Hsin Kuang Steel Company Limited and Subsidiaries

Consolidated Financial Statements for the Three Months Ended March 31, 2025 and 2024 and Independent Auditors’ Review Report

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
Hsin Kuang Steel Company Limited

Introduction

We have reviewed the accompanying consolidated balance sheets of Hsin Kuang Steel Company Limited and its subsidiaries (collectively, the "Group") as of March 31, 2025 and 2024, and the consolidated statements of comprehensive income, the consolidated statements of changes in equity and cash flows for the three months then ended, and the related notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements"). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

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

Conclusion

Based on our reviews, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2025 and 2024, and of its consolidated financial performance and its consolidated cash flows for the three months then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the audits resulting in this independent auditors' report are Szu-Lan Chu and Cheng-Guan Yu.

Deloitte & Touche
Taipei, Taiwan
Republic of China

May 6, 2025

Notice to Readers

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

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

HSIN KUANG STEEL COMPANY LIMITED AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

	March 31, 2025		December 31, 2024		March 31, 2024	
ASSETS	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS						
Cash and cash equivalents (Notes 4 and 6)	$ 1,181,574	4	$ 1,212,459	4	$ 1,288,761	4
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	3,291,768	11	3,574,337	12	3,579,905	12
Financial assets at amortized cost - current (Notes 4, 9 and 31)	193,998	1	173,342	1	171,119	1
Contract assets - current (Note 23)	140,357	-	103,178	-	248,038	1
Notes receivable from unrelated parties (Notes 4, 5, 10 and 31)	1,554,566	5	1,738,707	6	1,671,394	6
Trade receivables from unrelated parties (Notes 4 and 10)	4,031,285	13	2,635,929	9	2,647,560	9
Current tax assets (Notes 4 and 26)	45,770	-	45,773	-	-	-
Inventories (Notes 4, 5 and 11)	6,025,785	20	6,262,056	21	6,487,058	22
Prepayments	181,053	1	213,827	1	136,131	-
Other current assets (Notes 17 and 25)	11,656	-	7,537	-	17,640	-
Total current assets	16,657,812	55	15,967,145	54	16,247,606	55
NON-CURRENT ASSETS						
Financial assets at fair value through profit or loss - non-current (Notes 4 and 7)	685,714	2	733,739	3	318,698	1
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	2,346,350	8	2,439,102	8	3,487,297	12
Investments accounted for using the equity method (Notes 4, 13 and 31)	986,935	3	987,497	3	945,368	3
Property, plant and equipment (Notes 4, 14 and 31)	5,458,414	18	5,472,271	19	4,568,826	16
Right-of-use assets (Note 4)	4,842	-	5,320	-	1,008	-
Investment properties (Notes 4, 15 and 31)	3,460,930	12	3,474,668	12	3,142,783	11
Intangible assets (Notes 4 and 16)	38,840	-	39,775	-	39,994	-
Deferred tax assets (Notes 4 and 25)	93,971	1	92,438	-	93,250	-
Other non-current assets (Notes 10 and 17)	327,393	1	339,462	1	499,044	2
Total non-current assets	13,403,389	45	13,584,272	46	13,096,268	45
TOTAL	$ 30,061,201	100	$ 29,551,417	100	$ 29,343,874	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Notes 4 and 18)	$ 8,236,516	28	$ 7,587,454	26	$ 6,615,151	22
Short-term bills payable (Notes 4 and 18)	579,515	2	609,226	2	434,779	1
Contract liabilities - current (Note 23)	894,068	3	709,928	2	1,455,124	5
Notes payable to unrelated parties (Notes 4 and 19)	368,669	1	331,236	1	248,420	1
Trade payables to unrelated parties (Notes 4 and 19)	205,434	1	189,603	1	273,304	1
Other payables (Note 20)	1,227,393	4	448,274	2	1,425,376	5
Current tax liabilities (Notes 4 and 25)	115,402	-	58,285	-	225,719	1
Current portion of long-term liabilities (Notes 4 and 18)	94,621	-	107,121	-	232,814	1
Other current liabilities	13,580	-	9,796	-	11,326	-
Total current liabilities	11,735,198	39	10,050,923	34	10,922,013	37
NON-CURRENT LIABILITIES						
Long-term borrowings (Notes 4 and 18)	6,998,611	23	6,945,084	24	5,638,714	19
Provisions - non-current (Note 4)	17,805	-	14,507	-	2,702	-
Deferred tax liabilities (Notes 4 and 25)	134,972	1	130,498	-	114,721	1
Net defined benefit liabilities - non-current (Notes 4 and 21)	14,273	-	15,205	-	21,973	-
Other non-current liabilities	45,941	-	46,418	-	42,479	-
Total non-current liabilities	7,211,602	24	7,151,712	24	5,820,589	20
Total liabilities	18,946,800	63	17,202,635	58	16,742,602	57
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 4 and 22)						
Share capital	3,211,463	11	3,211,463	11	3,211,463	11
Capital surplus	943,445	3	943,445	3	943,445	3
Retained earnings						
Legal reserve	1,611,942	5	1,456,003	5	1,456,003	5
Unappropriated earnings	3,859,364	13	5,157,256	18	4,339,706	15
Total retained earnings	5,471,306	18	6,613,259	23	5,795,709	20
Other equity	788,614	3	881,404	3	1,925,388	7
Total equity attributable to owners of the Company	10,414,828	35	11,649,571	40	11,876,005	41
NON-CONTROLLING INTERESTS	699,573	2	699,211	2	725,267	2
Total equity	11,114,401	37	12,348,782	42	12,601,272	43
TOTAL	$ 30,061,201	100	$ 29,551,417	100	$ 29,343,874	100

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

HSIN KUANG STEEL COMPANY LIMITED AND SUBSIDIARIES

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

	For the Three Months Ended March 31			
	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4 and 23)				
Sales	$ 4,102,870	81	$ 3,169,395	91
Other operating revenue	937,971	19	296,772	9
Total operating revenue	5,040,841	100	3,466,167	100
OPERATING COSTS				
Cost of goods sold (Notes 4, 11 and 24)	(3,929,292)	(78)	(2,942,796)	(85)
Other operating costs	(772,349)	(15)	(164,085)	(5)
Total operating costs	(4,701,641)	(93)	(3,106,881)	(90)
GROSS PROFIT	339,200	7	359,286	10
OPERATING EXPENSES				
Selling and marketing expenses (Note 24)	(72,035)	(2)	(90,522)	(2)
General and administrative expenses (Notes 24 and 30)	(42,201)	(1)	(91,265)	(3)
Expected credit loss (Note 10)	(480)	-	(5,270)	-
Total operating expenses	(114,716)	(3)	(187,057)	(5)
PROFIT FROM OPERATIONS	224,484	4	172,229	5
NON-OPERATING INCOME AND EXPENSES (Notes 4 and 23)				
Interest income	354	-	356	-
Other income	20,008	-	14,487	-
Other gains and losses	(419,361)	(8)	708,989	20
Finance costs	(102,763)	(2)	(83,755)	(2)
Share of profit or loss of associates and joint ventures accounted for using the equity method	(562)	-	1,452	-
Total non-operating income and expenses	(502,324)	(10)	641,529	18
(LOSS) PROFIT BEFORE INCOME TAX	(277,840)	(6)	813,758	23
INCOME TAX EXPENSE (Note 25)	(60,004)	(1)	(51,823)	(1)
NET (LOSS) PROFIT FOR THE PERIOD	(337,844)	(7)	761,935	22

(Continued)

HSIN KUANG STEEL COMPANY LIMITED AND SUBSIDIARIES

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

	For the Three Months Ended March 31			
	2025		2024	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized (loss)/gain on investments in equity instruments at fair value through other comprehensive income	$ (93,275)	(2)	$ 756,059	22
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	485	-	4,236	-
Other comprehensive income/(loss) for the period, net of income tax	(92,790)	(2)	760,295	22
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD	$ (430,634)	(9)	$ 1,522,230	44
NET (LOSS) PROFIT ATTRIBUTABLE TO:				
Owners of the Company	$ (339,087)	(7)	$ 740,592	21
Non-controlling interests	1,243	-	21,343	1
	$ (337,844)	(7)	$ 761,935	22
TOTAL COMPREHENSIVE INCOME/(LOSS) ATTRIBUTABLE TO:				
Owners of the Company	$ (431,877)	(9)	$ 1,500,879	43
Non-controlling interests	1,243	-	21,351	1
	$ (430,634)	(9)	$ 1,522,230	44
(LOSS) EARNINGS PER SHARE (Note 26)				
From continuing operations				
Basic	$ (1.06)		$ 2.31	
Diluted	$ (1.06)		$ 2.30	

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

HSIN KUANG STEEL COMPANY LIMITED AND SUBSIDIARIES

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

	Equity Attributable to Owners of the Company									
	Share Capital			Retained Earnings		Other Equity				
	Number of Shares (In Thousands)	Amount	Capital Surplus	Legal Reserve	Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Total	Non-controlling Interests	Total Equity
BALANCE AT JANUARY 1, 2024	321,146	$ 3,211,463	$ 943,445	$ 1,275,497	$ 4,741,810	$ 1,943	$ 1,164,407	$ 11,338,565	$ 724,788	$ 12,063,353
Appropriation of 2023 earnings										
Legal reserve	-	-	-	180,506	(180,506)	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(963,439)	-	-	(963,439)	-	(963,439)
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	(19,889)	(19,889)
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	1,249	-	(1,249)	-	-	-
Net profit for the three months ended March 31, 2024	-	-	-	-	740,592	-	-	740,592	21,343	761,935
Other comprehensive income/(loss) for the three months ended March 31, 2024, net of income tax	-	-	-	-	-	4,228	756,059	760,287	8	760,295
Total comprehensive income/(loss) for the three months ended March 31, 2024	-	-	-	-	740,592	4,228	756,059	1,500,879	21,351	1,522,230
Changes of non-controlling interests	-	-	-	-	-	-	-	-	(983)	(983)
BALANCE AT MARCH 31, 2024	321,146	$ 3,211,463	$ 943,445	$ 1,456,003	$ 4,339,706	$ 6,171	$ 1,919,217	$ 11,876,005	$ 725,267	$ 12,601,272
BALANCE AT JANUARY 1, 2025	321,146	$ 3,211,463	$ 943,445	$ 1,456,003	$ 5,157,256	$ 5,557	$ 875,847	$ 11,649,571	$ 699,211	$ 12,348,782
Appropriation of 2024 earnings										
Legal reserve	-	-	-	155,939	(155,939)	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(802,866)	-	-	(802,866)	-	(802,866)
Net profit for the three months ended March 31, 2025	-	-	-	-	(339,087)	-	-	(339,087)	1,243	(337,844)
Other comprehensive income/(loss) for the three months ended March 31, 2025, net of income tax	-	-	-	-	-	485	(93,275)	(92,790)	-	(92,790)
Total comprehensive income/(loss) for the three months ended March 31, 2025	-	-	-	-	(339,087)	485	(93,275)	(431,877)	1,243	(430,634)
Changes of non-controlling interests	-	-	-	-	-	-	-	-	(881)	(881)
BALANCE AT MARCH 31, 2025	321,146	$ 3,211,463	$ 943,445	$ 1,611,942	$ 3,859,364	$ 6,042	$ 782,572	$ 10,414,828	$ 699,573	$ 11,114,401

