

**Taiwan Cogeneration Corporation 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
Taiwan Cogeneration Corporation

Introduction

We have reviewed the accompanying consolidated balance sheets of Taiwan Cogeneration Corporation (the "Corporation") and its subsidiaries (collectively, the "Group") as of March 31, 2025 and 2024, and the related 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 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.

Emphasis of Matter

For details on Taiwan Power Company's (TPC) filing of a civil lawsuit against the Group's associates, Sun Ba Power Corporation, Star Energy Power Corporation, Star Buck Power Corporation and Kuo Kuang Power Company Ltd., in connection with their alleged violation of the Fair Trade Act and request for compensation on the basis of claims for damages which TPC has allegedly suffered, refer to Note 39 (d). Our review conclusion is not modified in respect of this matter.

The engagement partners on the reviews resulting in this independent auditors' review report are Chao-Mei Chen and Cheng-Chuan Yu.

Deloitte & Touche
Taipei, Taiwan
Republic of China

May 8, 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.

TAIWAN COGENERATION CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	March 31, 2025		December 31, 2024		March 31, 2024	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 2,785,475	10	\$ 1,843,366	7	\$ 2,488,795	10
Financial assets at amortized cost (Notes 7, 8 and 38)	391,409	2	490,166	2	87,740	-
Contract assets (Notes 5, 27, 29 and 37)	2,833,993	10	4,137,142	15	2,698,099	10
Accounts receivable (Notes 9 and 29)	1,284,265	5	694,963	2	367,427	1
Accounts receivable from related parties (Notes 29 and 37)	165,428	1	177,520	1	164,879	1
Finance lease receivables (Notes 10 and 37)	9,533	-	852	-	8,316	-
Dividend receivables (Note 15)	-	-	320,940	1	-	-
Other receivables (Note 37)	75,662	-	53,302	-	51,913	-
Inventories (Note 11)	10,261	-	8,110	-	9,953	-
Prepaid construction costs (Note 27)	159,210	1	159,210	1	-	-
Prepaid value-added tax	95,544	-	72,624	-	120,040	1
Other current assets	61,603	-	59,811	-	35,296	-
Total current assets	7,872,383	29	8,018,006	29	6,032,458	23
NON-CURRENT ASSETS						
Financial assets at fair value through other comprehensive income (Notes 12 and 36)	272,157	1	268,557	1	268,854	1
Financial assets at amortized cost (Notes 7, 8 and 38)	6,604	-	6,500	-	16,997	-
Investments accounted for using the equity method (Note 15)	14,089,242	51	13,821,210	51	14,278,649	54
Property, plant and equipment (Notes 16 and 38)	4,034,487	15	4,082,756	15	4,204,125	16
Right-of-use assets (Note 17)	410,542	2	391,463	2	408,249	2
Goodwill (Note 18)	20,314	-	20,314	-	96,370	-
Intangible assets (Notes 19 and 38)	287,302	1	295,795	1	864,987	3
Deferred income tax assets (Notes 4 and 31)	263,018	1	253,106	1	234,708	1
Prepayments for equipment	832	-	15,787	-	2,905	-
Refundable deposits	95,134	-	91,585	-	84,449	-
Long-term finance lease receivables (Notes 10 and 37)	8,081	-	-	-	-	-
Other non-current assets (Note 20)	18,158	-	18,423	-	19,215	-
Total non-current assets	19,505,871	71	19,265,496	71	20,479,508	77
TOTAL	\$ 27,378,254	100	\$ 27,283,502	100	\$ 26,511,966	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Notes 21 and 38)	\$ -	-	\$ -	-	\$ 35,000	-
Short-term bills payable (Note 21)	-	-	499,764	2	999,715	4
Contract liabilities (Notes 5, 27, 29 and 37)	208,915	1	244,752	1	114	-
Accounts payable	102,884	-	107,195	1	90,321	-
Construction costs payable (Note 27)	4,587,987	17	4,384,713	16	3,251,096	12
Accounts payable to related parties (Note 37)	1,374	-	1,438	-	2,417	-
Other payables (Notes 23 and 37)	428,975	2	486,484	2	523,246	2
Current income tax liabilities (Note 4)	92,488	-	58,728	-	100,022	1
Provisions (Notes 25 and 27)	668,932	2	624,339	2	481,206	2
Lease liabilities (Notes 17 and 37)	53,710	-	28,659	-	61,473	-
Current portion of bonds payable (Note 22)	1,899,794	7	1,899,655	7	-	-
Current portion of long-term borrowings (Notes 21 and 38)	417,420	2	221,829	1	423,971	2
Other current liabilities	30,595	-	7,124	-	3,586	-
Total current liabilities	8,493,074	31	8,564,680	32	5,972,167	23
NON-CURRENT LIABILITIES						
Long-term borrowings (Notes 21 and 38)	1,657,119	6	1,887,358	7	1,274,539	5
Contract liabilities (Note 29)	145,028	1	134,637	1	181,348	1
Lease liabilities (Notes 17 and 37)	441,410	2	427,606	2	410,898	2
Bonds payable (Note 22)	599,525	2	599,503	2	2,498,675	9
Provisions (Notes 4 and 25)	19,109	-	14,938	-	14,692	-
Deferred income tax liabilities (Note 4)	60,287	-	58,100	-	61,982	-
Net defined benefit liabilities (Notes 4 and 26)	108,852	1	109,112	-	122,256	-
Guarantee deposits received	100,870	-	89,397	-	52,740	-
Other liabilities (Note 24)	14,397	-	14,367	-	14,370	-
Total non-current liabilities	3,146,597	12	3,335,018	12	4,631,500	17
Total liabilities	11,639,671	43	11,899,698	44	10,603,667	40
EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION (Note 28)						
Share capital						
Ordinary shares	7,302,820	27	7,302,820	27	7,302,820	27
Capital surplus	2,621,919	9	2,621,919	9	2,621,919	10
Retained earnings						
Legal reserve	1,954,986	7	1,954,986	7	1,828,961	7
Special reserve	2,148,332	8	2,148,332	8	2,435,361	9
Unappropriated earnings	1,742,008	6	1,388,059	5	1,576,414	6
Total retained earnings	5,845,326	21	5,491,377	20	5,840,736	22
Other equity	(31,482)	-	(32,312)	-	6,124	-
Total equity attributable to owners of the Corporation	15,738,583	57	15,383,804	56	15,771,599	59
NON-CONTROLLING INTERESTS	-	-	-	-	136,700	1
Total equity	15,738,583	57	15,383,804	56	15,908,299	60
TOTAL	\$ 27,378,254	100	\$ 27,283,502	100	\$ 26,511,966	100

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

(With Deloitte & Touche review report dated May 8, 2025)

TAIWAN COGENERATION CORPORATION 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 (Restated)	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 5, 29 and 37)				
Sales	\$ 420,681	22	\$ 363,699	18
Construction services	1,461,154	74	1,579,025	78
Operations, maintenance and consulting services	<u>82,030</u>	<u>4</u>	<u>70,913</u>	<u>4</u>
Total operating revenues	<u>1,963,865</u>	<u>100</u>	<u>2,013,637</u>	<u>100</u>
OPERATING COSTS (Notes 5, 26, 30 and 37)				
Cost of sales	308,000	16	273,633	14
Construction services	1,379,709	70	1,501,879	74
Operations, maintenance and consulting services	<u>71,368</u>	<u>3</u>	<u>62,948</u>	<u>3</u>
Total operating costs	<u>1,759,077</u>	<u>89</u>	<u>1,838,460</u>	<u>91</u>
GROSS PROFIT	204,788	11	175,177	9
REALIZED GAIN ON TRANSACTIONS WITH ASSOCIATES	<u>8,061</u>	<u>-</u>	<u>8,064</u>	<u>-</u>
REALIZED GROSS PROFIT	212,849	11	183,241	9
OPERATING EXPENSES (Notes 26, 30 and 37)	<u>103,691</u>	<u>6</u>	<u>97,666</u>	<u>5</u>
PROFIT FROM OPERATIONS	<u>109,158</u>	<u>5</u>	<u>85,575</u>	<u>4</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income	3,488	-	4,672	-
Other income (Notes 30 and 37)	4,257	-	3,100	-
Other gains (Note 30)	21,141	1	3,258	-
Finance costs (Notes 30 and 37)	(21,317)	(1)	(18,809)	(1)
Share of profit of associates accounted for using the equity method (Note 15)	<u>263,406</u>	<u>14</u>	<u>254,124</u>	<u>13</u>
Total non-operating income and expenses	<u>270,975</u>	<u>14</u>	<u>246,345</u>	<u>12</u>

(Continued)

