603	-	137,779	1	132,738	-	
								<u>4,267,185</u>	<u>11</u>	<u>4,314,522</u>	<u>12</u>	<u>5,181,583</u>	<u>15</u>	
Total assets	\$ 37,275,263	100	37,274,912	100	33,488,742	100	Total liabilities	20,534,560	55	19,268,399	52	18,979,736	56	
							Equity attributable to owners of parent (note 6(u)):							
							3110 Ordinary shares	1,913,323	5	1,910,393	5	1,887,001	6	
							3200 Capital surplus	2,968,859	8	2,916,241	8	2,500,232	8	
							3300 Retained earnings	10,406,304	28	11,760,485	31	8,834,045	26	
							3400 Other equity	1,210,043	3	1,184,103	3	1,053,008	3	
								<u>16,498,529</u>	<u>44</u>	<u>17,771,222</u>	<u>47</u>	<u>14,274,286</u>	<u>43</u>	
							3610 Non-controlling interests	242,174	1	235,291	1	234,720	1	
							Total equity	<u>16,740,703</u>	<u>45</u>	<u>18,006,513</u>	<u>48</u>	<u>14,509,006</u>	<u>44</u>	
							Total liabilities and equity	\$ 37,275,263	100	37,274,912	100	33,488,742	100	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the three months ended March 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Common Share
which is expressed in New Taiwan Dollars)

		For the three months ended March 31			
		2025		2024	
		Amount	%	Amount	%
Operating Revenues: (notes 6(w) and 7)					
4110	Sales revenue	\$ 13,648,135	87	10,094,408	85
4520	Construction revenue	1,590,765	10	1,336,831	11
4800	Other operating revenue	520,561	3	500,338	4
	Operating revenue, net	<u>15,759,461</u>	<u>100</u>	<u>11,931,577</u>	<u>100</u>
Operating costs: (notes 6(e), 6(s), 6(x), 7 and 12)					
5110	Cost of sales	12,028,489	77	8,841,313	74
5500	Construction cost	1,410,362	9	1,184,114	10
5800	Other operating costs	213,260	1	220,422	2
		<u>13,652,111</u>	<u>87</u>	<u>10,245,849</u>	<u>86</u>
5910	Less: Unrealized profit (loss) from sales	(282)	-	3,288	-
	Gross profit	<u>2,107,632</u>	<u>13</u>	<u>1,682,440</u>	<u>14</u>
Operating expenses: (notes 6(d), 6(s), 6(x), 7 and 12)					
6100	Selling expenses	492,287	3	413,567	4
6200	Administrative expenses	467,601	3	385,037	3
6300	Research and development expenses	12,131	-	9,212	-
	Total operating expenses	<u>972,019</u>	<u>6</u>	<u>807,816</u>	<u>7</u>
	Net operating income	<u>1,135,613</u>	<u>7</u>	<u>874,624</u>	<u>7</u>
Non-operating income and expenses:					
7100	Interest income	12,149	-	14,271	-
7010	Other income (notes 6(b), 6(c) and 6(y))	9,231	-	24,708	-
7020	Other gains and losses, net (notes 6(b) and 6(y))	4,805	-	59,579	1
7050	Finance costs (notes 6(o) and 6(p))	(24,218)	-	(28,323)	-
7060	Share of profit of associates and joint ventures accounted for using equity method (note 6(f))	131,581	1	109,101	1
		<u>133,548</u>	<u>1</u>	<u>179,336</u>	<u>2</u>
	Profit before tax	<u>1,269,161</u>	<u>8</u>	<u>1,053,960</u>	<u>9</u>
7950	Less: Income tax expenses (note 6(t))	323,323	2	275,155	2
	Profit	<u>945,838</u>	<u>6</u>	<u>778,805</u>	<u>7</u>
8300	Other comprehensive income:				
8310	Items that will not be reclassified to profit or loss				
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income (note 6(c))	(49,292)	-	210,332	2
8349	Less: income tax related to items that will not be reclassified to profit or loss	-	-	-	-
		<u>(49,292)</u>	<u>-</u>	<u>210,332</u>	<u>2</u>
8360	Items that will be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign financial statements	93,116	-	83,683	-
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method (note 6(f))	1,134	-	-	-
8399	Less: income tax related to items that will be reclassified to profit or loss (note 6(t))	18,803	-	16,688	-
		<u>75,447</u>	<u>-</u>	<u>66,995</u>	<u>-</u>
8300	Other comprehensive income	<u>26,155</u>	<u>-</u>	<u>277,327</u>	<u>2</u>
	Comprehensive income	<u>\$ 971,993</u>	<u>6</u>	<u>1,056,132</u>	<u>9</u>
Profit, attributable to:					
8610	Attributable to owners of parent	\$ 939,170	6	775,037	7
8620	Attributable to non-controlling interests	6,668	-	3,768	-
		<u>\$ 945,838</u>	<u>6</u>	<u>778,805</u>	<u>7</u>
Comprehensive income attributable to:					
	Attributable to owners of parent	\$ 965,110	6	1,052,121	9
	Attributable to non-controlling interests	6,883	-	4,011	-
		<u>\$ 971,993</u>	<u>6</u>	<u>1,056,132</u>	<u>9</u>
Earnings per share: (note 6(v))					
9750	Basic net income per share	\$ 4.91		4.11	
9850	Diluted net income per share	\$ 4.83		3.99	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES**Consolidated Statements of Changes in Equity****For the three months ended March 31, 2025 and 2024****(Expressed in Thousands of New Taiwan Dollars)**

	Equity attributable to owners of parent											
	Ordinary shares					Retained earnings		Other equity		Total equity attributable to owners of parent	Non-controlling interests	Total equity
	Ordinary shares	Certificate of entitlement to new shares from convertible bond	Capital surplus	Legal reserve	Unappropriated retained earnings	Total	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Total other equity			
Balance at January 1, 2024	\$ 1,886,996	-	2,688,841	2,176,321	7,580,983	9,757,304	(90,453)	866,377	775,924	15,109,065	235,246	15,344,311
Profit for the three months ended March 31, 2024	-	-	-	-	775,037	775,037	-	-	-	775,037	3,768	778,805
Other comprehensive income	-	-	-	-	-	-	66,752	210,332	277,084	277,084	243	277,327
Total comprehensive income	-	-	-	-	775,037	775,037	66,752	210,332	277,084	1,052,121	4,011	1,056,132
Appropriation and distribution of retained earnings:												
Cash dividends of ordinary shares	-	-	-	-	(1,698,296)	(1,698,296)	-	-	-	(1,698,296)	-	(1,698,296)
Other changes in capital surplus:												
Cash dividends from capital surplus	-	-	(188,700)	-	-	-	-	-	-	(188,700)	-	(188,700)
Conversion of convertible bonds	-	5	91	-	-	-	-	-	-	96	-	96
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(4,537)	(4,537)
Balance at March 31, 2024	\$ 1,886,996	5	2,500,232	2,176,321	6,657,724	8,834,045	(23,701)	1,076,709	1,053,008	14,274,286	234,720	14,509,006
Balance at January 1, 2025	\$ 1,905,542	4,851	2,916,241	2,456,906	9,303,579	11,760,485	46,882	1,137,221	1,184,103	17,771,222	235,291	18,006,513
Profit for the three months ended March 31, 2025	-	-	-	-	939,170	939,170	-	-	-	939,170	6,668	945,838
Other comprehensive income	-	-	-	-	-	-	75,214	(49,274)	25,940	25,940	215	26,155
Total comprehensive income	-	-	-	-	939,170	939,170	75,214	(49,274)	25,940	965,110	6,883	971,993
Appropriation and distribution of retained earnings:												
Cash dividends of ordinary shares	-	-	-	-	(2,293,351)	(2,293,351)	-	-	-	(2,293,351)	-	(2,293,351)
Conversion of convertible bonds	4,851	(1,921)	52,618	-	-	-	-	-	-	55,548	-	55,548
Balance at March 31, 2025	\$ 1,910,393	2,930	2,968,859	2,456,906	7,949,398	10,406,304	122,096	1,087,947	1,210,043	16,498,529	242,174	16,740,703

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES**Consolidated Statements of Cash Flows****For the three months ended March 31, 2025 and 2024****(Expressed in Thousands of New Taiwan Dollars)**

	For the three months ended March 31	
	2025	2024
Cash flows from (used in) operating activities:		
Profit before tax	\$ 1,269,161	1,053,960
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	101,244	104,623
Amortization expense	14,277	22,535
Expected credit loss (gain)	2,880	(10,802)
Gain on financial assets and liabilities at fair value through profit or loss, net	(21,036)	(57,102)
Interest expense	24,218	28,323
Interest income	(12,149)	(14,271)
Dividends income	(256)	-
Share of profit of associates and joint ventures accounted for using equity method	(131,581)	(109,101)
Loss on disposal of property, plant and equipment, net	4,482	2,685
Others	(187)	7,384
Total adjustments to reconcile profit	<u>(18,108)</u>	<u>(25,726)</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Decrease in contract assets	73,598	166,152
Decrease (increase) in notes and accounts receivable	180,965	(251,313)
Decrease in inventories	384,268	34,968
Decrease in financial assets at fair value through profit or loss	64,610	23,034
Increase in other current assets	(173,214)	(149,916)
Increase in other financial assets	(22,910)	(7,721)
Total changes in operating assets	<u>507,317</u>	<u>(184,796)</u>
Changes in operating liabilities:		
Increase in contract liabilities	280,147	168,270
(Decrease) increase in notes and accounts payable	(1,076,227)	415,527
Decrease in accrued expenses and other payables	(214,757)	(167,547)
Decrease in provisions	(20,395)	(35,876)
Increase (decrease) in refund liabilities	51	(8,393)
Decrease in other current liabilities	(66,966)	(44,549)
(Decrease) increase in others	(1,279)	120
Total changes in operating liabilities	<u>(1,099,426)</u>	<u>327,552</u>
Total changes in operating assets and liabilities	<u>(592,109)</u>	<u>142,756</u>
Total adjustments	<u>(610,217)</u>	<u>117,030</u>
Cash inflow generated from operations	658,944	1,170,990
Interest received	11,261	13,439
Dividends received	256	-
Interest paid	(21,948)	(23,896)
Income taxes paid	(109,876)	(105,445)
Net cash flows from operating activities	<u>538,637</u>	<u>1,055,088</u>
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through profit or loss	(9,062)	(27,000)
Proceeds from disposal of financial assets at fair valued through profit or loss	24,998	105,578
Acquisition of investments accounted for using equity method	-	(57,714)
Proceeds from disposal of subsidiaries (Deduction of cash decrease)	-	(4,375)
Acquisition of property, plant and equipment	(155,820)	(4,024,872)
Proceeds from disposal of property, plant and equipment	142	175
Decrease in refundable deposits	8,020	5,100
Acquisition of intangible assets	(1,031)	(8,132)
(Increase) decrease in other non-current assets	(40,949)	8,643
Decrease (increase) in restricted assets	58,292	(462)
Net cash flows used in investing activities	<u>(115,410)</u>	<u>(4,003,059)</u>
Cash flows from (used in) financing activities:		
Decrease in short-term borrowings	(82,410)	(1,290,733)
Addition of long-term borrowings	-	1,652,810
Repayments of long-term borrowings	(23,723)	(20,523)
Increase in guarantee deposits received	2,396	2,503
Payment of lease liabilities	(36,343)	(37,196)
Changes in non-controlling interests	233	(4,294)
Net cash flows (used in) from financing activities	<u>(139,847)</u>	<u>302,567</u>
Effect of exchange rate changes on cash and cash equivalents	<u>85,250</u>	<u>73,858</u>
Net increase (decrease) increase in cash and cash equivalents	<u>368,630</u>	<u>(2,571,546)</u>
Cash and cash equivalents at the beginning of period	<u>5,162,017</u>	<u>6,484,853</u>
Cash and cash equivalents at the end of period	<u>\$ 5,530,647</u>	<u>3,913,307</u>

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

TOPCO SCIENTIFIC CO., LTD. AND ITS SUBSIDIARIES

Notes to the Consolidated Financial Statements

March 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

(1) Company history

TOPCO SCIENTIFIC CO., LTD. (the “Company”) was incorporated on February 17, 1990, as a company limited by shares and registered under the Ministry of Economic Affairs, R.O.C. The address of the Company’s registered office is 6F., No. 483, Sec. 2, Tiding Blvd., Neihu District, Taipei City. The Company and its subsidiaries (together referred to as the “Group” and individually as “Group entities”) engage in importing, exporting, trading, and acting as agent of various products, including (1) electronics products, electrical products, and mechanical product; (2) manufacturing technology and equipment for high-tech products, such as integrated circuit, optoelectronic devices, packaging material, and electronic component; (3) planning, design and installation of water purification, water wasting and recycling systems equipment; (4) selling related materials, providing integration services, and operating power station of solar energy; (5) wholesale of fishery products and cooperate with foreign fishing companies; (6) operating the tourism factory, restaurant, and retail sales of food products; (7) waste removal and disposal business; (8) environment-related engineering planning, assessment, supervision and monitoring and (9) setting up a sport center that operates and provides sport training programs. Please refer to note 14 for related segment information.

(2) Approval date and procedures of the consolidated financial statements

The consolidated financial statements were approved for issuance by the Board of Directors on May 6, 2025.

(3) New standards, amendments and interpretations adopted:

- (a) The impact of the IFRS Accounting Standards endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2025:

- Amendments to IAS21 “Lack of Exchangeability”

- (b) The impact of IFRS Accounting Standards endorsed by the FSC but not yet effective

The Group assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2026, would not have a significant impact on its consolidated financial statements:

- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” regarding the application guidance requirements for Section 4.1 of IFRS 9 and the related disclosure requirements of IFRS 7

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
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- (c) The impact of IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

The following new and amended standards, which may be relevant to the Group, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

Standards or Interpretations	Content of amendment	Effective date per IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	<p>The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities.</p> <ul style="list-style-type: none"> ● A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined ‘operating profit’ subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities. ● Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards. ● Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes. 	January 1, 2027

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Standards or Interpretations	Content of amendment	Effective date per IASB
Annual Improvements to IFRS Accounting Standards—Volume 11	<p>The amendments set out:</p> <ol style="list-style-type: none"> 1. IFRS 1 “ First-time Adoption of International Financial Reporting Standards”: <p>The amendments address a potential confusion arising from an inconsistency in wording between paragraph B6 of IFRS 1 and requirements for hedge accounting in IFRS 9 Financial Instruments.</p> 2. IFRS 7 “ Financial Instruments: Disclosures”: <p>The amendments address a potential confusion in IFRS 7 arising from an obsolete reference to a paragraph that was deleted from the standard when IFRS 13 Fair Value Measurement was issued.</p> 3. IFRS 9 “Financial Instruments”: <ul style="list-style-type: none"> ● Derecognition of a lease liability <p>The IASB’s amendment states that if a lease liability is derecognized, then the derecognition will be accounted for under IFRS 9, (i.e. the difference between the carrying amount and the consideration paid is recognized in profit or loss). However, when a lease liability is modified, the modification will be accounted for under IFRS 16 Leases.</p> ● Transaction price <p>The amendments require companies to initially measure a trade receivable without a significant financing component at the amount determined by applying IFRS 15 Revenue from Contracts with Customers. The amendments remove the conflict between IFRS 9 and IFRS 15 over the amount at which a trade receivable is initially measured.</p> 	January 1, 2026

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Standards or Interpretations	Content of amendment	Effective date per IASB
	4. IFRS 10 “ Consolidated Financial Statements”: The amendments clarify the determination of a ‘de facto agent’.	
	5. IAS 7 “Statement of Cash Flows”: The amendments address a potential confusion in applying paragraph 37 of IAS 7 that arises from the use of the term ‘cost method’.	