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

HSIN KUANG STEEL COMPANY LIMITED AND SUBSIDIARIES

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

	For the Three Months Ended March 31	
	2025	**2024**
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) income before income tax	$ (277,840)	$ 813,758
Adjustments for:		
Depreciation expense	66,520	60,099
Amortization expense	2,268	2,974
Expected credit loss recognized on trade receivables	480	5,270
Net loss/(gain) on fair value changes of financial assets and liabilities at fair value through profit or loss	403,770	(719,651)
Finance costs	102,763	83,755
Interest income	(354)	(356)
Dividend income	(10,020)	(10,261)
Share of loss/(profit) of associates and joint ventures	562	(7,363)
(Reversal of) write-downs of inventories	14,797	(32,674)
Net loss on foreign currency exchange	18,698	45,657
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	(73,177)	119,167
Contract assets	(37,179)	(7,678)
Notes receivable	182,649	496,666
Trade receivables	(1,394,344)	593,854
Other receivables	(2,810)	(689)
Inventories	221,474	(296,905)
Prepayments	39,423	(45,145)
Other current assets	142	(2,961)
Notes payable	37,433	(39,735)
Trade payables	15,795	34,855
Other payables	(32,359)	48,421
Provisions	3,298	-
Contract liabilities	184,140	38,843
Other current liabilities	3,277	(448)
Net defined benefit liabilities	(932)	(11,653)
Cash (used in) generated from operations	(531,526)	1,167,800
Interest received	354	356
Dividends received	8,583	10,261
Income tax (paid)/refunded	(78)	2,561
Net cash (used in) generated from operating activities	(522,667)	1,180,978

(Continued)

HSIN KUANG STEEL COMPANY LIMITED AND SUBSIDIARIES

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

	For the Three Months Ended March 31	
	2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through profit or loss	$ -	$ (12,857)
Proceeds from sale of financial assets at fair value through other comprehensive income	-	51,488
Purchase of financial assets at amortized cost	(20,656)	(19,620)
Payments for property, plant and equipment	(3,815)	(32,658)
Increase in other non-current assets	-	(123)
Increase in prepayments for equipment	(29,562)	(48,754)
Increase in refundable deposits	(150)	(4)
Net cash used in investing activities	(54,183)	(62,528)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	6,621,091	4,650,297
Decrease in short-term borrowings	(5,991,384)	(4,762,649)
Increase in short-term bills payable	(30,000)	(365,000)
Proceeds from long-term borrowings	121,490	27,106
Repayments of long-term borrowings	(81,202)	(236,703)
Increase in guarantee deposits received	-	5,313
Interest paid	(93,233)	(82,103)
Dividends paid to non-controlling interests	-	(19,889)
Change in non-controlling interests	(881)	(984)
Net cash generated from (used in) financing activities	545,881	(784,612)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	84	1,344
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(30,885)	335,182
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	1,212,459	953,579
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	$ 1,181,574	$ 1,288,761

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

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Hsin Kuang Steel Company Limited (the "Company") was incorporated in January 1967. The original paid-in-capital was NT$200 thousand, and ordinary shares were issued subsequently for promoting business expansion and a sound financial structure. The Company's share was approved to be listed on the Taipei Exchange (TPEx) in April 1997 and was approved to transfer to the Taiwan Stock Exchange (TWSE) in August 2000. The Company's shares have been listed on the TWSE since September 2000 under the approval of the Financial Supervisory Commission (FSC) of the Republic of China. The Company and its subsidiaries (collectively referred to as the "Group") mainly engages in the cutting, stamping and sale of various steel products, including steel coils, steel plates, round steel bar, stainless steel, alloy steel, special steel and SuperDyma. For the principal operating activities of the Company's subsidiaries, please refer to Note 4.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company's board of directors on May 6, 2025.

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

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

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

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

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" - the Amendments to the Application Guidance of Classification of Financial Assets	January 1, 2026 (Note)

Note: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2026. It is permitted to apply these amendments for an earlier period beginning on January 1, 2025.

- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” - the amendments to the application guidance of classification of financial assets

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

  1) If a financial asset contains a contingent feature that could change the timing or amount of contractual cash flows and the contingent event itself does not relate directly to changes in basic lending risks and costs (e.g., whether the debtor achieves a contractually specified reduction in carbon emissions), the financial asset has contractual cash flows that are solely payments of principal and interest on the principal amount outstanding if, and only if,

     a) In all possible scenarios (before and after the occurrence of a contingent event), the contractual cash flows are solely payments of principal and interest on the principal amount outstanding; and

     b) In all possible scenarios, the contractual cash flows would not be significantly different from the contractual cash flows on a financial instrument with identical contractual terms, but without such a contingent feature.

  2) To clarify that a financial asset has non-recourse features if an entity’s ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.

  3) To clarify that the characteristics of contractually linked instruments include a prioritization of payments to the holders of financial assets using multiple contractually linked instruments (tranches) established through a waterfall payment structure, resulting in concentrations of credit risk and a disproportionate allocation of cash shortfalls from the underlying pool between the tranches.

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

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

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

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note)
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” - the Amendments to the Application Guidance of Derecognition of Financial Liabilities	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”	January 1, 2026
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by IASB
IFRS 17 “Insurance Contracts”	January 1, 2023

(Continued)

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note)
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 “Initial Application of IFRS 17 and IFRS 9 - Comparative Information”	January 1, 2023
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027
IFRS 19 “Subsidiaries without Public Accountability: Disclosures”	January 1, 2027

(Concluded)

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

1) Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”

The amendments stipulate that, when the Group sells or contributes assets that constitute a business (as defined in IFRS 3) to an associate or joint venture, the gain or loss resulting from the transaction is recognized in full. Also, when the Group loses control of a subsidiary that contains a business but retains significant influence or joint control, the gain or loss resulting from the transaction is recognized in full.

Conversely, when the Group sells or contributes assets that do not constitute a business to an associate or joint venture, the gain or loss resulting from the transaction is recognized only to the extent of the Group’s interest as an unrelated investor in the associate or joint venture, i.e., the Group’s share of the gain or loss is eliminated. Also, when the Group loses control of a subsidiary that does not contain a business but retains significant influence or joint control over an associate or a joint venture, the gain or loss resulting from the transaction is recognized only to the extent of the Group’s interest as an unrelated investor in the associate or joint venture, i.e., the Group’s share of the gain or loss is eliminated.

2) IFRS 18 “Presentation and Disclosures in Financial Statements”

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

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discounted operations categories.

- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.

- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as ‘other’ only if it cannot find a more informative label.

- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management's view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

3) Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" - the amendments to the application guidance of derecognition of financial liabilities

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

   - The Group having no practical ability to withdraw, stop or cancel the payment instruction;

   - The Group having no practical ability to access the cash to be used for settlement as a result of the payment instruction; and

   - The settlement risk associated with the electronic payment system being insignificant.

   The Group shall apply the amendments retrospectively but is not required to restate prior periods. The effect of initially applying the amendments shall be recognized as an adjustment to the opening balance at the date of initial application.

4) Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"

   Contracts referencing nature-dependent electricity are contracts that expose an entity to variability in the underlying amount of electricity because the source of electricity generation depends on uncontrollable natural conditions. Contracts referencing nature-dependent electricity include both contracts to buy or sell nature-dependent electricity and financial instruments that reference such electricity. When the Group enters into contracts to buy nature-dependent electricity, which exposes the Group to the risk that it would be required to buy electricity during a delivery interval in which the Group cannot use the electricity, and the design and operation of the electricity market require any amounts of unused electricity to be sold within a specified time, the amendments stipulate that such sales are not necessarily inconsistent with the contract being held in accordance with the Group's expected usage requirements. The inconsistency will result in the contract being accounted for as financial instruments otherwise. The Group entered into and continues to hold such a contract in accordance with its expected electricity usage requirements, if the Group has bought, and expects to buy, sufficient electricity to offset the sales of any unused electricity in the same market in which it sold the electricity over a reasonable amount of time.

   The amendments also stipulate that, if contracts referencing nature-dependent electricity are designated as hedging instruments in hedges of forecast transactions, for such a hedging relationship the Group is permitted to designate as the hedged item a variable nominal amount of forecast electricity transactions that is aligned with the variable amount of nature-dependent electricity expected to be delivered by the generation facility as referenced in the hedging instrument.

   For the amendments related to whether contracts referencing nature-dependent electricity are entered into in accordance with expected electricity usage requirements, the Group shall apply retrospectively but is not required to restate prior periods. The effect of initially applying the amendments shall be recognized as an adjustment to the opening balance at the date of initial application. For the amendments related to hedge accounting, the Group shall apply prospectively.

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

c. Presentation reclassification

The Group's management determines that the construction is in progress, which has an operating cycle of over 1 year. The normal operating cycle applies when considering the classification of the Group's construction-related assets and liabilities. Therefore, the contract liabilities presented in the consolidated balance sheet as of March 31, 2024, were reclassified based on their liquidity to conform with the presentation adopted in the consolidated balance sheet as of March 31, 2025.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

These interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" as endorsed and issued into effect by the FSC. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in a complete set of annual consolidated financial statements.

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value, and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;

2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

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

c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries).

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Group.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and any investment retained in the former subsidiary at its fair value at the date when control is lost and (ii) the assets (including any goodwill) and liabilities and any non-controlling interests of the former subsidiary at their carrying amounts at the date when control is lost. The Group accounts for all amounts recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required had the Group directly disposed of the related assets or liabilities.

The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition of financial assets at fair value through other comprehensive income or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

See Note 12 and Table 4 for detailed information on subsidiaries (including percentages of ownership and main businesses).

d. Other material accounting policies

Except for the following, please refer to the consolidated financial statements for the year ended December 31, 2024.

1) Retirement benefits

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

2) Income tax expense

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

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The same material accounting judgments and key sources of estimation uncertainty of consolidated financial statements have been followed in these consolidated financial statements as those applied in the preparation of the consolidated financial statements for the year ended December 31, 2024.

