

English Translation of Financial Statements and a Report Originally Issued in Chinese

Ticker: 6182

**WAFER WORKS CORP. AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS
WITH REVIEW REPORT OF INDEPENDENT AUDITORS
AS OF SEPTEMBER 30, 2025 AND 2024
AND FOR THE NINE-MONTH PERIODS THEN ENDED**

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

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English Translation of Financial Statements and a Report Originally Issued in Chinese
REVIEW REPORT OF INDEPENDENT AUDITORS

To The Board of Directors and Shareholders of
Wafer Works Corp.

Introduction

We have reviewed the accompanying consolidated balance sheets of Wafer Works Corp.(the "Company") and its subsidiaries as of September 30, 2025 and 2024, the related consolidated statements of comprehensive income for the three-month and nine-month periods then ended, the related consolidated statements of changes in equity and cash flows for the nine-month periods then ended, and notes to the consolidated financial statements, including the summary of significant accounting policies (together “the consolidated financial statements”). Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” as endorsed and became effective by Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of Review

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

Basis for Qualified Conclusion

As disclosed in Note 4(3), the financial statements of certain insignificant consolidated subsidiaries were not reviewed by independent auditors. Those statements reflect total assets of NT\$356,747 thousand and NT\$443,913 thousand, constituting 1.02% and 1.34% of the consolidated total assets, and total liabilities of NT\$37,473 thousand and NT\$25,230 thousand, constituting 0.35% and 0.30% of the consolidated total liabilities as of September 30, 2025 and 2024, respectively ; and total comprehensive income of NT\$(8,382) thousand, NT\$(19,818) thousand, NT\$(37,625) thousand and NT\$(25,967) thousand, constituting (0.88)%, 21.62%, 4.33% and (3.11)% of the consolidated total comprehensive income for the three-month and nine-month periods ended September 30, 2025 and 2024, respectively. The information related to above subsidiaries disclosed in Note 13 was also not reviewed by independent accountants.

Qualified Conclusion

Based on our reviews, except for the effect of such adjustments, if any, as might have been determined to be necessary had the financial statements of certain insignificant consolidated subsidiaries been reviewed by independent auditors described in the preceding paragraph, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Company and its subsidiaries as of September 30, 2025 and 2024, and their consolidated financial performance for the three-month and nine-month periods then ended and cash flows for the nine-month periods then ended, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” as endorsed and became effective by Financial Supervisory Commission of the Republic of China.

Cheng, Ching-Piao

Chang, Chih-Ming

Ernst & Young
November 7th, 2025
Taipei, Taiwan,
Republic of China

English Translation of Consolidated Financial Statements Originally Issued in Chinese

Wafer Works Corp. and Subsidiaries

Consolidated Balance Sheets

As of September 30, 2025, December 31, 2024 and September 30, 2024

(Amounts Expressed In Thousands of New Taiwan Dollars)

Assets			As of September 30, 2025		As of December 31, 2024		As of September 30, 2024	
Code	Accounts	Notes	Amount	%	Amount	%	Amount	%
11xx	Current assets							
1100	Cash and cash equivalents	6(1)	\$4,664,989	13	\$7,878,232	23	\$6,515,095	20
1110	Financial assets at fair value through profit or loss	6(2)	139,872	-	-	-	104,215	-
1136	Financial assets measured at amortized cost	6(4), 8	938,452	3	1,713,301	5	2,587,833	8
1150	Notes receivable, net	6(5)	23,464	-	25,938	-	14,035	-
1170	Accounts receivable, net	6(6)	1,997,107	6	1,658,564	5	1,825,866	6
1200	Other receivables		78,682	-	59,368	-	72,415	-
1310	Inventories, net	6(7)	2,620,350	7	2,756,057	8	2,790,894	8
1410	Prepayments	6(8)	371,425	1	362,914	1	337,877	1
1470	Other current assets		237,076	1	53,250	-	72,580	-
	Total current assets		<u>11,071,417</u>	<u>31</u>	<u>14,507,624</u>	<u>42</u>	<u>14,320,810</u>	<u>43</u>
15xx	Non-current assets							
1517	Financial asset at fair value through OCI	6(3)	316,591	1	151,161	-	153,213	-
1536	Financial assets measured at amortized cost	6(4), 8	64,813	-	21,967	-	21,967	-
1600	Property, plant and equipment, net	6(9), 8, 9	19,566,007	57	17,409,088	50	16,620,715	51
1755	Right-of-use assets, net	6(24), 8	797,558	2	905,716	3	917,772	3
1780	Intangible assets, net	6(10)	36,957	-	43,947	-	45,314	-
1840	Deferred income tax assets	4	45,436	-	46,018	-	42,691	-
1915	Prepayment for equipment	9	3,065,881	9	1,305,271	5	890,741	3
1920	Refundable deposits	9	113,052	-	85,429	-	85,450	-
1990	Other non-current assets	9	36,249	-	28,704	-	38,576	-
	Total non-current assets		<u>24,042,544</u>	<u>69</u>	<u>19,997,301</u>	<u>58</u>	<u>18,816,439</u>	<u>57</u>
	Total Assets		<u>\$35,113,961</u>	<u>100</u>	<u>\$34,504,925</u>	<u>100</u>	<u>\$33,137,249</u>	<u>100</u>

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

Wafer Works Corp. and Subsidiaries

Consolidated Balance Sheets-(Continued)

As of September 30, 2025, December 31, 2024 and September 30, 2024

(Amounts Expressed In Thousands of New Taiwan Dollars)

Liabilities and Equity			As of September 30, 2025		As of December 31, 2024		As of September 30, 2024	
Code	Accounts	Notes	Amount	%	Amount	%	Amount	%
21xx	Current liabilities							
2100	Short-term loans	6(11)	\$373,624	1	\$765,608	2	\$220,000	1
2120	Financial liabilities at fair value through profit or loss	6(12)	3,248	-	2,464	-	-	-
2130	Contract liability	6(22), 9	319,445	1	429,026	1	450,601	1
2170	Accounts payable		694,046	2	427,414	1	540,282	2
2200	Other payables	6(13)	1,398,896	4	844,093	3	801,357	3
2230	Current income tax liabilities	4	366,861	1	345,567	1	358,316	1
2250	Provisions	4,6(19)	5,395	-	-	-	-	-
2321	Current portion of bonds payable	6(16)	300,217	1	-	-	-	-
2322	Current portion of long-term loans	6(17), 8	128,477	-	882,748	3	830,329	3
2281	Lease liability	6(24)	73,595	-	78,754	-	75,847	-
2399	Other current liabilities	6(14),6(15)	29,180	-	7,382	-	7,270	-
	Total current liabilities		<u>3,692,984</u>	<u>10</u>	<u>3,783,056</u>	<u>11</u>	<u>3,284,002</u>	<u>11</u>
25xx	Non-current liabilities							
2500	Financial liabilities at fair value through profit or loss	6(12)	6,000	-	18,000	-	11,100	-
2530	Bonds payable	6(16)	1,371,174	4	1,644,969	5	1,636,177	5
2540	Long-term loans	6(17), 8	4,887,933	14	2,554,333	7	2,769,771	9
2570	Deferred income tax liabilities	4	75,500	-	73,695	-	55,752	-
2581	Lease liability	6(24)	270,248	1	336,471	1	353,505	1
2630	Long-term deferred revenue	6(15)	302,106	1	383,504	1	396,638	1
2640	Accrued pension liabilities	4	1,937	-	6,316	-	14,577	-
2645	Deposits received		200	-	11,400	-	19,181	-
	Total non-current liabilities		<u>6,915,098</u>	<u>20</u>	<u>5,028,688</u>	<u>14</u>	<u>5,256,701</u>	<u>16</u>
	Total liabilities		<u>10,608,082</u>	<u>30</u>	<u>8,811,744</u>	<u>25</u>	<u>8,540,703</u>	<u>27</u>
31xx	Equity attributable to shareholders of the parent							
3100	Capital	6(20)						
3110	Common stock		5,737,966	16	5,732,436	17	5,427,036	17
3200	Capital surplus	6(20)	6,960,846	20	6,967,673	20	6,447,597	19
3300	Retained earnings							
3310	Legal reserve		777,191	2	776,095	2	776,095	2
3320	Special reserve		175,749	1	408,286	1	408,286	1
3350	Unappropriated earnings		1,577,481	5	1,376,992	4	1,376,239	4
3400	Other components of equity		(610,016)	(2)	(142,603)	-	(213,091)	(1)
31xx	Equity attributable to the parent company		<u>14,619,217</u>	<u>42</u>	<u>15,118,879</u>	<u>44</u>	<u>14,222,162</u>	<u>42</u>
36xx	Non-controlling interests	6(20)	9,886,662	28	10,574,302	31	10,374,384	31
	Total equity		<u>24,505,879</u>	<u>70</u>	<u>25,693,181</u>	<u>75</u>	<u>24,596,546</u>	<u>73</u>
	Total liabilities and equity		<u>\$35,113,961</u>	<u>100</u>	<u>\$34,504,925</u>	<u>100</u>	<u>\$33,137,249</u>	<u>100</u>

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

Wafer Works Corp. and Subsidiaries

Consolidated Statements of Comprehensive Income

For the three-month and nine-month periods ended September 30, 2025 and 2024

(Amounts Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

Code	Items	Notes	For the three-month periods ended September 30, 2025		For the three-month periods ended September 30, 2024		For the nine-month periods ended September 30, 2025		For the nine-month periods ended September 30, 2024	
			Amount	%	Amount	%	Amount	%	Amount	%
4000	Operating revenues	6(22)	\$2,557,041	100	\$2,386,755	100	\$7,385,681	100	\$6,632,597	100
5000	Operating costs	6(7), 6(25)	(1,959,413)	(77)	(1,775,859)	(74)	(5,698,477)	(77)	(5,007,746)	(76)
5900	Gross profit		597,628	23	610,896	26	1,687,204	23	1,624,851	24
6000	Operating expenses	6(25)								
6100	Sales and marketing		(46,174)	(2)	(40,865)	(2)	(134,873)	(2)	(118,900)	(2)
6200	General and administrative		(224,445)	(9)	(195,180)	(8)	(639,348)	(9)	(584,638)	(9)
6300	Research and development		(184,856)	(7)	(258,769)	(11)	(534,712)	(7)	(695,902)	(9)
6450	Expected credit gains (losses)	6(23)	361	-	(6,222)	-	2,425	-	(9,193)	-
	Total operating expenses		(455,114)	(18)	(501,036)	(21)	(1,306,508)	(18)	(1,408,633)	(20)
6900	Operating income		142,514	5	109,860	5	380,696	5	216,218	4
7000	Non-operating incomes and expenses									
7100	Interest incomes	6(26)	16,883	1	29,182	1	80,357	1	97,875	-
7010	Other incomes		26,399	1	30,789	1	98,463	2	82,084	1
7020	Other gains or losses		32,579	1	(31,026)	(1)	(70,779)	(1)	(2,316)	(1)
7050	Finance costs		(33,706)	(1)	(37,050)	(2)	(99,484)	(1)	(132,429)	(2)
	Total non-operating incomes and expenses		42,155	2	(8,105)	(1)	8,557	1	45,214	(2)
7900	Income before income tax		184,669	7	101,755	4	389,253	6	261,432	2
7950	Income tax expenses	4, 6(28)	(25,712)	(1)	(12,586)	(1)	(103,589)	(1)	(51,099)	(1)
8200	Net income		158,957	6	89,169	3	285,664	5	210,333	1
8300	Other comprehensive income (loss)	6(27)								
8310	Item that not be reclassified to profit or loss									
8316	Unrealized gains or losses on financial assets at fair value through other comprehensive income (loss)		8,731	-	(7,548)	-	13,877	-	(24,145)	-
8360	Items that may be reclassified subsequently to profit or loss									
8361	Exchange differences on translation of foreign operations		779,682	30	(173,292)	(7)	(1,167,808)	(16)	647,696	10
	Total other comprehensive income (loss), net of tax		788,413	30	(180,840)	(7)	(1,153,931)	(16)	623,551	10
8500	Total comprehensive income		\$947,370	36	\$(91,671)	(4)	\$(868,267)	(11)	\$833,884	11
8600	Net income attributable to:									
8610	Stockholders of the parent		\$22,325	1	\$6,589	-	\$(31,015)	-	\$10,188	-
8620	Non-controlling interests		136,632	5	82,580	3	316,679	4	200,145	3
			\$158,957	6	\$89,169	3	\$285,664	4	\$210,333	3
8700	Total comprehensive income (loss) attributable to:									
8710	Stockholders of the parent		\$372,843	14	\$(76,528)	(3)	\$(522,086)	(7)	\$234,259	4
8720	Non-controlling interests		574,527	22	(15,143)	(1)	(346,181)	(5)	599,625	9
			\$947,370	36	\$(91,671)	(4)	\$(868,267)	(12)	\$833,884	13
9750	Earnings per share-basic (in NTD)	6(29)	\$0.04		\$0.01		\$(0.05)		\$0.02	
9850	Earnings per share-diluted (in NTD)	6(29)	\$0.03		\$0.01		\$(0.05)		\$0.02	

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

Wafer Works Corp. and Subsidiaries

Consolidated Statements of Changes in Equity

For the nine-month periods ended September 30, 2025 and 2024

(Amounts Expressed In Thousands of New Taiwan Dollars)

Code	items	Equity Attributable to Shareholders of the Parent								Total	Non-controlling Interests	Total Equity
		Capital	Capital Surplus	Retained Earnings			Others					
		Common stock		Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange differences arising on translation of foreign operations	Unrealized gain or loss on financial assets at fair value through other comprehensive income (loss)	Unearned Employee Benefit			
				3100	3310	3320						
3100	3200	3310	3320	3350	3410	3420	3490	31xx	36xx	3xxx		
A1	Balance as of January 1, 2024	\$5,418,836	\$4,105,199	\$718,608	\$265,458	\$1,919,123	\$(285,333)	\$(122,953)	\$(22,825)	\$11,996,113	\$6,166,480	\$18,162,593
	Appropriation and distribution of 2023 earnings											
B1	Legal reserve			57,487		(57,487)				-		-
B3	Special reserve				142,828	(142,828)				-		-
B5	Cash dividends-common shares					(352,783)				(352,783)		(352,783)
C5	Equity component of convertible bonds issued by the Company		\$203,927							203,927		203,927
D1	Net income for the six-month period ended September 30, 2024					10,188				10,188	200,145	210,333
D3	Other comprehensive income (loss), net of tax, for the six-month period ended September 30, 2024						248,216	(24,145)		224,071	399,480	623,551
D5	Total comprehensive income (loss)	-	-	-	-	10,188	248,216	(24,145)	-	234,259	599,625	833,884
M7	Changes in ownership interests in subsidiaries		2,109,648							2,109,648	4,096,872	6,206,520
O1	Non-controlling interests increase (decrease)										(488,593)	(488,593)
T1	Employee restricted shares for cancellation and others	8,200	28,823			26			(6,051)	30,998		30,998
Z1	Balance as of September 30, 2024	<u>\$5,427,036</u>	<u>\$6,447,597</u>	<u>\$776,095</u>	<u>\$408,286</u>	<u>\$1,376,213</u>	<u>\$(37,117)</u>	<u>\$(147,098)</u>	<u>\$(28,876)</u>	<u>\$14,222,162</u>	<u>\$10,374,384</u>	<u>\$24,596,546</u>
A1	Balance as of January 1, 2025	\$5,732,436	\$6,967,673	\$776,095	\$408,286	\$1,376,992	\$50,604	\$(154,632)	\$(38,575)	\$15,118,879	\$10,574,302	\$25,693,181
	Appropriation and distribution of 2024 earnings											
B1	Legal reserve			1,096		(1,096)				-		-
B3	Special reserve				(232,537)	232,537				-		-
D1	Net income for the six-month period ended September 30, 2025					(31,015)				(31,015)	316,679	285,664
D3	Other comprehensive income (loss), net of tax, for the six-month period ended September 30, 2025						(504,948)	13,877		(491,071)	(662,860)	(1,153,931)
D5	Total comprehensive income (loss)	-	-	-	-	(31,015)	(504,948)	13,877	-	(522,086)	(346,181)	(868,267)
M7	Changes in ownership interests in subsidiaries		(7,601)							(7,601)	(20,024)	(27,625)
O1	Non-controlling interests increase (decrease)										(321,435)	(321,435)
T1	Employee restricted shares for cancellation and others	5,530	774			63			23,658	30,025		30,025
Z1	Balance as of September 30, 2025	<u>\$5,737,966</u>	<u>\$6,960,846</u>	<u>\$777,191</u>	<u>\$175,749</u>	<u>\$1,577,481</u>	<u>\$(454,344)</u>	<u>\$(140,755)</u>	<u>\$(14,917)</u>	<u>\$14,619,217</u>	<u>\$9,886,662</u>	<u>\$24,505,879</u>

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

Wafer Works Corp. and Subsidiaries

Consolidated Statements of Cash Flows

For the nine-month periods ended September 30, 2025 and 2024

(Amounts Expressed in Thousands of New Taiwan Dollars)

Code	Items	For the nine-month periods ended September 30		Code	Items	For the nine-month periods ended September 30	
		2025	2024			2025	2024
AAAA	Cash flows from operating activities:			BBBB	Cash flows from investing activities:		
A10000	Net income before tax	\$389,253	\$261,432	B00010	Proceeds from disposal of financial assets at fair value through other comprehensive income or loss	(162,854)	(63,100)
A20000	Adjustments:			B00040	Disposal (acquisition) of financial assets at amortized cost	-	(2,272,034)
A20010	Profit or loss not effecting cash flows:			B00050	Disposal of financial assets at amortised cost	732,003	-
A20100	Depreciation (Including right of use assets)	1,424,062	1,372,993	B02700	Acquisition of property, plant and equipment	(3,629,797)	(1,978,415)
A20200	Amortization	9,014	9,393	B02800	Proceeds from disposal of property, plant and equipment	62,883	5,187
A20300	Expected credit losses (gain on recovery)	(2,425)	9,193	B03700	Decrease (increase) in refundable deposits	(27,623)	(411)
A20400	Net loss (gain) of financial assets (liabilities) at fair value through profit or loss	(11,216)	1,867	B04500	Acquisition of intangible assets	(4,317)	(4,531)
A20900	Interest expense	99,484	132,429	B07100	Increase in prepayments for equipment	(1,760,610)	(37,417)
A21200	Interest income	(80,357)	(97,875)	B09900	Other investing activities	8,784	71,047
A21900	Share-based payment	17,693	46,788	BBBB	Net cash provided by (used in) investing activities	(4,781,531)	(4,279,674)
A22500	Loss (gain) on disposal of property, plant and equipment	(6,003)	1,891				
A29900	Loss (gain) on government grants	(63,525)	(58,933)	CCCC	Cash flows from financing activities:		
A29900	Loss (gain) on lease modification	1,358	-	C00100	Increase in (repayment of) short-term loans	(391,984)	(741,218)
A30000	Changes in operating assets and liabilities:			C00500	Issuance of convertible bonds	-	1,554,776
A31115	Financial assets at fair value through profit or loss	(139,872)	(101,616)	C01600	Increase in long-term loans	4,919,765	1,096,740
A31130	Notes receivable	2,474	(8,928)	C01700	Repayment of long-term loans	(3,297,481)	(1,464,143)
A31150	Accounts receivable	(335,688)	(341,678)	C03000	Increase (decrease) in guarantee deposits received	(11,200)	(28,927)
A31180	Other receivable	(17,039)	(41,616)	C04020	Payments of lease liabilities	(64,754)	(66,308)
A31200	Inventories	135,707	(11,585)	C04500	Payment of cash dividends	-	(352,783)
A31230	Prepayment	(27,146)	(84,198)	C05800	Non-controlling interests increase (decrease)	(336,728)	5,702,137
A31240	Other current assets	(183,826)	(53,111)	CCCC	Net cash provided by (used in) financing activities	817,618	5,700,274
A32125	Contract liabilities	(109,581)	(46,397)				
A32150	Accounts payable	266,632	183,929	DDDD	Effect of exchange rate changes on cash and cash equivalents	(568,457)	306,379
A32180	Other payable	(9,843)	(35,708)				
A32200	Provisions	5,395	-	EEEE	Net Increase (decrease) in cash and cash equivalents	(3,213,243)	2,679,623
A32230	Other current liabilities	22,896	207	E00100	Cash and cash equivalents at beginning of period	7,878,232	3,835,472
A32240	Accrued pension liabilities	(4,379)	(4,107)	E00200	Cash and cash equivalents at end of period	\$4,664,989	\$6,515,095
A33000	Cash generated from operations	1,383,068	1,134,370				
A33100	Interest received	76,998	95,259				
A33300	Interest paid	(63,059)	(122,285)				
A33500	Income tax paid	(77,880)	(154,700)				
AAAA	Net cash provided by (used in) operating activities	1,319,127	952,644				

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

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1. History and organization

Wafer Works Corp. (the “Company”) was incorporated on July 24, 1997. The Company’s major business activities are as follows:

- (1) R&D, design, manufacturing and sales of semiconductor materials;
- (2) Technical consulting business, service business and trading for above items.