TAIWAN COGENERATION CORPORATION 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 (Restated)	
	Amount	%	Amount	%
PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS	\$ 380,133	19	\$ 331,920	16
INCOME TAX EXPENSE (Notes 4 and 31)	<u>(26,184)</u>	<u>(1)</u>	<u>(21,460)</u>	<u>(1)</u>
NET PROFIT FROM CONTINUING OPERATIONS	353,949	18	310,460	15
LOSS FROM DISCONTINUED OPERATIONS (Notes 13, 29, 30 and 31)	<u>-</u>	<u>-</u>	<u>(5,140)</u>	<u>-</u>
NET PROFIT FOR THE PERIOD	<u>353,949</u>	<u>18</u>	<u>305,320</u>	<u>15</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income (Note 36)	3,600	-	(1,200)	-
Share of unrealized loss on investments in equity instruments at fair value through other comprehensive income of associates accounted for using the equity method	<u>(978)</u>	<u>-</u>	<u>(2,145)</u>	<u>-</u>
	<u>2,622</u>	<u>-</u>	<u>(3,345)</u>	<u>-</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	1,892	-	2,197	-
Share of other comprehensive (loss) income of associate accounted for using the equity method				
- gain on hedging instruments	<u>(3,684)</u>	<u>-</u>	<u>16,461</u>	<u>1</u>
	<u>(1,792)</u>	<u>-</u>	<u>18,658</u>	<u>1</u>
Other comprehensive income for the period, net of income tax	<u>830</u>	<u>-</u>	<u>15,313</u>	<u>1</u>
TOTAL COMPREHENSIVE INCOME	<u>\$ 354,779</u>	<u>18</u>	<u>\$ 320,633</u>	<u>16</u>
NET PROFIT (LOSS) ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 353,949	18	\$ 306,714	15
Non-controlling interests	<u>-</u>	<u>-</u>	<u>(1,394)</u>	<u>-</u>
	<u>\$ 353,949</u>	<u>18</u>	<u>\$ 305,320</u>	<u>15</u>

(Continued)

TAIWAN COGENERATION CORPORATION 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 (Restated)	
	Amount	%	Amount	%
TOTAL COMPREHENSIVE INCOME (LOSS)				
ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 354,779	18	\$ 322,027	16
Non-controlling interests	<u>-</u>	<u>-</u>	<u>(1,394)</u>	<u>-</u>
	<u>\$ 354,779</u>	<u>18</u>	<u>\$ 320,633</u>	<u>16</u>
EARNINGS PER SHARE (Note 32)				
From continuing and discontinued operations				
Basic	<u>\$ 0.48</u>		<u>\$ 0.42</u>	
Diluted	<u>\$ 0.48</u>		<u>\$ 0.42</u>	
From continuing operations				
Basic	<u>\$ 0.48</u>		<u>\$ 0.43</u>	
Diluted	<u>\$ 0.48</u>		<u>\$ 0.43</u>	

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

(With Deloitte & Touche review report dated May 8, 2025)

(Concluded)

TAIWAN COGENERATION CORPORATION AND SUBSIDIARIES

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

	Equity Attributable to Owners of the Corporation									
	Ordinary Shares	Capital Surplus	Retained Earnings			Exchange Differences on Translation of the Financial Statements of Foreign Operations	Other Equity		Non-controlling Interests	Total Equity
			Legal Reserve	Special Reserve	Unappropriated Earnings		Unrealized Gain (Loss) on Financial Assets at Fair Value through Other Comprehensive Income	(Loss) Gain on Hedging Instruments		
BALANCE ON JANUARY 1, 2024	\$ 7,302,820	\$ 2,621,919	\$ 1,828,961	\$ 2,435,361	\$ 1,269,700	\$ (67,906)	\$ 65,071	\$ (6,354)	\$ 138,094	\$ 15,587,666
Net profit (loss) for the three months ended March 31, 2024	-	-	-	-	306,714	-	-	-	(1,394)	305,320
Other comprehensive income (loss) for the three months ended March 31, 2024	-	-	-	-	-	2,197	(3,345)	16,461	-	15,313
Total comprehensive income (loss) for the three months ended March 31, 2024	-	-	-	-	306,714	2,197	(3,345)	16,461	(1,394)	320,633
BALANCE ON MARCH 31, 2024	\$ 7,302,820	\$ 2,621,919	\$ 1,828,961	\$ 2,435,361	\$ 1,576,414	\$ (65,709)	\$ 61,726	\$ 10,107	\$ 136,700	\$ 15,908,299
BALANCE ON JANUARY 1, 2025	\$ 7,302,820	\$ 2,621,919	\$ 1,954,986	\$ 2,148,332	\$ 1,388,059	\$ (66,159)	\$ 22,618	\$ 11,229	\$ -	\$ 15,383,804
Net profit for the three months ended March 31, 2025	-	-	-	-	353,949	-	-	-	-	353,949
Other comprehensive income (loss) for the three months ended March 31, 2025	-	-	-	-	-	1,892	2,622	(3,684)	-	830
Total comprehensive income (loss) for the three months ended March 31, 2025	-	-	-	-	353,949	1,892	2,622	(3,684)	-	354,779
BALANCE ON MARCH 31, 2025	\$ 7,302,820	\$ 2,621,919	\$ 1,954,986	\$ 2,148,332	\$ 1,742,008	\$ (64,267)	\$ 25,240	\$ 7,545	\$ -	\$ 15,738,583

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

(With Deloitte & Touche review report dated May 8, 2025)

TAIWAN COGENERATION CORPORATION AND SUBSIDIARIES

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

	For the Three Months Ended March 31	
	2025	2024 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit from continuing operations	\$ 380,133	\$ 331,920
Loss from discontinued operations	-	(5,663)
Profit before income tax	380,133	326,257
Adjustments for:		
Depreciation expense	105,211	106,922
Amortization expense	8,758	16,307
Finance costs	21,317	20,588
Interest income	(3,488)	(4,691)
Share of profit of associates accounted for using the equity method	(263,406)	(254,124)
Net unrealized gain on foreign currency exchange	(20,558)	(1,191)
Net realized gain on transactions with associates	(8,061)	(8,064)
Loss on lease modification	-	47
Changes in operating assets and liabilities		
Contract assets	1,303,149	(576,354)
Accounts receivable	(589,302)	388,301
Accounts receivable from related parties	12,092	(74,429)
Other receivables	(21,368)	(19,529)
Inventories	(2,151)	(2,002)
Other current assets	(1,792)	3,182
Prepaid value-added tax	(22,920)	(1,343)
Contract liabilities	(25,446)	(100,647)
Accounts payable	(4,311)	(14,923)
Construction costs payable	203,274	291,835
Accounts payable to related parties	(64)	1,088
Other payables	13,576	(1,742)
Provisions	44,593	15,758
Other current liabilities	23,471	(433)
Net defined benefit liabilities	(260)	414
Other liabilities	-	(1,684)
Cash generated from operations	1,152,447	109,543
Interest received	2,584	4,939
Dividend received	320,940	-
Interest paid	(14,832)	(14,247)
Income tax paid	(237)	(478)
Net cash generated from operating activities	1,460,902	99,757
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment (Note 33)	(103,495)	(107,953)
(Increase) decrease in refundable deposits	(3,549)	141
Decrease in financial assets at amortized cost	98,653	662,187
Acquisition of intangible assets	-	(1,191)

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TAIWAN COGENERATION CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

	For the Three Months Ended March 31	
	2025	2024 (Restated)
Decrease in finance lease receivables	\$ 2,424	\$ 2,477
Increase in prepayments for equipment	<u>-</u>	<u>(2,905)</u>
Net cash (used in) generated from investing activities	<u>(5,967)</u>	<u>552,756</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease in short-term borrowings	-	(20,000)
Decrease in short-term bills payable	(500,000)	-
Repayments of long-term borrowings	(34,648)	(53,398)
Increase (decrease) in guarantee deposits received	11,473	(992)
Repayments of the principal portion of lease liabilities	<u>(10,874)</u>	<u>(14,087)</u>
Net cash used in financing activities	<u>(534,049)</u>	<u>(88,477)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>21,223</u>	<u>1,937</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	942,109	565,973
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>1,843,366</u>	<u>1,922,822</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 2,785,475</u>	<u>\$ 2,488,795</u>

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

(With Deloitte & Touche review report dated May 8, 2025)

(Concluded)

TAIWAN COGENERATION CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Taiwan Cogeneration Corporation (the “Corporation” and its subsidiaries are collectively referred to as the “Group”) was established by Taiwan Power Company (TPC) and several local companies on May 7, 1992. The Corporation’s shares were traded on the Taipei Exchange from May 8, 2000 to August 24, 2003 before being listed on the Taiwan Stock Exchange on August 25, 2003. The Corporation is engaged in the following businesses:

- a. Engineering, planning, design, procurement, installation, construction and financial planning of cogeneration systems; environmental protection; and procurement of fuel for cogeneration systems; and related businesses;
- b. Operation and management of cogeneration plants;
- c. Research and development, technical services and consultation services related to cogeneration;
- d. Manufacture, assembly, sale, lease, installation, and repair of cogeneration equipment;
- e. Investment in cogeneration plants and trading of related equipment;
- f. Businesses with respect to power generation other than utility; and
- g. Electric equipment installation.

2. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Corporation’s board of directors on May 8, 2025.

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

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

Amendments to IAS 21 “Lack of Exchangeability”

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

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

New, Amended and Revised Standards and Interpretations	Effective Date Announced by International Accounting Standards Board (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.

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 IASB

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
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

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

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

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

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discontinued operations categories.
- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.

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

2) 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 possible impact that the application 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.