6. CASH AND CASH EQUIVALENTS

	March 31, 2025	December 31, 2024	March 31, 2024
Cash on hand	$ 1,453	$ 1,560	$ 1,363
Checking accounts and demand deposits	1,180,121	1,210,899	1,287,398
	$ 1,181,574	$ 1,212,459	$ 1,288,761

The market rate intervals of cash in the bank at the end of the reporting period were as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Bank balance	0.002%-0.8%	0.002%-1.28%	0.001%-1.45%

As of March 31, 2025, December 31, 2024 and March 31, 2024, pledged time deposits and restricted demand deposits were NT$193,998 thousand, NT$173,342 thousand and NT$171,119 thousand, respectively, and were classified as financial assets at amortized cost (refer to Note 9).

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	March 31, 2025	December 31, 2024	March 31, 2024
Financial assets - current			
Financial assets mandatorily classified as at FVTPL			
Non-derivative financial assets			
Domestic and foreign listed shares	$ 3,058,885	$ 3,383,290	$ 3,376,544
Mutual funds	103,384	89,329	180,920
Derivative instruments (not under hedge accounting)			
Foreign exchange forward contracts (a)	129,499	101,718	22,441
	$ 3,291,768	$ 3,574,337	$ 3,579,905
Financial assets - non-current			
Financial assets mandatorily classified as at FVTPL			
Non-derivative financial assets			
Domestic emerging market shares	$ 531,100	$ 579,125	$ -
Domestic unlisted shares	154,614	154,614	318,698
	$ 685,714	$ 733,739	$ 318,698

* At the end of the reporting period, outstanding foreign exchange forward contracts not under hedge accounting were as follows:

	Currency	Maturity Date	Notional Amounts (In Thousands)
March 31, 2025			
Buy	NTD/USD	2025.4-2025.11	NTD2,434,274/USD77,988
December 31, 2024			
Buy	NTD/USD	2025.1-2025.11	NTD2,086,688/USD67,688
March 31, 2024			
Buy	NTD/USD	2024.11-2025.01	NTD447,724/USD15,000
Sell	USD/NTD	2025.03	NTD61,007/USD1,984

The Group entered into foreign exchange forward contracts to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	March 31, 2025	December 31, 2024	March 31, 2024
Non-current			
Investments in equity instruments	$ 2,346,350	$ 2,439,102	$ 3,487,297

Investments in equity instruments at FVTOCI

	March 31, 2025	December 31, 2024	March 31, 2024
Non-current			
Domestic investments			
Listed shares and emerging market shares			
Ordinary shares - China Steel Corporation	$ 687,700	$ 603,272	$ 862,811
Ordinary shares - Century Wind Power Co., Ltd.	1,409,085	1,580,130	2,262,627
Unlisted shares			
Ordinary shares - Envirolink Corporation	19,250	19,250	56,525
Ordinary shares - Linkou Entertainment Corporation	4,224	4,224	4,518
Ordinary shares - Shin Ji Technology Corporation	4,761	4,761	4,761
Ordinary shares - Hua Mian Corporation	1,045	1,045	1,073
	2,126,065	2,212,682	3,192,315

(Continued)

	March 31, 2025	December 31, 2024	March 31, 2024
Foreign investments			
Unlisted shares			
Ordinary shares - China Steel and Nippon Steel Vietnam Stock Company	$ 178,972	$ 185,630	$ 251,239
Ordinary shares - Century International Co., Ltd.	41,313	40,790	43,743
	220,285	226,420	294,982
	$ 2,346,350	$ 2,439,102	$ 3,487,297

(Concluded)

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

9. FINANCIAL ASSETS AT AMORTIZED COST

	March 31, 2025	December 31, 2024	March 31, 2024
Current			
Domestic investments			
Pledged time deposits	$ 57,404	$ 48,391	$ 58,370
Restricted demand deposits	136,594	124,951	112,749
	$ 193,998	$ 173,342	$ 171,119

a. The ranges of interest rates for pledged time deposits and restricted demand deposits were 0.2%-1.44%, 0.2%-1.44% and 0.2%-1.31% per annum as of March 31, 2025, December 31, 2024 and March 31, 2024, respectively.

b. Refer to Note 31 for information relating to investments in financial assets at amortized cost pledged as security.

10. NOTES RECEIVABLE, TRADE RECEIVABLES AND OVERDUE RECEIVABLES

	March 31, 2025	December 31, 2024	March 31, 2024
Notes receivable			
Operating - unrelated parties	$ 1,556,058	$ 1,738,707	$ 1,689,071
Less: Allowance for impairment loss	(1,492)	-	(17,677)
	$ 1,554,566	$ 1,738,707	$ 1,671,394

(Continued)

	March 31, 2025	December 31, 2024	March 31, 2024
Trade receivables			
At amortized cost - unrelated parties	$ 4,047,121	$ 2,643,165	$ 2,673,720
Less: Allowance for impairment loss	(15,836)	(7,236)	(26,160)
	$ 4,031,285	$ 2,635,929	$ 2,647,560
Overdue receivables (presented under other non-current assets)			
Overdue receivables	$ 73,880	$ 86,547	$ 1,272
Less: Allowance for impairment loss	(8,017)	(21,517)	(1,272)
	$ 65,863	$ 65,030	$ -

(Concluded)

a. Notes receivable and trade receivables

The average credit period for sales of goods is 90-150 days. No interest was charged on trade receivables. The Group adopted a policy of only dealing with entities that are rated the equivalent of investment grade or higher and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. Credit rating information is obtained from other publicly available financial source or its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored, and the aggregate value of transactions concluded is spread amongst approved counterparties.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix considering the past default records of the debtor, an analysis of the debtor's current financial position, any credit insurance and recoverable amount as well as the GDP forecasts and industry outlook. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.

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

The following table details the loss allowance of notes receivable and trade receivables based on the Group's provision matrix.

March 31, 2025

	Not Past Due	1 to 30 Days Past Due	31 Days to 1 Year Past Due	1 to 2 Years Past Due	Over 2 Years Past Due	Total
Expected credit loss rate	0.07%	17.14%	92.90%	0.00%	0.00%	
Gross carrying amount	$ 5,542,975	$ 56,184	$ 4,020	$ -	$ -	$ 5,603,179
Loss allowance (Lifetime ECLs)	(3,965)	(9,628)	(3,735)	-	-	(17,328)
Amortized cost	$ 5,539,010	$ 46,556	$ 285	$ -	$ -	$ 5,585,851

December 31, 2024

	Not Past Due	1 to 30 Days Past Due	31 Days to 1 Year Past Due	1 to 2 Years Past Due	Over 2 Years Past Due	Total
Expected credit loss rate	0.03%	15.59%	55.48%	0.00%	0.00%	
Gross carrying amount	$ 4,362,872	$ 11,411	$ 7,589	$ -	$ -	$ 4,381,872
Loss allowance (Lifetime ECLs)	(1,247)	(1,779)	(4,210)	-	-	(7,236)
Amortized cost	$ 4,361,625	$ 9,632	$ 3,379	$ -	$ -	$ 4,374,636

March 31, 2024

	Not Past Due	1 to 30 Days Past Due	31 Days to 1 Year Past Due	1 to 2 Years Past Due	Over 2 Years Past Due	Total
Expected credit loss rate	0.02%	13.26%	100.00%	0.00%	0.00%	
Gross carrying amount	$ 4,261,835	$ 66,762	$ 34,194	$ -	$ -	$ 4,362,791
Loss allowance (Lifetime ECLs)	(788)	(8,855)	(34,194)	-	-	(43,837)
Amortized cost	$ 4,261,047	$ 57,907	$ -	$ -	$ -	$ 4,318,954

The movements of the loss allowance of notes receivable and trade receivables were as follows:

	For the Three Months Ended March 31	
	2025	2024
Balance at January 1	$ 7,236	$ 36,575
Add: Net remeasurement of loss allowance	10,092	7,262
Balance at March 31	$ 17,328	$ 43,837

Compared to January 1, 2025 and 2024, the increase in loss allowance of NT$10,092 thousand and increase of NT$7,262 thousand at March 31, 2025 and 2024, respectively, resulted from the changes in the gross carrying amounts of notes receivables and trade receivables, which increased by NT$1,221,307 thousand and decreased by NT$1,085,956 thousand, respectively.

Refer to Note 31 for information relating to notes receivable pledged as security for borrowings.

b. Overdue receivables

Overdue receivable balances that were past due but for which no allowance for impairment loss was recognized were NT$65,863 thousand, NT$65,030 thousand and NT$0 thousand as of March 31, 2025, December 31, 2024 and March 31, 2024, respectively, which are disclosed in the aging analysis below. The Group did not recognize an allowance for impairment loss, because there was no significant change in the credit quality and the amounts were still considered recoverable. The Group holds collateral or other credit enhancements for these balances. In addition, the Group did not have the legal right to offset the overdue receivables with trade payables from the same counterparty.

The aging of overdue receivables that were past due but not impaired was as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Over 1 year	$ 65,863	$ 65,030	$ -

The above aging schedule was based on the number of days from the invoice date.

The movements of the loss allowance of overdue receivables were as follows:

	For the Three Months Ended March 31	
	2025	2024
Balance at January 1	$ 21,517	$ 7,903
Less: Net remeasurement of loss allowance	(9,612)	(1,992)
Less: Amounts written off	-	(4,639)
Less: Reclassification	(3,888)	-
Balance at March 31	$ 8,017	$ 1,272

The Group recognized an impairment loss on overdue receivables amounting to NT$8,017 thousand, NT$21,517 thousand and NT$1,272 thousand as of March 31, 2025, December 31, 2024 and March 31, 2024, respectively. These amounts were mainly related to the customers for whom the Group was pursuing legal claims. The net remeasurement amount was calculated as the difference between the overdue receivables' carrying amount and the present value of expected recoverable amount.

11. INVENTORIES

	March 31, 2025	December 31, 2024	March 31, 2024
Raw materials	$ 5,044,694	$ 5,497,388	$ 5,251,671
Finished goods	649,494	555,135	604,538
Work in process	22,033	21,582	317,766
Raw materials in transit	309,564	187,951	313,083
	$ 6,025,785	$ 6,262,056	$ 6,487,058

The nature of the cost of goods sold is as follows:

	For the Three Months Ended March 31	
	2025	2024
Cost of inventories sold	$ 3,914,495	$ 2,975,470
(Reversal of) inventory write-downs	14,797	(32,674)
	$ 3,929,292	$ 2,942,796

As of March 31, 2025, December 31, 2024 and March 31, 2024, the allowance for inventory write-downs were NT$89,551 thousand, NT$74,754 thousand and NT$70,798 thousand, respectively.

Inventory write-downs were reversed as a result of the fluctuation in the market price of the steel market.