The Company’s common shares were publicly listed on the Taiwan Gre Tai Securities Market on May 13, 2002. The Company’s registered office and main business address is at No.100, Longyuan 1st Rd., Longtan Science Park, Taoyuan City, Taiwan, R.O.C.

2. Date and procedures of authorization of financial statements for issue

The consolidated financial statements of the Company and subsidiaries (“the Group”) for the nine-month periods ended September 30, 2025 and 2024 were authorized for issue by the board of directors on November 7, 2025.

3. Newly issued or revised standards and interpretations

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

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

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

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Items	New, Revised or Amended Standards and Interpretations	Effective Date issued by IASB
a	IFRS 17 “Insurance Contracts”	1 January 2023
b	Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	1 January 2026
c	Annual Improvements to IFRS Accounting Standards – Volume 11	1 January 2026
d	Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7	1 January 2026

(a) IFRS 17 “Insurance Contracts”

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

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

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

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

The amendments include:

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

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

(1) Amendments to IFRS 1

The amendments mainly improve the consistency in wording between first-time adoption of IFRS and requirements for hedge accounting in IFRS 9.

(2) Amendments to IFRS 7

The amendments update an obsolete cross-reference relating to gain or loss on derecognition.

(3) Amendments to Guidance on implementing IFRS 7

The amendments improve some of the wordings in the implementation guidance, including the introduction, disclosure of deferred difference between fair value and transaction price and credit risk disclosures.

(4) Amendments to IFRS 9

The amendments add a cross-reference to resolve potential confusion for a lessee applying the derecognition requirements and clarify the term “transaction price”.

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(5) Amendments to IFRS 10

The amendments remove the inconsistency between paragraphs B73 and B74 of IFRS 10.

(6) Amendments to IAS 7

The amendments remove a reference to “cost method” in paragraph 37 of IAS 7.

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

The amendments include:

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

The abovementioned standards and amendments are applicable for annual periods beginning on or after 1 January 2026 and have no material impact on the Group.

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

Items	New, Revised or Amended Standards and Interpretations	Effective Date issued by IASB
a	IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures” – Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures	To be determined by IASB
b	IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027
c	Disclosure Initiative – Subsidiaries without Public Accountability: Disclosures (IFRS 19)	January 1, 2027

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

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

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

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

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

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

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

(2) Enhanced transparency of management-defined performance measures

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

(3) Useful grouping of information in the financial statements

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

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

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

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

4. Summary of significant accounting policies

(1) Statement of compliance

The consolidated financial statements for the nine-month periods ended September 30, 2025 and 2024 have been prepared in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (“the Regulations”) and IAS 34 “Interim Financial Reporting,” as endorsed and became effective by the FSC.

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Except for the following 4(4)~4(6), the accounting policies applied in these consolidated financial statements are consistent with those applied in the consolidated financial statements for the year ended December 31, 2024. For more details, please refer to Note 4 of the Company's consolidated financial statements for the year ended December 31, 2024.

(2) Basis of preparation

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

(3) Basis of consolidation

The same principles of consolidation have been applied in the Group's consolidated financial statements as those applied in the Group's consolidated financial statements for the year ended December 31, 2024. For the principles of consolidation, please refer to Note 4(3) of the Group's consolidated financial statements for the year ended December 31, 2024.

The consolidated entities are listed as follows:

Investor	Subsidiary	Main businesses	Percentage of ownership (%)		
			As of		
			Sep. 30, 2025	Dec. 31, 2024	Sep. 30, 2024
Wafer Works Corp.	Wafer Works Investment Corp.	Investment Holding Company	100.00%	100.00%	100.00%
Wafer Works Corp.	Heli-Vantech Corp.	Design, trading and manufacturing of semiconductor materials	100.00%	100.00%	100.00%
Wafer Works Corp.	HuaXin (Shanghai) Technology Co., Ltd.	Trading of semiconductor materials	100.00%	100.00%	100.00%

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Investor	Subsidiary	Main businesses	Percentage of ownership (%)		
			As of		
			Sep. 30, 2025	Dec. 31, 2024	Sep. 30, 2024
Wafer Works Corp.	Silicon Works Technology Corporation	Manufacturing and international trade of electronic components, machinery, chemical materials, and related products	100.00% (Note1)	-	-
Wafer Works Corp.	WBG Works Corporation	Manufacturing and international trade of electronic components, machinery, materials, and related products	100.00% (Note2)	-	-
Wafer Works Corp.	Wafer Works Japan Co.,Ltd	Trading of semiconductor materials	100.00% (Note3)	-	-
Wafer Works Investment Corp.	Silicon Technology Investment (Cayman) Corp.	Investment Holding Company	89.2615%	89.2615%	89.2615%
Wafer Works Investment Corp.	Wafermaster Investment Corp.	Investment Holding Company	100.00%	100.00%	100.00%
Wafer Works Investment Corp.	Wafer Works Materials (Shanghai) Corp.	R&D, production and sales of semiconductor materials	60.00% (Note 4)	-	-
Silicon Technology Investment (Cayman) Corp.	Wafer Works (Shanghai) Co., Ltd.	R&D, production and sales of semiconductor materials	48.0591% (Note)	48.0307% (Note)	48.0307% (Note)

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Investor	Subsidiary	Main businesses	Percentage of ownership (%)		
			As of		
			Sep. 30, 2025	Dec. 31, 2024	Sep. 30, 2024
Silicon Technology Investment (Cayman) Corp.	Sharp Right Limited	Trading company	100.00%	100.00%	100.00%
Wafermaster Investment Corp.	Helitek Company Ltd.	Trading of semiconductor materials	100.00%	100.00%	100.00%
Wafer Works (Shanghai) Co., Ltd.	Wafer Works (Yangzhou) Corp.	R&D, production and sales of semiconductor materials	100.00%	100.00%	100.00%
Wafer Works (Shanghai) Co., Ltd.	Wafer Works Epitaxial Corp.	R&D, production and sales of semiconductor materials	100.00%	100.00%	100.00%
Wafer Works (Shanghai) Co., Ltd.	Wafer Works (Zhengzhou) Corp.	R&D, production and sales of semiconductor materials	100.00%	100.00%	100.00%
Wafer Works (Shanghai) Co., Ltd.	Wafer Works Materials (Shanghai) Corp.	R&D, production and sales of semiconductor materials	40.00% (Note 4)	-	-

Note : The subsidiary of the Company, Wafer Works (Shanghai) Co., Ltd. was officially listed on the Shanghai Stock Exchange's STAR Market and increased cash capital through an issuance of 66,206 thousand RMB ordinary new shares (A shares) on February 8, 2024 and execution conversion of partial employee stock options 3,398 thousand shares on May 22, 2024. The subsidiary of the Company, Silicon Technology Investment (Cayman) Corp. did not participate in the cash capital increase and execute conversion according to its shareholding ratio, and its shareholding ratio reduced from 53.6413% to 48.0307%.

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On March 18, 2025, Wafer Works (Shanghai) Co., Ltd. resolved to repurchase treasury shares. As of September 30, 2025, a total of 394 thousand shares had been repurchased, increasing Silicon Technology Investment (Cayman) Corp.'s ownership from 48.0307% to 48.0591%.

Although the Group only own the 48.0591% the voting rights of the entity, the Group is the single largest shareholder of the entity. Moreover, the remaining ownership was not concentrated within specific shareholders and the degree of equity dispersion at the entity's shareholder's meeting, and thus, has control over the entity.

Note1 : The company directly invested in the establishment of a wholly owned subsidiary, which completed its registration on March 4, 2025.

Note2 : The company directly invested in the establishment of a wholly owned subsidiary, which completed its registration on May 2, 2025.

Note3 : The company directly invested in the establishment of a wholly owned subsidiary, which completed its registration on 2025.

Note4 : The Company, upon approval by the Audit Committee on March 14, 2025, authorized the Chairman to approve the matter. In consideration of the Group's overall development strategy, the Company's subsidiaries, Wafer Works Investment Corp. and Wafer Works (Shanghai) Co., Ltd., invested 60% and 40%, respectively, to establish Wafer Works Materials (Shanghai) Corp., which completed its registration on 2025.

The financial statements of certain insignificant consolidated subsidiaries were not reviewed by independent auditors. The total assets of these subsidiaries as of September 30, 2025 and 2024 are NT\$356,747 thousand and NT\$443,913 thousand. The total liabilities of these subsidiaries as of September 30, 2025 and 2024 are NT\$37,473 thousand and NT\$25,230 thousand. The total comprehensive income of these subsidiaries for the three-month and nine-month periods ended September 30, 2025 and 2024 are NT\$(8,382) thousand, NT\$(19,818) thousand, NT\$(37,625) thousand and NT\$(25,967) thousand.

(4) Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, the

reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The liability to pay a levy is recognized progressively if the obligating event occurs over a period of time

(5) Post-employment benefits

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

(6) Income taxes

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

5. Significant accounting judgments, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

The same significant accounting judgments, estimates and assumptions have been applied in the

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Group's consolidated financial statements for the nine-month period ended September 30, 2025 as those applied in the Group's consolidated financial statements for the year ended December 31, 2024. For significant accounting judgments, estimates and assumptions, please refer to Note 5 of the Group's consolidated financial statements for the year ended December 31, 2024.

6. Contents of significant accounts

(1) Cash and cash equivalents

	As of		
	Sep. 30, 2025	Dec. 31, 2024	Sep. 30, 2024
Cash on hand	\$375	\$284	\$363
Checking and savings	2,085,264	4,129,943	4,237,407
Time deposits (Note)	2,579,350	3,748,005	2,277,325
Total	<u>\$4,664,989</u>	<u>\$7,878,232</u>	<u>\$6,515,095</u>

Note: The contract will expire within three months and it must be readily convertible to a known amount of cash and be subject to an insignificant risk of changes in value.

(2) Financial assets at fair value through profit or loss

	As of		
	Sep. 30, 2025	Dec. 31, 2024	Sep. 30, 2024
Mandatorily measured at fair value through profit or loss:			
Structural deposits	\$128,541	\$-	\$90,669
Forward exchange agreement	-	-	2,263
Stocks	11,331	-	11,283
Total	<u>\$139,872</u>	<u>\$-</u>	<u>\$104,215</u>
Current	\$139,872	\$-	\$104,215
Non-current	-	-	-
Total	<u>\$139,872</u>	<u>\$-</u>	<u>\$104,215</u>

Financial assets at fair value through profit or loss were not pledged.

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(3) Financial assets at fair value through other comprehensive income

	As of		
	Sep. 30, 2025	Dec. 31, 2024	Sep. 30, 2024
Equity instruments investments measured at fair value through other comprehensive income –			
Non-current:			
Listed companies stocks	\$170,054	\$182,692	\$176,562
Unlisted companies stocks	289,721	128,271	127,590
Valuation adjustment of financial assets as measured by fair value through profit and loss	(143,184)	(159,802)	(150,939)
Total	\$316,591	\$151,161	\$153,213

Financial assets at fair value through other comprehensive income were not pledged.

(4) Financial assets measured at amortized cost

	As of		
	Sep. 30, 2025	Dec. 31, 2024	Sep. 30, 2024
Certificate of deposit – restricted	\$403,408	\$230,199	\$80,476
Time deposits	599,857	1,505,069	2,529,324
Total	\$1,003,265	\$1,735,268	\$2,609,800
Current	\$938,452	\$1,713,301	\$2,587,833
Non-current	64,813	21,967	21,967
Total	\$1,003,265	\$1,735,268	\$2,609,800

The Group classified certain financial assets as financial assets measured at amortized cost. Please refer to Note 8 for more details on financial assets measured at amortized cost under pledge.

(5) Notes receivable

	As of		
	Sep. 30, 2025	Dec. 31, 2024	Sep. 30, 2024
Notes receivable arising from operating	\$23,464	\$25,938	\$14,035

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	As of		
	Sep. 30, 2025	Dec. 31, 2024	Sep. 30, 2024
activities			
Less: loss allowance	-	-	-
Total	<u>\$23,464</u>	<u>\$25,938</u>	<u>\$14,035</u>

Notes receivable were not pledged.

The Group follows the requirement of IFRS 9 to assess the impairment. Please refer to Note 6(23) for more details on loss allowance and Note 12 for more details on credit risk management.

(6)Trade receivables

(a)Trade receivables, net consist of the follow:

	As of		
	Sep. 30, 2025	Dec. 31, 2024	Sep. 30, 2024
Trade receivables	\$2,003,161	\$1,667,473	\$1,842,966
Less: loss allowance	(6,054)	(8,909)	(17,100)
Total	<u>\$1,997,107</u>	<u>\$1,658,564</u>	<u>\$1,825,866</u>

(b)Accounts receivable were not pledged.

(c)Accounts receivable are generally on 60 to 90 day terms. The total carrying amounts were NT\$2,003,161 thousand, NT\$1,667,473 thousand and NT\$1,842,966 thousand as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively. Please refer to Note 6(23) for more details on loss allowance of accounts receivable for the nine-month periods ended September 30, 2025 and 2024, respectively. Please refer to Note 12 for more details on credit risk management.

(7)Inventories

(a)Inventories consist of the following:

	As of		
	Sep. 30, 2025	Dec. 31, 2024	Sep. 30, 2024
Raw materials	\$471,838	\$447,883	\$398,411

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Supplies & parts	854,813	864,601	872,311
Work in progress	812,627	800,313	826,515
Finished goods	471,534	618,823	675,212
Merchandises	9,538	24,437	18,445
Total	<u>\$2,620,350</u>	<u>\$2,756,057</u>	<u>\$2,790,894</u>

(b)The cost of inventories recognized in expenses amounted to NT\$1,959,413 thousand, NT\$1,775,859 thousand, NT\$5,698,477 thousand and NT\$5,000,746 thousand for the three-month and nine-month periods ended September 30, 2025 and 2024, respectively. The following losses were included in cost of sales:

Item	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2025	2024	2025	2024
Loss from inventory market decline	<u>\$(23,945)</u>	<u>\$7,343</u>	<u>\$(6,510)</u>	<u>\$14,852</u>

(c)Inventories were not pledged.

(8)Prepayments

	As of		
	Sep. 30, 2025	Dec. 31, 2024	Sep. 30, 2024
Office supplies	\$120,286	\$115,308	\$121,158
Other prepaid expenses	136,813	96,127	98,522
Prepayment for purchase	114,326	151,479	118,197
Total	<u>\$371,425</u>	<u>\$362,914</u>	<u>\$337,877</u>

(9)Property, plant and equipment

	As of		
	Sep. 30, 2025	Dec. 31, 2024	Sep. 30, 2024
Owner occupied property, plant and equipment	<u>\$19,566,007</u>	<u>\$17,409,088</u>	<u>\$16,620,715</u>

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(a) Owner occupied property, plant and equipment

	Land	Buildings	Machinery	Transportation	Office equipment	Other equipment	Construction in progress and equipment awaiting examination	Total
Cost:								
As of January 1, 2025	\$259,131	\$4,541,900	\$24,610,981	\$39,820	\$485,934	\$435,674	\$2,995,374	\$33,368,814
Additions	-	-	6,923	-	93	-	4,188,321	4,195,337
Reclassification	-	3,027	1,250,954	270	19,314	(6,278)	(1,267,287)	-
Disposals	-	-	(333,351)	-	(1,235)	(15,217)	-	(349,803)
Exchange differences	-	(184,807)	(841,224)	(1,875)	(12,863)	(9,225)	(26,667)	(1,076,661)
As of September 30, 2025	\$259,131	\$4,360,120	\$24,694,283	\$38,215	\$491,243	\$404,954	\$5,889,741	\$36,137,687
Depreciation and impairment:								
As of January 1, 2025	\$-	\$1,106,841	\$14,170,718	\$26,492	\$353,408	\$302,267	\$-	\$15,959,726
Depreciation	-	93,256	1,209,361	2,286	35,074	21,595	-	1,361,572
Reclassification	-	-	11,020	-	-	(11,020)	-	-
Disposals	-	-	(278,116)	-	(1,171)	(13,636)	-	(292,923)
Exchange differences	-	(37,189)	(401,727)	(1,124)	(9,877)	(6,778)	-	(456,695)
As of September 30, 2025	\$-	\$1,162,908	\$14,711,256	\$27,654	\$377,434	\$292,428	\$-	\$16,571,680
Cost:								
As of January 1, 2024	\$259,131	\$4,380,027	\$22,587,949	\$33,214	\$480,493	\$434,331	\$1,399,814	\$29,574,959
Additions	-	-	-	-	-	-	1,950,180	1,950,180
Reclassification	-	10,350	1,235,119	6,690	6,799	1,468	(1,260,426)	-
Disposals	-	-	(95,697)	(5,253)	(2,539)	(7,010)	-	(110,499)
Exchange differences	-	121,416	519,363	963	8,632	6,175	9,288	665,837
As of September 30, 2024	\$259,131	\$4,511,793	\$24,246,734	\$35,614	\$493,385	\$434,964	\$2,098,856	\$32,080,477
Depreciation and impairment:								
As of January 1, 2024	\$-	\$963,036	\$12,441,296	\$29,088	\$303,222	\$269,976	\$-	\$14,006,618
Depreciation	-	97,117	1,144,980	1,313	42,177	24,104	-	1,309,691
Disposals	-	-	(88,863)	(5,054)	(2,499)	(7,005)	-	(103,421)
Exchange differences	-	19,926	216,936	809	5,523	3,680	-	246,874
As of September 30, 2024	\$-	\$1,080,079	\$13,714,349	\$26,156	\$348,423	\$290,755	\$-	\$15,459,762

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	Land	Buildings	Machinery	Transportation	Office equipment	Other equipment	Construction in progress and equipment awaiting examination	Total
Net carrying amount as of:								
September 30, 2025	\$259,131	\$3,197,212	\$9,983,027	\$10,561	\$113,809	\$112,526	\$5,889,741	\$19,566,007
December 31, 2024	\$259,131	\$3,435,059	\$10,440,263	\$13,328	\$132,526	\$133,407	\$2,995,374	\$17,409,088
September 30, 2024	\$259,131	\$3,431,714	\$10,532,385	\$9,458	\$144,962	\$144,209	\$2,098,856	\$16,620,715

(b) Please refer to Note 8 for more details on property, plant and equipment under pledge.

(c) The capitalized amount and interest rate of borrowing costs for property, plant, and equipment are as follows

Item	For the nine-month periods ended September 30,	
	2025	2024
Buildings and Construction in progress and equipment awaiting examination	\$11,076	\$-
The capitalization rate intervals for borrowing costs	3.2%	-%

(d) Significant components of PPE are depreciation over their useful lives.

(10) Intangible assets

	Computer software
Cost:	
As of January 1, 2025	\$82,671
Addition	4,317
Reduction	(5,534)
Exchange differences	(4,326)
As of September 30, 2025	<u>\$ 77,128</u>

Cost:

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	Computer software
As of January 1, 2024	\$78,381
Addition	4,531
Reduction	(4,409)
Exchange differences	2,718
As of September 30, 2024	<u>\$81,221</u>

Amortization:

As of January 1, 2025	\$38,724
Amortization and Impairment	9,014
Decrease	(5,534)
Exchange differences	(2,033)
As of September 30, 2025	<u>\$ 40,171</u>

Amortization:

As of January 1, 2024	\$29,969
Amortization and Impairment	9,393
Decrease	(4,409)
Exchange differences	954
As of September 30, 2024	<u>\$35,907</u>

Net carrying amount as of:

September 30, 2025	<u>\$36,957</u>
December 31, 2024	<u>\$43,947</u>
September 30, 2024	<u>\$45,314</u>

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

	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2025	2024	2025	2024
Operating costs	\$324	\$295	\$992	\$887
General and administrative	2,558	2,719	8,007	8,491
Research and development	5	5	15	15

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Total	\$2,887	\$3,019	\$9,014	\$9,393
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(11) Short-term loans

	Interest Rate (%)	As of		
		Sep. 30, 2025	Dec. 31, 2024	Sep. 30, 2024
Unsecured financial structure loans	1.84%~3.09%	\$373,624	\$765,608	\$220,000

The Group's unused short-term lines of credits amounted to NT\$7,149,188 thousand, NT\$6,918,336 thousand and NT\$6,906,121 thousand as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively.