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

a. Statement of compliance

The 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, which 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 the asset or liability.

c. Basis of consolidation

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

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

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

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 Corporation and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

See Note 14 and Table 4 for the 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) Carbon fee provision

In accordance with the Regulations Governing the Collection of Carbon Fees and related regulations of the ROC, the carbon fee provision is recognized and measured on the basis of the best estimate of the expenditure required to settle the obligation for the current year and the proportion of actual emissions to the total annual emissions.

2) 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.

3) 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

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

The Group considers the possible impact of the recent development of climate change and related government policies and regulations, inflation and interest rate fluctuations and volatility in financial/energy/foreign currency markets on the cash flow projection, growth rates, discount rates, profitabilities and other relevant material estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

a. Fair Trade Act litigation against associates

Since TPC concluded that these associates of the Group violated the Fair Trade Act with concerted action and caused a loss to TPC, TPC filed civil actions to claim compensation for the loss. Refer to Note 39 (d) for the detailed information. The aforementioned civil actions are still pending; results may litigation vary depending on the subsequent development of the cases.

b. Construction contracts

Contract revenue and costs are recognized by reference to the stage of completion of each contract. The stage of completion of a contract is measured based on the proportion of contract costs incurred for work performed to date to the estimated total contract costs. Incentives and penalties stipulated in the contract are considered variable considerations and should be included in the contract revenue only when it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The estimated total contract costs and contractual items are assessed and determined by management based on the nature of the work, expected sub-contracting charges, construction periods, processes, methods, etc. for each construction contract. Changes in these estimates might affect the calculation of the percentage of completion and related profit and loss from the construction contracts.

6. CASH AND CASH EQUIVALENTS

	March 31, 2025	December 31, 2024	March 31, 2024
Cash on hand	\$ 3,673	\$ 3,603	\$ 3,573
Checking accounts and demand deposits	2,681,802	1,839,763	1,635,222
Cash equivalents			
Time deposits	<u>100,000</u>	<u>-</u>	<u>850,000</u>
	<u>\$ 2,785,475</u>	<u>\$ 1,843,366</u>	<u>\$ 2,488,795</u>

The market interest rates of cash in bank as of the end of the balance sheet date were as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Demand deposits	0.00%-5.25%	0.00%-4.25%	0.00%-5.25%
Time deposits	1.66%	-	1.30%-1.39%

7. FINANCIAL ASSETS AT AMORTIZED COST

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Current</u>			
Domestic investments			
Time deposits with original maturities of more than 3 months	\$ 391,055	\$ 489,819	\$ 87,392
Foreign investments			
Philippines treasury bonds	<u>354</u>	<u>347</u>	<u>348</u>
	<u>\$ 391,409</u>	<u>\$ 490,166</u>	<u>\$ 87,740</u>
<u>Non-current</u>			
Domestic investments			
Time deposits with original maturities of more than 3 months	\$ 104	\$ -	\$ 10,497
Restricted bank deposits	<u>6,500</u>	<u>6,500</u>	<u>6,500</u>
	<u>\$ 6,604</u>	<u>\$ 6,500</u>	<u>\$ 16,997</u>

Refer to Note 8 for information relating to credit risk management and impairment assessment of financial assets at amortized cost.

Refer to Note 38 for information on financial assets at amortized cost that are pledged as securities.

The Group's investment in Philippine treasury bills was as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Carrying amount	<u>\$ 354</u>	<u>\$ 347</u>	<u>\$ 348</u>
Amount invested (in thousands of PHP)	<u>\$ 612</u>	<u>\$ 612</u>	<u>\$ 612</u>
Effective interest rates	5.750%	5.780%	5.780%
Period of holding	March 10, 2025 through March 4, 2026	March 6, 2024 through February 5, 2025	March 6, 2024 through February 5, 2025

The interest rate ranges for restricted bank deposits and time deposits with original maturities of more than 3 months as of the balance sheet date were as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Demand deposits	0.705%	0.705%	0.530%-0.580%
Time deposits	1.630%-4.000%	1.530%-4.000%	0.750%-5.500%

8. CREDIT RISK MANAGEMENT FOR INVESTMENTS IN DEBT INSTRUMENTS

The debt instruments invested in by the Group are classified as financial assets measured at amortized cost.

	March 31, 2025	December 31, 2024	March 31, 2024
At amortized cost			
Gross carrying amount	\$ 398,013	\$ 496,666	\$ 104,737
Less: Allowance for impairment loss	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 398,013</u>	<u>\$ 496,666</u>	<u>\$ 104,737</u>

The Group's policy is to only invest in debt instruments issued by entities with good credit standing. The Group continuously tracks the credit risk changes of its invested debt instruments, reviews significant information and other details about the debtor, and assesses whether the credit risk of the debt instrument investments has increased significantly since their initial recognition.

In assessing the expected credit losses for these investments, the Group takes into account the debtors' historical track record, prevailing market conditions, and forward-looking information to measure the expected credit losses over a 12-month period or for the entire duration of the investment.

As of March 31, 2025, December 31, 2024 and March 31, 2024, the Group determined that there was no need to recognize expected credit losses for the debt instrument investments it holds.

9. ACCOUNTS RECEIVABLE

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Accounts receivable</u>			
At amortized cost			
Gross carrying amount	\$ 1,284,265	\$ 694,963	\$ 367,427

The average credit period ranges from 30 to 60 days. The Group applies the simplified approach prescribed by IFRS 9, providing for expected credit losses over the lifetime of all accounts receivable. These expected credit losses are individually estimated for each customer. The estimation takes into consideration the customers' past default history and current financial situation, the economic conditions of the industry they operate in, along with the GDP forecasts and the industry outlook.

The Group did not recognize an allowance for impairment loss against all of the accounts receivable because individually assessed lifetime ECLs indicated that all of the accounts receivable are collectible.

The aging analysis of accounts receivable based on the invoice date was as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Up to 60 days	\$ 1,284,265	\$ 694,963	\$ 366,189
61-90 days	-	-	-
91-120 days	-	-	1,155
121-180 days	-	-	83
More than 181 days	-	-	-
	<u>\$ 1,284,265</u>	<u>\$ 694,963</u>	<u>\$ 367,427</u>

10. FINANCE LEASE RECEIVABLES

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Undiscounted lease payments</u>			
Year 1	\$ 9,765	\$ 852	\$ 8,347
Year 2	8,137	-	-
Year 3	-	-	-
Year 4	-	-	-
Year 5	-	-	-
	<u>17,902</u>	<u>852</u>	<u>8,347</u>
Less: Unearned finance income	<u>(288)</u>	<u>-</u>	<u>(31)</u>
Lease payments receivable	<u>17,614</u>	<u>852</u>	<u>8,316</u>
Net investment in leases presented as finance lease receivables	<u>\$ 17,614</u>	<u>\$ 852</u>	<u>\$ 8,316</u>
Finance lease receivables - current	<u>\$ 9,533</u>	<u>\$ 852</u>	<u>\$ 8,316</u>
Finance lease receivables - non-current	<u>\$ 8,081</u>	<u>\$ -</u>	<u>\$ -</u>

The Group subleased its leasehold office premises to associates, and the lease term was 2-5 years, with fixed annual lease payments referenced in the head lease agreement. As the Group subleased the leasehold office premises for all of the remaining lease terms of the head lease, the sublease contracts were classified as finance leases. The interest rates inherent in leases were fixed at the contract dates for the entire term of the lease. The implicit interest rates of the contracts range from approximately 0.98% to 1.86%.

The Group renewed the office lease, which was approved by the Group's board of directors on February 17, 2025. The Group subleased its leasehold office premises to associates, and the lease term was 2 years, with fixed annual lease payments referenced in the head lease agreement.

The Group measured the loss allowance for finance lease receivables at an amount equal to lifetime ECLs. As of the balance sheet date, no finance lease receivable was past due. The Group did not recognize a loss allowance for finance lease receivables after taking into consideration the historical default experience and the future prospects of the industries in which the lessees operate, together with the value of collaterals held.

11. INVENTORIES

	March 31, 2025	December 31, 2024	March 31, 2024
Raw materials	<u>\$ 10,261</u>	<u>\$ 8,110</u>	<u>\$ 9,953</u>

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Investments in Equity Instruments at FVTOCI

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Non-current</u>			
Domestic investments			
Unlisted shares			
Kaohsiung Arena Development Corporation (KADC)	\$ 250,200	\$ 246,600	\$ 246,400
Synergy Co., Ltd. (Synergy)	<u>21,957</u>	<u>21,957</u>	<u>22,454</u>
	<u>\$ 272,157</u>	<u>\$ 268,557</u>	<u>\$ 268,854</u>

The investments in KADC and Synergy are held for medium to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments 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.

Refer to Note 36 for fair value information relating to financial assets at FVTOCI.

13. DISCONTINUED OPERATION

On May 9, 2024, the Corporation held a meeting and approved the proposed disposal of 51% of equity of Yi Yuan Corporation (YYC). The disposal of YYC and its subsidiary Chingshuei Geothermal Power Corporation (CGPC) was signed on May 14, 2024. The disposal was completed on May 22, 2024, and control of the operations was passed to the acquirer.