12. SUBSIDIARIES

			Proportion of Ownership (%)		
Investor	Investee	Nature of Business	March 31, 2025	December 31, 2024	March 31, 2024
Hsin Kuang Steel Corporation	Hsin Yuan Investment Co., Ltd.	Investment	100.00	100.00	100.00
Hsin Kuang Steel Corporation	Hsin Ho Fa Metal Co., Ltd.	Sale of metal products for architecture	83.37	83.37	83.37
Hsin Kuang Steel Corporation	Sinpao Investment Co., Ltd.	Investment	100.00	100.00	99.42
Hsin Kuang Steel Corporation	APEX Wind Power Equipment Manufacturing Company Limited	Manufacturing of metal structures, architectural components and energy related equipment	66.14	66.14	66.14
Hsin Kuang Steel Corporation	Hsin Ching International Co., Ltd.	Leasing and warehousing	60.00	60.00	60.00
Hsin Kuang Steel Corporation	Hsin Cheng Logistics Development Co., Ltd.	Leasing and warehousing	100.00	100.00	100.00
Hsin Kuang Steel Corporation	Mason Metal Industry Co., Ltd.	Cutting and processing of automobile steel plate	80.00	80.00	80.00
Hsin Yuan Investment Co., Ltd.	APEX Wind Power Equipment Manufacturing Company Limited	Manufacturing of metal structures, architectural components and energy related equipment	1.00	1.00	1.00
Hsin Yuan Investment Co., Ltd.	Hsin Hua Steel Industry Co., Ltd.	Processing and manufacturing of metal structures, architectural components and steel products	100.00	100.00	100.00
Hsin Yuan Investment Co., Ltd.	Hsin Yuan Hsin Industrial Co., Ltd.	Processing and manufacturing of steel products	100.00	100.00	-
Hsin Ho Fa Metal Co., Ltd.	APEX Wind Power Equipment Manufacturing Company Limited	Manufacturing of metal structures, architectural components and energy related equipment	2.73	2.73	2.73
Sinpao Investment Co., Ltd.	Mason Metal Industry Co., Ltd.	Cutting and processing of automobile steel plate	1.00	1.00	1.00

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	March 31, 2025	December 31, 2024	March 31, 2024
Investments in associates	$ 986,935	$ 987,497	$ 945,368

a. Investments in associates

	March 31, 2025	December 31, 2024	March 31, 2024
Material associate	$ 877,634	$ 877,684	$ 834,024
Associates that are not individually material	109,301	109,813	111,344
	$ 986,935	$ 987,497	$ 945,368

1) Material associates

Name of Associate	Nature of Business	Proportion of Ownership and Voting Rights March 31, 2025	December 31, 2024	March 31, 2024
SunnyRich Multifunction Solar Power Co., Ltd.	Renewable energy private power generation equipment	20.00%	20.00%	20.00%

The Company pledged 86,000 thousand shares of SunnyRich Multifunction Solar Power Co., Ltd. as collateral for bank borrowings (refer to Note 31 and Table 1).

SunnyRich Multifunction Solar Power Corporation

	March 31 2025	2024
Current assets	$ 2,193,694	$ 1,153,222
Non-current assets	14,247,627	11,373,745
Current liabilities	(947,937)	(1,052,794)
Non-current liabilities	(11,092,200)	(7,272,029)
Equity	$ 4,401,184	$ 4,202,144
Proportion of the Group's ownership	20%	20%
Equity attributable to the Group	$ 880,237	$ 840,429
Carrying amount	$ 877,634	$ 834,024

	For the Three Months Ended March 31 2025	2024
Operating revenue	$ 238,672	$ 233,379
Net income	$ 20,375	$ 66,603
Total comprehensive income	$ 20,375	$ 66,603

2) Aggregate information of associates that are not individually material is as follows:

	For the Three Months Ended March 31 2025	2024
The Group's share of:		
Net (loss)/income	$ (512)	$ 725
Total comprehensive (loss)/income	$ (512)	$ 725

14. PROPERTY, PLANT AND EQUIPMENT

	March 31, 2025	December 31, 2024	March 31, 2024
Assets used by the Group	$ 5,458,414	$ 5,472,271	$ 4,568,826

Carrying amount per category

	March 31, 2025	December 31, 2024	March 31, 2024
Freehold land	$ 3,702,717	$ 3,702,717	$ 2,544,389
Buildings	928,707	937,726	949,921
Equipment	612,853	610,429	632,821
Transportation equipment	59,810	63,275	70,424
Miscellaneous equipment	115,713	121,495	60,415
Leasehold improvements	30,874	32,098	34,297
Property under construction and equipment awaiting inspection	7,740	4,531	276,559
	$ 5,458,414	$ 5,472,271	$ 4,568,826

Except for depreciation recognized, the Group did not have significant addition, disposal or impairment for the three months ended March 31, 2025 and 2024. The above items of property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives as follows:

Buildings	
Main buildings	10-55 years
Building construction	3-20 years
Equipment	
Main equipment	5-20 years
Equipment maintenance	3-8 years
Transportation equipment	
Trucks and automotive	5-8 years
Stackers	5-9 years
Automotive accessories	3-5 years
Miscellaneous equipment	
Computer equipment	3-10 years
Office equipment and construction	3-10 years
Leasehold improvements	3-15 years

The Group purchased land located in Guanyin and Taibao for operational use from 2005 to 2020. As of March 31, 2024, the total land space purchased was 50,004.07 square meters, with a carrying amount of NT$227,268 thousand. The law stipulates that an entity may not have ownership of land which is registered for agricultural purposes. Therefore, the Group held the land through the signing of the real estate trust agreement with an individual. As a protective measure, the Group signed a contract with the landowner who held the land ownership certificate and registered the ownership certificate, which stated that all the rights and obligations of the land belong to the Group.

Property, plant and equipment pledged as collateral for bank borrowings are set out in Note 31.

15. INVESTMENT PROPERTIES

	March 31, 2025	December 31, 2024	March 31, 2024
Completed investment properties	$ 3,460,930	$ 3,474,668	$ 3,142,783

The investment properties were leased out for 2 to 10 years, without an option to extend. The lease contracts contain market review clauses to adjust the lease expense in the event that the lessees exercise their options to renew the lease. The lessees do not have bargain purchase options to acquire the investment properties at the expiry of the lease periods.

In addition to the fixed lease payments, the lease contracts also indicate that the lease payments should be adjusted every 2 or 3 years on the basis of the increase in Price Index.

The maturity analysis of lease payments receivable under operating leases of investment properties was as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Year 1	$ 366,618	$ 364,125	$ 358,965
Year 2	313,024	326,880	363,130
Year 3	295,821	301,131	312,345
Year 4	256,753	267,397	294,174
Year 5	209,965	218,667	255,849
Year 6 onwards	197,102	249,594	407,067
	$ 1,639,283	$ 1,727,794	$ 1,991,530

The investment properties are depreciated using the straight-line method over their estimated useful lives as follows:

Main buildings	25-55 years
Building construction	6-15 years
Leasehold improvements	5-15 years

The determination of fair value was performed by independent qualified professional appraisers at the end of each reporting period. The fair value was measured by using Level 3 inputs. The valuation was arrived at by reference to market evidence of transaction prices for similar properties.

	March 31, 2025	December 31, 2024	March 31, 2024
Fair value	$ 7,855,371	$ 7,856,053	$ 6,785,449

The investment properties pledged as collateral for bank borrowings are set out in Note 31.

16. OTHER INTANGIBLE ASSETS

	March 31, 2025	December 31, 2024	March 31, 2024
Computer software	$ 38,840	$ 39,775	$ 39,994

The additions in other intangible assets of the Group for the three months ended March 31, 2025 and 2024 were mainly due to the external purchase of software and system licenses. Other intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Computer software	1-10 years

17. OTHER ASSETS

	March 31, 2025	December 31, 2024	March 31, 2024
Current			
Other receivables	$ 10,421	$ 6,160	$ 8,712
Payment on behalf of others	1,235	1,377	2,467
Tax refund receivable (Note 24)	-	-	6,461
	$ 11,656	$ 7,537	$ 17,640
Non-current			
Refundable deposits	$ 106,124	$ 105,974	$ 8,787
Prepayments for equipment	128,562	134,824	410,080
Overdue receivables	65,863	65,030	-
Prepayments	26,662	33,221	78,983
Others	182	413	1,194
	$ 327,393	$ 339,462	$ 499,044

18. BORROWINGS

a. Short-term borrowings

	March 31, 2025	December 31, 2024	March 31, 2024
Secured borrowings (Notes 29 and 31)			
Bank loans	$ 82,000	$ 72,000	$ 60,000
Issuance credit payable	970,555	980,250	982,085
	1,052,555	1,052,250	1,042,085
Unsecured borrowings			
Line of credit borrowings (Note 29)	1,840,000	1,368,244	1,567,000
Issuance credit payable	5,343,961	5,166,960	4,006,066
	7,183,961	6,535,204	5,573,066
	$ 8,236,516	$ 7,587,454	$ 6,615,151

The range of weighted average effective interest rates on bank loans was 1.82%-5.55%, 1.9%-6.71% and 1.8%-6.8% per annum as of March 31, 2025, December 31, 2024 and March 31, 2024, respectively.

b. Short-term bills payable

	March 31, 2025	December 31, 2024	March 31, 2024
Commercial paper (Notes 29 and 31)	$ 580,000	$ 610,000	$ 435,000
Less: Discount on short-term bills payable	(485)	(774)	(221)
	$ 579,515	$ 609,226	$ 434,779

Outstanding short-term bills payable were as follows:

March 31, 2025

Promissory Institution	Nominal Amount	Discount Amount	Carrying Amount	Interest Rate	Collateral	Carrying Amount of Collateral
Commercial paper						
Corporation A	$ 100,000	$ 35	$ 99,965	2.17%	Head office	$ 18,147
Corporation B	200,000	87	199,913	2.18%-2.24%	-	
Corporation C	130,000	243	129,757	2.18%-2.24%	-	
Corporation D	150,000	120	149,880	2.18%	-	
	$ 580,000	$ 485	$ 579,515			

December 31, 2024

Promissory Institution	Nominal Amount	Discount Amount	Carrying Amount	Interest Rate	Collateral	Carrying Amount of Collateral
Commercial paper						
Corporation A	$ 100,000	$ 185	$ 99,815	2.17%	Head office	$ 18,328
Corporation B	210,000	349	209,651	2.19%-2.24%	-	
Corporation C	150,000	98	149,902	2.13%-2.23%	-	
Corporation D	150,000	142	149,858	2.17%	-	
	$ 610,000	$ 774	$ 609,226			