(12) Financial liabilities at fair value through profit or loss

	As of		
	Sep. 30, 2025	Dec. 31, 2024	Sep. 30, 2024
Mandatorily measured at fair value through profit or loss:			
Embedded derivative	\$6,000	\$18,000	\$11,100
Forward exchange contracts	3,248	2,464	-
Total	\$9,248	\$20,464	\$11,100

	As of		
	Sep. 30, 2025	Dec. 31, 2024	Sep. 30, 2024
Current	\$3,248	\$2,464	\$-
Non-current	6,000	18,000	11,100
Total	\$9,248	\$20,464	\$11,100

(13) Other payables

	As of		
	Sep. 30, 2025	Dec. 31, 2024	Sep. 30, 2024
Accrued expense	\$627,917	\$637,760	\$678,032
Payable on equipment	766,186	200,646	117,967
Accrued interest payable	4,793	5,687	5,358

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	As of		
	Sep. 30, 2025	Dec. 31, 2024	Sep. 30, 2024
Total	\$1,398,896	\$844,093	\$801,357

(14) Other current liabilities

(a) Other current liabilities consist of the following:

	As of		
	Sep. 30, 2025	Dec. 31, 2024	Sep. 30, 2024
Other current liabilities	\$25,813	\$2,917	\$2,801
Deferred government grants income	3,367	4,465	4,469
Total	\$29,180	\$7,382	\$7,270

(b) Please refer to Note 6(15) for more details on the change of the deferred government grants income for the nine-month periods ended September 30, 2025 and 2024.

(c) Please refer to Note 6(17) for more details on interest rate of the deferred government grants income.

(15) Deferred revenue

Government grants

	For the nine-month periods ended Sep. 30,	
	2025	2024
Beginning balance	\$387,969	\$358,409
Received during the period	2,307	86,937
Released to the statement of comprehensive income	(63,525)	(58,933)
Exchange differences	(21,278)	14,694
Ending Balance	\$305,473	\$401,107

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	As of		
	Sep. 30, 2025	Dec. 31, 2024	Sep. 30, 2024
Current	\$3,367	\$4,465	\$4,469
Non-current	302,106	383,504	396,638
Total	<u>\$305,473</u>	<u>\$387,969</u>	<u>\$401,107</u>

The Group obtain Government grants because the local semiconductor industry in mainland China develops and throws facilities for manufacture. The grants relates to assets, so it recognizes to deferred revenue and install to recognize to revenue.

(16)Bonds payable

A. The details of the bonds payable as of September 30, 2025, December 31, 2024 and September 30, 2024 are as follows:

	As of		
	Sep. 30, 2025	Dec. 31, 2024	Sep. 30, 2024
Liability component:			
Principal amount	\$1,803,648	\$1,797,600	\$1,797,600
Less: discounts on bonds payable	(132,257)	(152,631)	(161,423)
Subtotal	1,671,391	1,644,969	1,636,177
Less: current portion	(300,217)	-	-
Net	<u>\$1,371,174</u>	<u>\$1,644,969</u>	<u>\$1,636,177</u>
Embedded derivative - redemption, put options	<u>\$6,000</u>	<u>\$18,000</u>	<u>\$11,100</u>
Equity component - conversion right	<u>\$216,612</u>	<u>\$216,612</u>	<u>\$216,612</u>

For the details of the gain and loss from valuation through profit and loss on embedded derivative, redemption, put options, and the interest expense on the convertible bonds payable, please refer to Notes 6(26) to the consolidated financial statement.

B. On July 27, 2021, the Group issued the 7th unsecured domestic convertible bonds. The terms of the bonds are as follows:

(A)Issue amount: NT\$300,000 thousand

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- (B) Issue date: July 27, 2021
- (C) Issue price: Issued at par value
- (D) Coupon rate: 0%
- (E) Period: July 27, 2021 to July 27, 2026
- (F) Settlement: The convertible bonds' holder (hereinafter referred to as "bondholders") can convert the bond into the Company's common stock in accordance with Article 10 of the Company's conversion rules. The Company can also recall the bonds before maturity and buy back the cancellation from bonds dealer in accordance with Article 18 of the Company's conversion rules. Otherwise, the Company will repay the convertible bonds held by the bondholder in cash at 102.016% of the par value of the bonds (the actual annual yield is 0.4%) within 15 business days after maturity date of the convertible bonds.
- (G) Conversion period: The bondholders will have the right to convert their bonds at any time during the conversion period commencing on October 28, 2021 (the 90th day following the closing date) and ending at the close of business on July 27, 2026 (the maturity date), provided, however, that the conversion right during any closed period shall be suspended and the conversion period shall not include any such closed period, which means (i) the period during which the Company may be required to close its stock transfer books under ROC laws and regulations applicable from time to time; (ii) the period beginning on the 15th trading day prior to the record date for the distribution of stock or cash dividends, or subscription of new shares due to capital increase to the date on (and including) such record; (iii) the period beginning on the record date of a capital reduction to one day prior to the trading day on which the shares of the Company are reissued after such capital reduction; (iv) no request for conversion other than the starting date of the stop of the conversion for the change of stock denomination to the

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day before the trading day before the start of the new stock exchange.

(H) Conversion price and adjustment: The conversion price was originally at NT\$70 per share. The conversion price will be subject to adjustments upon the occurrence of certain events set out in the indenture.

Due to the distribution of cash dividends at NT\$1.1 per ordinary share in 2021, the Company adjusted the conversion price in accordance with the Company's 7th domestic unsecured conversion corporate bond issuance and conversion measures. Therefore, the conversion price was adjusted to NT\$68.9 since August 15, 2021.

Due to the distribution of cash dividends at NT\$1.35 per ordinary share in 2022, the Company adjusted the conversion price in accordance with the Company's 7th domestic unsecured conversion corporate bond issuance and conversion measures. Therefore, the conversion price was adjusted to NT\$66.2 since July 25, 2022.

Due to the distribution of cash dividends at NT\$2.50 per ordinary share in 2023, the Company adjusted the conversion price in accordance with the Company's 7th domestic unsecured conversion corporate bond issuance and conversion measures. Therefore, the conversion price was adjusted to NT\$62.7 since July 25, 2023.

Due to the distribution of cash dividends at NT\$0.65 per ordinary share in 2024, the Company adjusted the conversion price in accordance with the Company's 7th domestic unsecured conversion corporate bond issuance and conversion measures. Therefore, the conversion price was adjusted to NT\$61.7 since July 29, 2024.

(I) Redemption (i) The Company may redeem the convertible bonds from the next

clauses: day (October 28, 2021) following a three-month period after the bonds are issued to 40 days before the maturity date (June 17, 2026) if the following terms are met: when the closing price of the Company's common shares is 30% above the convertible price for 30 consecutive trading days, the Company may, within the following 30 business days (the aforesaid period shall start from the day the letter is delivered by the Company, and the expiry date of the period shall be the measurement date for bond recovery, and the aforesaid period shall not fall in the period of conversion suspension stated in Article 9 of the Regulation), send a bond redemption notification letter via registered mail to the bondholders. (The bondholders list shall be based on the updated list five business days before sending the bond redemption notification letter to the bondholders. Public announcements will be made for bondholders who acquire the convertible bonds subsequently from transactions or other reasons). The redemption price would be set at the face value and the bond is purchased by cash, which would be announced over the Taipei Exchange. When the Company executes the recovery request, it shall redeem the outstanding convertible bonds in cash at the face value within eight business days after the bond recovery measurement date.

(ii) The Company may redeem the convertible bonds from the next day (October 28, 2021) following a three-month period after the bonds are issued to 40 days before the maturity date (June 17, 2026) if the following terms are met: when the total value of outstanding convertible bonds becomes less than 10% of the total principal, the Company may, within the following 30 business days (the aforesaid period shall start from the day the letter is delivered by the Company, and the expiry date of the period shall be the measurement date for bond recovery, and the aforesaid period shall not fall in the period of conversion suspension stated in Article 9 of the Regulation), send a bond redemption notification letter via registered mail to the bondholders. (The bondholders list shall be based on the

updated list five business days before sending the bond redemption notification letter to the bondholders. Public announcements will be made for bondholders who acquire the convertible bonds subsequently from transactions or other reasons). The redemption price would be set at the face value and the bond is purchased by cash, which would be announced over the Taipei Exchange. When the Company executes the recovery request, it shall redeem the outstanding convertible bonds in cash at the face value within eight business days after the bond recovery measurement date.

(iii) The business day following the base date for the recovery of the convertible bonds is the Taipei Exchange termination date for the convertible bonds, and the deadline for the bondholders to request conversion is the second business day after the Taipei Exchange termination date, but the bondholders shall apply to the original trading broker to convert the convertible bonds into ordinary shares of the Company one business day after the date of termination of listing of the convertible bonds. If the bondholder does not apply for conversion within the aforesaid period, the Company will redeem the convertible bonds held by such bondholder at the bond face value. The converted bonds will be recovered in cash within eight days after the bond recovery base date. If the aforementioned date is the day when the Taipei Stock Exchange Market is closed, it will be postponed to the next business day.

C. On September 27, 2024, the Group issued the 8th unsecured domestic convertible bonds. The terms of the bonds are as follows:

(A) Issue amount: NT\$1,500,000 thousand

(B) Issue date: September 27, 2024

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- (C) Issue price: Issued at 102.2% of par value
- (D) Coupon rate: 0%
- (E) Period: September 27, 2024 to September 27, 2029
- (F) Settlement: The convertible bonds' holder (hereinafter referred to as "bondholders") can convert the bond into the Company's common stock in accordance with Article 10 of the Company's conversion rules. The Company can also exercise the right to sell back in accordance with Article 19 of the Company's conversion rules, or recall the bonds before maturity and buy back the cancellation from bonds dealer in accordance with Article 18 of the Company's conversion rules. Otherwise, the Company will repay the convertible bonds held by the bondholder in cash at par value of the bonds within 10 business days after maturity date of the convertible bonds.
- (G) Conversion period: The bondholders will have the right to convert their bonds at any time during the conversion period commencing on December 28, 2024 (the 90th day following the closing date) and ending at the close of business on September 27, 2029 (the maturity date), provided, however, that the conversion right during any closed period shall be suspended and the conversion period shall not include any such closed period, which means (i) the period during which the Company may be required to close its stock transfer books under ROC laws and regulations applicable from time to time; (ii) the period beginning on the 15th trading day prior to the record date for the distribution of stock or cash dividends, or subscription of new shares due to capital increase to the date on (and including) such record; (iii) the period beginning on the record date of a capital reduction to one day prior to the trading day on which the shares of the Company are reissued after such capital reduction; (iv) no request for conversion other than the starting date of the stop of the conversion for the change of stock denomination to the day

before the trading day before the start of the new stock exchange.

(H) Conversion price and adjustment: The conversion price was originally at NT\$33.8 per share. The conversion price will be subject to adjustments upon the occurrence of certain events set out in the indenture.

(I) Redemption clauses: (i) The Company may redeem the convertible bonds from the next day (December 28, 2024) following a three-month period after the bonds are issued to 40 days before the maturity date (August 18, 2029) if the following terms are met: when the closing price of the Company's common shares is 30% above the convertible price for 30 consecutive trading days, the Company may, within the following 30 business days (the aforesaid period shall start from the day the letter is delivered by the Company, and the expiry date of the period shall be the measurement date for bond recovery, and the aforesaid period shall not fall in the period of conversion suspension stated in Article 9 of the Regulation), send a bond redemption notification letter via registered mail to the bondholders. (The bondholders list shall be based on the updated list five business days before sending the bond redemption notification letter to the bondholders.

Public announcements will be made for bondholders who acquire the convertible bonds subsequently from transactions or other reasons). The redemption price would be set at the face value and the bond is purchased by cash, which would be announced over the Taipei Exchange. When the Company executes the recovery request, it shall redeem the outstanding convertible bonds in cash at the face value within eight business days after the bond recovery measurement date.

(ii) The Company may redeem the convertible bonds from the next day (December 28, 2024) following a three-month period after the bonds are issued to 40 days before the maturity date (August 18, 2029) if the following terms are met: when the

total value of outstanding convertible bonds becomes less than 10% of the total principal, the Company may, within the following 30 business days (the aforesaid period shall start from the day the letter is delivered by the Company, and the expiry date of the period shall be the measurement date for bond recovery, and the aforesaid period shall not fall in the period of conversion suspension stated in Article 9 of the Regulation), send a bond redemption notification letter via registered mail to the bondholders. (The bondholders list shall be based on the updated list five business days before sending the bond redemption notification letter to the bondholders. Public announcements will be made for bondholders who acquire the convertible bonds subsequently from transactions or other reasons). The redemption price would be set at the face value and the bond is purchased by cash, which would be announced over the Taipei Exchange. When the Company executes the recovery request, it shall redeem the outstanding convertible bonds in cash at the face value within eight business days after the bond recovery measurement date.

(iii) Bondholders doesn't respond to the Company's agency with formal written documents prior to the redemption date in notification letter. The Company will redeem at the par value of convertible bonds and pay in cash.

(iv) If the Company exercises its early redemption clause for the convertible corporate bonds, the bondholders' deadline to request conversion shall be the second business day following the termination of the over-the-counter trading date.

(J) Put option of the bondholders: The bondholders can execute put option after three years from issuance date (September 27, 2027). The Company should send through registered mail the "Notification of bondholder's put option" 40 days before the maturity date (August 18, 2027). (The list of bondholders who should receive the notification through registered mail is based on the register list 5 business days before

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mailing date. Investors who purchase the bonds after the mailing date are notified through announcement.) OTC (Over The Counter) should be notified by the Company and should announce the bondholder's put option; a written notification should be sent to the share transfer agent by bondholders 40 days after the OTC's announcement. The redemption value is the bonds face value. After accepting the redemption request, the Company should redeem the bonds by cash within 8 business days after the maturity date

- D. The 7th secured convertible bonds in the amount of NT\$2,400 thousand have been converted to 35 thousand common shares as of September 30, 2025. The surplus due to the conversion amounted to NT\$1,938 thousand, recorded under additional paid-in capital.

(17) Long-term loans

Details of long-term loan as of September 30, 2025, December 31, 2024 and September 30, 2024 are as follows:

Debtor	As of September 30, 2025	Maturity and Terms
Secured Long-Term Joint guarantee Loan from Land Bank of Taiwan and others	\$2,754,110	Effective January 10, 2025 to January 10, 2032. Grace period is 2 years from the initial draw-down date. The initial draw-down date is considered the 1st term and the following terms are defined as every 3 months since then. The remaining principal is repaid in installments of equal amount for 13 terms. Interest shall be paid monthly. The 1st to 4th payments will each repay 3% of the principal, 5th to 8th payments will be 5% each, 9th to 12th payments will be 7% each, 13th to 16th payments will be 10% each and the remaining principal will be repaid up at maturity.

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Debtor	As of September 30, 2025	Maturity and Terms
Credit Long-Term Loan from Land Bank of Taiwan	63,120	Effective September 8, 2023 to September 8, 2026. Interest is paid monthly and calculated based on the outstanding principal balance, with the principal paid off at maturity.
Credit Long-Term Loan from Chang Hwa Bank	244,079	Effective March 1, 2023 to February 15, 2030. Interest payments are due monthly for the first two years. Principal is prepaid form the third year monthly on the 15th day of each month. Interest will be paid on the 15th of each month.
Credit Long-Term Loan from Hua Nan Bank	4,728	Effective January 10, 2025 to December 15, 2031. Interest payments are due monthly for the first three years. Principal is prepaid form the fourth year monthly on the 15th day of each month.
Credit Long-Term Loan from Chang Hwa Bank	4,689	Effective January 10, 2025 to December 15, 2031. Interest payments are due monthly for the first year. Principal is prepaid form the second year monthly on the 15th day of each month.
Credit Long-Term Loan from Mega International Commercial Bank	122,209	Effective January 10, 2025 to December 15, 2031. Interest payments are due monthly for the first three years. Principal is prepaid form the fourth year monthly on the 15th day of each month.
Credit Long-Term Loan from Bank of Taiwan	290,754	Effective January 10, 2025 to December 15, 2031. Interest payments are due monthly for the first three years. Principal is prepaid form the fourth year monthly on the 15th day of each month.
Credit Long-Term Loan from Taiwan Cooperative Bank	40,468	Effective January 10, 2025 to January 10, 2032. Interest payments are due monthly for the first three years. Principal is prepaid form the fourth year monthly on the 15th day of

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Debtor	As of September 30, 2025	Maturity and Terms
		each month.
Credit Long-Term Loan from Taiwan Cooperative Bank	58,443	Effective September 23, 2025 to September 23, 2032. Principal is prepaid monthly on the 15th day of each month.
Credit Long-Term Loan from Mega International Commercial Bank	26,777	Effective June 27, 2025 to June 15, 2032. Interest payments are due monthly for the first three years. Principal is prepaid from the fourth year monthly on the 15th day of each month.
Credit Long-Term Loan from First Commercial Bank	175,558	Effective January 10, 2025 to December 15, 2031. Interest payments are due monthly for the first three years. Principal is prepaid from the fourth year monthly on the 15th day of each month.
Secured Long-Term Loan from China Development Bank	1,199,718	Effective March 25, 2025 to March 25, 2035. Grace period is 3 years. The following terms are defined as every 6 months since then. The principal and interest are repayable in installments of equal amount for 15 terms. Interest shall be paid quarterly.
Credit Long-Term Loan from Bank of China	\$42,847	Effective May 28, 2025 to May 28, 2028. The following terms are defined as every 6 months since then. The principal and interest are repayable in installments of equal amount for 6 terms. Interest shall be paid quarterly.
Total	5,027,500	
Less: current portion	(128,477)	
Syndicated loan arrangement fee	(11,090)	
Non-current portion	<u>\$4,887,933</u>	

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Debtor	As of December 31, 2024	Maturity and Terms
Secured Long-Term Joint guarantee Loan from Land Bank of Taiwan and others	\$1,300,000	Effective January 16, 2023 to January 16, 2028. Grace period is 2 years from the initial draw-down date. The initial draw-down date is considered the 1st term and the following terms are defined as every 3 months since then. The remaining principal is repaid in installments of equal amount for 13 terms. Interest shall be paid monthly. The 1st to 4th payments will each repay 3% of the principal, 5th to 8th payments will be 5% each, 9th to 12th payments will be 7% each and the remaining principal will be repaid up at maturity.
Credit Long-Term Loan from Land Bank of Taiwan	63,120	Effective September 8, 2023 to September 8, 2026. Interest is paid monthly and calculated based on the outstanding principal balance, with the principal paid off at maturity. Or, after the factory construction is completed, the long-term factory construction shelving funds may be refinanced.
Secured Long-Term Loan from Land Bank of Taiwan	56,700	Effective July 9, 2020 to June 15, 2027. Interest payments are due monthly for the first three years. Principal is prepaid form the fourth year monthly on the 15 th day of each month. Interest will be paid on the 15th of each month.
Secured Long-Term Loan from Land Bank of Taiwan	60,675	Effective June 9, 2021 to June 15, 2027. Interest payments are due monthly for the first two years. Principal is prepaid form the third year monthly on the 15th day of each month. Interest will be paid on the 15th of each month.