The Group is evaluating the impact on its consolidated financial position and consolidated financial performance upon the initial adoption of the abovementioned standards or interpretations. The results thereof will be disclosed when the Group completes its evaluation.

The Group does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 17 “ Insurance Contracts” and amendments to IFRS 17 “ Insurance Contracts”
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” regarding the application guidance requirements for Sections 3.1 and 3.3 of IFRS 9 and the related disclosure requirements of IFRS 7
- Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”

(4) Summary of material accounting policies

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the preparation and guidelines of IAS 34 “Interim Financial Reporting” which are endorsed and issued into effect by FSC, and do not include all of the information required by the Regulations and International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (hereinafter referred to IFRS Accounting Standards endorsed by the FSC) for a complete set of the annual consolidated financial statements.

Except the following accounting policies mentioned below, the material accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2024. For the related information, please refer to note 4 of the consolidated financial statements for the year ended December 31, 2024.

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(b) Basis of consolidation

(i) List of subsidiaries in the consolidated financial statements

The details of the subsidiaries included in the consolidated financial statements are as follows:

Name of Investor	Name of Subsidiary	Principal activity	Percentage of ownership			Description
			March 31, 2025	December 31, 2024	March 31, 2024	
The Company	Taiwan E&M System Inc. (Taiwan E&M)	Sales of electronic material	100.00%	100.00%	100.00%	
"	Topco Group Ltd. (Topco Group)	Investment	100.00%	100.00%	100.00%	
"	Topco International Investment Co., Ltd. (Topco International Investment)	Investment	100.00%	100.00%	100.00%	
"	Topco Investment Co., Ltd. (Topco Investment)	Investment	100.00%	100.00%	100.00%	
"	ECO Technical Services Co., Ltd. (Chien Yueh)	Water purification and construction of dust-proof room	100.00%	100.00%	100.00%	
"	Anyong Biotechnology, Inc. (Anyong Biotechnology)	Aquaculture and strategic partnership with fish processing	100.00%	100.00%	100.00%	
"	Anyong FreshMart, Inc. (Anyong FreshMart)	Wholesale and retail sales of fishery products and supermarket operation	100.00%	100.00%	100.00%	
"	Xiang Yueh Co., Ltd. (Xiang Yueh)	Waste Disposal	-%	-%	100.00%	In June 2024, Xiang Yueh acquired a court approval letter for liquidation where all the relevant procedures and distribution of the remaining assets had been completed on October 21, 2024.
"	Jia Yi Energy Co., Ltd. (Jia Yi Energy)	Solar system engineering	83.82%	83.82%	83.82%	The Company and Topco International Investment jointly held its entire shares.
"	Yilan Anyong Lohas, Co., Ltd. (Anyong Lohas)	Restaurant and retail sales of food products	100.00%	100.00%	100.00%	
"	Topscience (s) Pte Ltd. (Topscience (s))	Sales of parts of semiconductor and optoelectronic industries	100.00%	100.00%	100.00%	Note
"	Unitech New Energy Engineering Co., Ltd. (Unitech New Energy Engineering)	Environment-related engineering planning, assessment, supervision and monitoring	77.60%	77.60%	77.60%	The Company and Chien Yueh held its 78.60% share jointly.

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name of Investor	Name of Subsidiary	Principal activity	Percentage of ownership			Description
			March 31, 2025	December 31, 2024	March 31, 2024	
The Company	Topco Scientific USA Corp. (Topco Scientific USA)	Wholesale of semiconductor material	100.00%	100.00%	100.00%	
"	Xports Sports Co. Ltd (Xports Sports)	Sport Training	100.00%	100.00%	100.00%	
"	Topco Scientific (Japan) Co., Ltd. (Topco Japan)	Sales of facilities of semiconduction and clean room	100.00%	100.00%	100.00%	
"	Yong Yue Advanced Engineering Sdn Bhd. (Yong Yue Advanced Engineering)	Mechanical, electrical and water treatment engineering	100.00%	100.00%	-%	The Company was established in August 2024.
Topco Group	Asia Topco Holding Ltd. (Asia Cayman)	Investment	100.00%	100.00%	100.00%	
"	Hong Kong Topco Trading Limited (Topco Trading)	Wholesale of semiconductor material and electronic material	100.00%	100.00%	100.00%	Note
"	Topco Scientific Korea Co., Ltd. (Topco Korea)	Diamond cutting, wafers, trading	100.00%	100.00%	-%	The Company was established in October 2024.
Asia Cayman	Asia Topco Investment Ltd. (Asia Topco)	Investment	100.00%	100.00%	100.00%	
Asia Topco	Topco Scientific (Shanghai) Co., Ltd. (Topco Shanghai)	Wholesale of semiconductor material and electronic material	100.00%	100.00%	100.00%	
"	Suzhou Topco Construction Ltd. (Topco Suzhou)	Water purification and cleanroom construction	100.00%	100.00%	100.00%	
"	Topco Chemical (Z.F.T.Z.) Co., Ltd. (Topco Chemical)	Wholesale and sales of chemical products	100.00%	100.00%	100.00%	
Topco Shanghai	Shanghai Chong Yao Trading Co., Ltd. (Shanghai Chong Yao)	Wholesale of semiconductor material and electronic material	98.00%	98.00%	98.00%	Topco Shanghai and Topco Suzhou held its 100% shares jointly. (Note)
Topco Suzhou	Shanghai Chong Yao	Wholesale of semiconductor material and electronic material	2.00%	2.00%	2.00%	Note
"	Topco Engineering (Suzhou) Ltd. (Topco Engineering)	Water purification and cleanroom construction	100.00%	100.00%	100.00%	Note
Topco Chemical	Chongling Chemical Product Trading (Z.F.T.Z.) Co., Ltd. (Chongling Chemical)	Wholesale and sales of chemical products	70.00%	70.00%	70.00%	Note

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name of Investor	Name of Subsidiary	Principal activity	Percentage of ownership			Description
			March 31, 2025	December 31, 2024	March 31, 2024	
Topscience (s)	Topscience Vietnam Co., Ltd. (Topscience Vietnam)	Sales of parts of semiconductor and optoelectronic industries	100.00%	100.00%	100.00%	Note
"	Anyong (s) Pte. LTD. (Anyong (s))	Wholesale and retail sales of fishery products	100.00%	100.00%	100.00%	Note
"	Ping Yue Technologies SDN.BHD. (Ping Yue Technologies)	Sales of semiconductor material and equipment	100.00%	100.00%	100.00%	Note
Topco International Investment	Cityspace International Co., Ltd. (Cityspace)	Wholesale and sales of cosmetic	66.67%	66.67%	66.67%	
"	Kuan Yueh Technology Engineering Co., Ltd. (Kuan Yueh Technology)	Development of renewable energy projects; Configure pipeline construction and device installation	100.00%	100.00%	100.00%	
"	Jia Yi Energy	Solar system engineering	16.18%	16.18%	16.18%	
"	Kanbo Biomedical Co., Ltd. (Kanbo Biomedical)	Sales of health food products	100.00%	100.00%	100.00%	
"	Topchem Materials Corp. (Topchem Materials)	Antifouling surface protection, light-blocking material and the manufacture of other chemicals	100.00%	100.00%	100.00%	
"	Tai Ying Resource Industrial Corp. (Tai Ying Resource)	Waste Disposal Industry	65.42%	65.42%	48.80%	Topco International Investment and Chien Yueh held its 66.80% shares jointly.
"	Topchip electronic Co. Ltd. (Topchip)	IC Design and Sales Company	100.00%	100.00%	100.00%	
"	Thermaltake green power Co. Ltd- (Thermaltake green power)	Renewable-energy-based electricity retailing	100.00%	100.00%	100.00%	
Topco Investment	Multi Rich Technology Co., Ltd. (Multi Rich Technology)	Wholesale of fishery products	-%	-%	98.00%	Multi Rich Technology completed the liquidation procedures in April 2024.
"	Ding Yue Solar Co., Ltd. (Ding Yue Solar)	Development of renewable energy projects	100.00%	100.00%	100.00%	
"	Yun Yueh Technology Co., Ltd (Yun Yueh Technology)	Aquaculture and wholesale and sales of fishery products	55.00%	55.00%	55.00%	

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Name of Investor	Name of Subsidiary	Principal activity	Percentage of ownership			Description
			March 31, 2025	December 31, 2024	March 31, 2024	
Jia Yi Energy	Jing Chen Energy Co., Ltd. (Jing Chen Energy)	Development of renewable energy projects.	100.00%	100.00%	100.00%	
"	Jing Yang Energy Co., Ltd. (Jing Yang Energy)	"	100.00%	100.00%	100.00%	
"	Jing Yueh Energy Co., Ltd. (Jing Yueh Energy)	"	100.00%	100.00%	100.00%	
Taiwan E&M	Top Vacuum Co., Ltd. (Top Vacuum)	Vacuum pump equipment maintenance	60.00%	60.00%	60.00%	
"	Toplight Advanced Co., Ltd. (Toplight Advanced)	OEM for laser cleaning machine	66.67%	66.67%	-%	The company was established in September 2024.
Chien Yueh	Tai Ying Resource	Waste Disposal Industry	1.38%	1.38%	3.10%	
"	Unitech New Energy Engineering	Environment-related engineering planning, assessment, supervision and monitoring	1.00%	1.00%	1.00%	
Topco Japan	Shunkawa Corporation (Shunkawa)	Import and export of semiconductor raw materials	100.00%	100.00%	100.00%	
Tai Ying Resource	Tai Ying Global Trading Ltd.,Co (Tai Ying Global Trading)	International trading company	100.00%	100.00%	100.00%	

Note: These are non-significant subsidiaries, in which their financial statements have not been reviewed by the CPA.

(c) Employee benefits

The pension cost in the interim period was calculated and disclosed on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year.

(d) Income taxes

The income tax expenses have been prepared and disclosed in accordance with paragraph B12 of IAS 34 "Interim Financial Reporting".

Income tax expenses for the period are measured by multiplying together the pre-tax income for the interim reporting period and the management's best estimate of effective annual tax rate. This should be recognized fully as tax expense for the current period.

For a change in tax rate that is substantively enacted in an interim period, the effect of the change should immediately be recognized in the interim period in which the change occurs.

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases shall be measured based on the tax rates that have been enacted or substantively enacted at the time of the asset or liability is recovered or settled, and be recognized directly in equity or other comprehensive income as tax expense.

(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty

The preparation of the consolidated financial statements in conformity with the Regulations and IAS 34 “Interim Financial Reporting” endorsed by the FSC requires management to make judgments, and estimates about the future, including climate-related risks and opportunities, that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The preparation of the consolidated interim financial statements, estimates and underlying assumptions are received on an ongoing basis which is in conformity with the consolidated interim financial statements for the year ended December 31, 2024. For related information, please refer to note 5 of the consolidated financial statements for the year ended December 31, 2024.

(6) Explanation of significant accounts

Except for the following disclosures, there were no material differences in the disclosures of significant accounts between the interim consolidated financial statements for the current period and the 2024 consolidated financial statements. Please refer to note 6 of the 2024 annual consolidated financial statements.

(a) Cash and cash equivalents

	March 31, 2025	December 31, 2024	March 31, 2024
Cash on hand	\$ 15,761	14,334	25,263
Checking accounts and demand deposits	4,353,312	3,900,187	2,674,975
Time deposits	1,161,574	1,247,496	1,213,069
	<u>\$ 5,530,647</u>	<u>5,162,017</u>	<u>3,913,307</u>

Please refer to note 6(z) for the disclosure of the exchange rate risk and the sensitivity analysis of the financial assets and liabilities of the Group.

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
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(b) Financial assets and liabilities at fair value through profit or loss

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Mandatorily measured at fair value through profit or loss:			
Beneficiary certificate-Funds	\$ 257,509	321,019	410,389
Domestic listed stocks	146,740	149,983	176,350
Foreign listed stocks	76,959	72,406	55,253
Unlisted stocks and limited partnership	384,295	381,453	397,402
Foreign unlisted funds	26,482	26,580	40,117
Convertible bonds – embedded derivatives	356	410	-
	<u>\$ 892,341</u>	<u>951,851</u>	<u>1,079,511</u>
Current	\$ 257,509	321,019	410,389
Non-current	634,832	630,832	669,122
	<u>\$ 892,341</u>	<u>951,851</u>	<u>1,079,511</u>
Held-for-sale financial liabilities:			
Derivatives not for hedging			
Forward exchange contracts	\$ -	-	<u>409</u>

The gain or loss on valuation of financial assets at fair value of the Group for the three months ended March 31, 2025 and 2024, was a gain of \$21,036 and \$57,102, respectively.

(i) Derivative financial instruments

The purpose of trading derivatives not for hedging is to avoid the exposure of currency exchange rate risk arising from operation. The Group does not choose to apply hedge accounting and therefore recognizes the derivatives of held-for-sale financial liability. The details are summarized as follows:

Forward exchange contract:

	<u>March 31, 2024</u>		
	<u>Contract value (thousand)</u>	<u>Currency</u>	<u>Expiring period</u>
Forward exchange sold	USD 1,000	USD to NTD	April 19, 2024

(ii) During the three months ended March 31, 2025, the dividends of \$256, related to mandatorily measured at fair value through profit or loss held on the March 31, 2025, were recognized as other income by the Group, please refer to note 6(y).

(iii) The Group's information of convertible bonds - embedded derivatives, please refer to note 6(o).

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
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(iv) The Group's information of market risk, please refer to note 6(z).

(v) As of March 31, 2025, December 31 and March 31, 2024, the Group did not provide financial assets as collateral for its loans.

(c) Non-current financial assets at fair value through other comprehensive income

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Equity investments at fair value through other comprehensive income			
Domestic listed stocks	\$ 180,819	179,347	247,750
Domestic unlisted stocks	<u>1,294,489</u>	<u>1,345,253</u>	<u>1,338,907</u>
	<u>\$ 1,475,308</u>	<u>1,524,600</u>	<u>1,586,657</u>

The Group designated the investments shown above as equity securities as at fair value through other comprehensive income because these equity securities represent those investments that the Group intends to hold for long term for strategic purposes.

During the three months ended March 31, 2025 and 2024, the Group's unrealized gain or loss on valuation of financial assets at fair value through other comprehensive income was a loss of \$49,292 and a gain of \$210,332, respectively.

The Group's information of market risk, please refer to note 6(z).

As of March 31, 2025, December 31 and March 31, 2024, the Group did not provide financial assets as collateral for its loans.