The profit and loss details and cash flow information of discontinued operations were as follows:

	For the Three Months Ended March 31, 2024
Operating revenue	\$ 12,884
Operating costs	<u>(15,820)</u>
Gross loss from operations	(2,936)
Operating expenses	<u>(993)</u>
Loss from operating	(3,929)
Interest income	19
Other income	26
Finance costs	<u>(1,779)</u>
Loss before income tax	(5,663)
Income tax benefit	<u>523</u>
Loss from discontinued operations	<u>\$ (5,140)</u>
Loss from discontinued operations attributable to:	
Owners of the Corporation	\$ (3,746)
Non-controlling interests	<u>(1,394)</u>
	<u>\$ (5,140)</u>
Net cash inflow (outflow) from:	
Operating activities	\$ 3,147
Investing activities	-
Financing activities	<u>(18,933)</u>
Net cash outflow	<u>\$ (15,786)</u>

For information regarding the disposition by YYC (including CGPC) including CGPC), please refer to the consolidated financial statements for the year ended December 31, 2024.

14. SUBSIDIARIES

Subsidiaries Included in the Consolidated Financial Statements

Name of Investor	Name of Subsidiary	Nature of Activities	Percentage of Ownership			Remark
			March 31, 2025	December 31, 2024	March 31, 2024	
The Corporation	Star Energy Corporation (SEC)	Undertaking and installing of power engineering projects	100	100	100	
The Corporation	Taiwan Cogeneration International Corporation (TCIC)	Investment in foreign countries and international trading	100	100	100	a
The Corporation	YYC	Investment in geothermal power plant	-	-	51	b
The Corporation	TCC Green Energy Corporation (TGE)	Investment in green power plant	100	100	100	
The Corporation	Miaoli Wind Co., Ltd. (MWC)	Power generation	100	100	100	
The Corporation	Hamaguri Co., Ltd. (HML)	Power generation	100	100	100	
TGE	Shin Kuang Electric Energy Ltd. (SKE)	Power generation	100	100	100	
SEC	Star Wind Corporation (SWC)	Power generation	100	100	100	c
SEC	Star Solar Corporation (SSC)	Power generation	100	100	100	
YYC	CGPC	Power generation	-	-	100	b

- a. TCIC established a branch in the Philippines mainly for the expansion of the local engineering business.
- b. On May 22, 2024, the Corporation completed the equity settlement. Please refer to consolidation financial statements for the year ended December 31, 2024 for information on disposal of subsidiaries. Please refer to Note 13 for more information on discontinued operations.
- c. On September 4, 2024, SEC participated in the cash capital increase of SWC, with an additional investment of \$340,000 thousand.

Refer to Table 4 for the nature of activities, principal places of business and countries of incorporation of the subsidiaries.

15. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Investments in associates</u>			
Material associates			
Ta-Yuan Cogeneration Company (TYC)	\$ 624,602	\$ 599,036	\$ 643,068
Sun Ba Power Corporation (Sun Ba)	6,664,787	6,556,837	6,690,347
Star Energy Power Corporation (SEPC)	2,460,685	2,415,575	2,463,678
Star Buck Power Corporation (SBPC)	2,428,654	2,403,201	2,434,184
Kuo Kuang Power Company Ltd. (KKPC)	<u>1,858,028</u>	<u>1,795,179</u>	<u>1,995,620</u>
	14,036,756	13,769,828	14,226,897
Associates that are not individually material	<u>52,486</u>	<u>51,382</u>	<u>51,752</u>
	<u>\$ 14,089,242</u>	<u>\$ 13,821,210</u>	<u>\$ 14,278,649</u>

The share of profit or loss of associates accounted for using the equity method was as follows:

	For the Three Months Ended March 31	
	2025	2024
Sun Ba	\$ 109,821	\$ 131,083
KKPC	62,852	53,365
SEPC	43,727	41,947
TYC	26,458	14,597
SBPC	20,671	13,221
Associates that are not individually material	<u>(123)</u>	<u>(89)</u>
	<u>\$ 263,406</u>	<u>\$ 254,124</u>

a. Material associates

	Proportion of Ownership and Voting Rights		
	March 31, 2025	December 31, 2024	March 31, 2024
TYC	29.31%	29.31%	29.31%
Sun Ba	43.00%	43.00%	43.00%
SEPC	40.50%	40.50%	40.50%
SBPC	41.27%	41.27%	41.27%
KKPC	35.00%	35.00%	35.00%

Refer to Table 4 for the nature of activities, principal places of business and countries of incorporation of the associates.

The market value of the investment in TYC, which was based on its closing price at the balance sheet date, was as follows:

Name of Associate	March 31, 2025	December 31, 2024	March 31, 2024
TYC	<u>\$ 1,659,106</u>	<u>\$ 1,718,232</u>	<u>\$ 1,978,027</u>

The summarized financial information below represents amounts shown in the associates' financial statements prepared in accordance with IFRS Accounting Standards adjusted by the Group for equity accounting purposes.

TYC

	March 31, 2025	December 31, 2024	March 31, 2024
Current assets	\$ 855,350	\$ 931,619	\$ 863,734
Non-current assets	4,070,237	4,002,787	3,813,233
Current liabilities	(1,171,365)	(1,215,850)	(920,309)
Non-current liabilities	<u>(1,604,557)</u>	<u>(1,655,820)</u>	<u>(1,542,812)</u>
Equity	<u>\$ 2,149,665</u>	<u>\$ 2,062,736</u>	<u>\$ 2,213,846</u>

(Continued)

	March 31, 2025	December 31, 2024	March 31, 2024
Proportion of the Group's ownership	29.31%	29,31%	29.31%
Equity attributable to the Group	\$ 630,083	\$ 604,604	\$ 648,894
Unrealized gain with associates	<u>(5,481)</u>	<u>(5,568)</u>	<u>(5,826)</u>
Carrying amount	<u>\$ 624,602</u>	<u>\$ 599,036</u>	<u>\$ 643,068</u> (Concluded)

	For the Three Months Ended March 31	
	2025	2024
Operating revenue	<u>\$ 619,342</u>	<u>\$ 572,908</u>
Net profit	\$ 90,268	\$ 49,801
Other comprehensive loss	<u>(3,339)</u>	<u>(7,318)</u>
Total comprehensive income	<u>\$ 86,929</u>	<u>\$ 42,483</u>

Sun Ba

	March 31, 2025	December 31, 2024	March 31, 2024
Current assets	\$ 6,430,033	\$ 7,196,789	\$ 4,633,689
Non-current assets	32,701,953	32,325,862	30,779,002
Current liabilities	(8,357,514)	(8,978,393)	(6,599,132)
Non-current liabilities	<u>(15,023,135)</u>	<u>(15,039,749)</u>	<u>(12,985,920)</u>
Equity	<u>\$ 15,751,337</u>	<u>\$ 15,504,509</u>	<u>\$ 15,827,639</u>
Proportion of the Group's ownership	43.00%	43.00%	43.00%
Equity attributable to the Group	\$ 6,773,075	\$ 6,666,937	\$ 6,805,883
Unrealized gain with associates	(110,375)	(112,187)	(117,623)
Goodwill	<u>2,087</u>	<u>2,087</u>	<u>2,087</u>
Carrying amount	<u>\$ 6,664,787</u>	<u>\$ 6,556,837</u>	<u>\$ 6,690,347</u>

	For the Three Months Ended March 31	
	2025	2024
Operating revenue	<u>\$ 7,709,988</u>	<u>\$ 4,302,097</u>
Net profit	\$ 255,398	\$ 304,844
Other comprehensive (loss) income	<u>(8,570)</u>	<u>38,282</u>
Total comprehensive income	<u>\$ 246,828</u>	<u>\$ 343,126</u>

SEPC

	March 31, 2025	December 31, 2024	March 31, 2024
Current assets	\$ 4,248,184	\$ 3,622,117	\$ 3,998,076
Non-current assets	3,465,484	4,070,466	4,306,764
Current liabilities	(1,237,729)	(1,313,470)	(1,742,525)
Non-current liabilities	<u>(274,317)</u>	<u>(285,460)</u>	<u>(339,643)</u>
Equity	<u>\$ 6,201,622</u>	<u>\$ 6,093,653</u>	<u>\$ 6,222,672</u>
Proportion of the Group's ownership	40.50%	40.50%	40.50%
Equity attributable to the Group	\$ 2,511,657	\$ 2,467,929	\$ 2,520,184
Unrealized gain with associates	<u>(50,972)</u>	<u>(52,354)</u>	<u>(56,506)</u>
Carrying amount	<u>\$ 2,460,685</u>	<u>\$ 2,415,575</u>	<u>\$ 2,463,678</u>

**For the Three Months Ended
March 31**

	2025	2024
Operating revenue	<u>\$ 1,851,973</u>	<u>\$ 2,070,903</u>
Net profit	\$ 107,968	\$ 103,573
Other comprehensive income	<u>-</u>	<u>-</u>
Total comprehensive income	<u>\$ 107,968</u>	<u>\$ 103,573</u>