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Debtor	As of December 31, 2024	Maturity and Terms
Credit Long-Term Loan from Taiwan Cooperative Bank	4,822	Effective October 19, 2020 to October 19, 2025. The principal will be paid monthly on the 15th day of each month and interest shall be paid monthly.
Credit Long-Term Loan from Taiwan Cooperative Bank	26,400	Effective March 10, 2022 to March 10, 2027. The principal will be paid monthly on the 15th day of each month and interest shall be paid monthly.
Credit Long-Term Loan from Taiwan Cooperative Bank	184,138	Effective May 20, 2022 to May 20, 2027. Interest payments are due monthly for the first two years. Principal is prepaid form the third year monthly on the 15th day of each month. Interest will be paid on the 15th of each month.
Credit Long-Term Loan from Taiwan Cooperative Bank	208,575	Effective March 1, 2023 to February 15, 2030. Interest payments are due monthly for the first three years. Principal is prepaid form the fourth year monthly on the 15th day of each month. Interest will be paid on the 15th of each month.
Secured Long-Term Loan from Bank of Taiwan	376,342	Effective March 1, 2023 to February 15, 2030. Interest payments are due monthly for the first three years. Principal is prepaid form the fourth year monthly on the 15th day of each month. Interest will be paid on the 15th of each month.
Secured Long-Term Loan from Chang Hwa Bank	172,258	Effective March 1, 2023 to February 15, 2030. Interest payments are due monthly for the first two years. Principal is prepaid form the third year monthly on the 15th day of each month. Interest will be paid on the 15th of each month.
Credit Long-Term Loan from	60,442	Effective March 1, 2023 to February 15,

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Debtor	As of December 31, 2024	Maturity and Terms
Hua Nan Bank		2030. Interest payments are due monthly for the first three years. Principal is prepaid from the fourth year monthly on the 15th day of each month.
Credit Long-Term Loan from Taiwan Business Bank	260,963	Effective March 1, 2023 to February 15, 2030. Interest payments are due monthly for the first three years. Principal is prepaid from the fourth year monthly on the 15th day of each month.
Secured Long-Term Joint guarantee Loan from Taiwan Cooperative Bank	133,403	Effective July 30, 2019 to July 30, 2026. Grace period is 42 months from the initial draw-down date. The initial draw-down date is considered the 1st term and the following terms are defined as every 6 months since then. The principal is repayable in installments of equal amount for 8 terms. Interest shall be paid quarterly. The 1st to 3rd payments will each repay 10% of the principal, and the remaining principal will be repaid up at maturity.
Credit Long-Term Joint guarantee Loan from Taiwan Cooperative Bank	155,256	Effective July 30, 2019 to July 30, 2026. Grace period is 42 months from the initial draw-down date. The initial draw-down date is considered the 1st term and the following terms are defined as every 6 months since then. The principal is repayable in installments of equal amount for 8 terms. Interest shall be paid quarterly. The 1st to 3rd payments will each repay 10% of the principal, and the remaining principal will be repaid up at maturity.
Secured Long-Term Loan from China Development Bank	373,987	Effective September 25, 2018 to September 25, 2026. Grace period is 1 years. the

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Debtor	As of December 31, 2024	Maturity and Terms
		following terms are defined as every 6 months since then. The principal and interest are repayable in installments of equal amount for 15 terms. Interest shall be paid quarterly.
Total	3,437,081	
Less: current portion	(882,748)	
Non-current portion	\$2,554,333	
Debtor	As of September 30, 2024	Maturity and Terms
Secured Long-Term Joint guarantee Loan from Land Bank of Taiwan and others	\$1,300,000	Effective January 16, 2023 to January 16, 2028. Grace period is 2 years from the initial draw-down date. The initial draw-down date is considered the 1st term and the following terms are defined as every 3 months since then. The remaining principal is repaid in installments of equal amount for 13 terms. Interest shall be paid monthly. The 1st to 4th payments will each repay 3% of the principal, 5th to 8th payments will be 5% each, 9th to 12th payments will be 7% each and the remaining principal will be repaid up at maturity.
Credit Long-Term Loan from Land Bank of Taiwan	63,120	Effective September 8, 2023 to September 8, 2026. Interest is paid monthly and calculated based on the outstanding principal balance, with the principal paid off at maturity.

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Debtor	As of September 30, 2024	Maturity and Terms
Secured Long-Term Loan from Land Bank of Taiwan	62,332	Effective July 9, 2021 to June 15, 2027. Interest payments are due monthly for the first three years. Principal is prepaid form the fourth year monthly on the 15 th day of each month. Interest will be paid on the 15 th of each month.
Secured Long-Term Loan from Land Bank of Taiwan	66,701	Effective June 9, 2021 to June 15, 2027. Interest payments are due monthly for the first two years. Principal is prepaid form the third year monthly on the 15 th day of each month. Interest will be paid on the 15 th of each month.
Credit Long-Term Loan from Taiwan Cooperative Bank	6,265	Effective October 19, 2020 to October 19, 2025. The principal will be paid monthly on the 15 th day of each month and interest shall be paid monthly.
Credit Long-Term Loan from Taiwan Cooperative Bank	29,429	Effective March 10, 2022 to March 10, 2027. The principal will be paid monthly on the 15 th day of each month and interest shall be paid monthly.
Credit Long-Term Loan from Taiwan Cooperative Bank	203,064	Effective May 20, 2022 to May 20, 2027. Interest payments are due monthly for the first two years. Principal is prepaid form the third year monthly on the 15 th day of each month. Interest will be paid on the 15 th of each month.
Credit Long-Term Loan from Taiwan Cooperative Bank	208,332	Effective March 1, 2023 to February 15, 2030. Interest payments are due monthly for the first three years. Principal is prepaid form the fourth year monthly on the 15 th day of each month. Interest will be paid on the 15 th of each month.
Credit Long-Term Loan from Bank of Taiwan	376,077	Effective March 1, 2023 to February 15, 2030. Interest payments are due monthly for the first three years. Principal is prepaid form the fourth year monthly on the 15 th day of each month. Interest will be paid on the 15 th of each month.

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Debtor	As of September 30, 2024	Maturity and Terms
Credit Long-Term Loan from Chang Hwa Bank	172,018	Effective March 1, 2023 to February 15, 2030. Interest payments are due monthly for the first two years. Principal is prepaid form the third year monthly on the 15 th day of each month. Interest will be paid on the 15th of each month.
Credit Long-Term Loan from Hua Nan Bank	60,375	Effective March 1, 2023 to February 15, 2030. Interest payments are due monthly for the first three years. Principal is prepaid form the fourth year monthly on the 15 th day of each month. Interest will be paid on the 15th of each month.
Credit Long-Term Loan from Taiwan Business Bank	260,659	Effective March 1, 2023 to February 15, 2030. Interest payments are due monthly for the first three years. Principal is prepaid form the fourth year monthly on the 15 th day of each month. Interest will be paid on the 15th of each month.
Secured Long-Term Joint guarantee Loan from Taiwan Cooperative Bank	132,111	Effective July 30, 2019 to July 30, 2026. Grace period is 42 months from the initial draw-down date. The initial draw-down date is considered the 1st term and the following terms are defined as every 6 months since then. The principal is repayable in installments of equal amount for 4 terms. Interest shall be paid quarterly. The 1 st to 3 rd payments will each repay 10% of the principal, and the remaining principal will be repaid up at maturity.
Credit Long-Term Joint guarantee Loan from Taiwan Cooperative Bank	153,752	Effective July 30, 2019 to July 30, 2026. Grace period is 42 months from the initial draw-down date. The initial draw-down date is considered the 1st term and the following terms are defined as every 6 months since then. The principal is repayable in installments of equal amount for 4 terms. Interest shall be paid quarterly. The 1 st to 3 rd payments will each repay 10% of

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Debtor	As of September 30, 2024	Maturity and Terms
		the principal, and the remaining principal will be repaid up at maturity.
Secured Long-Term Loan from China Development Bank	505,865	Effective September 25, 2018 to September 25, 2026. Grace period is 1 years. the following terms are defined as every 6 months since then. The principal and interest are repayable in installments of equal amount for 15 terms. Interest shall be paid quarterly.
Total	3,600,100	
Less: current portion	(830,329)	
Non-current portion	<u>\$2,769,771</u>	

(a) On October 15, 2024, the Company has entered into a 7-year agreement of syndicated loans in credit line of NT\$2,760,000 thousand, with Land Bank of Taiwan and 9 other banks for the purpose of settling the unpaid loan balance mentioned above and replenishing operating capital.

In the event that the Company's financial statements do not meet with any of the criteria or restrictions specified, the Company shall improve it in five months starting from April 1 of the following year on the audited financial fiscal year. The improvement documentation proposed by the Company shall also be audited by certified public accountants. The Company will not be treated as a breach of the loan agreement during the period of improvement.

(b) The Group has entered into an agreement of syndicated loans in credit line of RMB370,000 thousand with Taiwan Cooperative Bank and 3 other banks on May 6, 2019. According to the agreement, the Company's annual consolidated financial statements should meet certain criteria with respect to liquidity ratio, liability ratio and interest expenditure coverage, and the tangible net value shall not be less than RMB1,000,000 thousand.

The Group signed the supplementary agreement on April 15, 2024, and the syndicate of lending banks agreed to extend the original credit period from 5 years to 7 years.

(c) On September 19, 2019, the Group signed a loan contract with China Development Bank in credit line of USD50,000 thousand. According to the contract, the Company's financial statements should maintain a specific debt ratio during the loan period.

(d) On March 24, 2025, the Group signed a loan contract with China Development Bank in credit line of RMB1,800,000 thousand. According to the contract, the Company's financial statements should maintain a specific financial ratio during the loan period.

(e) As of September 30, 2025, December 31, 2024 and September 30, 2024, the interest rate intervals for long-term loans were 1.33%~3.20%, 1.33%~5.19% and 1.33%~5.19%, respectively.

(f) The Group received a low-interest government loan from the Ministry of Economic Affairs in the amounting NT\$1,015,150 thousand with a term of 5~7 years and annual interest rates of 1.33%~1.63% payable monthly on the 15th day each month. The government grant of the low-interest government loan was recorded under other liabilities-deferred government grants income. The Group shall recognize the government grant income when it is reasonably assured that the Group meets all the terms of the government grant agreement.

(g) Please refer to Note 8 for more detail of assets pledged as collaterals.

(18) Post-employment benefits

Defined contribution plan

Expenses under the defined contribution plan for the three-month periods ended September 30, 2025 and 2024 were NT\$9,019 thousand and NT\$8,595 thousand, respectively, while for the nine-month periods ended September 30, 2025 and 2024 were NT\$25,933 thousand and NT\$25,286 thousand, respectively.

Defined benefits plan

Expenses under the defined benefits plan for the three-month periods ended September 30, 2025 and 2024 were NT\$56 and NT\$89 thousand, respectively, while for the nine-month

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periods ended September 30, 2025 and 2024 were NT\$169 and NT\$268 thousand, respectively.

(19) Provisions

	<u>Carbon fee</u>
As of January 1, 2025	\$-
Arising during the period	<u>5,395</u>
As of September 30, 2025	<u><u>\$5,395</u></u>

A provision has been recognized for the carbon fee levied in accordance with the "Climate Change Response Act" and its related sub-laws. Based on relevant regulations and the estimated greenhouse gases emissions from emissions sources that are required for inventory registration and verification for the current year, the Company is subject to carbon fees. However, due to uncertainties related to factors such as the application of inventory methodologies and technologies, the impact of operational activities on emissions, or the results of auditing operations by the competent authority, the Company has made its best estimate based on applicable regulations and currently available information. The carbon fee is expected to be paid by the end of May in the following year. On June 23, 2025, the Company applied to the central competent authority for approval of its voluntary emission reduction plan. However, as of the date the financial statements were authorized for issuance, such approval had not yet been obtained. Considering the uncertainties in obtaining such approval and achieving the annual designated targets, the Company has estimated the carbon fee amount using the general rate.

(20) Equity

(a) Common stock

As of September 30, 2025, December 31, 2024 and September 30, 2024, the Company's authorized capital were NT\$7,000,000 thousand, each share at par value of NT\$10, divided into 700,000 thousand shares. The Company's paid-in capital were NT\$5,737,966 thousand, NT\$5,732,436 thousand and NT\$5,427,436 thousand, respectively, divided into 573,797 thousand shares, 573,244 thousand shares and 542,744 thousand shares, respectively. Each share has one voting right and a right to receive dividends.

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The Company, upon resolution at the shareholders' meeting held on June 21, 2022, resolved to issue no more than 1,000,000 new shares through the employee stock option. Effective December 9, 2022 the application has been approved by the FSC with Order No. Jin-Guan-Cheng-Fa-Zi-1110365780. The board of directors subsequently resolved to set May 12, 2023 and January 5, 2024 as the base dates for capital increase, with a par value of \$10 per share, and issued 950 thousand and 50 thousand shares respectively.

The Company, upon resolution at the shareholders' meeting held on June 19, 2023, resolved to issue no more than 1,500 thousand new shares through the employee stock option. Effective October 2, 2023 the application has been approved by the FSC with Order No. Financial-Supervisory-Securities-Corporate-1120356740. The board of directors subsequently resolved to set January 5, 2024, November 13, 2024 and January 2, 2025 as the base dates for capital increase, with a par value of \$10 per share, and issued 810 thousand shares, 640 thousand shares and 50 thousand shares, respectively.

The Company, upon resolution at the shareholders' meeting held on June 21, 2024, resolved to issue no more than 2,500 thousand new shares through the employee stock option. Effective December 10, 2024 the application has been approved by the FSC with Order No. Financial-Supervisory-Securities-Corporate-1130365911. The board of directors subsequently resolved to set January 2, 2025 and March 25, 2025 as the base dates for capital increase, with a par value of \$10 per share, and issued 320 thousand shares and 350 thousand shares, respectively.

On July 11, 2024, the Company's board meeting resolved to increase the capital through an issuance of 50,000 thousand new shares with the initial issuance of 30,000 thousand shares at a price of NT\$26.50 per share. The application has been governmentally approved by the FSC with Order No. Financial-Supervisory-Securities-Corporate-1130351075. The base date for the cash capital increase was November 12, 2024.

On November 8, 2024, the Company passed the resolution in the board meeting to recover and cancel restricted stock awards, proceed with capital reduction of NT\$1,400 thousand, and to set November 11, 2024 as the reference date of capital reduction.

On May 9, 2025, the Company passed the resolution in the board meeting to recover and cancel restricted stock awards, proceed with capital reduction of NT\$1,670 thousand, and to set May 15, 2025 as the reference date of capital reduction.

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(b) Additional paid-in capital

	As of		
	Sep. 30, 2025	Dec. 31, 2024	Sep. 30, 2024
Additional paid-in capital	\$3,590,564	\$3,569,505	\$3,079,597
All changes in interests in subsidiaries	3,067,361	3,074,962	3,074,962
Stock options – convertible rights	231,732	231,732	216,612
Restricted stocks for employees	39,950	60,235	45,187
Other	31,239	31,239	31,239
Total	<u>\$6,960,846</u>	<u>\$6,967,673</u>	<u>\$6,447,597</u>

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

(c) Retained earnings and dividend policies

(1) Distribution of earnings

The Articles of Incorporation, current year's earnings, if any, shall be distributed in the following order:

- i Payment of all taxes and dues;
- ii Offset prior years' operation losses;
- iii Set aside 10% of the remaining amount after deducting items (a) and (b) as legal reserve;
- iv The distribution of the remaining portion, if any, will be recommended by the board of directors and resolved in the shareholders' meeting.

(2) Dividend policy

The policy of dividend distribution should reflect factors such as the current and future

investment environment, fund requirements, domestic and international competition and capital budgets, as well as the interest of the shareholders, share bonus equilibrium and long-term financial planning etc. The Board of Directors shall make the distribution proposal annually and present it at the shareholders' meeting for final approval. And by the Company's policy, the portion of cash dividend shall not be less than 10% of total shareholders' bonus.

(3) Legal reserve

According to the Company Act, the Company has to set aside an amount for legal reserve from current year's earnings until such legal reserve reaches the total authorized capital. The legal reserve can be used to make good the deficit of the Company. When the Company incurs no loss, it may distribute the portion of legal reserve which exceeds 25% of the paid-in capital either by shares or by cash.

(4) Special reserve

When the Company distributing distributable earnings, it shall set aside to special reserve, an amount equal to "other net deductions from shareholders" equity for the current fiscal year, provided that if the Company has already set aside special reserve according to the requirements for the adoption of IFRS, it shall set aside supplemental special reserve based on the difference between the amount already set aside and other net deductions from shareholders' equity. For any subsequent reversal of other net deductions from shareholders' equity, the amount reversed may be distributed from the special reserve.

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

On a public company's first-time adoption of the IFRS, for any unrealized revaluation gains and cumulative translation adjustments (gains) recorded to shareholders' equity that the company elects to transfer to retained earnings by application of the exemption under IFRS 1, the company shall set aside special reserve. For any subsequent use, disposal or reclassification of related assets, the company can reverse the special reserve by proportion and transfer to retained earnings.

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As of September 30, 2025 and 2024, special reserve set aside for the first-time adoption of T-IFRS amounted to NT\$175,749 thousand.

The appropriations of earnings for the Year 2024 and 2023 were approved through the shareholders' meetings held on June 23, 2025 and June 21, 2024, respectively. The details of the distributions are as follows:

	Appropriation of earnings		Dividend per share (in NT\$)	
	2024	2023	2024	2023
Legal reserve	\$1,096	\$57,487		
Special reserve	(232,537)	142,828		
Common stock—cash dividend	-	352,783	\$-	\$0.65
Total	<u>\$(231,441)</u>	<u>\$553,098</u>		

Please refer to 6(25) for detail on employees' compensation and remuneration to directors and supervisors.

(d) Non-controlling interests

	For the nine-month periods ended September 30,	
	2025	2024
Beginning balance	\$10,574,302	\$6,166,480
Profit attributable to non-controlling interests	316,679	200,145
Other comprehensive income, attributable to non-controlling interests, net of tax:		
Exchange differences resulting from translating the financial statements of a foreign operation	(662,860)	399,480
Cash capital increase by the subsidiary	-	6,206,520
Failure to subscribe for new shares issued by the	7,601	(2,109,648)

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subsidiary's capital increase in proportion to shareholding		
Issuance of employees share options by the subsidiary	(12,332)	15,790
Earnings distribution by the subsidiary	(309,103)	(504,383)
Repurchase of treasury shares by the subsidiary	(27,625)	-
Ending balance	<u>\$9,886,662</u>	<u>\$10,374,384</u>

(21) Share-based payment plans

(a) Share-based payment plan for employees of the parent entity

Remuneration-based restricted employee stock option plan

The Company, upon resolution at the shareholders' meeting held on June 21, 2022, resolved to issue no more than 1,000,000 new shares through the restricted employee share scheme at no cost, targeting employees who meet specific conditions. The registration became effective after filing with the Securities and Futures Bureau of the Financial Supervisory Commission. On May 5, 2023 and December 22, 2023, the Board of Directors issue 950 thousand shares and 50 thousand shares, respectively ; the base date for capital increase was set May 12, 2023 and January 5, 2024, respectively ; the actual number of new shares issued was 950 thousand shares and 50 thousand shares, respectively ; the share price on the grant date was \$42.4 per share and \$43.05 per share, respectively.

The Company, upon resolution at the shareholders' meeting held on June 19, 2023, resolved to issue no more than 1,500 thousand new shares through the restricted employee share scheme at no cost, targeting employees who meet specific conditions. The registration became effective after filing with the Securities and Futures Bureau of the Financial Supervisory Commission. The board of directors resolved on December 22, 2023, August 9, 2024 and December 20, 2024 to issue 810 thousand shares, 640 thousand shares and 50 thousand shares. The measurement dates were on January 5, 2024, November 13, 2024 and January 2, 2025, respectively. The actual number of new shares issued was 810 thousand shares 640 thousand shares and 50 thousand shares. The share price on the grant date were \$43.05 per share, NT\$31.95 per share and NT\$26.9 per share, respectively.

The Company, upon resolution at the shareholders' meeting held on June 21, 2024, resolved to issue no more than 2,500 thousand new shares through the restricted employee share scheme at no cost, targeting employees who meet specific conditions. The registration became effective after filing with the Securities and Futures Bureau of the Financial Supervisory Commission. The board of directors resolved on December 20, 2024 and March 14, 2025 to issue 320 thousand shares and 350 thousand shares. The measurement dates were on January 2, 2025 and March 25, 2025, respectively. The actual number of new shares issued was 320 thousand shares and 350 thousand shares. The share price on the grant date were NT\$26.9 per share and NT\$23.85 per share, respectively.

The employees eligible for the aforementioned restricted employee stock option may receive shares under the following conditions from the date of subscription:

Vesting conditions	Proportion of vested shares
Issue vesting proportion	40%
Two years from the grant date	30%
Three years from the grant date	30%

The rights of employees are restricted as follows before meeting the vesting conditions after receiving the new shares:

- A. Upon issuance, the restricted employee stock option plan shares shall be immediately entrusted/kept in custody, and senior executives must not request the return of such shares from the trustee for any reason or by any means before the vesting conditions are met.
- B. Prior to fulfilment of the vesting conditions, senior executives who receive the new shares are not allowed to sell, pledge, transfer, gift, create a right or dispose of the restricted employee stock option plan shares in any other way, except in the case of inheritance.
- C. In addition to the aforementioned restrictions, the rights of senior executives for restricted employee stock option plan shares granted through this method, before their vesting conditions are met, including but not limited to rights to dividends, bonuses, and capital reserve distributions, and rights to subscribe in cash capital increases, shall

be the same as that of the Company's issued common shares. The related operational methods shall be conducted in accordance with the custody/trust agreement.

D. Before the senior executives meet the vesting conditions, all shareholder rights, including attendance, proposals, speeches, voting rights at the company's shareholder meetings, and other related shareholder rights, are entrusted to be exercised by the trust/custody institution.

E. During the vesting period, if the Company carries out capital reductions such as cash capital reductions or capital reductions to offset losses other than statutory capital reductions, the restricted employee stock option plan shares shall be cancelled in accordance with the reduction ratio. If it is a cash capital reduction, the returned cash must be entrusted/kept in custody and may only be delivered to senior executives after the vesting conditions have been met; however, if the vesting conditions are not met, the Company will reclaim such cash.