(d) Notes and accounts receivable (including related parties)

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Notes receivable from operating activities	\$ 44,291	153,377	39,654
Accounts receivable from measured as amortized cost	8,330,824	8,402,703	6,909,430
Less: loss allowance	<u>(31,397)</u>	<u>(28,070)</u>	<u>(32,163)</u>
	<u>\$ 8,343,718</u>	<u>8,528,010</u>	<u>6,916,921</u>
Notes and accounts receivable, net	<u>\$ 8,231,200</u>	<u>8,398,425</u>	<u>6,817,998</u>
Notes and accounts receivable due from related parties, net	<u>\$ 112,518</u>	<u>129,585</u>	<u>98,923</u>

The Group applies the simplified approach to provide for its expected credit losses, i.e., the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, notes and accounts receivables have been grouped based on shared credit risk characteristics and the days past due, as well as the incorporated forward-looking information. The loss allowance provisions were determined as follows:

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	March 31, 2025		
	Gross carrying amount	Weighted- average loss rate	Loss allowance provision
Current	\$ 7,591,871	0.09%	7,210
Overdue 0-30 days	571,288	1.00%	5,713
Overdue 31-60 days	121,476	3.01%	3,653
Overdue 61-90 days	4,535	4.98%	226
Overdue over 91 days	85,945	16.98%	14,595
	\$ 8,375,115		31,397
	December 31, 2024		
	Gross carrying amount	Weighted- average loss rate	Loss allowance provision
Current	\$ 7,689,172	0.10%	7,485
Overdue 0-30 days	658,255	1.00%	6,571
Overdue 31-60 days	132,663	2.99%	3,965
Overdue 61-90 days	17,547	5.00%	878
Overdue over 91 days	58,443	15.69%	9,171
	\$ 8,556,080		28,070
	March 31, 2024		
	Gross carrying amount	Weighted- average loss rate	Loss allowance provision
Current	\$ 6,196,760	0.10%	6,352
Overdue 0-30 days	366,258	1.00%	3,650
Overdue 31-60 days	206,339	2.82%	5,818
Overdue 61-90 days	37,733	5.00%	1,887
Overdue over 91 days	141,994	10.18%	14,456
	\$ 6,949,084		32,163

The movements in the allowance for notes and accounts receivable were as follows:

	For the three months ended March 31,	
	2025	2024
Balance at January 1	\$ 28,070	42,398
Impairment losses recognized (reversed)	2,880	(10,802)
Foreign exchange gain	447	567
Balance at March 31	\$ 31,397	32,163

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(e) Inventories

	March 31, 2025	December 31, 2024	March 31, 2024
Merchandise inventories	\$ 4,492,742	4,909,267	3,970,321
Work in progress	3,876	3,299	6,550
Raw materials	61,300	54,868	48,922
Goods in transits	<u>75,796</u>	<u>50,548</u>	<u>81,657</u>
	<u>\$ 4,633,714</u>	<u>5,017,982</u>	<u>4,107,450</u>

The details of the cost of sales were as follows:

	For the three months ended March 31,	
	2025	2024
Cost of sales	\$ 12,024,094	8,841,098
Provision for inventory valuation loss and obsolescence	4,128	93
Loss on indemnity of inventory and others	<u>267</u>	<u>122</u>
	<u>\$ 12,028,489</u>	<u>8,841,313</u>

As of March 31, 2025, December 31 and March 31, 2024, the Group did not provide inventories as collateral for its loans.

(f) Investments accounted for using equity method

- (i) The Group's financial information for investments accounted for using the equity method that are individually insignificant was as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
The carrying amount of individually insignificant associates' equity	<u>\$ 2,924,717</u>	<u>2,792,002</u>	<u>2,539,672</u>
		For the three months ended March 31,	
		2025	2024
Attributable to the Group:			
Profit from continuing operations		\$ 131,581	109,101
Other comprehensive income		<u>1,134</u>	<u>-</u>
Total comprehensive income		<u>\$ 132,715</u>	<u>109,101</u>

- (ii) As of March 31, 2025, December 31 and March 31, 2024, the Group did not provide any investments accounted for using equity method as collaterals for its loans.

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(g) Changes in ownership of subsidiaries

- (i) The Company acquired 77.06% of the shares of its subsidiary Unitech New Energy Engineering in 2021. According to the share purchase agreements, if Unitech New Energy Engineering's net profit meets the certain criteria in 2021 and 2022, the Company will pay \$20,888 at the settlement expiration of one year and two years to Unitech New Energy Engineering, respectively, totaling \$41,776. The investment payment amounting to \$20,888 and \$12,824 had been paid by the Company for the years ended December 31, 2023 and 2022, as of March 31, 2025, resulting in the remaining amount of \$8,064 to be recognized as accrued expenses and other payables in the balance sheet.

(h) Property, plant and equipment

The cost, depreciation, and impairment of the property, plant and equipment of the Group for the three months ended March 31, 2025 and 2024 were as follows:

	<u>Land</u>	<u>Buildings and building improvement</u>	<u>Machinery and others</u>	<u>Total</u>
Cost:				
Balance at January 1, 2025	\$ 4,183,510	3,546,384	2,966,801	10,696,695
Additions	-	-	155,293	155,293
Disposal	-	(14,984)	(31,148)	(46,132)
Reclassifications	-	-	(399)	(399)
Effect of movements in exchange rates	1,100	4,480	1,488	7,068
Balance at March 31, 2025	<u>\$ 4,184,610</u>	<u>3,535,880</u>	<u>3,092,035</u>	<u>10,812,525</u>
Balance at January 1, 2024	\$ 767,044	1,616,019	2,713,356	5,096,419
Additions	2,558,919	1,400,162	33,938	3,993,019
Disposal	-	-	(9,195)	(9,195)
Reclassifications	852,100	523,416	(4,100)	1,371,416
Effect of movements in exchange rates	3,391	3,214	1,138	7,743
Balance at March 31, 2024	<u>\$ 4,181,454</u>	<u>3,542,811</u>	<u>2,735,137</u>	<u>10,459,402</u>
Depreciation and impairments loss:				
Balance at January 1, 2025	\$ -	455,564	997,393	1,452,957
Depreciation	-	11,550	49,910	61,460
Disposal	-	(14,984)	(26,524)	(41,508)
Reclassifications	-	-	(300)	(300)
Effect of movements in exchange rates	-	1,530	928	2,458
Balance at March 31, 2025	<u>\$ -</u>	<u>453,660</u>	<u>1,021,407</u>	<u>1,475,067</u>
Balance at January 1, 2024	\$ -	411,308	888,360	1,299,668
Depreciation	-	11,939	51,910	63,849
Disposal	-	-	(6,335)	(6,335)
Effect of movements in exchange rates	-	1,111	534	1,645
Balance at March 31, 2024	<u>\$ -</u>	<u>424,358</u>	<u>934,469</u>	<u>1,358,827</u>

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	<u>Land</u>	<u>Buildings and building improvement</u>	<u>Machinery and others</u>	<u>Total</u>
Carrying amounts:				
Balance at January 1, 2025	\$ 4,183,510	3,090,820	1,969,408	9,243,738
Balance at March 31, 2025	\$ 4,184,610	3,082,220	2,070,628	9,337,458
Balance at January 1, 2024	\$ 767,044	1,204,711	1,824,996	3,796,751
Balance at March 31, 2024	\$ 4,181,454	3,118,453	1,800,668	9,100,575

In order to accommodate business development and ensure corporate sustainable operation, the Board of Directors resolved to purchase an office building on Zhouxi Street in Neihu, for a total contract price of \$5,350,000. The Group completed the transfer registration in March 2024.

As of March 31, 2025, December 31 and March 31, 2024, the Group provided property, plant and equipment as collateral for its long-term loans.

(i) Right-of-use assets

The Group leases many assets including land and buildings and vehicles. Information about leases for which the Group as a lessee is presented below:

	<u>Land</u>	<u>Buildings</u>	<u>Machinery and others</u>	<u>Total</u>
Cost:				
Balance at January 1, 2025	\$ 35,079	803,890	100,353	939,322
Additions	-	35,982	7,463	43,445
Disposals	-	(6,653)	(3,490)	(10,143)
Effect of movements in exchange rates	-	1,857	-	1,857
Balance at March 31, 2025	\$ 35,079	835,076	104,326	974,481
Balance at January 1, 2024	\$ 23,176	760,051	103,264	886,491
Additions	-	15,264	5,990	21,254
Disposals	(534)	(3,435)	(5,151)	(9,120)
Effect of movements in exchange rates	-	1,494	-	1,494
Balance at March 31, 2024	\$ 22,642	773,374	104,103	900,119
Depreciation:				
Balance at January 1, 2025	\$ 8,282	305,247	54,742	368,271
Depreciation	1,242	29,898	6,955	38,095
Disposals	-	(6,653)	(3,490)	(10,143)
Effect of movements in exchange rates	-	1,117	-	1,117
Balance at March 31, 2025	\$ 9,524	329,609	58,207	397,340

(Continued)

TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
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	<u>Land</u>	<u>Buildings</u>	<u>Machinery and others</u>	<u>Total</u>
Balance at January 1, 2024	\$ 6,216	275,090	54,668	335,974
Depreciation	903	29,545	8,695	39,143
Disposals	(534)	(2,670)	(5,151)	(8,355)
Effect of movements in exchange rates	-	812	-	812
Balance at March 31, 2024	<u>\$ 6,585</u>	<u>302,777</u>	<u>58,212</u>	<u>367,574</u>
Carrying amount:				
Balance at January 1, 2025	<u>\$ 26,797</u>	<u>498,643</u>	<u>45,611</u>	<u>571,051</u>
Balance at March 31, 2025	<u>\$ 25,555</u>	<u>505,467</u>	<u>46,119</u>	<u>577,141</u>
Balance at January 1, 2024	<u>\$ 16,960</u>	<u>484,961</u>	<u>48,596</u>	<u>550,517</u>
Balance at March 31, 2024	<u>\$ 16,057</u>	<u>470,597</u>	<u>45,891</u>	<u>532,545</u>

(j) Investment property

Investment property comprises properties that are owned by the Group. The leases of investment properties contain an initial non-cancellable lease term of 2 to 3 years. Some leases provide the lessees with options to extend at the end of the terms.

For all investment property for leasing, the rental income is fixed under the contracts.

	<u>Buildings</u>
Carrying amount:	
Balance at January 1, 2025	<u>\$ 131,717</u>
Balance at March 31, 2025	<u>\$ 133,252</u>
Balance at January 1, 2024	<u>\$ 133,652</u>
Balance at March 31, 2024	<u>\$ 134,484</u>

There were no significant additions, disposal, or recognition and reversal of impairment losses of investment property for the three months ended March 31, 2025 and 2024. Information on depreciation for the period is discussed in note 12(a). Please refer to note 6(j) of the 2024 annual consolidated financial statements for other related information.

The fair value of the investment property was not significantly different from those disclosed in the note 6(j) of the annual consolidated financial statements for the year ended December 31, 2024.

As of March 31, 2025, December 31 and March 31, 2024, the Group did not provide any investment properties as collateral for its loan.

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
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(k) Intangible assets

	<u>Goodwill</u>	<u>Unrealized orders</u>	<u>Customer relationship</u>	<u>Others</u>	<u>Total</u>
Balance at January 1, 2025	\$ 195,850	21,298	87,569	49,089	353,806
Balance at March 31, 2025	\$ 195,850	15,883	84,435	44,675	340,843
Balance at January 1, 2024	\$ 226,251	42,957	100,107	70,664	439,979
Balance at March 31, 2024	\$ 226,251	37,542	96,973	65,755	426,521

There were no significant additions, disposal, or recognition and reversal of impairment losses of intangible assets for the three months ended March 31, 2025 and 2024. Please refer to note 6(k) of the 2024 annual consolidated financial statements for other related information.

(l) Other financial assets and other non-current assets

(i) The other current financial assets of the Group were as follows:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Restricted assets	\$ 167,264	225,979	168,592
Other receivables	67,924	44,126	59,114
	<u>\$ 235,188</u>	<u>270,105</u>	<u>227,706</u>

As of March 31, 2025, December 31 and March 31, 2024, the restricted assets are coming from bank deposits of restricted purpose due to the construction contract conditions, guarantees for construction contracts, and sport training courses had been collected in advance, etc, please refer to note 8.

(ii) The other non-current assets of the Group were as follows:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Restricted assets	\$ 66,648	66,225	35,605
Refundable deposits	253,450	261,470	262,109
Prepayment of equipments	86,246	45,297	-
Others	3,124	3,124	4,611
	<u>\$ 409,468</u>	<u>376,116</u>	<u>302,325</u>

As of March 31, 2025, December 31 and March 31, 2024, the Group did provide any increase in restricted assets as collateral for its loan, please refer to note 8.

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(m) Short-term borrowings

The short-term borrowings of the Group were as follows:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Unsecured bank loans	\$ <u>772,661</u>	<u>855,071</u>	<u>977,661</u>
Unused credit lines	\$ <u>13,145,839</u>	<u>13,020,591</u>	<u>12,981,869</u>
Range of interest rates	<u>1.875%~5.6%</u>	<u>1.68%~5.6%</u>	<u>1.68%~6.27%</u>

The Group did not provide assets as collateral for its loans.

For information on the Group's foreign currency risk and liquidity risk, please see note 6(z).

(n) Long-term borrowings

The long-term borrowings of the Group were as follows:

March 31, 2025				
	<u>Currency</u>	<u>Rate</u>	<u>Maturity year</u>	<u>Amount</u>
Unsecured bank loans	NTD	1.88%~2.565%	2027.10~2036.9	\$ 1,135,873
Secured bank loans	NTD	2.12%	2044.01	1,280,000
Less: current portion				<u>(94,892)</u>
Total				<u>\$ 2,320,981</u>
Unused credit lines				<u>\$ 600,000</u>
December 31, 2024				
	<u>Currency</u>	<u>Rate</u>	<u>Maturity year</u>	<u>Amount</u>
Unsecured bank loans	NTD	1.69%~2.60%	2025.10~2036.9	\$ 1,159,596
Secured bank loans	NTD	2.00%~2.12%	2044.1	1,280,000
Less: current portion				<u>(94,892)</u>
Total				<u>\$ 2,344,704</u>
Unused credit lines				<u>\$ 600,000</u>
March 31, 2024				
	<u>Currency</u>	<u>Rate</u>	<u>Maturity year</u>	<u>Amount</u>
Unsecured bank loans	NTD	1.69%~2.60%	2024.4~2036.9	\$ 1,526,302
Secured bank loans	NTD	2%	2043.11~2044.1	1,480,000
Less: current portion				<u>(90,429)</u>
Total				<u>\$ 2,915,873</u>
Unused credit lines				<u>\$ 420,000</u>

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

For the three months ended March 31, 2025 and 2024, the Group had the additional long-term borrowings amounting to \$0 and \$1,652,810, respectively; the repayment amounted to \$23,723 and \$20,523, respectively.

For the collateral for long-term borrowings, please refer to note 8.

(o) Convertible bonds payable

(i) The Group issued the second domestic unsecured convertible bonds with the face values of \$1,000,000 on June 29, 2023 as follows:

	<u>March 31,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>	<u>March 31,</u> <u>2024</u>
Total convertible corporate bonds issued	\$ 1,000,000	1,000,000	1,000,000
Cumulative converted amount	(507,300)	(450,900)	(100)
Unamortized discounted corporate bonds payable	<u>(12,547)</u>	<u>(15,476)</u>	<u>(36,776)</u>
	480,153	533,624	963,124
Unamortized issuing costs of corporate bonds payable	<u>(712)</u>	<u>(878)</u>	<u>(2,087)</u>
Corporate bonds issued balance at year-end	<u>\$ 479,441</u>	<u>532,746</u>	<u>961,037</u>
Embedded derivatives – call option, include in non-current financial assets at fair value through profit or loss	<u>\$ 356</u>	<u>410</u>	<u>-</u>
Equity component – conversion rights, include in capital surplus	<u>\$ 29,082</u>	<u>32,411</u>	<u>59,021</u>
		For the three months ended	
		March 31,	
		<u>2025</u>	<u>2024</u>
Embedded derivatives - call option, gains or losses at fair value, include in gain (losses) on financial assets (liabilities) at fair value through profit or loss		<u>\$ (54)</u>	<u>-</u>
Interest expenses		<u>\$ (2,247)</u>	<u>(4,324)</u>

The effective rates of the second unsecured convertible bonds payable was 1.7919%.