SBPC

	March 31, 2025	December 31, 2024	March 31, 2024
Current assets	\$ 2,414,836	\$ 2,450,604	\$ 2,206,046
Non-current assets	7,036,924	7,184,378	7,731,003
Current liabilities	(1,290,585)	(1,336,055)	(1,367,903)
Non-current liabilities	<u>(1,844,853)</u>	<u>(2,032,688)</u>	<u>(2,193,076)</u>
Equity	<u>\$ 6,316,322</u>	<u>\$ 6,266,239</u>	<u>\$ 6,376,070</u>
Proportion of the Group's ownership	41.27%	41.27%	41.27%
Equity attributable to the Group	\$ 2,606,918	\$ 2,586,247	\$ 2,631,579
Unrealized gain with associates	<u>(178,264)</u>	<u>(183,046)</u>	<u>(197,395)</u>
Carrying amount	<u>\$ 2,428,654</u>	<u>\$ 2,403,201</u>	<u>\$ 2,434,184</u>

	For the Three Months Ended March 31	
	2025	2024
Operating revenue	<u>\$ 2,053,832</u>	<u>\$ 1,965,150</u>
Net profit	\$ 50,083	\$ 32,033
Other comprehensive income	<u>-</u>	<u>-</u>
Total comprehensive income	<u>\$ 50,083</u>	<u>\$ 32,033</u>

KKPC

	March 31, 2025	December 31, 2024	March 31, 2024
Current assets	\$ 1,894,090	\$ 3,957,849	\$ 3,320,484
Non-current assets	4,335,869	3,018,554	3,425,800
Current liabilities	(846,523)	(1,747,989)	(941,035)
Non-current liabilities	<u>(122,514)</u>	<u>(161,820)</u>	<u>(210,250)</u>
Equity	<u>\$ 5,260,922</u>	<u>\$ 5,066,594</u>	<u>\$ 5,594,999</u>
Proportion of the Group's ownership	35.00%	35.00%	35.00%
Equity attributable to the Group	\$ 1,841,323	\$ 1,773,308	\$ 1,958,250
Goodwill	19,304	19,304	19,304
Unrealized gain with associates	(11)	(9)	-
Investment (discount) premium	<u>(2,588)</u>	<u>2,576</u>	<u>18,066</u>
Carrying amount	<u>\$ 1,858,028</u>	<u>\$ 1,795,179</u>	<u>\$ 1,995,620</u>

	For the Three Months Ended March 31	
	2025	2024
Operating revenue	<u>\$ 2,118,980</u>	<u>\$ 2,186,744</u>
Net profit	\$ 194,329	\$ 167,224
Other comprehensive income	<u>-</u>	<u>-</u>
Total comprehensive income	<u>\$ 194,329</u>	<u>\$ 167,224</u>

As of December 31, 2024, KKPC had declared cash dividends of \$916,972 thousand. Dividends receivable in proportion to the Group's ownership amounted to \$320,940 thousand. These dividends were received on March 28, 2025.

The Group is the single largest shareholder of Sun Ba, SEPC, and SBPC with 43%, 40.50%, and 41.27% ownership of them, respectively. However, according to the articles of incorporation of the investees, certain material events of the investees shall be approved by the vote of a certain number of members of the board of directors; therefore, the Group cannot direct the relevant activities of the investee and has no control over them. Management of the Group considered the Group as exercising significant influence over the investees and classified them as associates.

b. Aggregate information of associates that are not individually material

	For the Three Months Ended March 31	
	2025	2024
The Group's share of:		
Net loss	\$ (123)	\$ (89)
Total comprehensive loss	\$ (123)	\$ (89)

The amounts of the share of profit or loss and other comprehensive income of the investments in associates accounted for using the equity method for the three months ended March 31, 2025 and 2024 were based on the associates' financial statements reviewed by independent auditors for the same periods.

16. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Machinery and Equipment	Transportation Equipment	Other Equipment	Leasehold Improvements	Property under Construction	Total
<u>Cost</u>								
Balance on January 1, 2025	\$ 277,716	\$ 1,385,057	\$ 6,977,566	\$ -	\$ 226,230	\$ 41,163	\$ 180,149	\$ 9,087,881
Additions	-	-	20,354	-	1,833	-	5,582	27,769
Reclassifications (Note)	-	-	14,955	-	-	-	-	14,955
Balance on March 31, 2025	<u>277,716</u>	<u>1,385,057</u>	<u>7,012,875</u>	<u>-</u>	<u>228,063</u>	<u>41,163</u>	<u>185,731</u>	<u>9,130,605</u>
<u>Accumulated depreciation</u>								
Balance on January 1, 2025	-	139,424	4,701,493	-	123,379	40,829	-	5,005,125
Depreciation expense	-	14,637	66,633	-	9,670	53	-	90,993
Balance on March 31, 2025	<u>-</u>	<u>154,061</u>	<u>4,768,126</u>	<u>-</u>	<u>133,049</u>	<u>40,882</u>	<u>-</u>	<u>5,096,118</u>
Carrying amount on March 31, 2025	<u>\$ 277,716</u>	<u>\$ 1,230,996</u>	<u>\$ 2,244,749</u>	<u>\$ -</u>	<u>\$ 95,014</u>	<u>\$ 281</u>	<u>\$ 185,731</u>	<u>\$ 4,034,487</u>
Carrying amount at December 31, 2023 and January 1, 2024	<u>\$ 277,716</u>	<u>\$ 1,245,633</u>	<u>\$ 2,276,073</u>	<u>\$ -</u>	<u>\$ 102,851</u>	<u>\$ 334</u>	<u>\$ 180,149</u>	<u>\$ 4,082,756</u>
<u>Cost</u>								
Balance on January 1, 2024	\$ 277,716	\$ 1,385,474	\$ 6,977,566	\$ 793	\$ 234,510	\$ 40,643	\$ 17,304	\$ 8,934,006
Additions	-	-	-	-	144	-	9,378	9,522
Balance on March 31, 2024	<u>277,716</u>	<u>1,385,474</u>	<u>6,977,566</u>	<u>793</u>	<u>234,654</u>	<u>40,643</u>	<u>26,682</u>	<u>8,943,528</u>
<u>Accumulated depreciation</u>								
Balance on January 1, 2024	-	80,914	4,437,199	142	91,940	36,846	-	4,647,041
Depreciation expense	-	14,642	66,452	25	10,107	1,136	-	92,362
Balance on March 31, 2024	<u>-</u>	<u>95,556</u>	<u>4,503,651</u>	<u>167</u>	<u>102,047</u>	<u>37,982</u>	<u>-</u>	<u>4,739,403</u>
Carrying amount on March 31, 2024	<u>\$ 277,716</u>	<u>\$ 1,289,918</u>	<u>\$ 2,473,915</u>	<u>\$ 626</u>	<u>\$ 132,607</u>	<u>\$ 2,661</u>	<u>\$ 26,682</u>	<u>\$ 4,204,125</u>

Note: The amount was reclassified from prepayments for equipment.

For the three months ended March 31, 2025 and 2024, no impairment loss was recognized.

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings

Office building	50 years
Plant and its attached facilities	15-25 years

Machinery and equipment

Main power generation equipment	20-30 years
Others	3-15 years

Transportation equipment

5-10 years

Other equipment

2-8 years

Lease improvements

5 years

Refer to Note 30 for information on capitalized interest for the three months ended March 31, 2025.

Refer to Note 38 for the carrying amount of property plant and equipment mortgaged as collateral for bank borrowings of the Group.

17. LEASE ARRANGEMENTS

a. Right-of-use assets

	Land	Buildings	Transportation Equipment	Other Equipment	Total
<u>Cost</u>					
Balance on January 1, 2025	\$ 376,974	\$ 190,573	\$ 27,608	\$ 8,699	\$ 603,854
Additions	-	33,130	413	-	33,543
Disposals	-	(75,425)	(652)	-	(76,077)
Balance on March 31, 2025	<u>376,974</u>	<u>148,278</u>	<u>27,369</u>	<u>8,699</u>	<u>561,320</u>
<u>Accumulated depreciation and impairment loss</u>					
Balance on January 1, 2025	87,564	107,070	16,017	1,740	212,391
Depreciation expense	3,815	8,212	2,329	108	14,464
Disposals	-	(75,425)	(652)	-	(76,077)
Balance on March 31, 2025	<u>91,379</u>	<u>39,857</u>	<u>17,694</u>	<u>1,848</u>	<u>150,778</u>
Carrying amount on March 31, 2025	<u>\$ 285,595</u>	<u>\$ 108,421</u>	<u>\$ 9,675</u>	<u>\$ 6,851</u>	<u>\$ 410,542</u>
Carrying amount on December 31, 2024 and January 1, 2025	<u>\$ 289,410</u>	<u>\$ 83,503</u>	<u>\$ 11,591</u>	<u>\$ 6,959</u>	<u>\$ 391,463</u>
<u>Cost</u>					
Balance on January 1, 2024	\$ 377,320	\$ 207,471	\$ 29,297	\$ 9,424	\$ 623,512
Additions	120	331	2,627	-	3,078
Disposals	-	(219)	(2,612)	(725)	(3,556)
Balance on March 31, 2024	<u>377,440</u>	<u>207,583</u>	<u>29,312</u>	<u>8,699</u>	<u>623,034</u>
<u>Accumulated depreciation and impairment loss</u>					
Balance on January 1, 2024	72,137	117,136	11,999	2,006	203,278
Depreciation expense	4,088	8,030	2,599	133	14,850
Disposals	-	(151)	(2,467)	(725)	(3,343)
Balance on March 31, 2024	<u>76,225</u>	<u>125,015</u>	<u>12,131</u>	<u>1,414</u>	<u>214,785</u>
Carrying amount on March 31, 2024	<u>\$ 301,215</u>	<u>\$ 82,568</u>	<u>\$ 17,181</u>	<u>\$ 7,285</u>	<u>\$ 408,249</u>

b. Lease liabilities

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Carrying amount</u>			
Current	<u>\$ 53,710</u>	<u>\$ 28,659</u>	<u>\$ 61,473</u>
Non-current	<u>\$ 441,410</u>	<u>\$ 427,606</u>	<u>\$ 410,898</u>

As of March 31, 2025, December 31, 2024 and March 31, 2024, the range of discount rates for lease liabilities was both 0.98%-2.83%.

c. Material lease activities and terms

The rental payments for some leases of the solar power generation equipment are calculated at an agreed ratio of sales of electricity generated pursuant to the power purchase agreements that the Group entered into with TPC.