If employees voluntarily resign, retire, or are laid off, the restricted employee stock option plan shares that have not met the vesting conditions will be deemed as unvested starting from the effective date, and the shares will be recollected by the Company without compensation and cancelled.

(b) Share-based payment plan for employees of the subsidiary

On May 15, 2020, the subsidiary was authorized by the Shareholders' meeting to issue employee share options with a total number of 8,080 thousand units. Each unit entitles an optionee to subscribe for one share of the subsidiary's common shares. Settlement upon the exercise of the options will be made through the issuance of new shares by the subsidiary. The optionee may exercise the options in accordance with certain schedules as prescribed by the plan starting 12 months and after the completion of the initial public offering and listing of the company from the grant date.

The fair value of the share options is estimated at the grant date using a binomial option pricing-model, taking into account the terms and conditions upon which the share options were granted.

The contractual term of each option granted is six years. There are no cash settlement

alternatives. The Group does not have a past practice of cash settlement for these employee share options.

On November 7, 2022, the subsidiary was authorized by the Extraordinary Shareholders' meeting to issue employee share options with a total number of 4,450 thousand units. Each unit entitles an optionee to subscribe for one share of the subsidiary's common shares. Settlement upon the exercise of the options will be made through the issuance of new shares by the subsidiary. The optionee may exercise the options in accordance with certain schedules as prescribed by the plan starting 12 months and after the completion of the initial public offering and listing of the company from the grant date.

The fair value of the share options is estimated at the grant date using a Black-Scholes-model, taking into account the terms and conditions upon which the share options were granted.

The contractual term of each option granted is eight years. There are no cash settlement alternatives. The Group does not have a past practice of cash settlement for these employee share options.

On December 25, 2024, the subsidiary was authorized by the Extraordinary Shareholders' meeting to issue employee share options with a total number of 2,400 thousand units. Each unit entitles an optionee to subscribe for one share of the subsidiary's common shares. Settlement upon the exercise of the options will be made through the issuance of new shares by the subsidiary. The optionee may exercise the options in accordance with certain schedules as prescribed by the plan starting 12 months from the grant date.

The fair value of the share options is estimated at the grant date using a Black-Scholes-model, taking into account the terms and conditions upon which the share options were granted.

The contractual term of each option granted is five years. There are no cash settlement alternatives. The Group does not have a past practice of cash settlement for these employee share options.

The relevant details of the aforementioned share-based payment plan are as follows:

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Date of grant	Total number of share options granted (in thousands)	Exercise price of share options (in dollars)
2020.05.15	8,080	RMB 3.13
2022.11.18	4,450	RMB 3.79
2024.12.30	2,400	RMB11.30

The following table lists the inputs to the model used for the plan granted during the period ended 31 December 2024, 2022 and 2020:

	For the year ended December 31,		
	2024	2022	2020
Expected volatility (%)	19.44%~16.49%	43.36%	52.3%~59.0%
Risk-free interest rate (%)	1.50%~2.75%	2.43%	1.54%~1.77%
Expected option life (Years)	5 years	8 years	6 years
Option pricing model	Black-Scholes-model	Black-Scholes-model	Binomial option pricing model

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

A. The following table contains further details on the aforementioned share-based payment plan:

	For the nine-month periods ended September 30,			
	2025		2024	
	Number of share options outstanding (in thousands)	Weighted average exercise price of share options (in dollars)	Number of share options outstanding (in thousands)	Weighted average exercise price of share options (in dollars)
Outstanding at beginning of period	7,236	RMB 3.40	11,064	RMB 3.40
Granted	2,400	RMB 11.30	-	-
Forfeited	(4,470)	-	(430)	-
Exercised	-	-	(3,398)	RMB 3.23

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Expired	-	-	-	-
Outstanding at end of period	<u>5,166</u>	RMB 7.07	<u>7,236</u>	RMB 3.40
Exercisable at end of period	-		-	
For share options granted during the period, weighted average fair value of those options at the measurement date (in dollars)		-		-

B. The information on the outstanding share options as of September 30, 2025, December 31, 2024 and September 30, 2024, are as follows:

	<u>exercise price</u>	<u>Weighted average remaining contractual life (Years)</u>
As at 30 September 2025		
share options outstanding at the end of the period	RMB 3.13	0.6 Years
share options outstanding at the end of the period	RMB 3.79	5.1 Years
share options outstanding at the end of the period	RMB 11.30	4.2 Years
As at 31 December 2024		
share options outstanding at the end of the period	RMB 3.13	1.4 Years
share options outstanding at the end of the period	RMB 3.79	5.9 Years
As at 30 September 2024		
share options outstanding at the end of the period	RMB 3.13	1.6 Years
share options outstanding at the end of the period	RMB 3.79	6.1 Years

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(c) The expense recognized for employee services received for the nine-month periods ended September 30, 2025 and 2024, are shown in the following table:

	For the nine-month periods ended	
	September 30,	
	2025	2024
Total expense arising from equity-settled share-based payment transactions	\$17,693	\$46,788

(d) No modification or cancellation of share-based payment plan has occurred during the nine-month periods ended September 30, 2025 and 2024, respectively.

(22) Operating revenue

	For the three-month		For the nine-month	
	periods ended September 30,		periods ended September 30,	
	2025	2024	2025	2024
Revenue from customer contracts				
Sales of goods	\$2,557,041	\$2,386,755	\$7,385,681	\$6,632,597

Analysis of revenue from contracts with customer during the nine-month periods ended September 30, 2025 and 2024 are as follows:

(a) Disaggregation of revenue

	Single Segment		Single Segment	
	For the three-month		For the nine-month	
	periods ended September 30,		periods ended September 30,	
	2025	2024	2025	2024
Sale of goods	\$2,557,041	\$2,386,755	\$7,385,681	\$6,632,597
Timing of revenue recognition:				
At a point in time	\$2,557,041	\$2,386,755	\$7,385,681	\$6,632,597

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(b) Contract balances

A. Contract liabilities

	As of		
	Sep. 30, 2025	Dec. 31, 2024	Sep. 30, 2024
Sales of goods	\$319,445	\$429,026	\$450,601
Current	\$319,445	\$429,026	\$450,601
Non-current	-	-	-
Total	\$319,445	\$429,026	\$450,601

Analysis of contract liabilities during the nine-month periods ended September 30, 2025 are as follows:

	Sales of goods
The opening balance transferred to revenue	\$(90,881)
Increase in receipts in advance during the period (excluding the amount incurred and transferred to revenue during the period)	666
Effect of exchange rate changes	(19,366)

Analysis of contract liabilities during the nine-month periods ended September 30, 2024 are as follows:

	Sales of goods
The opening balance transferred to revenue	\$(62,141)
Increase in receipts in advance during the period (excluding the amount incurred and transferred to revenue during the period)	578
Effect of exchange rate changes	15,166

(23) Expected credit losses (gains)

For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
2025	2024	2025	2024

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Operating expenses – Expected credit losses (gains)				
Account receivables	\$ (361)	\$ 6,222	\$ (2,425)	\$ 9,193

Please refer to Note 12 for more details on credit risk.

The Group measures the loss allowance of its trade receivables (including notes receivable and accounts receivable) at an amount equal to lifetime expected credit losses. The assessment of the Group's loss allowance as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively, are as follows:

A. The Group needs to consider the grouping of trade receivables by counter-parties' credit rating, by geographical region and by industry sector and its loss allowance is measured by using a provision matrix. Details are as follow:

As of September 30, 2025

	Neither past due (Note)	Past due					Total
		<=90 days	91-120 days	121-180 days	181-365 days	>=365 days	
Gross carrying amount	\$1,792,494	\$229,993	\$3,191	\$24	\$13	\$910	\$2,026,625
Loss ratio	0.15%	0.99%	4.20%	10%	50%	100%	
Lifetime expected credit losses	(2,733)	(2,269)	(134)	(2)	(6)	(910)	(6,054)
Carrying amount of trade receivables	\$1,789,761	\$227,724	\$3,057	\$22	\$7	\$-	\$2,020,571

As of December 31, 2024

	Neither past due (Note)	Past due					Total
		<=90 days	91-120 days	121-180 days	181-365 days	>=365 days	
Gross carrying amount	\$1,526,123	\$162,881	\$-	\$-	\$-	\$4,407	\$1,693,411
Loss ratio	0.19%	1%	5%	10%	50%	100%	
Lifetime expected credit losses	(2,873)	(1,629)	-	-	-	(4,407)	(8,909)
Carrying amount of trade receivables	\$1,523,250	\$161,252	\$-	\$-	\$-	\$-	\$1,684,502

As of September 30, 2024

	Past due				
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	Neither past due (Note)	<=90 days	91-120 days	121-180 days	181-365 days	>=365 days	Total
Gross carrying amount	\$1,526,123	\$162,881	\$-	\$-	\$-	\$4,407	\$1,693,411
Loss ratio	0.19%	1%	5%	10%	50%	100%	
Lifetime expected credit losses	(2,873)	(1,629)	-	-	-	(4,407)	(8,909)
Carrying amount of trade receivables	\$1,523,250	\$161,252	\$-	\$-	\$-	\$-	\$1,684,502

Note: all the Group's note receivables were not past due.

B. The movement in the provision for impairment of notes receivable and accounts receivable during the nine-month periods ended September 30, 2025 and 2024 are as follows:

	Notes receivable	Accounts receivable
Beginning balance as of January 1, 2025	\$-	\$8,909
Addition (reversal) for the current period	-	(2,425)
Effect of exchange rate	-	(430)
Ending balance as of September 30, 2025	\$-	\$6,054
Beginning balance as of January 1, 2024	\$-	\$7,708
Addition (reversal) for the current period	-	9,193
Effect of exchange rate	-	199
Ending balance as of September 30, 2024	\$-	\$17,100

(24)Leases

(a)Group as a lessee

The Group leases various properties, including real estate such as buildings, transportation equipment and other equipment. The Group leases various properties, including real estate such as land and buildings, machinery and equipment. The lease terms range from 1 to 50 years. The Group is not allowed to loan, sublease or sell without obtaining the consent from the lessors.

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

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A. Amounts recognized in the balance sheet

(i) Right-of-use assets

	Land	Buildings	Machinery	Other equipment	Total
Cost:					
As of January 1, 2025	\$866,808	\$29,476	\$10,112	\$298,889	\$1,205,285
Additions	-	-	-	-	-
Disposals	-	-	-	(8,413)	(8,413)
Exchange differences	(35,392)	(2,104)	-	(17,942)	(55,438)
As of September 30, 2025	<u>\$831,416</u>	<u>\$27,372</u>	<u>\$10,112</u>	<u>\$272,534</u>	<u>\$1,141,434</u>
Depreciation and impairment:					
As of January 1, 2025	\$145,940	\$13,086	\$1,601	\$138,942	\$299,569
Depreciation	23,885	4,013	758	33,834	62,490
Disposals	-	-	-	(3,013)	(3,013)
Exchange differences	(5,168)	(1,035)	-	(8,967)	(15,170)
As of September 30, 2025	<u>\$164,657</u>	<u>\$16,064</u>	<u>\$2,359</u>	<u>\$160,796</u>	<u>\$343,876</u>
Cost:					
As of January 1, 2024	\$814,241	\$27,606	\$10,112	\$281,560	\$1,133,519
Additions	23,649	-	-	-	23,649
Exchange differences	23,257	849	-	11,784	35,890
As of September 30, 2024	<u>\$861,147</u>	<u>\$28,455</u>	<u>\$10,112</u>	<u>\$293,344</u>	<u>\$1,193,058</u>
Depreciation and impairment:					
As of January 1, 2024	\$110,109	\$7,118	\$590	\$87,573	\$205,390
Depreciation	24,231	4,006	759	34,306	63,302
Exchange differences	2,721	171	-	3,702	6,594
As of September 30,	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>

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	Land	Buildings	Machinery	Other equipment	Total
2024	\$137,061	\$11,295	\$1,349	\$125,581	\$275,286
Net carrying amount:					
September 30, 2025	\$666,759	\$11,308	\$7,753	\$111,738	\$797,558
December 31, 2024	\$720,868	\$16,390	\$8,511	\$159,947	\$905,716
September 30, 2024	\$724,086	\$17,160	\$8,763	\$167,763	\$917,772

Please refer to Note 8 for more details on right-of-use assets under pledge.

(ii) Lease liabilities

	As of		
	Sep. 30, 2025	Dec. 31, 2024	Sep. 30, 2024
Lease liabilities	\$343,843	\$415,225	\$429,352
Current	\$73,595	\$78,754	\$75,847
Non-current	270,248	336,471	353,505
Total	\$343,843	\$415,225	\$429,352

Please refer to Note 6(26)(d) for the interest on lease liabilities recognized during the nine-month periods ended September 30, 2025 and 2024, and refer to Note 12(5) Liquidity Risk Management for the maturity analysis for lease liabilities as on September 30, 2025, December 31, 2024 and September 30, 2024.

B. Income and costs relating to leasing activities

	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2025	2024	2025	2024
Short-term leased expense (rental expense)	\$7,927	\$8,933	\$22,116	\$30,308

As of September 30, 2025, December 31, 2024, and September 30, 2024, the portfolio of short-term leases of the Group to which it is committed at the end of the reporting period is dissimilar to the portfolio of short-term leases to which the short-term lease expense disclosed above and the amount of its lease commitments is NT\$0.

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C. Cash outflow relating to leasing activities

During the nine-month periods ended September 30, 2025 and 2024, the Group's total cash outflow for leases amounting to NT\$86,870 thousand and NT\$96,616 thousand, respectively.

(25) Summary of employee benefits, depreciation and amortization by function is as follows:

	For the three-month periods ended September 30,					
	2025			2024		
	Cost of goods sold	Operating expense	Total	Cost of goods sold	Operating expenses	Total
Employee benefits						
Salaries & wages	\$281,699	\$153,789	\$435,488	\$258,432	\$131,485	\$389,917
Labor and health insurance	17,206	5,683	22,889	16,552	4,402	20,954
Pension	6,489	2,586	9,075	6,478	2,206	8,684
Other employee benefits	2,063	899	2,962	2,463	698	3,161
Depreciation	394,252	78,796	473,048	383,999	89,269	473,268
Amortization	324	2,563	2,887	295	2,724	3,019

	For the nine-month periods ended September 30,					
	2025			2024		
	Cost of goods sold	Operating expense	Total	Cost of goods sold	Operating expenses	Total
Employee benefits						
Salaries & wages	\$814,279	\$401,023	\$1,215,302	\$789,823	\$394,459	\$1,184,282
Labor and health insurance	51,027	13,262	64,289	48,423	12,810	61,233
Pension	19,232	6,870	26,102	18,956	6,598	25,554
Other employee benefits	6,434	2,308	8,742	7,273	2,213	9,486
Depreciation	1,206,263	217,799	1,424,062	1,107,525	265,468	1,372,993
Amortization	992	8,022	9,014	887	8,506	9,393

On June 23, 2025, the shareholders resolved to amend the Articles of Incorporation regarding the allocation of annual profit. According to the resolution, no higher than 2% of profit of the current year is distributable as remuneration to directors and supervisors and no lower than 5% of profit of the current year is distributable as employees' compensation. However, the

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company's accumulated losses shall have been covered before making the aforementioned appropriations. Of the total employee compensation, no less than 35% shall be distributed to basic-level employees. The Company may, by a resolution adopted by a majority vote at a meeting of board of directors' attended by two-thirds of the total number of directors, have the profit distributable as employees' compensation in the form of shares or in cash; and in addition thereto a report of such distribution is submitted to the shareholders' meeting. Information on the board of directors' resolution regarding the employees' compensation and remuneration to directors and supervisors can be obtained from the "Market Observation Post System" on the website of the TWSE.

Based on the profit for the nine-month period ended September 30, 2025, the Company accrued employees' compensation and remuneration to directors and supervisors at rates of 5.01% and 0%, respectively, amounting to NT\$252 thousand and NT\$0. Based on the profit for the nine-month period ended September 30, 2024, the Company accrued employees' compensation and remuneration to directors and supervisors at rates of 5.84% and 0.905%, respectively, amounting to NT\$1,000 thousand and NT\$155 thousand. For the three-month period ended September 30, 2025, the Company recognized employees' compensation and remuneration to directors and supervisors of NT\$252 thousand and NT\$0, respectively. For the three-month period ended September 30, 2024, the Company recognized compensations to employees and remuneration to directors and supervisors in the amount of NT\$0 thousand, respectively. The employees' compensation and remuneration to directors and supervisors were recognized as salaries.

Actual distribution of employees' compensation and remuneration to directors and supervisors of 2024 amount to NT\$1,000 thousand and NT\$300 thousand, respectively. No differences exist between the estimated amount and the actual distribution of the employee bonuses and remuneration to directors for the year ended December 31, 2024.

(26) Non-operating income and expenses

(a) Interest income

	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2025	2024	2025	2024
Financial assets measured at amortized cost				
Interest income	\$16,883	\$29,182	\$80,357	\$97,875

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(b) Other incomes

	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2025	2024	2025	2024
Other income – others	\$26,399	\$30,789	\$98,463	\$82,084

(c) Other gains and losses

	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2025	2024	2025	2024
Foreign exchange gains (losses), net	\$19,395	\$(59,082)	\$(83,245)	\$22,789
Disaster losses	-	27,000	-	(12,431)
Others	(1,297)	(504)	(3,395)	(8,916)
Gains (losses) on disposal of property, plant and equipment	3,847	(2,683)	6,003	(1,891)
Loss on lease modification	(1,358)	-	(1,358)	-
Gains (losses) on financial assets at fair value through profit or loss	11,992	4,243	11,216	(1,867)
Total	\$32,579	\$(31,026)	\$(70,779)	\$(2,316)

(d) Finance costs

	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2025	2024	2025	2024
Interest on borrowings from bank	\$22,031	\$32,146	\$64,184	\$117,812
Interests on lease liabilities	2,691	3,580	8,878	11,184
Interests on bonds payable	8,984	1,324	26,422	3,433
Total	\$33,706	\$37,050	\$99,484	\$132,429

(27) Components of other comprehensive income

For the three-month periods ended September 30, 2025

Arising during the period	Reclassification during the period	Other comprehensive income, pre- tax	Tax relating to other comprehensive	Other comprehensive income, net of tax
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	income				
Not to be reclassified to profit or loss in subsequent periods:					
Unrealized gain (losses) from equity instruments investments measured at fair value through other comprehensive income	\$8,731	\$-	\$8,731	\$-	\$8,731
May be reclassified to profit or loss in subsequent periods:					
Exchange differences arising on translating of a foreign operations	779,682	-	779,682	-	779,682
Total of other comprehensive income	<u>\$788,413</u>	<u>\$-</u>	<u>\$788,413</u>	<u>\$-</u>	<u>\$788,413</u>

For the three-month periods ended September 30, 2024

	Arising during the period	Reclassification during the period	Other comprehensive income, pre-tax	Tax relating to other components of comprehensive income	Other comprehensive income, net of tax
Not to be reclassified to profit or loss in subsequent periods:					
Unrealized gain (losses) from equity instruments investments measured at fair value through other comprehensive income	\$(7,548)	\$-	\$(7,548)	\$-	\$(7,548)
May be reclassified to profit or loss in subsequent periods:					
Exchange differences arising on translating of a foreign operations	(173,292)	-	(173,292)	-	(173,292)
Total of other comprehensive income	<u>\$(180,840)</u>	<u>\$-</u>	<u>\$(180,840)</u>	<u>\$-</u>	<u>\$(180,840)</u>

For the nine-month periods ended September 30, 2025

	Arising during the period	Reclassification during the period	Other comprehensive income, pre-tax	Tax relating to other components of comprehensive income	Other comprehensive income, net of tax
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Not to be reclassified to profit or loss in subsequent periods:					
Unrealized gain (losses) from equity instruments investments measured at fair value through other comprehensive income	\$13,877	\$-	\$13,877	\$-	\$13,877
May be reclassified to profit or loss in subsequent periods:					
Exchange differences arising on translating of a foreign operations	(1,167,808)	-	(1,167,808)	-	(1,167,808)
Total of other comprehensive income	<u>\$ (1,153,931)</u>	<u>\$-</u>	<u>\$ (1,153,931)</u>	<u>\$-</u>	<u>\$ (1,153,931)</u>

For the nine-month periods ended September 30, 2024

	Arising during the period	Reclassification during the period	Other comprehensive income, pre-tax	Tax relating to other components of comprehensive income	Other comprehensive income, net of tax
Not to be reclassified to profit or loss in subsequent periods:					
Unrealized gain (losses) from equity instruments investments measured at fair value through other comprehensive income	\$ (24,145)	\$-	\$ (24,145)	\$-	\$ (24,145)
May be reclassified to profit or loss in subsequent periods:					
Exchange differences arising on translating of a foreign operations	647,696	-	647,696	-	647,696
Total of other comprehensive income	<u>\$ 623,551</u>	<u>\$-</u>	<u>\$ 623,551</u>	<u>\$-</u>	<u>\$ 623,551</u>

(28) Income tax

(a) The major components of income tax expense (income) are as follows:

Income tax expense (income) recognized in profit or loss

<u>For the three-month</u>	<u>For the nine-month</u>
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	<u>periods ended September 30,</u>		<u>periods ended September 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Current income tax expense (income):				
Current income tax charge	\$50,603	\$70,111	\$102,151	\$95,114
Adjustments in respect of current income tax of prior periods	4	(129)	(218)	(4,118)
Deferred tax expense (income):				
Deferred tax expense (income) relating to origination and reversal of temporary differences	(24,895)	(57,396)	1,656	(39,897)
Total income tax expense	<u>\$25,712</u>	<u>\$12,586</u>	<u>\$103,589</u>	<u>\$51,099</u>

(b)The assessment of income tax returns

As of September 30, 2025, the assessment status of income tax returns of the Company and subsidiaries are as follows:

	<u>The assessment of income tax returns</u>
The Company	Assessed and approved up to 2023
Subsidiary- Heli-Vantech Corp.	Assessed and approved up to 2023
Subsidiary- Silicon Works Technology Corporation	Established on March 4, 2025, and therefore has not yet had any income tax filing.
Subsidiary- WBG Works Corporation	Established on May 2, 2025, and therefore has not yet had any income tax filing.