The Company's distribution of cash dividends resulted in the conversion price per share to be adjusted from NT\$200 to NT\$192.5 beginning on June 30, 2024.

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
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- (ii) For the three months ended March 31, 2024, the bondholders exercised their conversion rights for convertible bonds with a face value of \$100, which were converted into ordinary shares and bond conversion entitlement certificates of \$5, offsetting the discount on the bonds payable of \$4. The capital surplus generated was recognized at \$91 (including the write-down on capital surplus - stock options of \$6). For the three months ended March 31, 2025, the bondholders exercised their conversion rights for convertible bonds with a face value of \$56,400, which were converted into ordinary shares and bond conversion entitlement certificates \$2,930, offsetting the discount on the bonds payable of \$848. The capital surplus generated was recognized at \$52,618 (including the write-down on capital surplus - stock options of \$3,329 and the cash refund from fractional shares of \$4). As of March 31, 2025, there was still a remaining face value of \$492,700 of corporate bonds that has not been converted. In addition to the above, the Group did not issue, repurchase, or repay any outstanding corporate bonds for the three months ended March 31, 2025. Please refer to note 6(o) of the consolidated financial statements for the year ended December 31, 2024, for related information.

(p) Lease liabilities

The lease liabilities of the Group were as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Current	\$ <u>123,970</u>	<u>124,041</u>	<u>134,237</u>
Non-current	\$ <u>453,865</u>	<u>445,915</u>	<u>398,514</u>

For the maturity analysis, please refer to note 6(z).

The amounts recognized in profit or loss were as follows:

	For the three months ended March 31,	
	2025	2024
Interest on lease liabilities	\$ <u>2,279</u>	<u>2,200</u>
Variable lease payments not included in the measurement of lease liabilities	\$ <u>5,966</u>	<u>5,967</u>
Expenses relating to short-term leases	\$ <u>10,423</u>	<u>5,175</u>
Expense relating to leases of low-value assets, excluding short-term leases of low-value assets	\$ <u>4,454</u>	<u>3,678</u>

The amounts recognized in the consolidated statements of cash flows for the Group were as follows:

	For the three months ended March 31,	
	2025	2024
Total cash outflow for leases	\$ <u>59,465</u>	<u>54,216</u>

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
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(i) Real estate leases

As of March 31, 2025, December 31 and March 31, 2024, the Group leases land and buildings for its office space, erecting solar power generation equipment and retail stores. The leases of office space typically run for a period of 1 to 20 years, of erecting solar power generation equipment for 20 years, and of retail stores for 1 to 5 years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

Some leases require the Group to make payments that relate to the property taxes levied on the lessor and insurance payments made by the lessor; these amounts are generally determined annually.

(ii) Other leases

The Group leases vehicles, with lease terms of 1 to 5 years. In some cases, the Group has options to purchase the assets at the end of the contract term; in other cases, it guarantees the residual value of the leased assets at the end of the contract term.

The Group also leases IT equipment with contract terms of 1 to 3 years. These leases are short-term or leases of low-value items. The Group has elected not to recognize right-of-use assets and lease liabilities for these leases.

(q) Provisions

	<u>Warranties</u>	<u>Onerous contracts</u>	<u>Total</u>
Balance at January 1, 2025	\$ 151,836	55,170	207,006
Provisions made during the period	5,029	-	5,029
Provisions used during the period	(7,939)	(3,062)	(11,001)
Provisions reversed during the period	(1,108)	(15,749)	(16,857)
Effect of changes in foreign exchange rates	<u>2,434</u>	<u>-</u>	<u>2,434</u>
Balance at March 31, 2025	<u>\$ 150,252</u>	<u>36,359</u>	<u>186,611</u>
Balance at January 1, 2024	\$ 219,519	83,384	302,903
Provisions made during the period	2,009	-	2,009
Provisions used during the period	(9,748)	-	(9,748)
Provisions reversed during the period	(2,278)	(30,000)	(32,278)
Effect of changes in foreign exchange rates	<u>3,693</u>	<u>448</u>	<u>4,141</u>
Balance at March 31, 2024	<u>\$ 213,195</u>	<u>53,832</u>	<u>267,027</u>

Provisions related to construction revenue are assessed based on historical experience. The aforementioned provisions are expected to settle the majority of the liability over the next year.

A provision for onerous contracts is recognized when the Group expects the unavoidable costs of performing the obligations under a construction contract exceed the economic benefits expected to be received under the contract. Because the cost of performing a construction contract had exceeded the economic benefits expected, the Group recognized the provisions to response the cost of the construction contract.

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
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(r) Operating leases

There were no significant changes in operating lease for the three months ended March 31, 2025 and 2024. Please refer to note 6(r) of the consolidated financial statements for the year ended December 31, 2024 for other related information.

(s) Employee benefits

(i) Defined benefit plans

Management believes that there was no material volatility of the market, no material reimbursement and settlement or other material one-off events since prior fiscal year. As a result, the pension cost in the accompanying interim period was measured and disclosed according to the actuarial report as of December 31, 2025 and 2024.

The expenses recognized in profit or loss for the Group were as follows:

	For the three months ended March 31,	
	2025	2024
Administrative expenses	\$ 824	720

(ii) Defined contribution plans

- 1) The domestic Group entities' expenses under the pension plan cost of the Bureau of Labor Insurance were as follows:

	For the three months ended March 31,	
	2025	2024
Operating cost and expenses	\$ 14,722	14,187

- 2) Other subsidiaries' pension expenses, basic endowment insurance expenses and social welfare expenses were as follows:

	For the three months ended March 31,	
	2025	2024
Operating cost and expenses	\$ 6,071	5,058

(t) Income taxes

(i) Income tax expenses

- 1) The components of income tax were as follows:

	For the three months ended March 31,	
	2025	2024
Current tax expense	\$ 323,323	275,155

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
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- 2) The amounts of income tax recognized in other comprehensive income were as follows:

	For the three months ended	
	March 31,	
	2025	2024
Items that will not be reclassified to profit or loss:		
Exchange differences on translation of foreign financial statements	\$ <u>18,803</u>	<u>16,688</u>

- (ii) The ROC tax authorities have examined the income tax returns of the Company, as well as Jing Chen Energy, Jing Yueh Energy, Jing Yang Energy, Kuan Yueh Technology, Kanbo Biomedical, Anyong Biotechnology, Anyong Fresh Mart, Topco International Investment, Topco Investment, Cityspace International, Ding Yue Solar, Xports Sports, Thermaltake green power, Topchip, Yun Yueh Technology, Unitech New Energy Engineering, Tai Ying, Tai Ying Global Trading, Top Vacuum, Taiwan E&M, and Jia Yi Energy through 2023 ; the Company, Chien Yueh , Topchem Materials and Anyong Fresh Mart through 2022.

- (u) Capital and other equities

Except for the following disclosure, there was no significant change for capital and other equity for the three months ended March 31, 2025 and 2024. For the related information, please refer to note 6(u) of the consolidated financial statements for the year ended December 31, 2024.

- (i) Common stock

As of March 31, 2025, December 31 and March 31, 2024, the total values of authorized ordinary shares were both amounted to \$2,200,000 (both including \$100,000 for the issuance of employee stock options). The number of authorized ordinary shares were both 220,000 thousand shares, respectively, with par value of New Taiwan Dollars \$10 per share. As of that date 191,332, 191,040 and 188,700 thousand of ordinary shares were issued, respectively. All issued shares were paid up upon issuance.

The Group issued 500 new thousand shares to convertible bond holders who exercised their conversion rights at face value, with a total amount of \$5 thousand for the three months ended March 31, 2024. As the legal registration procedures were completed.

The Group issued 485 new thousand shares to convertible bond holders who exercised their conversion rights at face value, with a total amount of \$4,851 thousand for the year ended December 31, 2024. As the legal registration procedures were completed.

The Group issued 293 new thousand shares to convertible bond holders who exercised their conversion rights at face value, with a total amount of \$2,930 thousand for the three months ended March 31, 2025. As of March 31, 2025, the legal registration procedures of 293 thousand shares have not been completed, they are recognized as certificate of entitlement to new shares from convertible bond.

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
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(ii) Capital surplus

The balances of capital surplus were as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Capital premium	\$ 2,935,120	2,879,173	2,437,798
Convertible bonds-conversion options	29,082	32,411	59,021
Stock option-fair value differences of associates and joint ventures accounted under equity method	2,270	2,270	2,285
Changes in the equity ownership of the subsidiaries	1,965	1,965	706
Others	422	422	422
	<u>\$ 2,968,859</u>	<u>2,916,241</u>	<u>2,500,232</u>

On February 29, 2024, the Company's Board of Directors resolved to distribute the cash dividends of \$188,700 (New Taiwan dollars \$1 per share) from capital surplus.

(iii) Retained earnings

According to the Company's articles of incorporation, 10% of annual net earnings (net of incomes taxes), after deducting accumulated deficits, must be set aside as legal reserve. In addition, a special reserve shall be set aside in accordance with applicable laws and regulations. The remaining profit, together with the beginning balance of undistributed retained earnings, can be distributed according to the distribution plan proposed by the Board of directors and submitted during the stockholders' meeting for approval. The distribution of earnings or legal reserve and capital surplus, by way of cash, shall be decided during the Board meeting, approved by more than half of the directors, with two thirds of directors in attendance; thereafter, to be reported in the shareholders' meeting of the Company.

According to the Company's dividend policy, the type of dividends should be determined after considering the remaining portion of retained earnings, the business environment, etc. The dividends could be paid whether by cash or stock. No less than 10% of total stockholders' dividends may be distributed in the form of cash dividends. Any remaining profit did not be distributed in the form of cash dividends could be distributed in the form of stock dividends according to the Company's articles proposed by the Board of directors and submitted to the stockholders' meeting for approval.

1) Earnings distribution

The amount of cash dividends of appropriations of earnings for 2024 and 2023 had been approved in the Board meeting held on February 27, 2025, and February 29, 2024, respectively.

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
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	2024		2023	
	Amount per share NT (Dollars)	Total amount	Amount per share NT (Dollars)	Total amount
Dividends distributed to common shareholders:				
Cash dividends	\$ 12.0	<u>2,293,351</u>	9.0	<u>1,698,296</u>

The information earning distribution can be accessed from the Market Observation Post System after the shareholder's meeting.

(iv) Other equity

	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Total
Balance at January 1, 2025	\$ 46,882	1,137,221	1,184,103
Exchange differences on foreign operations:			
The Group	74,080	-	74,080
Share of other comprehensive income of associates and joint ventures accounted for using equity method	1,134	-	1,134
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income:			
The Group	-	(49,274)	(49,274)
Balance at March 31, 2025	<u>\$ 122,096</u>	<u>1,087,947</u>	<u>1,210,043</u>
Balance at January 1, 2024	\$ (90,453)	866,377	775,924
Exchange differences on foreign operations:			
The Group	66,752	-	66,752
Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income:			
The Group	-	210,332	210,332
Balance at March 31, 2024	<u>\$ (23,701)</u>	<u>1,076,709</u>	<u>1,053,008</u>

(v) Earnings per share

The calculation of basic and diluted earnings per share were as follows:

	For the three months ended March 31,	
	2025	2024
Basic earnings per share:		
Profit attributable to ordinary shareholders of the Company	<u>\$ 939,170</u>	<u>775,037</u>
Weighted-average number of outstanding ordinary shares (thousand)	<u>191,129</u>	<u>188,700</u>
Basic earnings per share (dollars)	<u>\$ 4.91</u>	<u>4.11</u>

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
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	For the three months ended March 31,	
	2025	2024
Diluted earnings per share:		
Profit attributable to ordinary shareholders of the Company	\$ 939,170	775,037
The after-tax impact of interest on convertible bonds and other income or losses	2,277	4,277
Profit attributable to ordinary shareholders of the Company (after adjustment of potential diluted ordinary shares)	\$ 941,447	779,314
Weighted-average number of outstanding ordinary shares (thousand)	191,129	188,700
Effect of dilutive potential ordinary shares (thousand)		
Effect of employee share bonuses	1,208	1,391
Effect of conversion of convertible bonds	2,762	5,000
Weighted-average number of ordinary shares (after adjustment of potential diluted ordinary shares)	195,099	195,091
Diluted earnings per share (dollars)	\$ 4.83	3.99

(w) Revenue from contracts with customers

(i) Details of revenue

	For the three months ended March 31, 2025			
	Semiconductor and electronics divisions	Environmental engineering divisions	Other divisions	Total
Primary geographical markets:				
Taiwan	\$ 6,276,139	520,733	397,653	7,194,525
China	6,460,007	973,606	-	7,433,613
Others	1,016,556	100,540	14,227	1,131,323
	\$ 13,752,702	1,594,879	411,880	15,759,461
Major products / services:				
Semiconductor and optoelectronic industries	\$ 13,752,702	-	-	13,752,702
Water purification and construction of dust-proof room	-	1,594,879	-	1,594,879
Others	-	-	411,880	411,880
	\$ 13,752,702	1,594,879	411,880	15,759,461

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
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	For the three months ended March 31, 2024			
	Semiconductor and electronics divisions	Environmental engineering divisions	Other divisions	Total
Primary geographical markets:				
Taiwan	\$ 5,188,886	432,789	397,568	6,019,243
China	4,328,201	797,491	-	5,125,692
Others	653,568	124,711	8,363	786,642
	\$ 10,170,655	1,354,991	405,931	11,931,577
Major products / services:				
Semiconductor and optoelectronic industries	\$ 10,170,655	-	-	10,170,655
Water purification and construction of dust-proof room	-	1,354,991	-	1,354,991
Others	-	-	405,931	405,931
	\$ 10,170,655	1,354,991	405,931	11,931,577

(ii) Contract balance

	March 31, 2025	December 31, 2024	March 31, 2024
Notes and accounts receivable (including related parties)	\$ 8,375,115	8,556,080	6,949,084
Less: allowance for impairment	31,397	28,070	32,163
Total	\$ 8,343,718	8,528,010	6,916,921
Contract assets — construction	\$ 1,512,503	1,586,101	1,559,851
Contract liabilities — construction	\$ 1,359,632	1,387,818	964,295
Contract liabilities — unearned revenue	991,501	683,168	514,641
Total	\$ 2,351,133	2,070,986	1,478,936

For details on accounts receivable and allowance for impairment, please refer to note 6(d).

The amounts of revenue recognized for the three months ended March 31, 2025 and 2024 that were included in contract liability balance at the beginning of the period were \$375,425 and \$259,105, respectively.

The major change in the balance of contract assets and contract liabilities is due to the difference between the point at which the consolidated company transfers goods or service to customers to satisfy its performance obligations and the point at which customers pay. There were no significant changes during the three months ended March 31, 2025 and 2024.

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
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(x) Remuneration to employees, directors

According to the Company's articles of incorporation, earning shall first be offset against any deficit, then, a minimum of 4% net profit before tax will be distributed as employee remuneration and a maximum of 3% will be allocated as directors' remuneration. Employees who are entitled to receive the abovementioned employee remuneration, in share or cash, include those of the subsidiaries of the Company who meet certain specific requirements.