Refer to Note 19 for the information on the Group's acquisition of the rights to superficies from the Yilan County Government.

In 2019, HML leased the land from the landlords in Fangyuan Township, Changhua County for the fishery and electricity symbiosis development project. The period covered by the agreements include the development and construction period and 20 years from the date of the commence of commercial operations. HML shall make a priority request for renewal of the agreements six months before the expiration of the lease if it obtains permission to continue operations. The lease agreements are renewable for no more than 5 years each time and within the limit of two times.

d. Subleases

Refer to Note 10 for the information on the Group's sublease transactions.

e. Other lease information

	For the Three Months Ended March 31	
	2025	2024
Expenses relating to short-term leases	\$ 1,981	\$ 2,279
Expenses relating to low-value asset leases	\$ 253	\$ 483
Expenses relating to variable lease payments not included in the measurement of lease liabilities	\$ 1,013	\$ 931
Total cash outflow for leases	\$ (16,096)	\$ (23,799)

The Group's leases include certain buildings and transportation equipment, which qualify as short-term leases and certain other equipment, which qualifies as low-value asset leases. The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

18. GOODWILL

	For the Three Months Ended March 31	
	2025	2024
<u>Cost</u>		
Balance on January 1 and March 31	\$ 141,014	\$ 141,014
<u>Accumulated impairment losses</u>		
Balance on January 1 and March 31	(120,700)	(44,644)
Carrying amount on March 31	\$ 20,314	\$ 96,370

The Group's goodwill is related to the expected benefits of the increase in sales of electricity. Since the goodwill relates solely to a single cash generating unit, the goodwill is assessed for impairment by calculating the recoverable amount and the carrying amount of its net assets.

19. INTANGIBLE ASSETS

	March 31, 2025	December 31, 2024	March 31, 2024
Service concession arrangement	\$ -	\$ -	\$ 547,423
Computer software	7,837	9,881	12,302
Business rights	<u>279,465</u>	<u>285,914</u>	<u>305,262</u>
	<u>\$ 287,302</u>	<u>\$ 295,795</u>	<u>\$ 864,987</u>

a. Movements in intangible assets were as follows:

	Service Concession Arrangement		Computer Software	Business Rights	Others	Total
	Operating Assets	Right-of-use Assets				
<u>Cost</u>						
Balances on January 1 and March 31, 2025	\$ -	\$ -	\$ 28,289	\$ 402,000	\$ 12,000	\$ 442,289
<u>Accumulated amortization and impairment loss</u>						
Balance on January 1, 2025	-	-	18,408	116,086	12,000	146,494
Amortization	-	-	2,044	6,449	-	8,493
Balance on March 31, 2025	-	-	20,452	122,535	12,000	154,987
Carrying amount on March 31, 2025	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,837</u>	<u>\$ 279,465</u>	<u>\$ -</u>	<u>\$ 287,302</u>
Carrying amount on December 31, 2024 and January 1, 2025	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,881</u>	<u>\$ 285,914</u>	<u>\$ -</u>	<u>\$ 295,795</u>
<u>Cost</u>						
Balance on January 1, 2024	\$ 633,253	\$ 2,710	\$ 25,585	\$ 402,000	\$ 12,000	\$ 1,075,548
Additions	999	-	192	-	-	1,191
Disposals	-	-	(170)	-	-	(170)
Balance on March 31, 2024	<u>634,252</u>	<u>2,710</u>	<u>25,607</u>	<u>402,000</u>	<u>12,000</u>	<u>1,076,569</u>
<u>Accumulated amortization and impairment loss</u>						
Balance on January 1, 2024	80,733	696	11,992	90,289	12,000	195,710
Amortization	8,073	37	1,483	6,449	-	16,042
Disposals	-	-	(170)	-	-	(170)
Balance on March 31, 2024	<u>88,806</u>	<u>733</u>	<u>13,305</u>	<u>96,738</u>	<u>12,000</u>	<u>211,582</u>
Carrying amount on March 31, 2024	<u>\$ 545,446</u>	<u>\$ 1,977</u>	<u>\$ 12,302</u>	<u>\$ 305,262</u>	<u>\$ -</u>	<u>\$ 864,987</u>

Intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Service concession arrangement	
Main power generation equipment	20 years
Transmission pipelines and other facilities	10-20 years
Others	5-20 years
Computer software	1-6 years
Business rights	15 years

b. Service concession arrangement

YYC signed the investment agreement “Yilan Chingshuei Geothermal Power Generation Build, Reconstruction, Operation, and Transfer” (also referred to also as “Chingshuei Geothermal Contract”) with the Yilan county government in July 2017 for a service concession which will be operated by CGPC. YYC established CGPC to undertake the operations for a period of 20 years starting from the commencement date of commercial operations of the power generating unit.

The operating assets refer to the public infrastructure constructed and operated by CGPC.

The right-of-use asset was obtained by YYC from the Yilan county government under the Chingshuei Geothermal Contract to build and operate the power plant site. The rental rate during the construction period was set at 1% of the announced land value, and the rental rate during the period of operation was set at 3% of the announced land value.

The Corporation sold the equity of YYC (including CGPC) on May 22, 2024, and lost control of the service concession.

c. Business rights

Business rights refer to the licenses to generate electricity from the Zhunan and Houlong wind farms in Miaoli County acquired from the Ministry of Economic Affairs through the business combination with MWC, in accordance with the Electricity Act. Amortization of the aforementioned licenses is recognized on a straight-line basis until February 2036.

d. Other intangible assets

Other intangible assets refer to Grade A comprehensive construction registration certificate of SEC, which is deemed to have an indefinite useful life and not amortized because the certificate can be reviewed and renewed at a fraction of the cost every 5 years and is expected to generate sustainable net cash inflow, but is rather tested for impairment at least once a year and assessed at each balance sheet date to determine whether events and circumstances continue to support the assessment of its indefinite useful life.

20. OTHER ASSETS

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Other non-current assets</u>			
Prepaid power lines usage expenses	<u>\$ 18,158</u>	<u>\$ 18,423</u>	<u>\$ 19,215</u>

In order to operate the solar power plant, the Group signed an agreement with a company for the “Installation of Renewable Energy Generation Equipment (Non-user) for Connection of Power Line to User”, and the Group should apportion the electricity project expenses (power lines usage expenses) in accordance with “Calculation of Apportionment Expenses for Renewable Energy Enhancement Projects on Power Grid”.

21. BORROWINGS

a. Short-term borrowings

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Unsecured borrowings</u>			
Bank loans - unsecured	\$ -	\$ -	\$ 35,000

The ranges of interest rates on short-term borrowings at the end of the reporting were as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Bank loans - unsecured	-	-	2.22%

b. Short-term bills payable

	March 31, 2025	December 31, 2024	March 31, 2024
Commercial papers	\$ -	\$ 500,000	\$ 1,000,000
Less: Unamortized discounts on bills payable	-	(236)	(285)
	<u>\$ -</u>	<u>\$ 499,764</u>	<u>\$ 999,715</u>

On March 18, 2022, the Group signed a revolving and non-guaranteed commercial paper underwriting contract with a bank. The Group could issue a non-guaranteed commercial paper (up to 90 days) on a revolving basis within four years effective from March 23, 2022. The total underwriting amount is \$500 million. On March 21, 2025, the Group terminated this agreement early.

On August 12, 2021, the Group signed a revolving and non-guaranteed commercial paper underwriting agreement with a bills finance company. The Group could issue a non-guaranteed commercial paper (up to 90 days) on a revolving basis within four years effective from August 16, 2021. The total underwriting amount is \$500 million. On August 15, 2024, the Group terminated this agreement early.