(29)Earnings per share

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

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

For the three-month

For the nine-month

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	periods ended September		periods ended September	
	30,		30,	
	2025	2024	2025	2024
(a) Basic earnings per share				
Profit attributable to ordinary equity holders of the Company (in thousand NT\$)	22,325	6,589	(31,015)	10,188
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousand shares)	571,766	541,012	571,630	541,012
Basic earnings per share (in NT\$)	0.04	0.01	(0.05)	0.02
(b) Diluted earnings per share				
Profit attributable to ordinary equity holders of the Company (in thousand NT\$)	22,325	6,589	(31,015)	10,188
Gain or loss on valuation of redemption	7,187	240	Note	240
Interest expense from convertible bonds	(10,800)	1,059	Note	2,746
Net income attributable to common shareholders of the parent after dilution (in thousand NT\$)	18,712	7,888	(31,015)	13,174
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousand shares)	571,766	541,012	571,630	541,012
Effect of dilution:				
Employee bonus — stock (in thousand shares)	8	31	Note	338
Restricted stocks (in thousand shares)	656	126	Note	126
Convertible bonds (in thousand shares)	49,639	49,202	Note	49,202
Weighted average number of ordinary shares outstanding after dilution (in thousand shares)	622,069	590,371	571,630	590,678
Diluted earnings per share (in NT\$)	0.03	0.01	(0.05)	0.02

Note: It is not applicable due to anti-dilutive effect.

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

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(30) The changes of the ownership interests in subsidiaries

Subsidiary's repurchase of treasury shares

Wafer Works (Shanghai) Co., Ltd. repurchased of treasury shares from non-controlling interests in several transactions between April 30, 2025 and June 23, 2025, resulting in an increase of the Group's ownership to 48.0591%. The cash consideration paid to the non-controlling shareholders amounted to NT\$27,625 thousand. The carrying amount of the net assets of Wafer Works (Shanghai) Co., Ltd. (original acquisition basis and excluding goodwill) was NT\$7,772,800 thousand. The additional interests acquired in Wafer Works (Shanghai) Co., Ltd., including the decrease in non-controlling interests and the adjustment to accumulated other comprehensive income, were as follows:

Cash consideration paid by the Group to non-controlling shareholders	\$(27,625)
Decrease in non-controlling interests	20,024
Difference recognized in equity as capital surplus (or retained earnings)	<u><u>\$(7,601)</u></u>

Acquisition of new shares in a subsidiary not in proportionate to ownership interest

Wafer Works (Shanghai) Co., Ltd. was officially listed on the Shanghai Stock Exchange's STAR Market on February 8, 2024 and execution conversion of partial employee stock options on May 22, 2024. As a result of the completion of the initial public offering and execute conversion, the Group's holding interest on Wafer Works (Shanghai) Corp., has been reduced to 48.0307%. The Group received additional cash of NT\$6,206,520 thousand and the carrying amount of Wafer Works (Shanghai) Corp.'s net assets (excluding goodwill on the original acquisition) became NT\$8,744,000 thousand. Details of reduction on Wafer Works (Shanghai) Corp.'s equity, including changes in non-controlling interests and adjustments to accumulate other comprehensive income, were listed below:

Additional cash received from the offerings	\$6,206,520
Increase to non-controlling interests	(4,096,872)
Difference recognized in capital surplus or retained earning within equity	<u><u>\$2,109,648</u></u>

(31) Subsidiary that has material non-controlling interests

Financial information of subsidiary in which the Group has material non-controlling interests are as below:

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Proportion of equity interest held by non-controlling interests:

Name	Country	As of		
		Sep. 30, 2025	Dec. 31, 2024	Sep. 30, 2024
Silicon Technology Investment (Cayman) Corp.	Cayman	10.74%	10.74%	10.74%
Wafer Works (Shanghai) Co., Ltd.	China	51.94%	51.97%	51.97%

	As of		
	Sep. 30, 2025	Dec. 31, 2024	Sep. 30, 2024
Accumulated balances of material non-controlling interest:			
Silicon Technology Investment (Cayman) Corp.	\$882,457	\$940,685	\$923,646
Wafer Works (Shanghai) Co., Ltd.	\$9,004,205	\$9,633,617	\$9,450,738

	For the nine-month periods ended September 30,	
	2025	2024
Profit(loss) allocated to material non-controlling interest:		
Silicon Technology Investment (Cayman) Corp.	\$28,482	\$16,981
Wafer Works (Shanghai) Co., Ltd.	\$288,197	\$183,164

The summarized financial information of this subsidiary is provided below. This information is based on amounts before inter-company eliminations.

Silicon Technology Investment (Cayman) Corp. and Wafer Works (Shanghai) Co., Ltd. summarized information of profit or loss for the nine-month periods ended September 30, 2025 and 2024, respectively, are as follows:

For the nine-month periods ended September 30,			
2025		2024	
	Wafer Works (Shanghai) Co., Ltd.		Wafer Works (Shanghai) Co., Ltd.
Silicon		Silicon	
	Co., Ltd.		Co., Ltd.

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Operating revenue	\$4,369,247	\$4,369,247	\$3,810,880	\$3,810,880
Profit from continuing operation	553,432	555,524	341,298	352,525
Total comprehensive income	(596,556)	(600,272)	974,365	1,061,119

Silicon Technology Investment (Cayman) Corp. summarized information of financial position as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively, is as follows:

	As of		
	Sep. 30, 2025	Dec. 31, 2024	Sep. 30, 2024
Current assets	\$6,043,782	\$8,321,284	\$8,500,249
Non-current assets	13,821,627	12,178,396	11,757,249
Current liabilities	1,157,673	1,638,613	1,576,499
Non-current liabilities	1,594,956	585,001	742,413

Wafer Works (Shanghai) Co., Ltd. summarized information of financial position as of September 30, 2025, December 31, 2024 and September 30, 2024, respectively, is as follows:

	As of		
	Sep. 30, 2025	Dec. 31, 2024	Sep. 30, 2024
Current assets	\$6,018,306	\$8,302,837	\$8,481,901
Non-current assets	13,821,627	12,178,396	11,757,249
Current liabilities	1,064,927	1,539,544	1,036,747
Non-current liabilities	1,594,956	585,001	1,186,369

Silicon Technology Investment (Cayman) Corp. and Wafer Works (Shanghai) Co., Ltd. summarized information of cash flows for the nine-month periods ended September 30, 2025 and 2024, respectively, are as follows:

For the nine-month periods ended September 30,			
2025		2024	
Silicon	Wafer Works (Shanghai) Co., Ltd.	Silicon	Wafer Works (Shanghai) Co., Ltd.

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Operating activities	\$1,015,950	\$1,017,242	\$1,115,371	\$1,159,999
Investing activities	(2,635,412)	(2,635,412)	(3,065,400)	(3,065,400)
Financing activities	(39,552)	(49,189)	3,455,291	3,413,197
Net increase(decrease) in cash and cash equivalents	(1,574,315)	(1,582,659)	1,608,822	1,611,417

7. Related party transactions

(a) Key management personnel compensation

	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2025	2024	2025	2024
	Short-term employee benefits	\$9,314	\$14,058	\$26,518
Post-employment benefits	\$185	196	545	588
Total	\$9,499	\$14,254	\$27,063	\$32,465

8. Assets pledged as collateral

Item	Carrying Amount As of			Secured liabilities
	Sep. 30, 2025	Dec. 31, 2024	Sep. 30, 2024	
Financial assets measured at amortized cost-current	\$357,898	\$33,110	\$34,079	Customs duty guarantee and loans
Financial assets measured at amortized cost-current	23,543	175,122	24,430	Long-term loans
Financial assets measured at amortized cost-noncurrent	21,967	21,967	21,967	Land leased
Property, plant and equipment – land	259,131	259,131	259,131	Long-term loans
Property, plant and equipment – buildings	2,010,378	2,640,409	2,646,904	Long-term loans
Property, plant and equipment – machinery and equipment	60,796	1,459,863	1,489,074	Long-term loans
Property, plant and equipment –office equipment	-	426	433	Long-term loans

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Item	Carrying Amount As of			Secured liabilities
	Sep. 30, 2025	Dec. 31, 2024	Sep. 30, 2024	
Property, plant and equipment –other equipment	-	416	803	Long-term loans
Right-of-use assets – land	171,401	256,344	255,920	Long-term loans
Right-of-use assets – land	-	207,514	206,737	Performance guarantee
Total	\$2,905,114	\$5,054,302	\$4,939,478	

9. Significant contingencies and unrecognized contract commitments

(a) The Group's unused letters of credit (LC) as of September 30, 2025 were as follows:

Currency	LC Amount	Security
USD	USD 8,135 thousand	RMB 60,370 thousand
JPY	JPY 314,350 thousand	RMB 18,160 thousand
EUR	EUR 235 thousand	-

The security were classified under financial assets measured at amortized cost-current.

(b) As of September 30, 2025, outstanding contracts related to the purchased property, plant and equipment were as follows:

Type of Asset	Total Amount	Amount paid to date	Amount outstanding
Construction in progress	\$5,284,855	\$2,925,193	\$2,359,662
Equipment	5,280,015	3,575,529	1,704,486
Total	\$10,564,870	\$6,500,722	\$4,064,148

The above amount paid are classified under prepayment for equipment, construction in progress and equipment awaiting examination.

(c) The Company entered into a long-term raw material supply contract with Supplier A in 2021, covering a three-year period from August 16, 2021, to August 31, 2024. Subsequently, the contract was extended on September 16, 2025, to July 31, 2026. In 2024, a second contract was signed for a four-year term from April 5, 2024, to May 31, 2028. Furthermore, a third contract was executed in 2025 for a three-year term from September 16, 2025, to September 30, 2028.

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Under these agreements, the supplier guarantees a stable long-term supply of raw materials to the Company. In consideration, under these agreements, installment prepayments, which are to be offset by the Company's future purchase orders, were agreed upon and paid by the Company.

(d)The Company signed a 3-year purchase contracts with Supplier B for the period from August 15, 2022 through December 31, 2025 for stabilizing the material sources and to enhance the relationship with the supplier. Under the agreements, installment prepayments which are to be offset by the Company's future purchase orders were agreed and paid by the Company.

(e)To develop long-term business and establishing long-term strategic alliances relation with downstream suppliers. The Company is entitled to receive in advance specific payments in an installment basis while customers shall put their purchase orders in compliance with the regulation within the agreement by using its prepayment. As of September 30, 2025, the Group's contracts are as follows:

<u>Customer</u>	<u>Contract period</u>	<u>Contract liability balance</u>
Customer A	2022.04.26 to 2024.12.31(Note)	\$214,044
Customer B	2022.01.01 to 2024.12.31(Note1)	59,093
Customer C	2022.01.01 to 2024.12.31(Note2)	43,012
Customer D	2022.01.01 to 2024.12.31(Note1)	685
Total		<u>\$316,834</u>

Note: The terms and conditions of this Contract shall govern each transaction unless the parties execute a new contract or either party provides written notice to the other that it objects to the application of these terms and conditions to future product or service orders.

Note1: The contract may be extended for an additional one year upon its expiration.

Note2: The contract may be extended for up to three years after its expiration.

(f)As of September 30, 2025, the Group issued a tariff guarantee of NT\$32,000 thousand to the bank for the purpose of importing goods.

10. Significant disaster loss

None.

11. Significant subsequent events

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None.

12. Others

(1) Categories of financial instruments

Financial assets

	As of		
	Sep. 30, 2025	Dec. 31, 2024	Sep. 30, 2024
Financial asset at fair value through P/L:			
Mandatorily measured at fair value through P/L	\$139,872	\$-	\$104,215
Financial assets at fair value through OCI	316,591	151,161	153,213
Financial assets measured at amortized cost			
Cash and petty cash	4,664,989	7,878,232	6,515,095
Financial assets measured at amortized cost	1,003,265	1,735,268	2,609,800
Notes receivables	23,464	25,938	14,035
Accounts receivables	1,997,107	1,658,564	1,825,866
Other receivables	78,682	59,368	72,415
Total	<u>\$8,223,970</u>	<u>\$11,508,531</u>	<u>\$11,294,639</u>

Financial liabilities

	As of		
	Sep. 30, 2025	Dec. 31, 2024	Sep. 30, 2024
Financial liabilities at fair value through P/L:			
Mandatorily measured at fair value through P/L	\$9,248	\$18,000	\$11,100
Financial liabilities at amortized cost:			
Short-term loans	373,624	765,608	220,000
Payable	2,092,942	1,271,507	1,341,639
Long-term loans (current portion included)	5,016,410	3,437,081	3,600,100
Bonds payable	1,671,391	1,644,969	1,636,177
Lease liabilities (current portion included)	343,843	415,225	429,352
Total	<u>\$9,507,458</u>	<u>\$7,552,390</u>	<u>\$7,238,368</u>

(2) Financial risk management objectives and policies

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

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

(3) Market risk

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

In practice, it is rarely the case that a single risk variable will change independently from other risk variable. There are usually interdependencies between risk variables. However, the sensitivity analysis disclosed below does not take into account the interdependencies between risk variables.

Foreign currency risk

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

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

The foreign currency sensitivity analysis of the possible change in foreign exchange rates on

the Group's profit is performed on significant monetary items denominated in foreign currencies as at the end of the reporting period. The Group's foreign currency risk is mainly related to the volatility in the exchange rates for foreign currency. The information of the sensitivity analysis is as follows:

When NTD strengthens/weakens against USD by 1%, the profit for the nine-month periods ended September 30, 2025 and 2024 would decreased/increased by NT\$16,047 thousand and NT\$22,792 thousand, respectively.

When NTD strengthens/weakens against RMB by 1%, the profit for the nine -month periods ended September 30, 2025 and 2024 would decreased/increased by NT\$50 thousand and NT\$125 thousand, respectively.

Interest rate risk

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

The interest rate sensitivity analysis is performed on items exposed to interest rate risk as at the end of the reporting period, including investments and borrowings with variable interest rates and interest rate swaps. At the reporting date, a change of 10 basis points of interest rate in a reporting period could cause the profit for the nine-month periods ended September 30, 2025 and 2024 to decrease/increase by NT\$5,390 thousand and NT\$3,820 thousand, respectively.

Equity price risk

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

At the reporting date, a change of 1% in the price of the listed companies stocks classified as equity instruments investments measured at fair value through other comprehensive income could have an impact of NT\$42,160 and NT\$1,531 on the equity attributable to the Group for the nine-month periods ended September 30, 2025 and 2024, respectively.

Please refer to Note12(9) for sensitivity analysis information of other equity instruments or derivatives that are linked to such equity instruments whose fair value measurement is categorized under Level 3.

(4)Credit risk management

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

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

As of September 30, 2025, December 31, 2024 and September 30, 2024, trade receivables from top ten customers represented 60.56%, 55.15% and 57.81% of the total trade receivables of the Group, respectively. The credit concentration risk of other trade receivable is relatively insignificant.

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

The Group adopted IFRS 9 to assess the expected credit losses. Except for the loss allowance

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of trade receivables is measured at lifetime expected credit losses, the remaining debt instrument investments which are not measured at fair value through profit or loss, low credit risk for these investments is a prerequisite upon acquisition and by using their credit risk as a basis for the distinction of categories.

Financial assets are written off when there is no realistic prospect of future recovery (the issuer or the debtor is in financial difficulties or bankruptcy).

(5)Liquidity risk management

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

Non-derivative financial instruments

	Less than 1					Over than	
	year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	5 years	Total
As of Sep. 30, 2025							
Loans	\$629,244	\$190,322	\$489,174	\$924,913	\$1,096,393	\$2,729,759	\$6,059,805
Payables	2,092,942	-	-	-	-	-	2,092,942
Bonds payable	303,648	-	-	1,500,000	-	-	1,803,648
Lease Liabilities	82,727	58,918	32,342	30,954	24,525	163,613	393,079
As of Dec. 31, 2024							
Loans	\$1,730,887	\$833,485	\$717,819	\$804,460	\$267,216	\$44,147	\$4,398,014
Payables	1,271,507	-	-	-	-	-	1,271,507
Bonds payable	-	297,600	-	-	1,500,000	-	1,797,600
Lease Liabilities	90,582	86,896	50,139	32,850	31,937	182,099	474,503
As of Sep. 30, 2024							
Loans	\$1,143,740	\$893,959	\$727,626	\$898,541	\$268,218	\$110,575	\$4,042,659
Payables	1,341,639	-	-	-	-	-	1,341,639

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Bonds payable	-	297,600	-	-	1,500,000	-	1,797,600
Lease Liabilities	88,277	86,495	62,037	33,294	31,839	189,821	491,763

(6) Movement schedule of liabilities arising from financing activities

Movement schedule of liabilities for the nine-month periods ended September 30, 2025:

	Short-term borrowings	Bonds payable	Long-term borrowings	Guarantee deposit received	Lease liabilities	Total liabilities from financing activities
As of January 1, 2025	\$765,608	\$1,644,969	\$3,437,081	\$11,400	\$415,225	\$6,274,283
Cash flows	(\$391,984)	-	1,662,284	(11,200)	(64,754)	1,154,346
Non-cash changes						
Lease range changes					(4,042)	(4,042)
Interests on lease liabilities	-	-	-	-	8,878	8,878
Interest expense	-	26,422	-	-	-	26,422
Other	-	-	(2,838)	-	-	(2,838)
Currency rate change	-	-	(40,117)	-	(11,464)	(51,581)
As of September 30, 2025	<u>\$373,624</u>	<u>\$1,671,391</u>	<u>\$5,016,410</u>	<u>\$200</u>	<u>\$343,843</u>	<u>\$7,405,468</u>

Movement schedule of liabilities for the nine-month periods ended September 30, 2024:

	Short-term borrowings	Bonds payable	Long-term borrowings	Guarantee deposit received	Lease liabilities	Total liabilities from financing activities
As of January 1, 2024	\$961,218	\$292,695	\$3,892,670	\$48,108	\$451,605	\$5,646,296
Cash flows	(741,218)	1,554,776	(367,403)	(28,927)	(66,308)	350,920
Non-cash changes						
Lease range changes	-	-	-	-	23,649	23,649
Interests on lease liabilities	-	-	-	-	11,184	11,184
Interest expense	-	3,433	-	-	-	3,433
Other	-	(214,727)	(12,796)	-	-	(227,523)
Currency rate change	-	-	87,629	-	9,222	96,851

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As of September 30,						
2024	\$220,000	\$1,636,177	\$3,600,100	\$19,181	\$429,352	\$5,904,810

(7) Fair values of financial instruments

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

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

- i. The carrying amount of cash and cash equivalents, accounts receivable, accounts payable and other current liabilities approximate their fair value.
- ii. For financial assets and liabilities traded in an active market with standard terms and conditions, their fair value is determined based on market quotation price (including listed equity securities and bonds) at the reporting date.
- iii. The fair value of derivative financial instrument is based on market quotations. For unquoted derivatives that are not options, the fair value is determined based on discounted cash flow analysis using interest rate yield curve for the contract period. Fair value of option-based derivative financial instruments is obtained using the option pricing model.
- iv. The fair value of other financial assets and liabilities is determined using discounted cash flow analysis. The interest rate and discount rate are selected with reference to those of similar financial instruments.