For the three months ended March 31, 2025 and 2024, the Company estimated its employees' remuneration amounting to \$100,779 and \$82,349, respectively, and the directors' remuneration amounting to \$25,195 and \$20,587, respectively. The estimated amounts mentioned above are calculated based on the net profit before tax, excluding the remuneration to employees and directors of each period, multiplied by the percentage of remuneration to employees and directors as specified in the Company's articles. These remunerations were expensed under operating expenses during the three months ended March 31, 2025 and 2024. If there are any subsequent adjustments to the actual remuneration amounts after the annual shareholder meeting, the adjustment will be regarded as changes in accounting estimates and will be reflected in profit or loss in the following year. Shares distributed to employees as employee remuneration are calculated based on the closing price of the Company's ordinary shares on the day before the approval by the Board of Directors.

For the years ended December 31, 2024 and 2023, the remunerations to employees amounted to \$376,891 and \$306,198, respectively, and the remunerations to directors and supervisors amounted to \$94,223 and \$76,549, respectively. There are no differences between the amount approved in the Board of Directors meeting and those recognized in the financial statements in 2024 and 2023. Related information would be available at the Market Observation Post System website.

(y) Non-operating income and expenses

(i) Other income

The details of other income were as follows:

	For the three months ended March 31,	
	2025	2024
Government grants	\$ 759	19,281
Dividends income	256	-
Rental income	4,882	2,272
Indemnity income	45	45
Others	3,289	3,110
	\$ 9,231	24,708

(Continued)

TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(ii) Other gains and losses

The details of other gains and losses were as follows:

	For the three months ended March 31,	
	2025	2024
Foreign currency exchange gains (losses), net	\$ (10,754)	5,286
Gains on financial assets at fair value through profit or loss, net	21,036	57,102
Losses on disposal of property, plant and equipment, net	(4,482)	(2,685)
Others	(995)	(124)
	\$ 4,805	59,579

(z) Financial instruments

Except for the contention mentioned below, there was no significant change in the fair value of the Group's financial instruments and degree of exposure to credit risk, liquidity risk and market risk arising from financial instruments. For the related information, please refer to note 6(aa) of the consolidated financial statements for the year ended December 31, 2024.

(i) Credit risk

1) Credit risk exposure

The carrying amount of financial assets and contract assets represents the maximum amount exposed to credit risk.

2) Concentration to credit risk

Apart from the Group's most significant customer, Customer A, the Group has no exposure to credit risk of any individual counterparty or any group of counterparties with similar credit characteristics. Those related parties of which having transactions with the Group are regarded as group of counterparties with similar credit characteristics.

3) Receivables and debt securities

For credit risk exposure of notes and accounts receivables, please refer to note 6(d).

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
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These financial assets are considered to have low risk, and thus, the impairment provision recognized during the period was limited to 12 months expected credit losses. For the three months ended March 31, 2025 and 2024, the loss allowance provisions were determined as follows:

	For the three months ended March 31,	
	2025	2024
Balance at January 1	\$ 14,480	14,355
Impairment loss	-	-
Balance at March 31	\$ 14,480	14,355

(ii) Liquidity risk

The following were the contractual maturities of financial liabilities, including estimated interest payments.

	Carrying Amount	Contractual cash flows	Within a year	1 ~ 2 years	Over 2 years
March 31, 2025					
Non-derivative financial liabilities					
Short-term and long-term bank loans	\$ 3,188,534	(3,636,001)	(926,060)	(460,599)	(2,249,342)
Notes and accounts payable (including related parties)	8,480,224	(8,480,224)	(8,480,224)	-	-
Accrued expenses and other payables	1,284,830	(1,284,830)	(1,284,830)	-	-
Lease liabilities (including current and non-current)	577,835	(620,390)	(131,797)	(89,467)	(399,126)
Bonds payable	479,441	(492,700)	-	(492,700)	-
Guarantee deposits received	166,574	(166,574)	-	-	(166,574)
Dividends payable	2,293,351	(2,293,351)	(2,293,351)	-	-
	\$ 16,470,789	(16,974,070)	(13,116,262)	(1,042,766)	(2,815,042)

(Continued)

TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	<u>Carrying Amount</u>	<u>Contractual cash flows</u>	<u>Within a year</u>	<u>1 ~ 2 years</u>	<u>Over 2 years</u>
December 31, 2024					
Non-derivative financial liabilities					
Short-term and long-term borrowings	\$ 3,294,667	(3,768,215)	(1,006,671)	(148,612)	(2,612,932)
Notes and accounts payable (including related parties)	9,556,451	(9,556,451)	(9,556,451)	-	-
Accrued expenses and other payables	1,500,091	(1,500,091)	(1,500,091)	-	-
Lease liabilities (including current and non-current)	569,956	(613,412)	(132,025)	(87,822)	(393,565)
Bonds payable	532,746	(549,100)	-	(549,100)	-
Guarantee deposits received	164,178	(164,178)	-	-	(164,178)
	<u>\$ 15,618,089</u>	<u>(16,151,447)</u>	<u>(12,195,238)</u>	<u>(785,534)</u>	<u>(3,170,675)</u>
March 31, 2024					
Non-derivative financial liabilities					
Short-term and long-term bank loans	\$ 3,983,963	(4,772,816)	(1,133,405)	(752,502)	(2,886,909)
Notes and accounts payable (including related parties)	7,128,921	(7,128,921)	(7,128,921)	-	-
Accrued expenses and other payables	985,562	(985,562)	(985,562)	-	-
Lease liabilities (including current and non-current)	532,751	(574,038)	(141,629)	(90,516)	(341,893)
Bonds payable	961,037	(999,900)	-	-	(999,900)
Guarantee deposits received	159,811	(159,811)	(159,811)	-	-
Dividends payable	1,886,996	(1,886,996)	(1,886,996)	-	-
Forward exchange contract:	409				
Outflow		(31,927)	(31,927)	-	-
Inflow		31,518	31,518	-	-
	<u>\$ 15,639,450</u>	<u>(16,508,453)</u>	<u>(11,436,733)</u>	<u>(843,018)</u>	<u>(4,228,702)</u>

The Group does not expect the cash flows included in the maturity analysis to occur significantly earlier or at significantly different amount.

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(iii) Currency risk

1) Exposure to foreign currency risk

The Group's significant financial assets and liabilities exposed to foreign currency risk were as follows:

(in thousands)

	March 31, 2025			December 31, 2024			March 31, 2024		
	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD	Foreign currency	Exchange rate	NTD
Financial assets									
USD	\$ 108,446	USD/NTD= 33.205	3,600,949	99,559	USD/NTD= 32.785	3,264,042	88,800	USD/NTD= 32	2,841,600
USD	81,510	USD/CNY= 7.2611	2,706,540	82,180	USD/CNY= 7.3213	2,694,253	65,730	USD/CNY= 7.2595	2,103,352
JPY	6,041,312	JPY/NTD= 0.2227	1,345,400	6,733,016	JPY/NTD= 0.2099	1,413,260	4,841,006	JPY/NTD= 0.2115	1,023,873
JPY	2,616,953	JPY/CNY= 0.0487	582,809	2,974,875	JPY/CNY= 0.0469	624,778	1,769,015	JPY/CNY= 0.048	374,295
Financial liabilities									
USD	\$ 94,687	USD/NTD= 33.205	3,144,082	89,643	USD/NTD= 32.785	2,938,946	80,492	USD/NTD= 32	2,575,744
USD	43,956	USD/CNY= 7.2611	1,459,559	82,351	USD/CNY= 7.3213	2,699,860	46,712	USD/CNY= 7.2595	1,494,778
JPY	5,761,190	JPY/NTD= 0.2227	1,283,017	6,017,921	JPY/NTD= 0.2099	1,263,162	4,185,241	JPY/NTD= 0.2115	885,178
JPY	2,697,207	JPY/CNY= 0.0487	600,682	2,119,986	JPY/CNY= 0.0469	445,236	1,078,781	JPY/CNY= 0.048	228,253

2) Sensitivity analysis

The Group's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, account and other receivables, current restricted assets, loans and borrowings, and account and other payables that are denominated in foreign currency. An appreciation (depreciation) of 5% of each major foreign currency against Group entities' functional currency as of March 31, 2025 and 2024 would have influenced the net profit before tax as follows. The analysis is performed on the same basis for both periods.

	March 31, 2025	March 31, 2024
USD (against the NTD)		
Appreciation 5%	\$ 22,843	13,292
Depreciation 5%	(22,843)	(13,292)
USD (against the CNY)		
Appreciation 5%	62,349	30,428
Depreciation 5%	(62,349)	(30,428)

(Continued)

TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
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	<u>March 31,</u> <u>2025</u>	<u>March 31,</u> <u>2024</u>
JPY (against the NTD)		
Appreciation 5%	3,119	6,935
Depreciation 5%	(3,119)	(6,935)
JPY (against the CNY)		
Appreciation 5%	(894)	7,302
Depreciation 5%	894	(7,302)

3) Foreign exchange gain and loss on monetary items

Since the Group has many kinds of functional currency, the information on foreign exchange gain (loss) on monetary items is disclosed by total amount. Foreign exchange gains (losses) (including realized and unrealized portions) were as follows:

	<u>For the three months ended</u> <u>March 31,</u>	
	<u>2025</u>	<u>2024</u>
Foreign exchange gains (losses) (including realized and unrealized portions)	<u>\$ (10,754)</u>	<u>5,286</u>

(iv) Interest rate analysis

The details of financial assets and liabilities exposed to interest rate risk were as follows:

	<u>Carrying amount</u>	
	<u>March 31,</u> <u>2025</u>	<u>March 31,</u> <u>2024</u>
Variable rate instruments:		
Financial assets	\$ 4,716,209	3,178,841
Financial liabilities	3,000,870	3,085,294

The following sensitivity analysis is based on the exposure to the interest rate risk of derivative and non-derivative financial instruments on the reporting date. Regarding the assets and liabilities with variable interest rates, the analysis is on the basis of the assumption that the amount of assets and liabilities outstanding at the reporting date were outstanding throughout the year. The rate of change is expressed as the interest rate increase or decrease by 0.25% when reporting to management internally, which also represents management of the Group's assessment on the reasonably possible interval of interest rate change.

If the interest rate had increased or decreased by 0.25%, the net profit before tax would have decreased or increased by the amounts listed below for the three months ended March 31, 2025 and 2024, respectively, which would be mainly resulted from the bank savings, time deposits with variable interest rates, restricted assets with variable interest rates, and short-term and long-term borrowings with variable interest rates.

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
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	For the three months ended	
	March 31,	
	2025	2024
Interest rate increased by 0.25%	\$ 1,072	58
Interest rate decreased by 0.25%	(1,072)	(58)

(v) Fair value of financial instruments

1) Evaluation process and fair value hierarchy

The disclosures of financial assets and liabilities are measured using the fair value method based on the Group's accounting policy. The Group's management is responsible in performing independent test on fair value by using independent source of information to obtain the fair value which is close to the market status. The management also confirms the independence, reliability and matching of the information source. In addition, it regularly tests the valuation model, updates the input and other information, as well as makes necessary adjustment to ensure the output of valuation is reasonable.

The Group uses observable market data to evaluate its assets and liabilities when it is possible. The different inputs of levels of fair value hierarchy in determination the fair value are as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

2) Fair value hierarchy

The fair value of financial assets and liabilities at fair value through profit or loss and financial assets at fair value through other comprehensive income is measured on a recurring basis. The carrying amount and fair value of the Group's financial assets and liabilities, including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and lease liabilities disclosure of fair value information is not required:

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
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	March 31, 2025				
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss					
Convertible bonds – embedded derivatives	\$ 356	-	-	356	356
Non-derivative financial assets mandatorily measured at fair value through profit or loss-beneficiary certificate funds	257,509	257,509	-	-	257,509
Non-derivative financial assets mandatorily measured at fair value through profit or loss-domestic listed stocks	146,740	146,740	-	-	146,740
Non-derivative financial assets mandatorily measured at fair value through profit or loss-foreign listed stocks	76,959	76,959	-	-	76,959
Non-derivative financial assets mandatorily measured at fair value through profit or loss-unlisted stocks and limited partnership	384,295	101,296	-	282,999	384,295
Non-derivative financial assets mandatorily measured at fair value through profit or loss-foreign unlisted funds	<u>26,482</u>	-	-	26,482	26,482
Subtotal	<u>892,341</u>				
Financial assets at fair value through other comprehensive income	<u>1,475,308</u>	188,296	-	1,287,012	1,475,308
Financial assets measured at amortized cost					
Cash and cash equivalents	5,530,647	-	-	-	-
Notes and accounts receivable (including related parties)	8,343,718	-	-	-	-
Other current financial assets	235,188	-	-	-	-
Other non-current assets (refundable deposits and pledged asset-time deposits)	<u>320,098</u>	-	-	-	-
Subtotal	<u>14,429,651</u>				
Total	<u>\$ 16,797,300</u>				

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	March 31, 2025				
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
Financial liabilities measured at amortized cost					
Long-term and short-term bank loans	\$ 3,188,534	-	-	-	-
Notes and accounts payable (including related parties)	8,480,224	-	-	-	-
Accrued expenses and other payables	1,284,830	-	-	-	-
Lease liabilities (including current and non-current)	577,835	-	-	-	-
Bonds payable	479,441	-	-	-	-
Guarantee deposits received	166,574	-	-	-	-
Dividends payable	<u>2,293,351</u>	-	-	-	-
Total	<u>\$ 16,470,789</u>				
December 31, 2024					
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss					
Convertible bonds - embedded derivatives	\$ 410	-	-	410	410
Non-derivative financial assets mandatorily measured at fair value through profit or loss-beneficiary certificate funds	321,019	321,019	-	-	321,019
Non-derivative financial assets mandatorily measured at fair value through profit or loss-domestic listed stocks	149,983	149,983	-	-	149,983
Non-derivative financial assets mandatorily measured at fair value through profit or loss-foreign listed stocks	72,406	72,406	-	-	72,406
Non-derivative financial assets mandatorily measured at fair value through profit or loss-unlisted stocks and limited partnership	381,453	99,756	-	281,697	381,453
Non-derivative financial assets mandatorily measured at fair value through profit or loss-foreign unlisted funds	<u>26,580</u>	-	-	26,580	26,580
Subtotal	<u>951,851</u>				

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
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	December 31, 2024				
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through other comprehensive income	<u>1,524,600</u>	186,800	-	1,337,800	1,524,600
Financial assets measured at amortized cost					
Cash and cash equivalents	5,162,017	-	-	-	-
Notes and accounts receivable (including related parties)	8,528,010	-	-	-	-
Other current financial assets	270,105	-	-	-	-
Other non-current assets (refundable deposits and pledged assets-time deposits)	<u>327,695</u>	-	-	-	-
Subtotal	<u>14,287,827</u>				
Total	<u>\$ 16,764,278</u>				
Financial liabilities measured at amortized cost					
Long-term and short-term bank loans	\$ 3,294,667	-	-	-	-
Notes and accounts payable (including related parties)	9,556,451	-	-	-	-
Accrued expenses and other payables	1,500,091	-	-	-	-
Lease liabilities (including current and non-current)	569,956	-	-	-	-
Bonds payable	532,746	-	-	-	-
Guarantee deposits received	<u>164,178</u>	-	-	-	-
Total	<u>\$ 15,618,089</u>				