The ranges of interest rates on commercial paper payable were as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Commercial papers	-	0.70%	0.64%-0.70%

c. Long-term borrowings

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Pledged or mortgaged borrowings</u>			
Repayable in semi-annual installments from August 2026 to February 2040	\$ 800,000	\$ 800,000	\$ -
Repayable in semi-annual installments from August 2021 to February 2032	250,880	268,520	286,160
Repayable in semi-annual installments from July 2022 to May 2031	248,200	248,200	265,720
Repayable in quarterly installments from December 2021 to September 2034	131,538	135,000	145,384
Repayable in semi-annual installments from February 2020 to February 2026	126,630	132,300	137,970
Repayable in semi-annual installments from November 2021 to May 2031	106,250	106,250	113,750
Repayable in semi-annual installments from August 2021 to May 2031	73,950	73,950	79,170
Repayable in semi-annual installments from November 2022 to May 2031	62,050	62,050	66,430
Repayable in semi-annual installments from August 2022 to February 2032	28,000	30,000	32,000
Repayable in quarterly installments from September 2021 to September 2034	28,865	29,625	31,904
Repayable in semi-annual installments from May 2021 to May 2031	19,550	19,550	20,930
<u>Secured borrowing</u>			
Repayable in semi-annual installments from July 2022	-	-	300,000
<u>Unsecured borrowings</u>			
Repayable in monthly installments from January 2021 to December 2025	73,100	74,800	79,900
Repayable in quarterly installments from April 2020 to March 2026	50,820	52,129	56,056
Repayable in quarterly installments from October 2019 to March 2026	41,942	43,081	46,498
Repayable in quarterly installments from October 2018 to October 2025	32,764	33,732	36,638
	2,074,539	2,109,187	1,698,510
Less: Current portion	(417,420)	(221,829)	(423,971)
	<u>\$ 1,657,119</u>	<u>\$ 1,887,358</u>	<u>\$ 1,274,539</u>

The ranges of interest rates on long-term borrowings as of the balance sheet date were as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Pledged or mortgaged borrowings	2.17%-3.27%	2.22%-2.83%	2.09%-3.11%
Secured borrowing	-	-	2.33%
Unsecured borrowings	1.80%-2.23%	1.80%-2.23%	1.80%-2.30%

22. BONDS PAYABLE

	March 31, 2025	December 31, 2024	March 31, 2024
Domestic unsecured bond	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000
Less: Current portion	(1,899,794)	(1,899,655)	-
Less: Unamortized issuance cost	<u>(681)</u>	<u>(842)</u>	<u>(1,325)</u>
	<u>\$ 599,525</u>	<u>\$ 599,503</u>	<u>\$ 2,498,675</u>

On August 14, 2020, the Group issued unsecured bonds at par value for a total of \$2,500 million, which comprise bond A - \$1,900 million of 5-year bonds with annual coupon rate of 0.75% and bond B - \$600 million of 10-year bonds with annual coupon rate of 1%. Both types of bonds have bullet repayment terms, where simple interest is paid on an annual basis and the principal is repaid on maturity. The trustee of the bonds is Bank SinoPac Company Limited.

23. OTHER PAYABLES

	March 31, 2025	December 31, 2024	March 31, 2024
Payables for equipment	\$ 142,186	\$ 218,158	\$ 308,394
Payables for compensation of employees and remuneration of directors	84,764	67,867	75,345
Payables for purchase of electricity	57,638	47,583	33,435
Payables for business tax	40,292	3,138	-
Payables for salaries and bonuses	28,420	63,661	31,231
Payables for compensated absences	16,190	15,329	14,380
Payables for repairs	15,016	23,963	14,545
Payables for interest	14,184	9,297	14,197
Payables for professional fees	11,021	14,414	11,841
Others	<u>19,264</u>	<u>23,074</u>	<u>19,878</u>
	<u>\$ 428,975</u>	<u>\$ 486,484</u>	<u>\$ 523,246</u>

24. OTHER LIABILITIES

	March 31, 2025	December 31, 2024	March 31, 2024
Other liabilities			
Payables for levies	<u>\$ 14,397</u>	<u>\$ 14,367</u>	<u>\$ 14,370</u>

Pursuant to the Regulations Governing the Installation of Renewable Energy Generation Equipment, the module recovery fees of the Group's solar power generation equipment should be calculated based on the installed capacity (kW) of the equipment. The module recovery fees are levied over a period of 10 years and should be paid at the end of each year.

25. PROVISIONS

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Current</u>			
Warranties	\$ 602,070	\$ 549,918	\$ 481,206
Onerous contracts	<u>66,862</u>	<u>74,421</u>	<u>-</u>
	<u>\$ 668,932</u>	<u>\$ 624,339</u>	<u>\$ 481,206</u>
<u>Non-current</u>			
Decommissioning costs and liability	\$ 18,530	\$ 14,938	\$ 14,692
Carbon fee	<u>579</u>	<u>-</u>	<u>-</u>
	<u>\$ 19,109</u>	<u>\$ 14,938</u>	<u>\$ 14,692</u>

	Warranties	Onerous Contracts	Decom- missioning Costs and Liability	Carbon Fee	Total
Balance on January 1, 2025	\$ 549,918	\$ 74,421	\$ 14,938	\$ -	\$ 639,277
Additions	55,780	-	3,592	579	59,951
Usage	(3,350)	-	-	-	(3,350)
Reversal	<u>(278)</u>	<u>(7,559)</u>	<u>-</u>	<u>-</u>	<u>(7,837)</u>
Balance on March 31, 2025	<u>\$ 602,070</u>	<u>\$ 66,862</u>	<u>\$ 18,530</u>	<u>\$ 579</u>	<u>\$ 688,041</u>
Balance on January 1, 2024	\$ 465,448	\$ -	\$ 14,613	\$ -	\$ 480,061
Additions	33,108	-	79	-	33,187
Usage	<u>(17,350)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(17,350)</u>
Balance on March 31, 2024	<u>\$ 481,206</u>	<u>\$ -</u>	<u>\$ 14,692</u>	<u>\$ -</u>	<u>\$ 495,898</u>

Starting from 2025, the Group recognizes the carbon fee provision in accordance with the Regulations Governing the Collection of Carbon Fees and related regulations of the ROC. The carbon fee provision was calculated based on the standard rate.

26. RETIREMENT BENEFIT PLANS

For the three months ended March 31, 2025 and 2024, the pension expenses of defined benefit plans were calculated based on the actuarially determined pension cost rate on December 31, 2024 and 2023, respectively. The amounts were recognized under the following financial statement accounts:

	For the Three Months Ended March 31	
	2025	2024
Operating costs	\$ 1,055	\$ 752
Operating expenses	\$ 622	\$ 576

27. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The Group's assets and liabilities related to the construction business are classified as either current or non-current based on the operating cycle. The amounts expected to be recovered or settled within one year after the reporting period and more than one year after the reporting period for related assets and liabilities were as follows:

March 31, 2025

	Within One Year	More than One Year	Total
<u>Assets</u>			
Contract assets	\$ 2,345,875	\$ 4,803	\$ 2,350,678
Prepaid construction costs	159,210	-	159,210
	<u>\$ 2,505,085</u>	<u>\$ 4,803</u>	<u>\$ 2,509,888</u>
<u>Liabilities</u>			
Contract liabilities	\$ 114	\$ 208,801	\$ 208,915
Provisions - warranties	87,374	514,696	602,070
Onerous contracts	-	66,862	66,862
Construction costs payable	4,228,673	44,667	4,273,340
	<u>\$ 4,316,161</u>	<u>\$ 835,026</u>	<u>\$ 5,151,187</u>

December 31, 2024

	Within One Year	More than One Year	Total
<u>Assets</u>			
Contract assets	\$ 1,725,040	\$ 1,981,383	\$ 3,706,423
Prepaid construction costs	159,210	-	159,210
	<u>\$ 1,884,250</u>	<u>\$ 1,981,383</u>	<u>\$ 3,865,633</u>

(Continued)

	Within One Year	More than One Year	Total
<u>Liabilities</u>			
Contract liabilities	\$ 114	\$ 244,597	\$ 244,711
Provisions - warranties	33,113	516,805	549,918
Onerous contracts	-	74,421	74,421
Construction costs payable	<u>1,689,047</u>	<u>2,319,035</u>	<u>4,008,082</u>
	<u>\$ 1,722,274</u>	<u>\$ 3,154,858</u>	<u>\$ 4,877,132</u>
			(Concluded)

March 31, 2024

	Within One Year	More than One Year	Total
<u>Assets</u>			
Contract assets	<u>\$ 780,524</u>	<u>\$ 1,568,266</u>	<u>\$ 2,348,790</u>
<u>Liabilities</u>			
Contract liabilities	\$ 114	\$ -	\$ 114
Provisions - warranties	13,673	467,533	481,206
Construction costs payable	<u>1,402,677</u>	<u>1,791,984</u>	<u>3,194,661</u>
	<u>\$ 1,416,464</u>	<u>\$ 2,259,517</u>	<u>\$ 3,675,981</u>