March 31, 2024

Promissory Institution	Nominal Amount	Discount Amount	Carrying Amount	Interest Rate	Collateral	Carrying Amount of Collateral
Commercial paper						
Corporation A	$ 100,000	$ 9	$ 99,991	2.02%	Head office	$ 18,868
Corporation B	180,000	88	179,912	2.02%-2.04%	-	-
Corporation C	155,000	124	154,876	2.02%-2.07%	-	-
	$ 435,000	$ 221	$ 434,779			

c. Long-term borrowings

	March 31, 2025	December 31, 2024	March 31, 2024
Secured borrowings (Note 31)			
Syndicated bank loans - Mega International Commercial Bank (1)	$ 6,000,000	$ 6,000,000	$ 5,200,000
Bank loans - Banking Division of Mega International Commercial Bank (2)	-	-	84,211
Bank loans - Chang Hwa Bank Sanchungpu Branch (3)	192,708	197,917	213,542
Bank loans - Land Bank of Taiwan (4)	-	-	86,000
Bank loans - Land Bank of Taiwan (5)	537,700	537,700	-
Bank loans - Mega International Commercial Bank (6)	147,273	163,636	212,727
Bank loans - Banking Division of Far Eastern International Bank (7)	8,333	20,833	58,333
Bank loans - First Commercial Bank (8)	214,802	140,442	27,106
	7,100,816	7,060,528	5,881,919
Less: Current portions	(94,621)	(107,121)	(232,814)
Syndicated loan fees	(7,584)	(8,323)	(10,391)
	(102,205)	(115,444)	(243,205)
Long-term borrowings	$ 6,998,611	$ 6,945,084	$ 5,638,714

1) The Company signed a joint credit line contract with Mega International Commercial Bank, and such syndicated loan was collateralized by the Company’s freehold land and plant (refer to Note 31). The credit line of loan item A-1 is NT$3,500,000 thousand, A-2 is NT$4,500,000 thousand, B is NT$5,000,000 thousand and the total credit line of loan items A and B shall be not more than NT$8,000,000 thousand, which is a revolving credit line within 5 years from the date of first use. When the credit line of the loan is used for the first time, the entire outstanding balance of the syndicated bank loan - Yushan Bank, which was signed in 2018, will be paid off in advance. The first period is 36 months after the date of first use. Thereafter, every 12 months is considered one period, and the total credit line will decrease within 3 periods. The revolving credit line will be reduced by 10% at the end of the first period, reduced by 20% at the end of the second period, and the remaining credit line will be totally cancelled upon the expiry of the credit period.

   During the loan period, the current ratio, debt ratio and interest earned ratio, which are calculated based on the audited annual consolidated financial report, should comply with the criteria in the credit line contract. If the financial ratio do not comply with the criteria in the contract, the Group should remedy it from the date of submission of the annual consolidated financial statements to the next review date. It will not be considered a breach of the contract if the financial ratios are remedied and comply with the contract within the remediation period. The weighted average effective interest rates were 2.20%-2.25%, 2.14%-2.22% and 2.01%-2.06% per annum as of March 31, 2025, December 31, 2024 and March 31, 2024, respectively.

2) In January 2017, the Company acquired NT$150,000 thousand of bank loans from the Banking Division of Mega International Commercial Bank, secured by the Company’s freehold land (refer to Note 31), which will mature in January 2032. Starting from January 2018, the repayment of principal is divided into 56 installments of every 3 months, with NT$2,632 thousand per installment. The loan was repaid in advance in one lump sum in August 2024.The weighted average effective interest rates was 2.23% per annum as of March 31, 2024.

3) In April 2019, Hsin Ho Fa Metal Co., Ltd. acquired NT$250,000 thousand of bank loans from Chang Hwa Bank Sanchungpu Branch, secured by the freehold land (refer to Note 31), which mature in April 2034. The grace period is 3 years, during which interest shall be paid by the 26th of each month. Starting from April 26, 2022, the repayment of principal is divided into 48 equal installments of every 3 months, and the principal as well as interest calculated on the outstanding balance principal shall be paid by the 26th of each month. The weighted average effective interest rates were 2.19%, 2.19% and 2.06% per annum as of March 31, 2025, December 31, 2024 and March 31, 2024, respectively.

4) In September 2021, APEX Wind Power Equipment Manufacturing Company Limited acquired NT$86,000 thousand of bank loans from the Land Bank of Taiwan, secured by machinery and equipment (refer to Note 31), which will mature in September 2024. Starting from the borrowing date, interest will be paid once a month, and the principal should be repaid on the maturity date. The principal of the loan was repaid in advance in one lump sum in July 2024. The weighted average effective interest rates were 2.15% per annum as of March 31 2024.

5) In July 2024, APEX Wind Power Equipment Manufacturing Company Limited acquired NT$537,700 thousand of bank loans from the Land Bank of Taiwan, with land (refer to Note 31) as the collateral, which will mature in July 2027. The principal of the loan is repayable in one lump sum upon maturity, where interest is repayable on a monthly basis starting from the date of the initial drawdown. The weighted average effective interest rate was 2.13% per annum as of March 31, 2025 and December 31, 2024.

6) In June 2022, Mason Metal Industry Co., Ltd. acquired NT$300,000 thousand of bank loans from Mega International Commercial Bank, secured by the freehold land and buildings (refer to Note 31), which will mature in June 2027. Starting from the borrowing date, interest will be paid once a month, and the principal will be repaid in installments. The weighted average effective interest rate was 2.36% per annum as of March 31, 2025, December 31, 2024 and March 31, 2024.

7) In May 2023, Hsin Ching International Co., Ltd. acquired NT$100,000 thousand of unsecured bank loans from Far Eastern International Bank, which will mature in May 2025. The principal shall be repaid in 24 equal installments on the 5th of each month, and interest is calculated on the outstanding principle which shall be paid on the 5th of each month. The weighted average effective interest rates were 2.42%, 2.42% and 2.28% per annum as of March 31, 2025, December 31, 2024 and March 31, 2024, respectively.

8) Xinhua Steel Company entered into an unsecured medium-term loan agreement with First Commercial Bank, and borrowed in installments. The principal of the loan is repayable over a period of 2 years starting from the date of the initial drawdown. The weighted average effective interest rates were 2.23%, 2.23% and 2.1% per annum as of March 31, 2025, December 31, 2024 and March 31, 2024, respectively.

19. NOTES PAYABLE AND TRADE PAYABLES

	March 31, 2025	December 31, 2024	March 31, 2024
Notes payable			
Operating - unrelated parties	$ 368,669	$ 331,236	$ 248,420
Trade payables			
Operating - unrelated parties	$ 205,434	$ 189,603	$ 273,304

20. OTHER PAYABLES

	March 31, 2025	December 31, 2024	March 31, 2024
Payables for salaries and bonuses	$ 153,880	$ 210,185	$ 240,171
Other accrued expenses	119,619	128,609	87,106
Other payables	120,702	87,766	88,607
Dividends payable	802,866	-	983,328
Interest payable	30,326	21,714	26,164
	$ 1,227,393	$ 448,274	$ 1,425,376

21. RETIREMENT BENEFIT PLANS

For the three months ended March 31, 2025 and 2024, the pension expenses of defined benefit plans were NT$132 thousand and NT$183 thousand, respectively, and these were calculated based on the pension cost rate determined by the actuarial calculation on December 31, 2024 and 2023, respectively.

22. EQUITY

a. Share capital

Ordinary shares

	March 31, 2025	December 31, 2024	March 31, 2024
Number of shares authorized (in thousands)	360,000	360,000	360,000
Shares authorized	$ 3,600,000	$ 3,600,000	$ 3,600,000
Number of shares issued and fully paid (in thousands)	321,146	321,146	321,146
Shares issued	$ 3,211,463	$ 3,211,463	$ 3,211,463

The shares issued had a par value of NT$10. Each share entitles the rights to dividends and to vote.

b. Capital surplus

	March 31, 2025	December 31, 2024	March 31, 2024
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (1)			
Share premiums	$ 906,797	$ 906,797	$ 906,797
May not be used for any purpose (2)			
Employee share options	36,648	36,648	36,648
	$ 943,445	$ 943,445	$ 943,445

1) Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and to once a year).

2) Such capital surplus is used primarily for subsequent matters related to the transaction and may not be used for any purpose.

c. Retained earnings and dividends policy

Under the dividends policy as set forth in the Company's Articles of Incorporation, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as a legal reserve of 10% of the remaining profit until the legal reserve equals the Company's paid-in capital, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. If the aforementioned dividends, legal reserve and capital surplus are to be distributed in cash, the board of directors may be authorized to pass the resolution with more than two-thirds of the directors' attendance and more than half of the votes of attending directors, which shall be reported in the board of directors. For the policies on the distribution of compensation of employees and remuneration of directors and supervisors, refer to compensation of employees and remuneration of directors in Note 24-g.

To ensure the interests of shareholders and the Company's sustainable development, the Company adopts a balanced dividends policy. The dividends payment principle shall be determined on the basis of the current and forthcoming development plan, considering the investing environment, demanding for funds, domestic and foreign competition, and shareholders' interests. The Company shall, in accordance with the capital budget plan for the following year, determine the most appropriate dividend policy. After the board of directors resolve the distribution plan, such plan will be subject to the resolution in the shareholders' meeting.

Dividends may be distributed in cash or shares. Among the dividends payment, no less than 30% shall be distributed in cash.

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

The appropriations of earnings for the years ended December 31, which were proposed by the Company's board of directors on March 11, 2025 and approved in shareholder's meeting on June 14, 2024, respectively, were as follows:

	Appropriation of Earnings	
	For the Year Ended December 31	
	2024	**2023**
Legal reserve	$ 155,939	$ 180,506
Cash dividends	$ 802,866	$ 963,439
Cash dividends per share (NT$)	$ 2.50	$ 3.00

The appropriation of earnings for the year ended December 31, 2024 is subject to the resolution in the shareholders' meeting to be held on May 29, 2025.

d. Other equity items

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

	For the Three Months Ended March 31	
	2025	2024
Balance at January 1	$ 5,557	$ 1,943
Exchange differences on translating the financial statements of foreign operations	485	4,228
Balance at March 31	$ 6,042	$ 6,171

2) Unrealized valuation gain/(loss) on financial assets at FVTOCI

	For the Three Months Ended March 31	
	2025	2024
Balance at January 1	$ 875,847	$ 1,164,407
Recognized for the period		
Unrealized gain/(loss) - equity instruments	(93,275)	756,059
Reclassification adjustments		
Disposals of investments in equity instruments designated as at FVTOCI	-	(1,249)
Balance at March 31	$ 782,572	$ 1,919,217

e. Non-controlling interests

	For the Three Months Ended March 31	
	2025	2024
Balance at January 1	$ 699,211	$ 724,788
Share of profit for the period	1,243	21,343
Dividends distributed by subsidiaries	-	(19,889)
Other comprehensive income/(loss) for the period		
Exchange differences on translation of the financial statements of foreign operations	-	8
Non-controlling interests	(881)	(983)
Balance at March 31	$ 699,573	$ 725,267

23. REVENUE

	For the Three Months Ended March 31	
	2025	2024
Revenue from contracts with customers		
Revenue from sales of goods	$ 4,102,870	$ 3,169,395
Revenue from processing	41,897	71,317
Construction contract revenue	805,944	146,646
Rental income	90,130	78,809
	$ 5,040,841	$ 3,466,167

a. Contract balances

	March 31, 2025	December 31, 2024	March 31, 2024
Trade receivables (Note 10)	$ 4,031,285	$ 2,635,929	$ 2,647,560
Contract assets - current			
Construction of properties	$ 140,357	$ 103,178	$ 248,038
Contract liabilities - current			
Sales of goods	$ 462,913	$ 206,338	$ 282,352
Construction of properties	431,155	503,590	1,172,772
	$ 894,068	$ 709,928	$ 1,455,124

b. Refer to Note 35 for details of revenue.