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	March 31, 2024				
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss					
Non-derivative financial assets mandatorily measured at fair value through profit or loss-beneficiary certificate funds	\$ 410,389	410,389	-	-	410,389
Non-derivative financial assets mandatorily measured at fair value through profit or loss-domestic listed stocks	176,350	176,350	-	-	176,350
Non-derivative financial assets mandatorily measured at fair value through profit or loss-foreign listed stocks	55,253	55,253	-	-	55,253
Non-derivative financial assets mandatorily measured at fair value through profit or loss-unlisted stocks and limited partnership	397,402	164,436	-	232,966	397,402
Non-derivative financial assets mandatorily measured at fair value through profit or loss-foreign unlisted funds	<u>40,117</u>	-	-	40,117	40,117
Subtotal	<u>1,079,511</u>				
Financial assets at fair value through other comprehensive income	<u>1,586,657</u>	289,633	-	1,297,024	1,586,657
Financial assets measured at amortized cost					
Cash and cash equivalents	\$ 3,913,307	-	-	-	-
Notes and accounts receivable (including related parties)	6,916,921	-	-	-	-
Other current financial assets	227,706	-	-	-	-
Other non-current assets (refundable deposits and pledged assets-time deposits)	<u>297,714</u>	-	-	-	-
Subtotal	<u>11,355,648</u>				
Total	<u>\$ 14,021,816</u>				

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

	March 31, 2024				
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
Financial liabilities at fair value through profit and loss					
Derivative financial liabilities	\$ <u>409</u>	-	409	-	409
Financial liabilities measured at amortized cost					
Long-term and short-term borrowings	3,983,963	-	-	-	-
Notes and accounts payable (including related parties)	7,128,921	-	-	-	-
Accrued expenses and other payables	985,562	-	-	-	-
Lease liabilities (including current and non-current)	532,751	-	-	-	-
Bonds payable	961,037	-	-	-	-
Guarantee deposits received	159,811	-	-	-	-
Dividends payable	<u>1,886,996</u>	-	-	-	-
Total	<u>\$ 15,639,450</u>				

3) Valuation techniques for financial instruments not measured at fair value

The Group valuation techniques and assumptions used for financial instrument not measured at fair value were as follows:

If there is quoted price generated by transactions, the recent transaction price and quoted price data is used as the basis for fair value measurement. However, if no quoted prices are available, the discounted cash flows are used to estimate fair values.

4) Valuation techniques for financial instruments measured at fair value

a) Non-derivative financial instruments

Financial instruments traded in active markets are based on quoted market prices. The quoted price of a financial instrument obtained from main exchanges and the government bond with high trading volume can be used as a basis to determine the fair value of the listed companies' equity instrument and the debt instrument of the quoted price in an active market.

b) Derivative financial instruments

Measurement on the fair value of derivative instruments is based on the valuation techniques generally accepted by market participants such as the binomial tree pricing model.

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

5) Reconciliation of Level 3 fair value

	Financial assets at fair value through profit or loss			Financial assets at fair value through other comprehensive income	Total
	Derivative financial assets - convertible bonds	Equity investment without quoted price	Debt investment without quoted price	Equity investment without quoted price	
Balance at January 1, 2025	\$ 410	54,161	254,116	1,337,800	1,646,487
Total gains and losses recognized:					
In profit	(54)	(5,473)	(98)	-	(5,625)
In other comprehensive income	-	-	-	(50,788)	(50,788)
Purchased	-	775	6,000	-	6,775
Balance at March 31, 2025	<u>\$ 356</u>	<u>49,463</u>	<u>260,018</u>	<u>1,287,012</u>	<u>1,596,849</u>
Balance at January 1, 2024	\$ -	-	241,485	1,135,291	1,376,776
Total gains and losses recognized:					
In profit	-	-	4,598	-	4,598
In other comprehensive income	-	-	-	161,733	161,733
Purchased	-	12,000	15,000	-	27,000
Balance at March 31, 2024	<u>\$ -</u>	<u>12,000</u>	<u>261,083</u>	<u>1,297,024</u>	<u>1,570,107</u>

For the three months ended March 31, 2025 and 2024, the total gains and losses that were included in “other gains and losses” and “unrealized gains and losses on financial assets at fair value through other comprehensive income” were as follows:

	Three months ended March 31, 2025	Three months ended March 31, 2024
Total gains and losses recognized:	<u>\$ (56,413)</u>	<u>166,331</u>
In profit or loss, and presented in “other gains and losses”	<u>\$ (5,625)</u>	<u>4,598</u>
In other comprehensive income, and presented in “unrealized gains and losses on financial assets at fair value through other comprehensive income”	<u>\$ (50,788)</u>	<u>161,733</u>

6) The quantified information on significant unobservable inputs (level 3) used in fair value measurement

The Group’s financial instruments that use level 3 input to measure fair values include financial assets at fair value through other comprehensive income – equity instruments, financial assets at fair value through profit or loss – convertible bonds redemption rights and financial assets at fair value through profit or loss – equity securities investment.

Most of fair value measurements of the Group which are categorized as equity investment into level 3 have single significant unobservable inputs, and equity investments without quoted price have several significant unobservable inputs. Significant unobservable inputs of equity investments without quoted price are independent of each other.

(Continued)

TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
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The quantified information of significant unobservable inputs was as follows:

<u>Item</u>	<u>Valuation technique</u>	<u>Significant unobservable inputs</u>	<u>Inter relationships between significant unobservable inputs and fair value measurement</u>
Financial assets at fair value through other comprehensive income — equity investment without quoted price	Comparable market approach	Price Book ratio multiples. (7.81~93.68, 8.18~93.68 and 8.78~93.03 respectively, on March 31, 2025, December 31 and March 31, 2024)	The higher the multiple is, the higher the fair value will be.
	Net asset value method	Lack of Marketability discount rate (20% all on March 31, 2025, December 31 and March 31, 2024)	The higher the Lack of Marketability discount rate is, the lower the fair value will be.
Financial assets at fair value through profit or loss — debt investment without quoted price	Net asset value method	Net asset value method	Inapplicable
	Net asset value method	Net asset value method	Inapplicable
Financial assets at fair value through profit or loss — equity investment without quoted price	Comparable market approach	Price Book ratio multiples. (23.84~50.00 and 28.04~50.00, respectively, on March 31, 2025 and December 31, 2024)	The higher the multiple is, the higher the fair value will be.
	Comparable market approach	Lack of Marketability discount rate (20% all on March 31, 2025 and December 31, 2024)	The higher the Lack of Marketability discount rate is, the lower the fair value will be.
Financial assets at fair value through profit or loss — convertible bonds redemption right	Binomial convertible bonds pricing models	Volatility (28.09%, 27.24% and 16.26% respectively, on March 31, 2025, December 31 and March 31, 2024)	The higher the volatility, the higher the fair value will be.

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
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7) Fair value measurements in Level 3 – sensitivity analysis of reasonably possible alternative assumptions

For fair value measurements in Level 3, changing one or more of the assumptions to reflect reasonably possible alternative assumptions would have the following effects:

	Input	Move up or down	Impacts of fair value change on net income or loss		Impacts of fair value change on other comprehensive income	
			Favorable change	Unfavorable change	Favorable change	Unfavorable change
March 31, 2025						
Financial assets at fair value through profit or loss						
Equity investment without quoted price	P/B ratio	5%	\$ <u>2,472</u>	<u>(2,471)</u>	<u>-</u>	<u>-</u>
	Lack of marketability discount	5%	\$ <u>3,092</u>	<u>(3,091)</u>	<u>-</u>	<u>-</u>
Financial assets at fair value through other comprehensive income						
Equity investment without quoted price	P/B ratio	5%	\$ <u>-</u>	<u>-</u>	<u>64,302</u>	<u>(64,302)</u>
	Lack of marketability discount	5%	\$ <u>-</u>	<u>-</u>	<u>80,438</u>	<u>(80,438)</u>
December 31, 2024						
Financial assets at fair value through profit or loss						
Equity investment without quoted price	P/B ratio	5%	\$ <u>2,707</u>	<u>(2,706)</u>	<u>-</u>	<u>-</u>
	Lack of marketability discount	5%	\$ <u>3,386</u>	<u>(3,384)</u>	<u>-</u>	<u>-</u>
Financial assets at fair value through other comprehensive income						
Equity investment without quoted price	P/B ratio	5%	\$ <u>-</u>	<u>-</u>	<u>66,842</u>	<u>(66,842)</u>
	Lack of marketability discount	5%	\$ <u>-</u>	<u>-</u>	<u>83,612</u>	<u>(83,612)</u>
March 31, 2024						
Financial assets at fair value through other comprehensive income						
Equity investment without quoted price	P/B ratio	5%	\$ <u>-</u>	<u>-</u>	<u>64,828</u>	<u>(64,828)</u>
	Lack of marketability discount	5%	\$ <u>-</u>	<u>-</u>	<u>81,064</u>	<u>(81,064)</u>

The Group's favorable and unfavorable effects represent the changes in fair value, and fair value is based on a variety of unobservable inputs calculated using a valuation technique. If fair value of financial instruments is affected by more than one input, the analysis above only reflects the effects of changes in a single input, and it does not include the interrelationships with another input.

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
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(aa) Financial risk management

There were no significant changes in the Group's financial risk management and policies as disclosed in note 6(ab) of the consolidated financial statements for the year ended December 31, 2024.

(ab) Capital management

Management believes that the objectives, policies and processes of capital management of the Group has been applied consistently with those described in the consolidated financial statements for the year ended December 31, 2024. Also, management believes that there were no significant changes in the Group's capital management information as disclosed for the year ended December 31, 2024. Please refer to note 6(ac) of the consolidated financial statements for the year ended December 31, 2024 for further details.

(ac) Investing and financial activities not affecting the current cash flow

The Group's investing and financial activities, which did not affect its current cash flow in the three months ended March 31, 2025 and 2024, included the acquisition of right-of-use assets through lease and conversion of convertible bonds to ordinary shares. Please refer to notes 6(i) and 6(o) for details.

Reconciliations of liabilities arising from financing activities were as follows:

	January 1, 2025	Cash flows	Non-cash changes				March 31, 2025
			Additions of leases	Cancellation of leases	Foreign exchange movement	Others	
Short term borrowings	\$ 855,071	(82,410)	-	-	-	-	772,661
Long term borrowings	2,439,596	(23,723)	-	-	-	-	2,415,873
Bonds payable	532,746	-	-	-	-	(53,305)	479,441
Lease liabilities	569,956	(36,343)	43,445	-	777	-	577,835
Guarantee deposits received	164,178	2,396	-	-	-	-	166,574
Total liabilities from financing activities	<u>\$ 4,561,547</u>	<u>(140,080)</u>	<u>43,445</u>	<u>-</u>	<u>777</u>	<u>(53,305)</u>	<u>4,412,384</u>
	January 1, 2024	Cash flows	Non-cash changes				March 31, 2024
			Additions of leases	Cancellation of leases	Foreign exchange movement	Others	
Short term borrowings	\$ 2,268,394	(1,290,733)	-	-	-	-	977,661
Long term borrowings	1,374,015	1,632,287	-	-	-	-	3,006,302
Bonds payable	956,809	-	-	-	-	4,228	961,037
Lease liabilities	548,744	(37,196)	21,254	(769)	718	-	532,751
Guarantee deposits received	157,308	2,503	-	-	-	-	159,811
Total liabilities from financing activities	<u>\$ 5,305,270</u>	<u>306,861</u>	<u>21,254</u>	<u>(769)</u>	<u>718</u>	<u>4,228</u>	<u>5,637,562</u>

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
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(7) Related-party transactions:

(a) Names and relationship with related parties

The followings are entities that have had transactions with related party during the periods covered in the consolidated financial statements.

<u>Name of related party</u>	<u>Relationship with the Group</u>
Topco Quartz Products Co., Ltd. (Topco Quartz)	An associate
Eastwind Tsusho Inc. (Eastwind Tsusho)	An associate
Shin-Etsu Handotai Taiwan Co., Ltd. (Shin-Etsu Handotai Taiwan)	The Company is the corporate director of the related party
Shin-Etsu Opto Electronic Co., Ltd. (Shin-Etsu Opto Electronic)	The Company is the corporate director of the related party
Fong Rong Smart Machinery Co., Ltd. (Fong Rong Smart Machinery)	An associate
Wuxi Super Sunrise Material Co., Ltd. (Wuxi Super Sunrise Material)	An associate
Xinchongxin Technology (Xinchongxin)	An associate
Topco Athletic Training Performance Development Association	Other related party
Maniflod Technology Co., LTD. (Maniflod)	The Group is the corporate director of the related party

(b) Transactions with key management personnel

Key management personnel compensation comprised:

	For the three months ended March 31,	
	<u>2025</u>	<u>2024</u>
Short-term employee benefits	\$ 98,914	86,712
Post-employment benefits	927	861
	<u>\$ 99,841</u>	<u>87,573</u>

(c) Significant transactions with related party

(i) Sales

1) The amounts of significant sales by the Group to related parties were as follows:

	For the three months ended March 31,	
	<u>2025</u>	<u>2024</u>
Associates	\$ 1,291	1,508
Other related parties	3,196	3,386
	<u>\$ 4,487</u>	<u>4,894</u>

(Continued)

TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
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- 2) The amounts of significant construction revenue and rendering of services by the Group to related parties were as follows:

	For the three months ended March 31,	
	2025	2024
Associates:		
Topco Quartz	\$ 75,373	98,956
Other associates	11,278	304
Other related parties:		
Shin-Etsu Handotai Taiwan	77,344	84,615
Other related parties	30	62
	\$ 164,025	183,937

Sales prices for related parties were similar to those of the third-party customers. The collection period was within 30 to 90 days after monthly closing, and within 30 to 90 days after monthly closing for third-party customers. The terms of services provided to related parties is based on the contracts signed between both parties, and there is no significant difference between the related parties and the third-parties. Accounts receivable from related parties were uncollateralized, and no provisions for doubtful debt were required after the assessment by the management.

(ii) Purchases

The amounts of significant purchases by the Group from related parties were as follows:

	For the three months ended March 31,	
	2025	2024
Associates		
Topco Quartz	295,049	362,641
Other associates	40,122	40,016
Other related parties:		
Shin-Etsu Handotai Taiwan	1,277,326	1,264,660
Other related parties	318	452
	\$ 1,612,815	1,667,769

Purchase prices from related parties were similar to those from third-party suppliers. The payment period was within 30 to 90 days after monthly closing for related parties, and within 30 to 90 days after monthly closing for third-party suppliers.

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(iii) Donation Expenses

For the three months ended March 31, 2025 and 2024, the Group donated the amount of \$15,000 and 10,000 to the other related parties of the Company, Topco Athletic Training Performance Development Association, and recognized as operating expenses in statements of comprehensive income.