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

Other than the item is listed in the table below, the carrying amount of the Group's financial assets and liabilities measured at amortized cost approximate their fair value:

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	Carrying amount		
	Sep. 30, 2025	Dec. 31, 2024	Sep. 30, 2024
Financial liabilities:			
Bonds payable	\$1,671,391	\$1,644,969	\$1,636,177
	Fair value		
	Sep. 30, 2025	Dec. 31, 2024	Sep. 30, 2024
Financial liabilities:			
Bonds payable	\$1,684,062	\$1,638,084	\$1,635,735

(c) Fair value measurement hierarchy for financial instruments

Please refer to Note 12(9) for fair value measurement hierarchy for financial instruments of the Group.

(8) Derivative financial instruments

The related information for derivative financial instruments not qualified for hedge accounting and not yet settled as of September 30, 2025, December 31, 2024 and September 30, 2024 are as follows:

Forward currency contracts

Forward foreign exchange contracts manage exposures of certain transactions but have not been designated as hedging instruments.

As of September 30, 2025, December 31, 2024 and September 30, 2024, the held forward foreign exchange contracts are as follows (foreign currency unit: thousand dollars):

Items	Notional Amount	Contract Period
As of September 30, 2025		
Forward foreign exchange contract	Sell USD 3,150	2025.08.14~2025.11.24
As of December 31, 2024		
Forward foreign	Sell USD 7,180	2024.11.14~2025.02.08

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exchange contract

As of September 30, 2024

Forward foreign exchange contract	Sell USD 7,250	2024.08.26~2024.11.21
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The counterparties for the aforementioned derivative financial instrument transactions are well-known domestic and foreign banks with good creditworthiness, therefore the credit risk is not high.

With regard to the forward foreign exchange contracts, as they have been entered into to hedge the foreign currency risk of net assets or net liabilities, and there will be corresponding cash inflow or outflows upon maturity and the Group has sufficient operating funds, the cash flow risk is insignificant.

Embedded derivatives

The embedded derivatives arising from issuing convertible bonds have been separated from the host contract and carried at fair value through profit or loss. Please refer to Note 6 for further information on this transaction.

(9) Fair value measurement hierarchy

(a) Fair value measurement hierarchy

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

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

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

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Level 3 – Unobservable inputs for the asset or liability

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

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

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

As of September 30, 2025

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets at fair value:				
Financial assets at fair value through profit or loss				
Structural deposits	\$-	\$-	\$128,541	\$128,541
Stock	\$11,331	\$-	\$-	\$11,331
Financial assets at fair value through other comprehensive income				
Equity instruments investments measured at fair value through other comprehensive income	\$40,115	\$-	\$276,476	\$316,591
Financial liabilities at fair value:				
Financial liabilities at fair value through profit or loss	\$-	\$-	\$6,000	\$6,000
Embedded derivative	\$-	\$3,248	\$-	\$3,248

As of December 31, 2024

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets at fair value:				

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Financial assets at fair value through other comprehensive income				
Equity instruments investments measured at fair value through other comprehensive income	\$37,153	\$-	\$114,008	\$151,161
Financial liabilities at fair value:				
Financial liabilities at fair value through profit or loss				
Embedded derivative	\$-	\$-	\$18,000	\$18,000
Forward exchange agreement	\$-	\$2,464	\$-	\$2,464

As of September 30, 2024

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets at fair value:				
Financial assets at fair value through profit or loss				
Structural deposits	\$-	\$-	\$90,669	\$90,669
Stock	\$11,283	\$-	\$-	\$11,283
Forward exchange agreement	\$-	\$2,263	\$-	\$2,263
Financial assets at fair value through other comprehensive income				
Equity instruments investments measured at fair value through other comprehensive income	\$39,392	\$-	\$113,821	\$153,213
Financial liabilities at fair value:				
Financial liabilities at fair value through profit or loss				
Embedded derivative	\$-	\$-	\$11,100	\$11,100

Transfers between Level 1 and Level 2 during the period

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For the nine-month periods ended September 30, 2025 and 2024, there were no transfers between Level 1 and Level 2 fair value hierarchy.

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

	Assets	
	At fair value through OCI	At fair value through P/L
	Stock	Structural deposits
Beginning balances as of January 1, 2025	\$114,008	\$-
Total gains and losses recognized for the nine-month periods ended September 30, 2025:		
Amount recognized in profit or loss (presented in “ Other gains and losses ”)		
Acquirement	162,854	128,451
Currency rate change	(386)	-
Ending balances as of September 30, 2025	<u>\$276,476</u>	<u>\$128,451</u>
	Liabilities	
	At fair value through P/L	
	Derivative financial instruments	
Beginning balances as of January 1, 2025	\$18,000	
Total gains and losses recognized for the nine-month periods ended September 30, 2025:		
Amount recognized in profit or loss (presented in “ Other gains and losses ”)		
Amount recognized in OCI(presented in “Unrealized gains (losses) from equity instruments investments measured at fair value through other comprehensive income”)	(12,000)	
Ending balances as of September 30, 2025	<u>\$6,000</u>	
	Assets	

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	<u>At fair value through OCI</u>	<u>At fair value through P/L</u>
	Stock	Structural deposits
Beginning balances as of January 1, 2024	\$50,565	\$-
Total gains and losses recognized for the nine-month periods ended September 30, 2024:		
Amount recognized in profit or loss (presented in “ Other gains and losses ”)	-	335
Acquirement	63,100	90,333
Currency rate change	156	1
Ending balances as of September 30, 2024	<u>\$113,821</u>	<u>\$90,669</u>
	<u>Liabilities</u>	
	<u>At fair value through P/L</u>	
	Derivative financial instruments	
Beginning balances as of January 1, 2024	\$-	
Total gains and losses recognized for the nine-month periods ended September 30, 2024:		
Amount recognized in profit or loss (presented in “ Other gains and losses ”)		
Amount recognized in OCI(presented in “Unrealized gains (losses) from equity instruments investments measured at fair value through other comprehensive income”)	300	
Acquirement	10,800	
Ending balances as of September 30, 2024	<u>\$11,100</u>	

Total gains and losses recognized in profit or loss for the nine-month periods ended September 30, 2025 and 2024 in the table above contain gains and losses related to assets on hand in the amount of NT\$0 thousand and NT\$335 thousand, respectively.

Total gains and losses recognized in profit or loss for the nine-month periods ended September 30, 2025 and 2024 in the table above contain gains and losses related to liabilities on hand in the amount of NT\$(12,000) and NT\$300 thousand, respectively.

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Information on significant unobservable inputs to valuation

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

As of September 30, 2025

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets:					
At fair value through OCI					
Stock	Market approach	Discount for lack of marketability	25%	The higher the discount for lack of marketability, the lower the fair value of the stocks	10% increase (decrease) in the discount for lack of marketability would result in decrease (increase) in the Group's equity by NT\$27,648 thousand

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial liabilities:					
At fair value through profit or loss					
Embedded derivatives	Binary tree-based model for valuation of convertible bonds	Volatility	47.33%	The higher the volatility, the higher the fair value of the embedded derivatives	5% increase (decrease) in the volatility would result in increase / decrease in the Group's profit or loss by NT\$20 thousand/

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	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets:					
At fair value through OCI					
Stock	Market approach	Discount for lack of marketability	25%	The higher the discount for lack of marketability, the lower the fair value of the stocks	10% increase (decrease) in the discount for lack of marketability would result in decrease (increase) in the Group's equity by NT\$11,401 thousand

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial liabilities:					
At fair value through profit or loss					
Embedded derivatives	Binary tree-based model for valuation of convertible bonds	Volatility	28.11%	The higher the volatility, the higher the fair value of the embedded derivatives	5% increase (decrease) in the volatility would result in increase /decrease in the Group's profit or loss by NT\$70 thousand/ NT\$120 thousand

As of September 30, 2024

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets:					
At fair value through OCI					

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	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Stock	Market approach	Discount for lack of marketability	25%	The higher the discount for lack of marketability, the lower the fair value of the stocks	10% increase (decrease) in the discount for lack of marketability would result in decrease (increase) in the Group's equity by NT\$11,382 thousand
Financial liabilities: At fair value through profit or loss					
Embedded derivatives	Binary tree-based model for valuation of convertible bonds	Volatility	25.55%	The higher the volatility, the higher the fair value of the embedded derivatives	5% increase (decrease) in the volatility would result in increase (decrease) in the Group's profit or loss by NT\$30 thousand

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

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

(C) Fair value measurement hierarchy of the Group's liabilities not measured at fair value but for which the fair value is disclosed

As of September 30, 2025

	Level 1	Level 2	Level 3	Total
Financial liabilities not measured at				

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fair value but for which the fair value is disclosed:

Bonds payable (Please refer to 6(16))

\$-	\$-	\$1,684,062	\$1,684,062
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As of December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial liabilities not measured at fair value but for which the fair value is disclosed:				
Bonds payable (Please refer to 6(16))	\$-	\$-	\$1,638,084	\$1,638,084

As of September 30, 2024:

	Level 1	Level 2	Level 3	Total
Financial liabilities not measured at fair value but for which the fair value is disclosed:				
Bonds payable (Please refer to 6(16))	\$-	\$-	\$1,635,735	\$1,635,735

(10) Significant assets and liabilities denominated in foreign currencies

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

	As of					
	September 30, 2025			December 31, 2024		
	Foreign currencies	Exchange rate	NTD	Foreign currencies	Exchange rate	NTD
<u>Financial assets</u>						
Monetary items:						
USD	\$67,221	30.05	\$2,019,945	\$52,819	32.78	\$1,731,656
RMB	\$5,428	4.27	\$23,182	\$6,548	4.48	\$29,321

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	As of					
	September 30, 2025			December 31, 2024		
	Foreign currencies	Exchange rate	NTD	Foreign currencies	Exchange rate	NTD
<u>Financial liabilities</u>						
Monetary items:						
USD	\$13,638	30.45	\$415,203	\$4,585	32.78	\$150,321
RMB	\$4,264	4.27	\$18,210	\$2,392	4.48	\$10,712

	As of		
	September 30, 2024		
	Foreign currencies	Exchange rate	NTD
<u>Financial assets</u>			
Monetary items:			
USD	\$77,762	31.65	\$2,458,319
RMB	\$5,690	4.52	\$25,731

<u>Financial liabilities</u>			
Monetary items:			
USD	\$5,658	31.65	\$179,083
RMB	\$2,930	4.52	\$13,253

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

The Company's functional currency is variety. It can not be disclosed the foreign exchange gains or losses on monetary financial assets and financial liabilities with each significant influence. The Foreign exchange gains or losses of the Company amounted to NT\$(83,245) thousand and NT\$22,789 thousand for the nine-month periods ended September 30, 2025 and 2024, respectively.

(11) Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value. The Group manages its capital structure and makes adjustments to it, in

light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust dividend payment to shareholders, return capital to shareholders or issue new shares.

13. Other disclosure

(1) Information on significant transactions:

- a. Financing provided to others for the nine-month periods ended September 30, 2025: None.
- b. Endorsement/Guarantee provided to others for the nine-month periods ended September 30, 2025: None.
- c. Securities held as of September 30, 2025 (excluding subsidiaries, associates and joint ventures): Please refer to Attachment 5.
- d. Related party transactions for purchases and sales amounts exceeding the lower of NT\$100 million or 20 percent of capital stock for the nine-month periods ended September 30, 2025: Please refer to Attachment 2.
- e. Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20 percent of capital stock as of September 30, 2025: Please refer to Attachment 3.
- f. Significant intercompany transactions between the parent with subsidiaries or among subsidiaries were disclosed in Attachment 8.

(2) Information on investees:

- A. If an investor controls operating, investing and financial decisions of an investee or an investor has the ability to exercise significant influence over operating and financial policies of an investee, the related information for the investee is disclosed (not including investment in Mainland China): Please refer to Attachment 4.
- B. If an investee is controlled by an investor, the related information for the investee shall be disclosed as the same as Note 13(1):

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- (a) Financing provided to others for the nine-month periods ended September 30, 2025:
None.
- (b) Endorsement/Guarantee provided to others for the nine-month periods ended September 30, 2025: Please refer to Attachment 1.
- (c) Securities held as of September 30, 2025 (excluding subsidiaries, associates and joint ventures): Please refer to Attachment 5.
- (d) Related party transactions for purchases and sales amounts exceeding the lower of NT\$100 million or 20 percent of capital stock for the nine-month periods ended September 30, 2025: Please refer to Attachment 6.
- (e) Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20 percent of capital stock as of September 30, 2025: Please refer to Attachment 7.

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(3) Information on investments in Mainland China:

- A. Investee company name, main businesses and products, total amount of capital, method of investment, accumulated inflow and outflow of investments from Taiwan, net income (loss) of investee company, percentage of ownership, investment income (loss), book value of investments, cumulated inward remittance of earnings and limits on investment in Mainland China:

Amount in thousand; Currency denomination in NTD unless otherwise specified

Investee company	Main Business and Product	Total Amount of Pain-in Capital	Method of Investment	Accumulated Outflow of Investment from Taiwan as of Jan. 1, 2025	Investment Flows		Accumulated Outflow of Investment from Taiwan as of Sep. 30, 2025	Net income(loss) of investee company	Percentage of Ownership	Investment income(loss) recognized	Carrying Value as of Sep. 30, 2025	Accumulated Inward Remittance of Earnings as of Sep. 30, 2025
					Outflow	Inflow						
Wafer Works (Shanghai) Co., Ltd.	R&D, production and sales of semiconductor materials	\$2,851,295 (Note1,3)	Reinvesting in a Mainland company through reinvestment in an existing company in a third location.	\$510,951	\$-	\$-	\$510,951	\$540,676	42.90%	\$231,865 (Note3,4,13)	\$7,294,762 (Note3,4,13)	\$712,774

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Investee company	Main Business and Product	Total Amount of Pain-in Capital	Method of Investment	Accumulated Outflow of Investment from Taiwan as of Jan. 1, 2025	Investment Flows		Accumulated Outflow of Investment from Taiwan as of Sep. 30, 2025	Net income(loss) of investee company	Percentage of Ownership	Investment income(loss) recognized	Carrying Value as of Sep. 30, 2025	Accumulated Inward Remittance of Earnings as of Sep. 30, 2025
					Outflow	Inflow						
Wafer Works Epitaxial Corp.	R&D, production and sales of semiconductor materials	\$2,948,091 (Note3,6)	Reinvesting in a Mainland company through reinvestment in an existing company in a third location.	\$516,782	\$-	\$-	\$516,782	\$553,678	42.90%	\$553,678 (Note3,4,13)	\$1,896,132 (Note3,4,13)	\$-
Wafer Works (Yangzhou) Corp.	R&D, production and sales of semiconductor materials	\$467,034 (Note3,7)	Note 2	\$-	\$-	\$-	\$-	\$(36,508)	42.90%	\$(36,508) (Note3,13)	\$150,826 (Note3,13)	\$-
Wafer Works (Zhengzhou) Corp.	R&D, production and sales of semiconductor materials	\$7,533,565 (Note3,8)	Note 8	\$-	\$-	\$-	\$-	\$125,728	42.90%	\$125,728 (Note3,4,13)	\$2,943,568 (Note3,4,13)	\$-

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Investee company	Main Business and Product	Total Amount of Pain-in Capital	Method of Investment	Accumulated Outflow of Investment from Taiwan as of Jan. 1, 2025	Investment Flows		Accumulated Outflow of Investment from Taiwan as of Sep. 30, 2025	Net income(loss) of investee company	Percentage of Ownership	Investment income(loss) recognized	Carrying Value as of Sep. 30, 2025	Accumulated Inward Remittance of Earnings as of Sep. 30, 2025
					Outflow	Inflow						
HuaXin (Shanghai) Technology Co., Ltd.	Selling business	\$30,211 (Note10)	Note 11	\$30,211	\$-	\$-	\$30,211	\$(1,145)	100.00%	\$(1,145) (Note3,4,13)	\$23,800 (Note3,4,13)	\$-
Wafer Works Materials (Shanghai) Corp.	R&D, production and sales of semiconductor materials	\$214,235 (Note3)	Note 12	\$-	\$-	\$-	\$-	\$(11,042)	77.16%	\$(8,471) (Note3,4,13)	\$155,681 (Note3,4,13)	

Investee company	Accumulated Investment in Mainland China as of Sep. 30, 2025	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
Wafer Works (Shanghai) Co., Ltd.	\$510,951	\$1,668,400	No maximum (Note5)
Wafer Works Epitaxial Corp.	\$516,782	\$557,971	
Wafer Works (Yangzhou) Corp.	\$-	\$-	
Wafer Works (Zhengzhou) Corp.	\$-	\$-	

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HuaXin (Shanghai) Technology Co., Ltd.	\$30,211	\$30,211	
Wafer Works Materials (Shanghai) Corp.	\$-	\$128,541	

Note 1: 48.0591% shares of Wafer Works (Shanghai) Co., Ltd. owned by Silicon Technology Investment (Cayman) Corp. But 89.2615% shares of Silicon Technology Investment (Cayman) Corp. owned by Wafer Works Investment Corp. Therefore, Wafer Works (Shanghai) Co., Ltd. indirectly invested by Wafer Works Corp.

Note 2: Wafer Works (Shanghai) Co., Ltd. invested directly to Wafer Works (Yangzhou) Corp.

Note 3: Foreign currencies were converted into New Taiwan dollars based on exchanged rate on September 30, 2025.

Note 4: The investment income (loss) recognized under equity method and by calculation was based on audited financial statements.

Note 5: The Company qualified and approved by Taiwan, R.O.C. government to be operation headquarter in Taiwan, thus there are no limitation of investee in mainland China.

Note 6: It was a wholly-owned subsidiary by the Company's indirect subsidiary, Silicon Technology Investment (Cayman) Corp. The Company's board in a meeting held on November 10, 2016 has resolved that Silicon Technology Investment (Cayman) Corp. participates in a cash addition conducted by Wafer Works (Shanghai) Co., Ltd. by using all ownership interest on Wafer Works Epitaxial Corp. As a result of the capital addition, Wafer Works (Shanghai) Co., Ltd. owns 100% interest of Wafer Works Epitaxial Corp.

Note 7: The Company's board in a meeting held on November 10, 2016 resolved that Wafer Works (Shanghai) Co., Ltd. participates in a cash addition conducted by Wafer Works (Yangzhou) Corp. for 30% ownership interest.

Note 8: The Company's board has resolved on February 16, 2017 Wafer Works (Zhengzhou) Corp. to be established through Wafer Works (Shanghai) Co., Ltd.'s investment.

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Note 9: Wafer Works (Shanghai) Co., Ltd. applied for a shareholding restructuring to become a company limited by shares in September 2019. The registration procedures were completed on December 17, 2019.

Note 10: The paid-in capital is USD1,000 thousand, equivalent to NT\$30,211 thousand.

Note 11: The Company invested directly to Huaxin (Shanghai) Technology Co. Ltd.

Note 12: The Company's subsidiaries, Wafer Works Investment Corp. and Wafer Works (Shanghai) Co., Ltd., contributed 60% and 40% of the capital, respectively, to establish Wafer Works Materials (Shanghai) Corp.

Note 13: Transactions between consolidated entities are eliminated in the consolidated financial statements.

B. Significant transactions with the investees in mainland China:

- (a) Purchase and accounts payable with the related parties: Please refer to Attachment 8.
- (b) Sales and receivables with the related parties: Please refer to Attachment 8.
- (c) Property transaction amounts and resulting gain or loss: None.
- (d) The purpose and balance of a note guarantee and a guarantee endorsement or providing for secure: Please refer to Attachment 1.
- (e) The amount of maximum financing, the balance interest rates, and lump sum interest expense: None.
- (f) The other events' impact over current profit or loss or the significant influence of transaction events over the financial conditions: Please refer to Attachment 8.
- (g) The aforementioned transaction had been eliminated in the consolidated financial statements: Please refer to Attachment 8.

14. Segment information

The Group's revenue is primarily derived from the manufacture and sale of semiconductor wafers. The Group's chief operating decision maker reviews the consolidated operating results to make decisions about resources to be allocated to the segment and to assess its overall performance. Therefore, it operates as a single operating segment and the financial statements are prepared on the same basis as the significant accounting policies described in Note 4.