24. NET PROFIT AND OTHER COMPREHENSIVE INCOME FROM CONTINUING OPERATIONS

a. Other income

	For the Three Months Ended March 31	
	2025	2024
Dividend income		
Financial assets at FVTPL	$ 9,787	$ 10,261
Financial assets at FVTOCI	233	-
Others	9,988	4,226
	$ 20,008	$ 14,487

b. Other gains/(losses)

	For the Three Months Ended March 31	
	2025	2024
Net gains or losses on financial assets and financial liabilities Mandatorily classified as at FVTPL	$ (403,770)	$ 719,651
Net foreign exchange losses	(15,591)	(10,662)
	$ (419,361)	$ 708,989

c. Finance costs

	For the Three Months Ended March 31	
	2025	2024
Interest on bank loans	$ 102,807	$ 85,377
Interest on lease liabilities	31	5
Less: Amounts included in the cost of qualifying assets	(75)	(1,627)
	$ 102,763	$ 83,755

Information about capitalized interest was as follows:

	For the Three Months Ended March 31	
	2025	2024
Capitalized interest	$ 75	$ 1,627
Capitalization rate	2.5%	2.5%

d. Operating expenses directly related to investment properties

	For the Three Months Ended March 31	
	2025	2024
Direct operating expenses of investment properties generating rental income	$ 26,703	$ 22,559

e. Depreciation and amortization

	For the Three Months Ended March 31	
	2025	2024
Property, plant and equipment	$ 52,219	$ 45,723
Investment properties	13,822	13,898
Right-of-use assets	479	478
Intangible assets	2,039	2,333
Long-term prepayments	229	641
	$ 68,788	$ 63,073
An analysis of depreciation by function		
Operating costs	$ 61,091	$ 53,917
Operating expenses	5,429	6,182
	$ 66,520	$ 60,099
An analysis of amortization by function		
Operating costs	$ 870	$ 1,634
Operating expenses	1,398	1,340
	$ 2,268	$ 2,974

f. Employee benefits expense

	For the Three Months Ended March 31	
	2025	2024
Short-term employee benefits	$ 118,489	$ 178,571
Post-employment benefits (Note 21)		
Defined contribution plans	3,540	3,332
Defined benefit plans	132	183
	$ 122,161	$ 182,086
An analysis of employee benefits expense by function		
Operating costs	$ 73,416	$ 69,227
Operating expenses	48,745	112,859
	$ 122,161	$ 182,086

g. Compensation of employees and remuneration of directors

The Company accrued compensation of employees and remuneration of directors at the rates of no less than 3% and no higher than 3%, respectively, of net profit before income tax. In accordance with the amendments to the Securities and Exchange Act in August 2024, the shareholders of the Company expect to resolve the amendments to the Company's Articles at their 2025 regular meeting. The amendments explicitly stipulate the allocation of no less than 40% of the compensation of employees as compensation distributions for non-executive employees. Due to the net loss for the three months ended March 31, 2025, the Company did not estimate compensation of employees and remuneration of directors.

The compensation of employees and remuneration of directors for the three months ended March 31, 2024 were as follows:

Accrual rate

	For the Three Months Ended March 31	
	2025	2024
Compensation of employees	3%	3%
Remuneration of directors	3%	3%

Amount

	For the Three Months Ended March 31	
	2025	2024
Compensation of employees	$ -	$ 25,022
Remuneration of directors	$ -	$ 25,022

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

The compensation of employees and remuneration of directors for the years ended December 31, 2024 and 2023, which were approved by the Company's board of directors on March 11, 2025, and March 12, 2024, respectively, were as follows:

	For the Year Ended December 31	
	2024	2023
	Cash	Cash
Compensation of employees	$ 47,801	$ 55,254
Remuneration of directors	$ 47,801	$ 55,254

There was no difference between the actual amounts of compensation of employees and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2024 and 2023.

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

h. Gains or losses on foreign currency exchange

	For the Three Months Ended March 31	
	2025	2024
Foreign exchange gains	$ 21,345	$ 40,331
Foreign exchange losses	(36,936)	(50,993)
Net losses	$ (15,591)	$ (10,662)

25. INCOME TAXES

a. Major components of tax expense recognized in profit or loss

Major components of income tax expense are as follows:

	For the Three Months Ended March 31	
	2025	2024
Current tax		
In respect of the current period	$ 27,205	$ 20,807
Income tax on unappropriated earnings	29,925	33,156
Adjustments for prior years	55	(2,584)
	57,185	51,379
Deferred tax		
In respect of the current period	2,819	444
Income tax expense recognized in profit or loss	$ 60,004	$ 51,823

b. Income tax recognized in other comprehensive income

	For the Three Months Ended March 31	
	2025	2024
Deferred tax		
In respect of the current period:		
Translation of foreign operations	$ 121	$ 1,057
Total income tax expense recognized in other comprehensive income	$ 121	$ 1,057

c. Income tax assessments

The income tax returns through 2023 and income tax returns on unappropriated earnings through 2022 of the Company and its subsidiaries, including Hsin Ho Fa Metal Co., Ltd. APEX Wind Power, Xinhua Steel Company, and Hsin Yuan Hsin Industrial Co., Ltd. have been assessed by the tax authorities.

26. EARNINGS (LOSS) PER SHARE

	For the Three Months Ended March 31	
	2025	2024
Basic earnings (loss) per share		
From continuing operations	$ (1.06)	$ 2.31
Diluted earnings (loss) per share		
From continuing operations	$ (1.06)	$ 2.30

The earnings and weighted average number of ordinary shares outstanding used in the computation of earnings (loss) per share from continuing operations are as follows:

Net profit (loss) for the period

	For the Three Months Ended March 31	
	2025	2024
Earnings (loss) used in the computation of basic earnings per share	$ (339,087)	$ 740,592
Earnings (loss) used in the computation of diluted earnings per share	$ (339,087)	$ 740,592

Weighted average number of ordinary shares outstanding (in thousand shares)

	For the Three Months Ended March 31	
	2025	2024
Weighted average number of ordinary shares used in the computation of basic earnings per share	321,146	321,146
Effect of potentially dilutive ordinary shares:		
Compensation of employees	-	407
Weighted average number of ordinary shares used in the computation of diluted earnings per share	321,146	321,553

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

27. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

The Group’s proportion of ownership in Sinpao Investment Co., Ltd., increased from 99.42% to 100%, due to the changes in the Group’s proportion of ownership in the fourth quarter of 2024.

The above transactions were accounted for as equity transactions since there was no impact on the Group’s control over the subsidiary.

28. CAPITAL MANAGEMENT

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance. The Group’s overall strategy remains unchanged over the past 5 years.

The capital structure of the Group consists of net debt (borrowings offset by cash and cash equivalents) and equity of the Group (comprising issued capital, capital surplus, retained earnings, other equity and non-controlling interests).

The Group is not subject to any externally imposed capital requirements.

The key management personnel of the Group review the Group's capital structure on a quarterly basis. As part of this review, the key management personnel consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the key management personnel, in order to balance the overall capital structure, the Group may adjust the amount of dividends paid to shareholders, the number of new shares issued or repurchased, and/or the amount of new debt issued or existing debt redeemed.

29. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments not measured at fair value

The management believes that the carrying amounts of financial assets and liabilities that are not measured at fair value approximate their fair values:

March 31, 2025

	Carrying Amount	Fair Value
Financial assets		
Financial assets at amortized cost:		
Pledged time deposits	$ 57,404	$ 57,404
Restricted demand deposits	136,594	136,594
Notes receivable (including related parties)	1,554,566	1,554,566
Trade receivables (including related parties)	4,031,285	4,031,285
Overdue receivables	65,863	65,863
Cash and cash equivalents	1,181,574	1,181,574
Refundable deposits	106,124	106,124
Financial liabilities		
Financial liabilities at amortized cost:		
Bank borrowings	15,329,748	15,329,748
Short-term bills payable	579,515	579,515
Notes payable, trade payables and other payables (including related parties)	1,801,496	1,801,496

December 31, 2024

	Carrying Amount	Fair Value
Financial assets		
Financial assets at amortized cost:		
Pledged time deposits	$ 48,391	$ 48,391
Restricted demand deposits	124,951	124,951
Notes receivable (including related parties)	1,738,707	1,738,707
Trade receivables (including related parties)	2,635,929	2,635,929
Overdue receivables	65,030	65,030
Cash and cash equivalents	1,212,459	1,212,459
Refundable deposits	105,974	105,974

(Continued)

	Carrying Amount	Fair Value
Financial liabilities		
Financial liabilities at amortized cost:		
Bank borrowings	$ 14,639,659	$ 14,639,659
Short-term bills payable	609,226	609,226
Notes payable, trade payables and other payables (including related parties)	969,113	969,113

(Concluded)

March 31, 2024

	Carrying Amount	Fair Value
Financial assets		
Financial assets at amortized cost:		
Pledged time deposits	$ 58,370	$ 58,370
Restricted demand deposits	112,749	112,749
Notes receivable (including related parties)	1,671,394	1,671,394
Trade receivables (including related parties)	2,647,560	2,647,560
Cash and cash equivalents	1,288,761	1,288,761
Refundable deposits	8,787	8,787
Financial liabilities		
Financial liabilities at amortized cost:		
Bank borrowings	12,486,679	12,486,679
Short-term bills payable	434,779	434,779
Notes payable, trade payables and other payables (including related parties)	1,947,100	1,947,100

The methods and assumptions used by the Group for estimating financial instruments not measured at fair value are as follows:

1) The fair value of financial instruments, including cash and cash equivalents, trade receivables, overdue receivables, trade payables, pledged time deposits, restricted demand deposits, refundable deposits, short-term bank borrowings and short-term bills payable, is estimated as the carrying amount at the end of the reporting period, because the maturity date is close or the payment amount is close to its carrying amount.