(iv) Receivables from related parties

The receivables from related parties were as follows:

<u>Account</u>	<u>Relationship</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
	Associates:			
Accounts receivable	Topco Quartz	\$ 53,092	54,152	38,907
Accounts receivable	Other associates	1,361	62	-
	Other related parties:			
Accounts receivable	Shin-Etsu Handotai Taiwan	58,033	75,304	59,951
Accounts receivable	Other related parties	32	67	65
		<u>\$ 112,518</u>	<u>129,585</u>	<u>98,923</u>

(v) Payables to related parties

The payables to related parties were as follows:

<u>Accounts</u>	<u>Relationship</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
	Associates:			
Accounts payable	Topco Quartz	\$ 231,973	257,066	378,654
Accounts payable	Other associates	29,637	23,251	18,856
	Other related parties:			
Accounts payable	Shin-Etsu Handotai Taiwan	1,316,273	2,391,134	1,284,756
Accounts payable	Other related parties	358	345	719
		<u>\$ 1,578,241</u>	<u>2,671,796</u>	<u>1,682,985</u>

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(8) Pledged assets:

The carrying values of pledged assets were as follows:

<u>Assets</u>	<u>Subject</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Other current financial assets	Guarantees for construction contracts, warranties, coupons, credit card readers, and fees received in advance for sport training courses	\$ 167,264	225,979	168,592
Other non-current assets – time deposits	Lease for plant, and guarantees for long term borrowings	66,648	66,225	35,605
Property, plant and equipment	Guarantees for long term borrowings	<u>5,334,597</u>	<u>5,334,597</u>	<u>5,334,597</u>
		<u>\$ 5,568,509</u>	<u>5,626,801</u>	<u>5,538,794</u>

(9) Commitments and contingencies:

(a) The Group's unrecognized contractual commitments were as follow:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Commitments for construction contracts	<u>\$ 2,724,611</u>	<u>2,921,423</u>	<u>2,488,579</u>
Bank guarantees to construction contracts	<u>\$ 1,651,216</u>	<u>1,773,771</u>	<u>1,418,458</u>

(b) The Group's unused and outstanding letters for purchasing were as follow:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Unused and outstanding letters of credit	<u>\$ 1,698,358</u>	<u>1,233,984</u>	<u>1,359,261</u>

(c) Refer to note 13(a) for the disclosure of guarantees provided to related parties by the Group.

(10) Losses Due to Major Disasters: None**(11) Subsequent Events: None**

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements

(12) Other:

- (a) The followings are the summary statement of current period employee benefits, depreciation and amortization expenses by function:

By function	For the three months ended March 31,					
	2025			2024		
	Operating cost	Operating expenses	Total	Operating cost	Operating expenses	Total
Employee benefit expenses						
Salaries	121,873	597,955	719,828	119,730	478,638	598,368
Labor and health insurance	15,387	31,103	46,490	14,391	27,123	41,514
Pension	3,113	18,504	21,617	3,353	16,612	19,965
Others	3,730	25,378	29,108	4,268	24,271	28,539
Depreciation	41,844	59,400	101,244	43,177	61,446	104,623
Amortization	506	13,771	14,277	495	22,040	22,535

(13) Other disclosures:

- (a) Information on significant transactions:

The followings were the information on significant transactions required by the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” for the Group for the three months ended March 31, 2025:

- (i) Loans to other parties: None.
 - (ii) Guarantees and endorsements for other parties: Please refer to table 1.
 - (iii) Securities held as of March 31, 2025 (excluding investment in subsidiaries, associates and joint ventures): Please refer to table 2.
 - (iv) Related-party transactions for purchases and sales with amounts exceeding the lower of NT\$100 million or 20% of the capital stock: Please refer to table 3.
 - (v) Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20% of the capital stock: None.
 - (vi) Business relationships and significant intercompany transactions: Please refer to table 4.
- (b) Information on investees: Please refer to table 5.

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TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
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(c) Information on investment in mainland China:

- (i) The names of investees in Mainland China, the main businesses and products, and other information: Please refer to table 6.
- (ii) Limitation on investment in Mainland China: Please refer to table 6.
- (iii) Significant transactions: Please refer to table 6.

(14) Segment information:

	For the three months ended March 31, 2025				
	Semiconductor and electronics division	Environmental engineering division	Other divisions	Adjustment and elimination	Total
Revenue					
Revenue from external customers	\$ 13,752,702	1,594,879	411,880	-	15,759,461
Intersegment revenues	<u>285,340</u>	<u>98,067</u>	<u>49,396</u>	<u>(432,803)</u>	<u>-</u>
Total revenue	<u>\$ 14,038,042</u>	<u>1,692,946</u>	<u>461,276</u>	<u>(432,803)</u>	<u>15,759,461</u>
Reportable segment profit or loss	<u>\$ 1,052,506</u>	<u>78,541</u>	<u>138,114</u>	<u>-</u>	<u>1,269,161</u>
	For the three months ended March 31, 2024				
	Semiconductor and electronics division	Environmental engineering division	Other divisions	Adjustment and elimination	Total
Revenue					
Revenue from external customers	\$ 10,170,655	1,354,991	405,931	-	11,931,577
Intersegment revenues	<u>126,009</u>	<u>67,769</u>	<u>33,157</u>	<u>(226,935)</u>	<u>-</u>
Total revenue	<u>\$ 10,296,664</u>	<u>1,422,760</u>	<u>439,088</u>	<u>(226,935)</u>	<u>11,931,577</u>
Reportable segment profit or loss	<u>\$ 833,001</u>	<u>84,286</u>	<u>136,673</u>	<u>-</u>	<u>1,053,960</u>

TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
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(i) Guarantees and endorsements for other parties:

(In Thousands of New Taiwan Dollars and foreign currencies)

No.	Name of guarantor	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a specific enterprise	Highest balance for guarantees and endorsements during the period	Balance of guarantees and endorsements as of reporting date	Actual usage amount during the period	Property pledged for guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements	Parent company endorsements/ guarantees to third parties on behalf of subsidiary	Subsidiary endorsements/ guarantees to third parties on behalf of parent company	Endorsements/ guarantees to third parties on behalf of companies in Mainland China
		Name	Relationship with the Company										
0	The Company	Topco Shanghai	(Note 2)	(Note 4)	307,215	307,215	195,865	-	1.86%	(Note 5)	Y	N	Y
"	"	Limitech New Energy Engineering	(Note 2)	(Note 4)	475,057	475,057	218,240	-	2.88%	(Note 5)	Y	N	N
"	"	Chien Yueh	(Note 2)	(Note 4)	1,845,000	1,345,000	372,139	-	8.15%	(Note 5)	Y	N	N
"	"	Jia Yi Energy	(Note 2)	(Note 4)	180,000	180,000	4,000	-	1.09%	(Note 5)	Y	N	N
"	"	Jing Chen Energy	(Note 2)	(Note 4)	79,810	54,810	26,991	-	0.33%	(Note 5)	Y	N	N
"	"	Jing Yang Energy	(Note 2)	(Note 4)	128,830	128,830	124,020	-	0.78%	(Note 5)	Y	N	N
"	"	Jing Yueh Energy	(Note 2)	(Note 4)	159,834	159,834	155,582	-	0.97%	(Note 5)	Y	N	N
"	"	Kuan Yueh Technology	(Note 2)	(Note 4)	1,136,984	836,984	566,180	-	5.07%	(Note 5)	Y	N	N
"	"	Topsience(s)	(Note 2)	(Note 4)	852,395	852,395	329,333	-	5.17%	(Note 5)	Y	N	N
"	"	Topchem Materials	(Note 2)	(Note 4)	100,000	-	-	-	0.00%	(Note 5)	Y	N	N
"	"	Topsience Vietnam Co., Ltd.	(Note 2)	(Note 4)	116,218	116,218	37,605	-	0.70%	(Note 5)	Y	N	N
"	"	Topchip	(Note 2)	(Note 4)	454,847	454,847	432,847	-	2.76%	(Note 5)	Y	N	N
"	"	Topco Scientific USA	(Note 2)	(Note 4)	66,410	66,410	-	-	0.40%	(Note 5)	Y	N	N
"	"	Thermaltake green power	(Note 2)	(Note 4)	59,800	29,900	3,686	-	0.18%	(Note 5)	Y	N	N
"	"	Yong Yue Advanced Engineering	(Note 2)	(Note 4)	288,780	288,780	-	-	1.75%	(Note 5)	Y	N	N
"	"	Ping Yue Technologies	(Note 2)	(Note 4)	36,098	36,098	-	-	0.22%	(Note 5)	Y	N	N
"	"	Xports Sports	(Note 2)	(Note 4)	80,000	80,000	5,000	-	0.48%	(Note 5)	Y	N	N
1	Chien Yueh	Grace&Partners, Architects and Planners New Asia	(Note 3)	(Note 6)	300,000	300,000	300,000	-	1.82%	(Note 6)	N	N	N
"	"	Construction & Development Corp.	(Note 3)	(Note 6)	7,544,000	7,544,000	7,544,000	-	45.73%	(Note 6)	N	N	N
2	Jia Yi Energy	Jing Yueh Energy	(Note 2)	(Note 7)	585	585	-	-	0.00%	(Note 7)	N	N	N
"	"	Kuan Yueh Technology Engineering	(Note 8)	(Note 7)	18,740	18,740	-	-	0.11%	(Note 7)	N	N	N

Note 1: The Company is coded as "0", and its subsidiaries are coded consecutively in a numerical order starting from "1"

Note 2: Investee companies which have 50% of ordinary shares, directly or indirectly, owned by the Company.

Note 3: For the needs of the contracted work, the company is mutually insured by the contract between peers or co-founders.

Note 4: According to the Company's "Operational Procedures for Making Endorsements/Guarantees", the maximum amount of endorsements/guarantees for a single enterprise shall not exceed \$16,498,529, which is the net value of the Company's latest financial reports.

Note 5: According to the Company's "Operational Procedures for Making Endorsements/Guarantees", the maximum amount of endorsements/guarantees for others shall not exceed \$26,397,646, which is 160% of the net value of the Company's latest financial reports.

Note 6: According to the Chien Yueh "Operational Procedures for Making Endorsements/Guarantees", the maximum amount of endorsements/guarantees for a single enterprise shall not exceed \$ 13,727,250 and \$22,878,750, which is 30-50 times of the net value of the Chien Yueh's latest financial reports.

Note 7: According to the Jia Yi Energy "Operational Procedures for Making Endorsements/Guarantees", the maximum amount of endorsements/guarantees for a single enterprise shall not exceed \$ 32,417 and \$64,834, which is 10-20 times of the net value of the Chien Yueh's latest financial reports.

Note 8: The company that directly or indirectly holds more than 90% of the company's voting shares.

Note 9: Due to the early renewal of the endorsement guarantee contract, the Company's endorsement guarantee to Topco Shanghai and Topsience(s) was double-calculated in the amount JPY 500,000 and JPY 50,000, respectively.

TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
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(ii) Securities held as of March 31, 2025 (excluding investment in subsidiaries, associates and joint ventures):

(In Thousands of New Taiwan Dollars)

Name of holder	Category and name of security	Relationship with company	Account title	Ending balance				Note
				Shares/Units (thousands)	Carrying value	Percentage of ownship (%)	Fair value	
	Stock:							
The Company	Shin-Etsu Opto Electronic	The Company is its company director	Non-current financial assets at fair value through other comprehensive income	2,000	128,560	10	128,560	
"	Shin-Etsu Handotai Taiwan	"	"	12,000	1,124,160	8	1,124,160	
"	SOLAR APPLIED MATERIALS TECHNOLOGY CORP.	None	"	2,550	150,450	0.43	150,450	
"	Win Win Precision Technology Co. Ltd	"	Non-current financial assets at fair value through profit or loss	1,485	52,718	2.22	52,718	
"	Barits Biofund, Inc.	"	"	7,399	79,982	3.6	79,982	
"	Shih Her Technologies Inc.	"	"	500	51,500	0.88	51,500	
"	Guangxin Venture Capital Co., Ltd.	"	"	6,667	74,067	6.67	74,067	
"	Belite Bio, Inc.	"	"	35	76,959	0.12	76,959	
"	Lin Bioscience, Inc.	"	"	418	56,357	0.51	56,357	
	Fund:							
Taiwan E&M	Mega Diamond Money Market Fund	None	Current financial assets at fair value through profit or loss	4,176	54,835	-	54,835	
"	Taishin 1699 Money Market	"	"	3,540	50,276	-	50,276	

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(iii) Related-party transactions for purchases and sales with amounts exceeding the lower of NTS100 million or 20% of the capital stock:

Company Name	Counter party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/Accounts receivable (payable)		Note
			Purchase/ (Sale)	Amount	Percentage of total purchases/ (sales)	Payment terms	Unit price	Payment Terms	Ending Balance	Percentage of total notes/accounts receivable (payable)	
The Company	Topco Quartz	The Company's investment accounted for using equity method	Purchase	155,776	(2.0%)	Net 60 days from the end of the month of delivery	-	-	Accounts payable (165,783)	(4.0%)	
Topco Shanghai	Shin Etsu Handotai Taiwan	The parent company of the company is its company director	Purchase	1,223,658	48%	Net 90 days from the end of the month of delivery	-	-	Accounts payable (1,262,246)	(69.0%)	
TOPCO SCIENTIFIC USA	Topco Quartz	The Company's investment accounted for using equity method	Purchase	123,013	34%	Net 60 days from the end of the month of delivery	-	-	Accounts payable (49,733)	(34.0%)	
Topchip	Topco Shanghai	The Company's subsidiaries	Sale	(158,096)	-100%	Net 15 days from the end of the month of delivery	-	-	Accounts receivable 33,132	99.0%	

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(iv) Business relationships and significant intercompany transactions:

(In Thousands of New Taiwan Dollars)

No. (Note 1)	Company name	Counter party	Relationship (Note 2)	Intercompany transactions			Percentage of the consolidated net revenue or total assets
				Accounts name	Amount	Terms	
0	The Company	Topco Shanghai	1	Accounts receivable	42,326	There is no significant difference of price between general customers. The collection period is net 60 days from the end of the month of delivery.	0.11%
"	"	"	1	Sales revenue	86,993		"
"	"	Shunkawa	1	Accounts receivable	13,199	There is no significant difference of price between general customers. The collection period is net 30 days from the end of the month of delivery.	0.04%
"	"	"	1	Sales revenue	27,979		"
1	Jia Yi Energy	Kuan Yueh Technology	3	Operating revenue	16,693	Based on the agreement between both parties	0.11%
6	Tai Ying Resource	Chien Yueh	3	Operating revenue	11,390	There is no significant difference of price to general customers. The collection period is net 60 days from the end of the month of delivery.	0.07%
7	Chien Yueh	The Company	2	Advance construction receipts	195,643	Based on the agreement between both parties	0.52%
"	"	"	2	Construction revenue	50,946	"	0.32%
"	"	"	2	Accounts receivable	17,558	"	0.05%
8	Topchip	Topco Shanghai	3	Accounts receivable	33,132	There is no significant difference of price to general customers. The collection period is net 15 days from the end of the month of delivery.	0.09%
"	"	"	3	Sales revenue	158,096		"
9	Topco Suzhou	Topsience Vietnam	3	Accounts receivable	66,985	Based on the agreement between both parties	0.18%
"	"	"	3	Construction revenue	25,324	Based on the agreement between both parties	0.16%
10	Kuan Yueh Technology	Thermaltake green power	3	Operating revenue	12,900	Based on the agreement between both parties	0.08%

Note 1: The numbers filled in as follows:

1. 0 represents the Company.
2. Subsidiaries are sorted in a numerical order starting from 1.

Note 2: Relationship with the transactions labeled as follows:

- 1 represents the transactions from the parent company to its subsidiaries.
- 2 represents the transactions between the subsidiaries and the parent company.
- 3 represents the transactions between subsidiaries.