ATTACHMENT 1 (Endorsement/Guarantee provided to others for the nine-month periods ended September 30, 2025)

(All the currencies are denominated in Thousands of New Taiwan Dollars unless otherwise specified)

WAFER WORKS CORP. AND SUBSIDIARIES

No.	Receiving party			Limit of guarantee/endorsement amount for receiving party (Note3)	Maximum balance for the period (Note4)	Ending balance (Note5)	Actual amount provided (Note6)	Amount of collateral guarantee/endorsement	Percentage of accumulated guarantee amount to net assets value from the latest financial statement	Limit of total guarantee/endorsement amount (Note3)	Guarantee Provided by Parent Company (Note7)	Guarantee Provided by A Subsidiary (Note7)	Guarantee Provided to Subsidiaries in Mainland China (Note7)
	Endorser/Guarantor	Company name	Relationship (Note2)										
1	Wafer Works (Shanghai) Corp.	Wafer Works (ZhengZhou) Corp.	Affiliated Company	\$7,363,800	\$8,491,584	\$7,687,800	\$1,195,880	\$-	52.59%	\$7,687,800	N	N	Y

Note1 : Wafer Works Corp. and its subsidiaries are coded as follows:

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

Note2 : The relationship between the guarantor of the endorsement and the object to be guaranteed is as follows:

- 1.The company with business contacts.
- 2.The company directly and indirectly holds more than 50% of the shares with voting rights.
- 3.Companies that directly and indirectly holds more than 50% of the shares of the company with voting rights.
- 4.The company directly and indirectly holds more than 90% of the shares with voting rights.
- 5.Where a public company fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry.
- 6.A company whose co-investment relationship is endorsed by all shareholders in proportion to their shareholding ratio.
- 7.The performance guarantee of the preconstruction real estate contract between the same industry in accordance with the Consumer Protection Law is jointly guaranteed.

Note3 : According to Wafer Works (Shanghai) Co., Ltd.'s procedures of Endorsement and Guarantee, the limitation and total amount of endorsement or guarantee of the Company and its subsidiaries for each guaranteed party shall not exceed RMB 1,800,000,000.

Note4: Maximum amount of endorsements or guarantees for others in the current year.

Note5: At the end of the year, the Company assumes the responsibility of endorsement or guarantee as soon as the amount of endorsement or guarantee agreements or bills signed with banks is approved; moreover, any other related endorsements or guarantees should be included in the balance of endorsements or guarantees.

Note6: The actual amount drawn within the endorsement/guarantee balance by the Company being endorsed or guaranteed should be entered.

Note7: A "Y" should be filled in for endorsements or guarantees provided by a listed parent company for its subsidiary, by a subsidiary for its listed parent company, or originating from mainland China.

ATTACHMENT 2 (Related party transactions for purchases and sales amounts exceeding the lower of 100 million dollars or 20 percent of capital stock for the nine-month periods ended September 30, 2025)

(All the currencies are denominated in Thousands of New Taiwan Dollars unless otherwise specified)

WAFER WORKS CORP. AND SUBSIDIARIES

Company	Related party	Relationship	Purchases (Sales)	Transactions		Details of non-arm's length transaction			Notes and accounts receivables(payable)		Note
				Amount	Percentage of total purchases (sales)(%)	Term	Unit Price	Term	Balance	Percentage of total receivables(%)	
Wafer Works Corp.	Helitek Company Ltd.	Affiliated Company	Sales	\$1,207,937	35.85%	Received at 60 days after shipment arrival by using telegraphic transfer (T/T)	N/A	N/A	\$224,753	25.04%	Note
Wafer Works Corp.	Wafer Works (Shanghai) Co., Ltd.	Affiliated Company	Sales	\$158,459	4.70%	Received at 60 days after shipment arrival by using telegraphic transfer (T/T)	N/A	N/A	\$79,237	8.83%	Note

Note : Transactions between consolidated entities are eliminated in the consolidated financial statements.

ATTACHMENT 3 (Receivables from related parties with amounts exceeding the lower of 100 million dollars or 20 percent of capital stock as of September 30, 2025)

(All the currencies are denominated in Thousands of New Taiwan Dollars unless otherwise specified)

WAFER WORKS CORP. AND SUBSIDIARIES

Company	Related party	Relationship with the Company	Ending Balance	Turnover rate(times)	Overdue receivables		Amounts received in subsequent period	Allowance for doubtful accounts
					Amount	Collection status		
Wafer Works Corp.	Helitek Company Ltd.	Affiliated Company	Accounts receivable \$224,753 (Note)	9.49	\$-	-	\$133,812	\$-

Note : Transactions between consolidated entities are eliminated in the consolidated financial statements.

(All the currencies are denominated in Thousands of New Taiwan Dollars, HKD, and USD unless otherwise specified)

WAFER WORKS CORP. AND SUBSIDIARIES

Investor Company	Investee Company	Address	Main businesses and products	Initial Investment		Investments as of 30 September 2025					Note
				Ending balance	Beginning balance	Number of shares	Percentage of ownership (%)	Book Value	Net income (loss) of investee company	Investment income (loss) recognized	
Wafer Works Corp.	Wafer Works Investment Corp.	Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa.	Investment Holding Company	USD 66,566	USD 66,566	66,566,226	100.00%	\$7,535,236	\$243,874	\$243,874	Note
Wafer Works Corp.	Heli-Vantech Corp.	No. 1, Pingguo Road, Yangmei District, Taoyuan City Taiwan	Design, trading and manufacturing of semiconductor materials.	5,000	5,000	500,000	100.00%	2,211	-	-	Note
Wafer Works Corp.	Silicon Works Technology Corporation	6F, No.100, Longyuan 1st Rd., Longtan Dist., Taoyuan City, Taiwan	Manufacturing and international trade of electronic components, machinery, chemical materials, and related products.	60,000	-	6,000,000	100.00%	64,582	4,582	4,582	Note
Wafer Works Corp.	WBG Works Corporation	No. 1, Pingguo Road, Yangmei District, Taoyuan City Taiwan	Manufacturing and international trade of electronic components, materials, machinery, and related products.	20,000	-	2,000,000	100.00%	20,032	32	32	Note
Wafer Works Corp.	Wafer Works Japan Co.,Ltd	Sinyokohama3-2-3, Shinyokohama, Yokohama Shi Kohoku Ku, Kanagawa Ken, 222-0033, Japan	Sales & Marketing Company	JPY 22,000		22,000,000	100.00%	8,464	(607)	(607)	Note
Wafer Works Investment Corp.	Silicon Technology Investment (Cayman) Corp.	Grand Pavilion, Hibiscus Way, P.O.Box 31119, Grand Cayman, KY1-1205, Cayman Islands	Investment Holding Company	USD 53,141	USD 53,141	Common stock 1 Preferred stockA 6,970,327 Preferred stockB 38,991,198	89.26%	7,226,122	265,235	265,235	Note
Wafer Works Investment Corp.	Wafermaster Investment Corp.	Vistra Corporate Services Centre, Ground Floor NPF Building, Beach Road, Apia, Samoa.	Investment Holding Company	USD 5,084	USD 5,084	5,083,900	100.00%	192,174	14,062	14,062	Note
Silicon Technology Investment (Cayman) Corp.	Sharp Right Limited Co., Ltd.	Rooms 2006-8.20/F., Two Chinachem Exchange Square, 338 King's Road	Trading Company	HKD 10	HKD 10	-	100.00%	(94,116)	-	-	Note
Wafermaster Investment Corp.	Helitek Company Ltd.	4033 Clipper CT Fremint, CA 94538-6540	Trading of semiconductor materials.	USD 2,200	USD 2,200	3,400,000 (Preferred stock 2,000,000)	100.00%	192,166	14,062	14,062	Note

Note : Transactions between consolidated entities are eliminated in the consolidated financial statements.

ATTACHMENT 5 (Securities held as of September 30, 2025) (excluding subsidiaries, associates and joint ventures)

(All the currencies are denominated in Thousands of New Taiwan Dollars unless otherwise specified)

WAFER WORKS CORP. AND SUBSIDIARIES

							As of September 30, 2025	
Holding Company	Securities Type and Name	Relationship	Financial Statement Account	Shares/Units	Book Value	Percentage of ownership (%)	Fair value	
Wafer Works Corp.	GaN Power Technology Co., Ltd.	The Company is corporate director of the related party.	Financial asset at fair value through OCI, noncurrent	4,550,000	\$45,500	9.40%	<u>\$45,500</u>	
	Loss: Financial assets at fair value through other comprehensive income, valuation adjustments				-		<u>\$45,500</u>	
Wafer Works Corp.	SweGaN AB	-	Financial asset at fair value through OCI, noncurrent	33,945	\$63,100	5.40%	<u>\$63,100</u>	
	Loss: Financial assets at fair value through other comprehensive income, valuation adjustments				-		<u>\$63,100</u>	
Wafer Works Investment Corp.	Hengyuan Investment Co., Ltd.		Financial asset at fair value through OCI, noncurrent	15,000,000	\$150,000	18.07%	<u>\$150,000</u>	
	Loss: Financial assets at fair value through other comprehensive income, valuation adjustments				-		<u>\$150,000</u>	
Wafer Works Investment Corp.	Can Yang Investments Limited	-	Financial asset at fair value through OCI, noncurrent	153,488	\$18,267	0.20%	<u>\$5,022</u>	
	Loss: Financial assets at fair value through other comprehensive income, valuation adjustments				(13,245)		<u>\$5,022</u>	
Wafer Works Investment Corp.	Solargiga Energy Holdings Limited	-	Financial asset at fair value through OCI, noncurrent	96,227,822	\$164,432	2.90%	<u>\$39,160</u>	
	Loss: Financial assets at fair value through other comprehensive income, valuation adjustments				(125,272)		<u>\$39,160</u>	
Heli-Vantech Corp.	New Solar Power Corp.	-	Financial asset at fair value through OCI, noncurrent	138,747	\$5,622	0.01%	<u>\$955</u>	
	Loss: Financial assets at fair value through other comprehensive income, valuation adjustments				(4,667)		<u>\$955</u>	
Helitek Company Ltd.	SCHWAB VARIABLE SHARE PR:SVUXX	-	Financial assets at fair value through profit or loss, current	372,166	\$11,331	0.01%	<u>\$11,331</u>	
	Loss: Financial assets at fair value through profit or loss, valuation adjustments				-		<u>\$11,331</u>	
Wafer Works (Shanghai)	Shenzhen SIVNON Semiconductor Co., Ltd.	-	Financial assets at fair value through profit or loss, current	-	\$12,854	6.00%	<u>\$12,854</u>	

(All the currencies are denominated in Thousands of New Taiwan Dollars unless otherwise specified)

WAFER WORKS CORP. AND SUBSIDIARIES

			Transactions			Details of non-arm's length transaction		Notes and accounts			
			Purchases	Amount	Percentage of total purchases (sales) (%)	Term	Unit Price	Term	Balance	Percentage of total receivables(%)	Note
Purchase (sales) company	Counterparty	Relationship	(Sales)		(sales) (%)						
Wafer Works (ZhengZhou) Corp.	Wafer Works (Shanghai) Co., Ltd.	Affiliated Company	Sales	\$1,687,589	91.83%	Received at 60 days after shipment arrival by using telegraphic transfer (T/T)	N/A	N/A	\$408,512	87.66%	Note
Helitek Company Ltd.	Wafer Works Corp.	Affiliated Company	Purchases	\$(1,207,937)	98.40%	Paid at 60 days after shipment arrival by using telegraphic transfer (T/T)	Specs of goods purchased are different from others. Cannot be reasonably compared.	No othersuppliers available for comparison	\$(224,753)	(97.61)%	Note
Wafer Works (Shanghai) Co., Ltd.	Wafer Works Corp.	Affiliated Company	Purchases	\$(158,459)	6.90%	Received at 60 days after shipment arrival by using telegraphic transfer (T/T)	Specs of goods purchased are different from others. Cannot be reasonably compared.	No othersuppliers available for comparison	(\$79,237)	13.07%	Note

Note : Transactions between consolidated entities are eliminated in the consolidated financial statements.

ATTACHMENT 7 (Receivable from related parties with amounts exceeding the lower of 100 million dollars or 20 percent of capital stock as of September 30, 2025)

(All the currencies are denominated in Thousands of New Taiwan Dollars unless otherwise specified)

WAFER WORKS CORP. AND SUBSIDIARIES

Company	Counterparty	Relationship	Ending Balance	Turnover Rate (times)	Overdue Receivables		Subsequent collection	Allowance for doubtful accounts
					Amount	Actions taken		
Wafer Works (Zhengzhou) Corp.	Wafer Works	Affiliated Company	Accounts receivable	6.38	\$-	-	\$95,867	\$-
	Epitaxial Corp.		\$408,512 (Note)					
Wafer Works (Shanghai) Corp.	Wafer Works	Affiliated Company	Dividend receivables	-	\$-	-		\$-
	Epitaxial Corp.		\$1,029,615 (Note)					
Wafer Works (Shanghai) Corp.	Wafer Works	Affiliated Company	Dividend receivables	-	\$-	-		\$-
	(Zhengzhou) Corp.		\$241,658 (Note)					

Note : Transactions between consolidated entities are eliminated in the consolidated financial statements.

WAFER WORKS CORP. AND SUBSIDIARIES

No (Note1)	Company name	Counter party	Nature of relationship (Note 2)	Intercompany transactions			Percentage of consolidated total gross sales or total assets (Note3)
				Financial Statement Account	Amount	Terms	
	<u>2025.01.01-2025.09.30</u>						
0	Wafer Works Corp.	HuaXin (Shanghai) Technology Co., Ltd.	1	Operating income	\$38,304	Received at 150 days after shipment arrival by using telegraphic transfer (T/T)	0.52%
0	Wafer Works Corp.	Wafer Works Epitaxial Corp.	1	Operating income	158,459	Received at 60 days after shipment arrival by using telegraphic transfer (T/T)	2.15%
0	Wafer Works Corp.	Helitek Company Ltd.	1	Operating income	1,207,937	Received at 60 days after shipment arrival by using telegraphic transfer (T/T)	16.36%
0	Wafer Works Corp.	Wafer Works (ZhengZhou) Corp.	1	Operating income	24,836	Received at 60 days after shipment arrival by using telegraphic transfer (T/T)	0.34%
0	Wafer Works Corp.	Silicon Works Technology Corporation	1	Operating income	48,319	Received at 60 days after shipment arrival by using telegraphic transfer (T/T)	0.65%
0	Wafer Works Corp.	Wafer Works (YangZhou) Corp.	1	Purchases	77,048	Received at 60 days after shipment arrival by using telegraphic transfer (T/T)	1.04%
0	Wafer Works Corp.	Wafer Works (ZhengZhou) Corp.	1	Purchases	89,549	Received at 60 days after shipment arrival by using telegraphic transfer (T/T)	1.21%
0	Wafer Works Corp.	Silicon Works Technology Corporation	1	Purchases	90,663	Received at 60 days after shipment arrival by using telegraphic transfer (T/T)	1.23%
0	Wafer Works Corp.	Wafer Works Materials (Shanghai) Corp.	1	Purchases	16,513	Received at 60 days after shipment arrival by using telegraphic transfer (T/T)	0.22%
0	Wafer Works Corp.	HuaXin (Shanghai) Technology Co., Ltd.	1	Accounts receivable	19,501	Received at 150 days after shipment arrival by using telegraphic transfer (T/T)	0.06%
0	Wafer Works Corp.	Wafer Works Epitaxial Corp.	1	Accounts receivable	79,237	Received at 60 days after shipment arrival by using telegraphic transfer (T/T)	0.23%
0	Wafer Works Corp.	Helitek Company Ltd.	1	Accounts receivable	224,753	Received at 60 days after shipment arrival by using telegraphic transfer (T/T)	0.64%
0	Wafer Works Corp.	Sharp Right Limited Co., Ltd.	1	Accounts receivable	43,093	Received at 60 days after shipment arrival by using telegraphic transfer (T/T)	0.12%
0	Wafer Works Corp.	Sharp Right Limited Co., Ltd.	1	Other receivable	48,963	-	0.14%
0	Wafer Works Corp.	Wafer Works (ZhengZhou) Corp.	1	Accounts payable	32,487	Received at 60 days after shipment arrival by using telegraphic transfer (T/T)	0.09%
0	Wafer Works Corp.	Silicon Works Technology Corporation	1	Accounts receivable	31,412	Received at 60 days after shipment arrival by using telegraphic transfer (T/T)	0.09%
0	Wafer Works Corp.	Silicon Works Technology Corporation	1	Accounts payable	40,086	Received at 60 days after shipment arrival by using telegraphic transfer (T/T)	0.11%
0	Wafer Works Corp.	Silicon Works Technology Corporation	1	Other incomes	25,001	-	0.34%
1	Wafer Works (Shanghai) Co., Ltd.	Wafer Works Epitaxial Corp.	3	Operating income	81,639	Received at 60 days after shipment arrival by using telegraphic transfer (T/T)	1.11%
1	Wafer Works (Shanghai) Co., Ltd.	Wafer Works (ZhengZhou) Corp.	3	Operating income	57,972	Received at 60 days after shipment arrival by using telegraphic transfer (T/T)	0.78%
1	Wafer Works (Shanghai) Co., Ltd.	Wafer Works (YangZhou) Corp.	3	Operating income	18,355	Received at 60 days after shipment arrival by using telegraphic transfer (T/T)	0.25%
1	Wafer Works (Shanghai) Co., Ltd.	Wafer Works Materials (Shanghai) Corp.	3	Operating income	16,155	Received at 60 days after shipment arrival by using telegraphic transfer (T/T)	0.22%
1	Wafer Works (Shanghai) Co., Ltd.	Wafer Works Materials (Shanghai) Corp.	3	Other incomes	69,249	Received at 60 days after shipment arrival by using telegraphic transfer (T/T)	0.94%
1	Wafer Works (Shanghai) Co., Ltd.	Wafer Works (YangZhou) Corp.	3	Purchases	12,614	Received at 60 days after shipment arrival by using telegraphic transfer (T/T)	0.17%
1	Wafer Works (Shanghai) Co., Ltd.	Wafer Works Materials (Shanghai) Corp.	3	Accounts receivable	17,926	Received at 60 days after shipment arrival by using telegraphic transfer (T/T)	0.05%
3	Wafer Works (YangZhou) Corp.	Wafer Works Materials (Shanghai) Corp.	3	Accounts receivable	15,545	Received at 60 days after shipment arrival by using telegraphic transfer (T/T)	0.04%
1	Wafer Works (Shanghai) Co., Ltd.	Wafer Works Epitaxial Corp.	3	Dividend receivables	1,029,615		2.93%
1	Wafer Works (Shanghai) Co., Ltd.	Wafer Works Materials (Shanghai) Corp.	3	Other receivable	87,295		0.00%
1	Wafer Works (Shanghai) Co., Ltd.	Wafer Works (ZhengZhou) Corp.	3	Dividend receivables	241,658		0.69%
2	Wafer Works Epitaxial Corp.	Wafer Works (ZhengZhou) Corp.	3	Operating income	25,196	Received at 60 days after shipment arrival by using telegraphic transfer (T/T)	0.34%
2	Wafer Works Epitaxial Corp.	Wafer Works (ZhengZhou) Corp.	3	Accounts receivable	11,898	Received at 60 days after shipment arrival by using telegraphic transfer (T/T)	0.03%
2	Wafer Works Epitaxial Corp.	Wafer Works (ZhengZhou) Corp.	3	Purchases	1,687,589	Received at 60 days after shipment arrival by using telegraphic transfer (T/T)	22.85%
2	Wafer Works Epitaxial Corp.	Wafer Works (ZhengZhou) Corp.	3	Accounts payable	408,512	Received at 60 days after shipment arrival by using telegraphic transfer (T/T)	1.16%
2	Wafer Works Epitaxial Corp.	Wafer Works Materials (Shanghai) Corp.	3	Purchases	32,777	Received at 60 days after shipment arrival by using telegraphic transfer (T/T)	0.44%
2	Wafer Works Epitaxial Corp.	Wafer Works Materials (Shanghai) Corp.	3	Accounts payable	16,214	Received at 60 days after shipment arrival by using telegraphic transfer (T/T)	0.05%
3	Wafer Works (YangZhou) Corp.	Wafer Works Materials (Shanghai) Corp.	3	Operating income	18,397	Received at 60 days after shipment arrival by using telegraphic transfer (T/T)	0.25%
3	Wafer Works (YangZhou) Corp.	Wafer Works (ZhengZhou) Corp.	3	Operating income	31,267	Received at 60 days after shipment arrival by using telegraphic transfer (T/T)	0.42%
3	Wafer Works (YangZhou) Corp.	Wafer Works Materials (Shanghai) Corp.	3	Accounts receivable	15,545	Received at 60 days after shipment arrival by using telegraphic transfer (T/T)	0.04%

Note 1: Wafer Works Corp. and its subsidiaries are coded as follows:

1. Wafer Works Corp. is coded "0".
2. The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

Note 2: Transactions are categorized as follows :

1. Investor to investee.
2. Investee to investor.
3. Investee to investee.

Note 3: The percentage base with respect to the total consolidated revenue-weighted average (about income statement accounts) or total assets (about balance sheet accounts).

Note 4: Amounts in foreign currencies are translated into New Taiwan dollars using the exchange rates on the balance sheet date.

Note 5: Transactions exceeding NTS10,000 thousand have been disclosed.