2) The fair value of long-term bank borrowings is determined using the discounted cash flow approach. Future cash flows are discounted at a long-term borrowing rate of the Group. The Group estimated the carrying amount of the long-term loans at the end of the reporting period as their fair values.

b. Financial instruments measured at fair value on a recurring basis

1) Fair value hierarchy

March 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Domestic and foreign listed shares	$ 3,058,885	$ -	$ -	$ 3,058,885
Domestic emerging market shares	531,100	-	-	531,100
Domestic unlisted shares	-	-	154,614	154,614
Mutual funds	103,384	-	-	103,384
Derivative instruments	-	129,499	-	129,499
	$ 3,693,369	$ 129,499	$ 154,614	$ 3,977,482
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares and emerging market shares	$ 2,096,785	$ -	$ -	$ 2,096,785
Domestic unlisted shares	-	-	29,280	29,280
Foreign unlisted shares	-	-	220,285	220,285
	$ 2,096,785	$ -	$ 249,565	$ 2,346,350

December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Domestic and foreign listed shares	$ 3,383,290	$ -	$ -	$ 3,383,290
Domestic emerging market shares	579,125	-	-	579,125
Domestic unlisted shares	-	-	154,614	154,614
Mutual funds	89,329	-	-	89,329
Derivative instruments	-	101,718	-	101,718
	$ 4,051,744	$ 101,718	$ 154,614	$ 4,308,076
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares and emerging market shares	$ 2,183,402	$ -	$ -	$ 2,183,402
Domestic unlisted shares	-	-	29,280	29,280
Foreign unlisted shares	-	-	226,420	226,420
	$ 2,183,402	$ -	$ 255,700	$ 2,439,102

March 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Domestic listed shares and emerging market shares	$ 3,376,544	$ -	$ -	$ 3,376,544
Domestic unlisted shares	-	-	318,698	318,698
Mutual funds	180,920	-	-	180,920
Derivative instruments	-	22,441	-	22,441
	$ 3,557,464	$ 22,441	$ 318,698	$ 3,898,603
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic listed shares and emerging market shares	$ 3,125,438	$ -	$ -	$ 3,125,438
Domestic unlisted shares	-	-	66,877	66,877
Foreign unlisted shares	-	-	294,982	294,982
	$ 3,125,438	$ -	$ 361,859	$ 3,487,297

There were no transfers between Levels 1 and 2 in the current and prior periods.

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

For the three months ended March 31, 2025

	At FVTPL	At FVTOCI	
Financial Assets	**Equity Instruments**	**Equity Instruments**	**Total**
Balance at January 1	$ 154,614	$ 255,700	$ 410,314
Recognized in other comprehensive income (included in unrealized gain/(loss) on financial assets at FVTOCI)	-	(6,658)	(6,658)
Recognized in other comprehensive income (exchange differences on translation of the financial statements of foreign operations)	-	523	523
Balance at March 31	$ 154,614	$ 249,565	$ 404,179

For the three months ended March 31, 2024

Financial Assets	At FVTPL Equity Instruments	At FVTOCI Equity Instruments	Total
Balance at January 1	$ 297,484	$ 396,796	$ 694,280
Recognized in profit or loss (included in gain/(loss) on financial assets at FVTOCI)	8,357	-	8,357
Recognized in other comprehensive income (included in unrealized gain/(loss) on financial assets at FVTOCI)	-	(38,822)	(38,822)
Recognized in other comprehensive income (exchange differences on translation of the financial statements of foreign operations)	-	3,885	3,885
Purchases	12,857	-	12,857
Balance at March 31	$ 318,698	$ 361,859	$ 680,557

3) Valuation techniques and inputs applied for the purpose of Level 2 fair value measurement

Financial Instruments	Valuation Techniques and Inputs
Derivatives - foreign currency forward contracts	Discounted cash flow: Future cash flows are estimated based on observable forward exchange rates at the end of the reporting period and contract forward rates discounted at a rate that reflects the credit risk of various counterparties.

4) Valuation techniques and inputs applied for Level 3 fair value measurement

The fair values of domestic unlisted equity instruments were determined using the market approach and invest-based approach. In this approach, the fair value is appraised based on the market selling price of similar items, such as assets, liabilities, or the groups of assets and liabilities. The significant unobservable factors used are described below, an increase in long-term revenue growth rates, long-term pre-tax operating margin, a decrease in the weighted average cost of capital, or the discount for lack of marketability used in isolation would result in increases in the fair values.

c. Categories of financial instruments

	March 31, 2025	December 31, 2024	March 31, 2024
Financial assets			
Financial assets at FVTPL			
Mandatorily classified as at FVTPL	$ 3,977,482	$ 4,308,076	$ 3,898,603
Financial assets at amortized cost (1)	7,133,410	5,931,441	5,787,621
Financial assets at FVTOCI			
Equity instruments	2,346,350	2,439,102	3,487,297
Financial liabilities			
Financial liabilities at amortized cost (2)	17,710,759	16,217,998	14,868,558

1) The balances include financial assets at amortized cost, which comprise cash and cash equivalents, notes receivable, trade receivables, overdue receivables, refundable deposits, pledged time deposits and restricted demand deposits.

2) The balances include financial liabilities at amortized cost, which comprise short-term and long-term loans, short-term bills payable, notes payable, trade payables and other payables.

d. Financial risk management objectives and policies

The Group's major financial instruments include equity investments, derivative financial instruments, notes receivable, trade receivables, overdue receivables, short-term bills payable, notes payable, trade payables, other payables, and borrowings. The Group's Corporate Treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group sought to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives was governed by the Group's policies approved by the board of directors, which provided written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits was reviewed by the internal auditors on a continuous basis. The Group did not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

1) Market risk

The Group's activities exposed them primarily to the financial risks of changes in foreign currency exchange rates (see "a. foreign currency risk" below) and interest rates (see "b. interest rate risk" below). The Group entered into a variety of derivative financial instruments to manage their exposure to foreign currency risk and interest rate risk, including:

a) Foreign exchange forward contracts to hedge the exchange rate risk arising on the import and export of steel plates;

b) Interest rate swaps to mitigate the risk of rising interest rates.

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

a) Foreign currency risk

Several subsidiaries of the Group had foreign currency sales and purchases, which exposed the Group to foreign currency risk. Exchange rate exposures were managed within approved policy parameters utilizing foreign exchange forward contracts.

The carrying amounts of the Group's foreign currency denominated monetary assets, monetary liabilities (including those eliminated on consolidation) and the derivatives exposed to foreign currency risk at the end of reporting period are set out in Note 34.

Sensitivity analysis

The Group was mainly exposed to USD, JPY, and EUR.

The following table details the Group's sensitivity to a 1% increase and decrease in the New Taiwan dollar (i.e., the functional currency) against the relevant foreign currencies. The sensitivity rate used when reporting foreign currency risk internally to key management personnel and representing management's assessment of the reasonably possible change in foreign exchange rates is 1%. The sensitivity analysis included only outstanding foreign currency denominated monetary items and their adjusted translation at the end of the reporting period for a 1% change in foreign currency rates. A positive number below indicates an increase in pre-tax profit. For a 1% weakening of the New Taiwan dollar against the relevant currency, there would be an equal and opposite impact on pre-tax profit below would be negative.

	USD Impact	
	For the Three Months Ended March 31	
	2025	2024
Profit or loss	$ 18,399 (i)	$ 15,828 (i)

	JPY Impact	
	For the Three Months Ended March 31	
	2025	2024
Profit or loss	$ (328) (ii)	$ (25) (ii)

	EUR Impact	
	For the Three Months Ended March 31	
	2025	2024
Profit or loss	$ (94) (iii)	$ (88) (iii)

i. This was mainly attributable to the exposure on outstanding USD letters of credit, trade payables, other payables, trade receivables and bank deposits, which were not hedged at the end of the reporting period.

ii. This was mainly attributable to the exposure on outstanding JPY bank deposits, which were not hedged at the end of the reporting period.

iii. This was mainly attributable to the exposure on outstanding EUR bank deposits, which were not hedged at the end of the reporting period.

In management's opinion, sensitivity analysis was unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period did not reflect the exposure during the period.

The Group's sensitivity to foreign currency increased during recent years mainly due to the increase in purchases which resulted in an increase in USD letters of credit.

In management's opinion, sensitivity analysis was unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period did not reflect the exposure during the period.

b) Interest rate risk

The Group was exposed to interest rate risk because entities of the Group borrowed funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix of fixed and floating rate borrowings and using interest rate swap contracts and forward interest rate contracts. Hedging activities are evaluated regularly to align with interest rate views and the defined risk appetite, ensuring that the most cost-effective hedging strategies are applied.

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

	March 31, 2025	**December 31, 2024**	**March 31, 2024**
Fair value interest rate risk			
Financial liabilities	$ 580,000	$ 610,000	$ 435,000
Cash flow interest rate risk			
Financial assets	839,269	839,585	1,123,482
Financial liabilities	15,329,750	14,669,245	12,056,680

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 100-basis point increase or decrease was used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100-basis points higher/lower and all other variables were held constant, the Group's pre-tax profit for the three months ended March 31, 2025 and 2024 would have decreased/increased by NT$35,749 thousand and NT$30,098 thousand, respectively, which was mainly a result of the changes in the variable interest rate bank deposits and loans.

c) Other price risk

The Group was exposed to equity price risk through their investments in domestic and foreign listed equity securities. The Group have appointed a special team to monitor the price risk and will consider hedging the risk exposure should the need arise.

Sensitivity analysis

The sensitivity analysis below was determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 1% higher/lower, pre-tax profit for the three months ended March 31, 2025 and 2024 would have increased/decreased by NT$38,555 thousand and NT$38,865 thousand, respectively, as a result of the changes in held-for-trading investments and the fair value of financial assets at FVTPL, respectively, and the pre-tax other comprehensive income for the three months ended March 31, 2025 and 2024 would have increased/decreased by NT$185,029 thousand and NT$34,976 thousand, respectively, as a result of the changes in the fair value of financial assets at FVTOCI.

The Group's sensitivity to investments in equity securities has not changed significantly from the prior year.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. At the end of the year, the Group's maximum exposure to credit risk, which may cause a financial loss to the Group due to the carrying amount of the respective recognized financial assets as stated in the balance sheets.

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

The Group's trade receivables are from a large number of customers. Ongoing credit evaluation is performed on the financial condition of trade receivables and, where appropriate, credit guarantee insurance cover is purchased.

The Group did not have significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The Group defines counterparties as having similar characteristics if they are related entities. The concentration of credit risk to any other counterparty did not exceed 10% of the gross monetary assets of the Group at any time during the three months ended March 31, 2025 and 2024.

The Group's concentration of credit risk by geographical locations was mainly in Taiwan, which accounted for 100%, 98% and 99% of the total trade receivables as of March 31, 2025, December 31, 2024 and March 31, 2024, respectively.

The credit risk on derivatives was limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. Bank loans are a source of liquidity for the Group. The Group's management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

The Group relies on bank borrowings as a significant source of liquidity. The Group had available unutilized bank loan facilities set out in (b) below.

a) Liquidity and interest rate risk tables for non-derivative financial liabilities

The following table details the Group's remaining contractual maturities for its non-derivative financial liabilities with agreed upon repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed upon repayment dates.

To the extent that interest cash flows are at floating rates, the undiscounted amount was derived from the interest rate curve at the end of the reporting period.