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(v) Information on investees:

The following is the information on investees for the year ended March 31, 2025 (excluding information on investees in Mainland China):

(In Thousands of New Taiwan Dollars and foreign currencies)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of December 31, 2024			Net income (losses) of investee	Share of profits/losses of investee	Note	
				December 31, 2025	December 31, 2024	Shares (thousands)	Percentage of Ownership	Carrying Value				
The Company	Topco Quartz	Hsinchu County	Manufacture and repair of quartz equipment, quartz tube e.g.	99,232	99,232	13	40.00%	2,533,342	325,551	127,500		
	Taiwan E&M	Hsinchu City	Sales of electronic material	425,000	425,000	42,500	100.00%	560,220	15,204	15,204	Note 3	
	Fortune	Taipei City	Clean up of waste and environmental management service	149,600	149,600	14,960	24.93%	220,893	18,397	4,590		
	Topco Group	Samoa	Investment activities	714,206	714,206	22,432	100.00%	3,429,672	298,711	298,176	Note 3	
	Topscience(s)	Singapore	Sales of parts of semiconductor and optoelectronic industries	411,513	411,513	6,577	100.00%	697,281	24,705	25,911	Note 3	
	Topco International Investment	Taipei City	Investment activities	535,000	535,000	72,771	100.00%	775,352	21,989	21,989	Note 3	
	Topco Investment	Taipei City	Investment activities	315,000	315,000	19,009	100.00%	86,980	(1,769)	(1,769)	Note 3	
	Chien Yueh	Taipei City	Water purification and construction of dust-proof room	475,000	475,000	53,829	100.00%	416,942	28,358	22,521	Note 3	
	Anyong Biotechnology	Kaohsiung City	Aquaculture and strategic partnership with fish processing	590,629	590,629	20,000	100.00%	67,612	(7,020)	(7,020)	Note 3	
	Winfull Bio-tech Co., Ltd.	Tainan City	Manufacture of organic fertilizer	35,000	35,000	3,500	39.33%	-	-	-		
	Anyong Fresh Mart.	Taipei City	Wholesale and retail sales of fishery products and supermarket operation	749,350	749,350	24,500	100.00%	110,557	(11,237)	(11,237)	Note 3	
	Jia Yi Energy	Taipei City	Manufacture of machinery and electronic spare parts	236,792	236,792	25,924	83.82%	200,115	1,158	(2,137)	Note 3	
	Anyong Lohas	Yilan County	Restaurant and retail sales of food products	385,000	385,000	18,500	100.00%	28,759	(5,239)	(5,239)	Note 3	
	Xsport Sports	Taipei City	Sports Training	180,508	180,508	18,500	100.00%	121,774	(11,182)	(11,182)	Note 3	
	Unitech New Energy Engineering	Taipei City	Manufacture of machinery and electronic spare parts	434,560	434,560	776	77.60%	341,384	28,537	15,158	Note 3	
	TOPCO SCIENTIFIC USA	USA	Wholesale of semiconductor material	152,011	152,011	10	100.00%	304,057	33,145	33,145	Note 3	
	Topco Japan	Japan	Sales of facilities of semiconductor and clean room	86,714	86,714	50	100.00%	92,797	(4,599)	(4,599)	Note 3	
	Yong Yue Advanced Engineering	Malaysia	Mechanical, electrical and water treatment engineering	20,987	20,987	2,860	100.00%	20,064	(508)	(508)	Note 3	
									10,007,801		520,503	
	Topco Group	Topco Trading	Hong Kong	Wholesale of semiconductor material	49,808 (USD1,500)	49,808 (USD1,500)	1,500	100.00%	97,781	12,406	Investment gains (losses) recognized by Topco Group	Note 3
Asia Topco Holding		Cayman	Investment activities	664,100 (USD20,000)	664,100 (USD20,000)	20,000	100.00%	3,297,879	286,834	"	Note 3	
Topco Korea		Korea	Diamond cutting, wafers, trading	12,718 (USD383)	12,718 (USD383)	100	100.00%	10,958	(540)	"	Note 3	
Asia Topco Holding	Asia Topco	Mauritius	Investment activities	664,100 (USD20,000)	664,100 (USD20,000)	20,000	100.00%	3,295,045	286,829	"	Note 3	
Topscience (s)	Topscience Vietnam	Vietnam	Sales of parts of semiconductor and optoelectronic industries	110,177 (SGD4,448)	110,177 (SGD4,448)	-	100.00%	73,132	(240)	Investment gains (losses) recognized by Topscience(s)	Note 3	
	Anyong (s)	Singapore	Wholesale and retail sales of fishery products	9,908 (SGD400)	9,908 (SGD400)	400	100.00%	755	(665)	"	Note 3	
Topco International Investment	Ping Yue Technology	Malaysia	Sales of semiconductor material and equipment	23,705 (SGD957)	23,705 (SGD957)	3,146	100.00%	14,066	(586)	"	Note 3	
	Cityspace	Taipei City	Wholesale sales of cosmetics	12,000	12,000	1,267	66.67%	21,649	1,277	Investment gains (losses) recognized by Topco International Investment	Note 3	
	Kuan Yueh Technology	Taipei City	Development of renewable energy projects / Configure pipeline construction and device installation	183,640	183,640	23,743	100.00%	261,338	1,486	"	Note 3	
	Jia Yi Energy	Taipei City	Manufacture of machinery and electronic spare parts	28,208	28,208	5,005	16.18%	52,451	1,158	"	Note 3	
	Kanbo Biomedical	Taipei City	Sales of health food products	6,287	6,287	1,000	100.00%	1,333	-	"	Note 3	
	Ruey Sheng Industrial Co., Ltd.	Samoa	Investment activities	4,197	4,197	142	36.00%	-	-	"		
	Topchem Materials	Taipei City	Antifouling surface protection, light-blocking material and the manufacture of other chemicals	37,000	37,000	6,100	100.00%	115,474	6,783	"	Note 3	
	Fortune	Taipei City	Clean up of waste and environmental management service	771	771	40	0.07%	620	18,397	"		
	Tai Ying Resource	Kaohsiung City	Clean up of waste	178,261	178,261	14,392	65.42%	153,049	(6,428)	"	Note 3	
	EastWind Tsusho	Taipei City	Manufacturing and trading of electronic parts, etc.	5,000	5,000	500	25.00%	11,015	2,406	"		
Topco Investment	Topchip	Taipei City	IC Design and Sales Company	50,000	50,000	5,000	100.00%	81,999	10,472	"	Note 3	
	Thermaltake green power	Taipei City	Sales of renewable energy	11,000	11,000	1,100	100.00%	12,891	1,034	"	Note 3	
	Fong Rong Smart Machinery	Hsinchu City	Machinery manufacturing and repair industry	4,550	4,550	350	24.00%	7,549	(2,119)	"		
	Ding Yue Solar	Taipei City	Development of renewable energy project	9,000	9,000	900	100.00%	3,742	11	Investment gains (losses) recognized by Topco Investment	Note 3	
	Fei Da Intelligent Co., Ltd.	Taipei City	Manpower dispatch	8,875	8,875	725	13.16%	(131)	(3,858)	"	Note 2	
	STARX INC.	Hsinchu City	Precision instrument manufacturing	8,000	8,000	8,626	26.06%	4,829	(141)	"		
	Yun Yueh Technology	Taichung City	Aquaculture and wholesale and sales of fishery products	555	555	60	55.00%	519	(2)	"	Note 3	
	Great Talent Tech Co., Ltd.	Taipei City	Personnel training	5,000	5,000	500	31.25%	(2,767)	(813)	"		
	Chongmu Health Co., Ltd.	Taipei City	Healthcare System Consulting Service Platform	4,800	4,800	800	33.33%	4,609	(298)	"		

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(In Thousands of New Taiwan Dollars and foreign currencies)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of December 31, 2024			Net income (losses) of investee	Share of profits/losses of investee	Note
				December 31, 2025	December 31, 2024	Shares (thousands)	Percentage of Ownership	Carrying Value			
Jia Yi energy	Jing Chen Energy	Taipei City	Development of renewable energy project	71,050	71,050	7,586	100.00%	71,799	(3,901)	Investment gains (losses) recognized by Jia Yi energy	Note 3
	Jing Yang Energy	Taipei City	"	86,497	86,497	8,795	100.00%	70,738	1,051	"	Note 3
	Jing Yueh Energy	Taipei City	"	92,160	92,160	9,624	100.00%	100,142	196	"	Note 3
Taiwan E&M	Top Vacuum	Hsinchu City	Vacuum pump equipment maintenance	45,035	45,035	6,000	60.00%	89,901	9,489	Investment gains (losses) recognized by Taiwan E&M	Note 3
	Equator Materials Corporation	Taichung City	Manufacture and sales of fine chemical materials	50,000	50,000	5,000	41.67%	43,494	(5,967)	"	
	Toplight Advanced Co., Ltd.	Hsinchu City	Laser cleaning factory and OEM business	20,000	20,000	2,000	66.67%	17,641	(1,981)	"	Note 3
Chien Yueh	Tai Ying Resource	Kaohsiung City	Clean up of waste	6,261	6,261	305	1.38%	3,726	(5,140)	Investment gains (losses) recognized by Chien Yueh	Note 3
	Unitech New Energy Engineering	Taipei City	Environment-related engineering planning, assessment, supervision and monitoring	5,600	5,600	10	1.00%	4,399	28,537	"	Note 3
	Reset Resource Technologies	Kaohsiung City	Clean up of waste	50,000	50,000	5,000	25.00%	44,852	(4,360)	"	
Topco Japan	Shunkawa	Japan	Import and export of semiconductor raw materials	66,810 (JPY300,000)	66,810 (JPY300,000)	30	100.00%	70,767 (JPY317,770)	(3,122) (JPY(14,482))	Investment gains (losses) recognized by Topco Japan	Note 3
Tai Ying Resource	Tai Ying Global Trading	Kaohsiung City	International Trading	15,000	15,000	1,500	100.00%	12,328	74	Investment gains (losses) recognized by Tai Ying Resource	Note 3

Note 1: The amounts in foreign currencies were translated into New Taiwan Dollars at the exchange rates at the ending date of the reporting period.

Note 2: The Group holds a seat of director of Fei Da Intelligent and has significant influence. As a result, the Group accounted it for using the equity method.

Note 3: The aforementioned transactions had been written-off the preparation of the consolidated financial statements.

TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

(vii) Information on investment in Mainland China:

(i) The names of investees in Mainland China, the main businesses and products, and other information:

(In Thousands of US Dollars and CNY)												
Name of investee	Main businesses and products	Total amount of paid in capital (Note 3)	Method of investment (Note 1)	Accumulated outflow of investment from Taiwan as of January 1, 2024 (Note 3)	Investment flows		Accumulated outflow of investment from Taiwan as of December 31, 2024 (Note 3)	Net income (losses) of the investee	Percentage of ownership	Investment gains (losses) (Note 2)	Book value (Note 3)	Accumulated remittance of earnings in current period
					Outflow	Inflow						
Topco Shanghai	Wholesale of electronic material and equipment	291,872 (USD 8,790) (Note 4)	Note 1	-	-	-	-	220,226 (USD 6,699)	100%	220,226 (USD 6,699)	2,173,400 (USD 65,454)	2,478,672 (USD 75,398)
Shanghai Chong Yao	"	59,449 (CNY 13,000)	Note 5	Note 5	-	-	-	190 (CNY 42)	100%	190 (CNY 42)	99,486 (CNY 21,755)	-
Topco Suzhou	Water purification and construction of dust-proof room	351,110 (USD 10,574) (Note 4)	Note 1	-	-	-	-	28,864 (USD 878)	100%	28,864 (USD 878)	765,641 (USD 23,058)	441,866 (USD 13,441)
Topco Chemical	Wholesale and sales of chemical products	23,775 (USD 716) (Note 4)	Note 1	-	-	-	-	36,556 (USD 1,112)	100%	36,556 (USD 1,112)	332,814 (USD 10,023)	577,079 (USD 17,554)
Topco Engineering	Water purification and construction of dust-proof room	91,460 (CNY 20,000)	Note 6	Note 6	-	-	-	573 (CNY 127)	100%	573 (CNY 127)	105,892 (CNY 23,156)	-
Shanghai Perfect Microelectronics	IC Design Company	9,146 (CNY 2,000)	Note 9	-	-	-	-	(81) (CNY (18))	49%	(41) (CNY (9))	4,710 (CNY 1,030)	-
Xinchongxin Technology	Used equipment refurbishment services	14,071 (CNY 3,077)	Note 12	-	-	-	-	21,860 (CNY 4,844)	35%	3,164 (CNY 701)	8,707 (CNY 1,904)	-
Wuxi super sunrise material	Semiconductor wafer cassette recycling and cleaning service	137,190 (CNY 30,000)	Note 10	-	-	-	-	2,825 (CNY 626)	20%	1,674 (CNY 371)	42,995 (CNY 9,402)	-
Chongling Chemical	Wholesale and sales of chemical products	45,730 (CNY 10,000)	Note 11	-	-	-	-	90 (CNY 20)	70%	63 (CNY 14)	32,432 (CNY 7,092)	-

(ii) Limitation on investment in Mainland China:

Accumulated Investment in Mainland China as of March 31, 2025	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
101,275 (USD 3,050) (Note 7)	768,098 (USD 23,132)	(Note 8)

Note 1 : Investment in Mainland China companies through an investee established in a third region.

Note 2 : The investment gains (losses) of Topco Shanghai, Topco Suzhou and Topco Chemical were recognized based on the financial statements which have been audited by the CPA; and the investment gains (losses) of other Companies were recognized based on the financial statements prepared by the subsidiaries and not audited by the CPA.

Note 3 : The amounts in New Taiwan Dollars were translated at the exchange rate of USD 1:33.2050 and CNY 1:4.573, respectively, as of March 31, 2025.

Note 4 : The paid-in capital of Topco Shanghai, Topco Suzhou and Topco Chemical includes the capital increase transferred from retained earnings amounting to USD1,990, USD7,874 and USD275, respectively.

Note 5 : Shanghai Chong Yao is jointly invested by Topco Shanghai and is Topco Suzhou, both of which are the subsidiaries of the Company.

Note 6 : Topco Engineering is invested by Topco Suzhou, which is the subsidiary of the Company.

Note 7 : Including the written-off investment funds of USD3,050.

Note 8 : The Company has acquired proof of compliance regarding the operational scope of the corporate headquarters issued by the Ministry of Economic Affairs. Therefore, there is no restriction to the Company's investing amount in Mainland China.

Note 9 : Shanghai Perfect Microelectronics was established by subsidiaries, Topco Shanghai and Shanghai Tx semiconductor, which held 49% and 51% of the capital contribution, respectively.

Note 10 : Wuxi super sunrise material was established by subsidiaries Topco Shanghai, Super natural technology, Wuxi Puli technology and Wuxi Xian Jeng which held 20%, 34%, 20% and 26% of the capital contribution, respectively.

Note 11 : Chongling Chemical was established by subsidiaries, Topco Chemical and Tianjin Linggas, Ltd. which held 70% and 30% of the capital contribution, respectively.

Note 12 : Xinchongxin Technology was established by subsidiaries Topco Shanghai, Qingfu Song and Jinping Zhang which held 35%, 55% and 10% of the capital contribution, respectively.

(iii) Significant transactions:

For three months ended March 31, 2025, the significant inter-company transactions with the subsidiaries in Mainland China, which were eliminated in the preparation of consolidated financial statements, are disclosed in "Information on significant transactions".