March 31, 2025

	On Demand or Less Than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Non-interest bearing	$ 407,923	$ 976,664	$ 371,005	$ 47,356	$ -
Variable interest rate liabilities	1,610,440	3,531,692	3,189,006	6,910,069	88,542
Fixed interest rate liabilities	450,000	130,000	-	-	-
	$ 2,468,363	$ 4,638,356	$ 3,560,011	$ 6,957,425	$ 88,542

December 31, 2024

	On Demand or Less Than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Non-derivative financial liabilities					
Non-interest bearing	$ 409,063	$ 186,538	$ 362,676	$ 46,502	$ -
Variable interest rate liabilities	1,538,586	2,113,917	4,053,525	6,869,467	93,750
Fixed interest rate liabilities	310,000	300,000	-	-	-
	$ 2,257,649	$ 2,600,455	$ 4,416,201	$ 6,915,969	$ 93,750

March 31, 2024

	On Demand or Less Than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Non-interest bearing	$ 1,185,828	$ 152,374	$ 595,307	$ 45,510	$ -
Variable interest rate liabilities	1,060,333	2,196,547	3,590,864	5,502,969	135,746
Fixed interest rate liabilities	385,000	50,000	-	-	-
	$ 2,631,161	$ 2,398,921	$ 4,186,171	$ 5,548,479	$ 135,746

b) Financing facilities

	March 31, 2025	December 31, 2024	March 31, 2024
Secured bank loan facilities which may be extended by mutual agreement:			
Amount used	$ 5,725,495	$ 5,428,310	$ 5,177,830
Amount unused	1,187,815	1,229,610	198,000
	$ 6,913,310	$ 6,657,920	$ 5,375,830
Unsecured bank loan facilities:			
Amount used	$ 12,008,306	$ 11,041,005	$ 9,081,800
Amount unused	7,309,724	8,330,955	11,317,940
	$ 19,318,030	$ 19,371,960	$ 20,399,740

30. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Besides information disclosed elsewhere in the other notes, details of transactions between the Group and other related parties are disclosed below.

a. Related parties and their relationship with the Company:

Related Party	Relationship with the Company
Hsin Kuang Steel Tian-Cheng Charity Foundation	The Foundation's Chairman is the representative of the corporate director of the Company
SunnyRich Multifunction Solar Power Co., Ltd.	Associate

b. Endorsements and guarantees

Please refer to Table 1 about the endorsements/guarantees by the Company for SunnyRich Multifunction Solar Power Co., Ltd.

c. Other transactions with related parties

		For the Three Months Ended March 31	
Line Item	**Related Party Category/Name**	**2025**	**2024**
Donations	Hsin Kuang Steel Tian-Cheng Charity Foundation	$ 12,000	$ 12,000

d. Remuneration of key management personnel

The amount of the remuneration of directors and key management personnel were as follows:

	For the Three Months Ended March 31	
	2025	**2024**
Short-term employee benefits	$ 7,853	$ 53,768

The remuneration of directors and key executives was determined by the remuneration committee based on the performance of individuals and market trends.

31. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for bank borrowings, collateral for construction contracts and rental guarantee deposits:

	March 31, 2025	December 31, 2024	March 31, 2024
Notes receivable	$ 418,693	$ 444,777	$ 411,070
Restricted demand deposits (classified as financial assets at amortized cost)	136,594	124,951	112,749
Pledged time deposits (classified as financial assets at amortized cost)	57,404	48,391	58,370
Investments accounted for using the equity method	877,633	877,684	834,024
Freehold land	2,779,741	2,779,741	1,562,194
Buildings, net	676,095	682,617	705,739
Investment properties - land	147,026	147,026	135,528
Investment properties - buildings	581,583	584,846	594,635
Machinery and equipment	123,014	128,483	144,889
	$ 5,797,783	$ 5,818,516	$ 4,559,198

32. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant commitments and contingencies of the Group as of March 31, 2025 and 2024 were as follows:

Significant Commitments

a. As of March 31, 2025, December 31, 2024 and March 31, 2024, unused letters of credit for purchases of raw materials and machinery and equipment were as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
NTD	$ 577,317	$ 390,469	$ 571,929
USD	37,628	30,354	28,879
JPY	8,122	244,681	22,264

b. Unrecognized commitments were as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Acquisition of property, plant and equipment	$ 380,998	$ 373,762	$ 1,451,934

33. SIGNIFICANT EVENTS AFTER REPORTING PERIOD

On April 8, 2025, the Company’s subsidiary, Hsin Yuan Investment Co., Ltd. announced the disposal of ordinary shares within one year. The total transaction amounted to NT$471,885 thousand, with gains on disposal of NT$103,235 thousand.

34. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies of the entities in the Group and the related exchange rates between foreign currencies and respective functional currencies were as follows:

March 31, 2025

	Foreign Currency	Exchange Rate		Carrying Amount
Financial assets				
Monetary items				
USD	$ 3,348	33.20	(USD:NTD)	$ 111,157
EUR	262	35.92	(EUR:NTD)	9,410
JPY	121,400	0.22	(JPY:NTD)	27,036
				$ 147,603
Financial liabilities				
Monetary items				
USD	82,790	33.20	(USD:NTD)	$ 2,749,050

December 31, 2024

	Foreign Currency	Exchange Rate		Carrying Amount
Financial assets				
Monetary items				
USD	$ 2,875	32.78	(USD:NTD)	$ 94,247
EUR	262	34.14	(EUR:NTD)	8,931
JPY	352,219	0.21	(JPY:NTD)	73,910
				$ 177,088
Financial liabilities				
Monetary items				
USD	42,725	32.78	(USD:NTD)	$ 1,400,744

March 31, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 3,811	32.00 (USD:NTD)	$ 121,940
EUR	260	34.45 (EUR:NTD)	8,958
JPY	17,316	0.21 (JPY:NTD)	3,662
			$ 134,560
Financial liabilities			
Monetary items			
USD	53,438	32.00 (USD:NTD)	$ 1,710,033

The significant (realized and unrealized) foreign exchange gains (losses) were as follows:

	For the Three Months Ended March 31			
	2025		2024	
Foreign Currency	Exchange Rate	Net Foreign Exchange Gains (Losses)	Exchange Rate	Net Foreign Exchange Gains (Losses)
USD	31.655 (USD:NTD)	$ (16,435)	31.17 (USD:NTD)	$ (10,811)

35. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions:

1) Financing provided to others: (N/A)

2) Endorsements/guarantees provided: (Table 1)

3) Significant marketable securities held (excluding investments in subsidiaries, associates and joint ventures) (Table 2)

4) Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital: (N/A)

5) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital: (N/A)

6) Other: Intercompany relationships and significant intercompany transactions (Table 3)

b. Information on investees (Table 4)

c. Information on investments in mainland China

1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area: (N/A)

2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: (N/A)

a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the year

b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the year

c) The amount of property transactions and the amount of the resultant gains or losses

d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the year and the purposes

e) The highest balance, the ending balance, the interest rate range, and total current period interest with respect to the financing of funds

f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services

36. SEGMENT INFORMATION

Information reported to the chief operating decision-maker for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. Specifically, the Group’s reportable segments were as follows:

- Steel:

  - Direct sales
  - Manufacturing sales

- Construction projects

- Leases

a. Segments revenue and results

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

	Steel - Direct Sales	Steel - Manufacturing Sales	Construction	Leases	Total
For the three months ended March 31, 2025					
Revenue from external customers	$ 2,696,775	$ 1,447,992	$ 805,944	$ 90,130	$ 5,040,841
Inter-segment revenue	41,804	5,841	17,543	21,394	86,582
Segment revenue	2,738,579	1,453,833	823,487	111,524	5,127,423
Eliminations	(41,804)	(5,841)	(17,543)	(21,394)	(86,582)
Consolidated revenue	$ 2,696,775	$ 1,447,992	$ 805,944	$ 90,130	$ 5,040,841
Segment income	$ 134,967	$ 33,717	$ 107,089	$ 63,427	$ 339,200
Share of profits/(losses) of associates accounted for using the equity method					$ (562)
Interest income					354
Other income					9,988
Net foreign exchange losses					(15,591)
Gain on valuation of financial instruments					(403,770)
Allocation of headquarter administration costs and directors' remunerations					(114,716)
Finance costs					(102,763)
Cash dividends					10,020
Loss before tax					$ (277,840)
For the three months ended March 31, 2024					
Revenue from external customers	$ 1,524,143	$ 1,716,569	$ 146,646	$ 78,809	$ 3,466,167
Inter-segment revenue	43,808	7,312	25,913	17,488	94,521
Segment revenue	1,567,951	1,723,881	172,559	96,297	3,560,688
Eliminations	(43,808)	(7,312)	(25,913)	(17,488)	(94,521)
Consolidated revenue	$ 1,524,143	$ 1,716,569	$ 146,646	$ 78,809	$ 3,466,167
Segment income	$ 143,935	$ 105,836	$ 53,264	$ 56,251	$ 359,286
Share of profits/(losses) of associates accounted for using the equity method					$ 1,452
Interest income					356
Other income					4,226
Net foreign exchange losses					(10,662)
Gain on valuation of financial instruments					719,651
Allocation of headquarter administration costs and directors' remunerations					(187,057)
Finance costs					(83,755)
Cash dividends					10,261
Profit before tax					$ 813,758

Segment profit represents the profit before tax earned by each segment without allocation of headquarter administration costs and directors' remunerations, share of profits/(losses) of associates accounted for using the equity method, lease income, interest income, gains or losses on disposal of property, plant and equipment, gains or losses on disposal of investments, foreign exchange gains/(losses), revaluation gains or losses on financial instruments, finance costs and income tax expense. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

b. Segment total assets and liabilities

	March 31, 2025	December 31, 2024	March 31, 2024
Segment assets			
From continuing operations			
Steel - direct sales	$ 10,121,252	$ 7,827,816	$ 6,760,599
Steel - manufacturing sales	7,441,994	8,886,888	9,083,636
Construction projects	345,032	280,935	448,203
Leases	3,508,990	3,509,716	3,740,695
Total segment assets	21,417,268	20,505,355	20,033,133
Unallocated	8,643,933	9,046,062	9,310,741
Consolidated total assets	$ 30,061,201	$ 29,551,417	$ 29,343,874
Segment liabilities			
From continuing operations			
Steel - direct sales	$ 5,885,921	$ 4,191,630	$ 3,668,671
Steel - manufacturing sales	4,466,097	4,985,575	5,229,137
Construction projects	447,866	824,379	84,879
Leases	2,972	6,417	2,108
Total segment liabilities	10,802,856	10,008,001	8,984,795
Unallocated	8,143,944	7,194,634	7,757,807
Consolidated total liabilities	$ 18,946,800	$ 17,202,635	$ 16,742,602