28. EQUITY

a. Share capital

	March 31, 2025	December 31, 2024	March 31, 2024
Number of authorized ordinary shares (in thousands)	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
Amount of authorized ordinary shares	<u>\$ 10,000,000</u>	<u>\$ 10,000,000</u>	<u>\$ 10,000,000</u>
Number of issued and fully paid ordinary shares (in thousands)	<u>730,282</u>	<u>730,282</u>	<u>730,282</u>
Amount of issued and fully paid ordinary shares	<u>\$ 7,302,820</u>	<u>\$ 7,302,820</u>	<u>\$ 7,302,820</u>

A holder of issued ordinary shares with par value of \$10 is entitled to vote and to receive dividends.

b. Capital surplus

	March 31, 2025	December 31, 2024	March 31, 2024
May be used to offset a deficit, distributed as cash dividends, or <u>transferred to share capital (Note)</u>			
Issuance of ordinary shares	\$ 2,589,425	\$ 2,589,425	\$ 2,589,425
Conversion of bonds	<u>32,494</u>	<u>32,494</u>	<u>32,494</u>
	<u>\$ 2,621,919</u>	<u>\$ 2,621,919</u>	<u>\$ 2,621,919</u>

Note: The capital surplus may be used to offset a deficit; in addition, when the Corporation has no deficit, such capital surplus may be transferred to share capital or distributed in cash. Capitalization of such capital surplus is limited to once a year and a certain prescribed percentage of the Corporation's paid-in capital.

c. Retained earnings and dividend policy

Under the dividend policy as set forth in the Corporation's current articles of incorporation (the "Articles"), where the Corporation made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing 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 Corporation's board of directors as the basis for proposing a distribution plan where not less than 70% of distributable retained earnings shall be distributed; the plan should be resolved in the shareholders in their meeting for the distribution of dividends to shareholders. For the policies on the distribution of the compensation of employees and remuneration of directors, please refer to Note 30.f.

The Corporation adopted a balanced dividend policy, where dividends are distributed in the form of both cash and shares, out of which cash dividends shall not be less than 20% of the total dividends distributed. However, the ratio of cash dividends may be reduced to less than 20%, which should be resolved by the shareholders in their meeting. If the expenditure for a new important investment plan reaches \$300 million or above and the Corporation is unable to obtain other funds to meet the cash needs of the plan.

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

Items referred to under Rule No. 1090150022 issued by the FSC and in the directive titled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRS Accounting Standards" should be appropriated to or reversed from a special reserve by the Corporation.

The appropriations of earnings for 2024 and 2023, which had been proposed by the board of directors on March 13, 2025 and resolved in the shareholders' meeting on May 31, 2024, respectively, were as follows:

	Appropriation of Earnings	
	2024	2023
Legal reserve	\$ 172,693	\$ 126,025
Special reserve	18,182	-
Reversal of special reserve	(360,134)	(287,029)
Cash dividends	1,533,592	1,409,444
Cash dividends per share (NT\$)	2.1	1.93

The reversals of the special reserve in 2024 and 2023 were the reversal amount voluntarily set aside in accordance with the Company Act in prior years.

The appropriation of earnings for 2024 is subject to the resolution of the shareholders in their meeting to be held on May 29, 2025.

29. REVENUE

	For the Three Months Ended March 31	
	2025	2024 (Restated)
<u>Accounted for continuing operations</u>		
Revenue from contracts with customers		
Sales		
Sales of electricity	\$ 349,930	\$ 315,619
Sales of steam	70,642	47,977
Others	<u>109</u>	<u>103</u>
	420,681	363,699
Construction service	1,461,154	1,579,025
Operations, maintenance and consulting services	<u>82,030</u>	<u>70,913</u>
	<u>1,963,865</u>	<u>2,013,637</u>
<u>Accounted for discontinued operations</u>		
Revenue from contracts with customers Income (Note 13)		
Service concession income	<u>-</u>	<u>12,884</u>
	<u>\$ 1,963,865</u>	<u>\$ 2,026,521</u>

a. Contract balances

	March 31, 2025	December 31, 2024	March 31, 2024	January 1, 2024
Accounts receivable (including related parties)	<u>\$ 1,449,693</u>	<u>\$ 872,083</u>	<u>\$ 532,306</u>	<u>\$ 846,178</u>
Contract assets				
Construction contracts	\$ 2,350,678	\$ 3,706,423	\$ 2,348,790	\$ 1,765,727
Rendering of services	<u>483,315</u>	<u>430,719</u>	<u>349,309</u>	<u>356,018</u>
	<u>\$ 2,833,993</u>	<u>\$ 4,137,142</u>	<u>\$ 2,698,099</u>	<u>\$ 2,121,745</u>
Contract liabilities				
Construction contracts	\$ 208,915	\$ 244,711	\$ 114	\$ 113,264
Sales	145,028	134,637	181,348	168,845
Rendering of services	<u>-</u>	<u>41</u>	<u>-</u>	<u>-</u>
	<u>\$ 353,943</u>	<u>\$ 379,389</u>	<u>\$ 181,462</u>	<u>\$ 282,109</u>

The changes in the contract assets and the contract liabilities balances primarily resulted from the timing difference between the Group's satisfaction of performance obligations and the customer's payment.

The Group measures the loss allowance for contract assets at an amount equal to lifetime ECLs. The contract assets will be transferred to accounts receivable when the corresponding invoice is billed to the customer, and the contract assets have substantially the same risk characteristics as the trade receivables from the same types of contracts. Therefore, the Group concluded that the expected loss rates for trade receivables can be applied to the contract assets. The Group did not recognize an allowance for impairment loss against all of the contract assets.

b. Refer to Note 43 for information about disaggregation of revenue from contracts with customers.

30. NET PROFIT

a. Other income

	For the Three Months Ended March 31	
	2025	2024 (Restated)
From continuing operations		
Others	\$ 4,257	\$ 3,100
From discontinued operations (Note 13)		
Others	<u>-</u>	<u>26</u>
	<u>\$ 4,257</u>	<u>\$ 3,126</u>

b. Other gains and losses

	For the Three Months Ended March 31	
	2025	2024
Foreign exchange gain	\$ 25,481	\$ 6,605
Loss on lease modification	-	(47)
Foreign exchange loss	(3,340)	(3,300)
Others	<u>(1,000)</u>	<u>-</u>
	<u>\$ 21,141</u>	<u>\$ 3,258</u>

c. Finance costs

	For the Three Months Ended March 31	
	2025	2024 (Restated)
From continuing operations		
Interest on bank loans	\$ 12,746	\$ 9,366
Interest on bonds payable	5,223	5,221
Interest on lease liabilities	2,382	2,305
Interest on commercial papers	809	1,781
Others	<u>157</u>	<u>136</u>
	<u>21,317</u>	<u>18,809</u>
From discontinued operations (Note 13)		
Interest on bank loans	-	1,772
Interest on lease liabilities	-	5
Others	<u>-</u>	<u>2</u>
	<u>-</u>	<u>1,779</u>
	<u>\$ 21,317</u>	<u>\$ 20,588</u>

Information about capitalized interest was as follows:

	For the Three Months Ended March 31	
	2025	2024
Amount of capitalized interest	<u>\$ 418</u>	<u>\$ -</u>
Capitalized interest rates	2.17%	-

d. Depreciation and amortization

For the Three Months Ended March 31		
	2025	2024 (Restated)
From continuing operations		
Property, plant and equipment	\$ 90,993	\$ 92,265
Right-of-use assets	14,218	14,560
Intangible assets	8,493	7,932
Prepaid power lines usage expense	<u>265</u>	<u>265</u>
	<u>113,969</u>	<u>115,022</u>
From discontinued operations (Note 13)		
Property, plant and equipment	-	97
Intangible assets	<u>-</u>	<u>8,110</u>
	<u>-</u>	<u>8,207</u>
	<u>\$ 113,969</u>	<u>\$ 123,229</u>
An analysis of depreciation by function		
Operating costs	\$ 85,865	\$ 86,408
Operating expenses	19,346	20,417
From discontinued operations (Note 13)	<u>-</u>	<u>97</u>
	<u>\$ 105,211</u>	<u>\$ 106,922</u>
An analysis of amortization by function		
Operating costs	\$ 299	\$ 299
Operating expenses	8,459	7,898
From discontinued operations (Note 13)	<u>-</u>	<u>8,110</u>
	<u>\$ 8,758</u>	<u>\$ 16,307</u>

e. Employee benefits expense

For the Three Months Ended March 31		
	2025	2024 (Restated)
From continuing operations		
Post-employment benefits		
Defined contribution plans	\$ 4,043	\$ 3,826
Defined benefit plans	<u>1,677</u>	<u>1,328</u>
	5,720	5,154
Short-term benefits	<u>136,468</u>	<u>131,858</u>
Total employee benefits expense	<u>142,188</u>	<u>137,012</u>
From discontinued operations (Note 13)		
Post-employment benefits		
Defined contribution plans	-	119
Short-term benefits	<u>-</u>	<u>2,759</u>
	<u>-</u>	<u>2,878</u>
	<u>\$ 142,188</u>	<u>\$ 139,890</u>

(Continued)

	For the Three Months Ended March 31	
	2025	2024 (Restated)
An analysis of employee benefits expense by function		
Operating costs	\$ 85,958	\$ 86,393
Operating expenses	56,230	50,619
From discontinued operations (Note 13)	<u>-</u>	<u>2,878</u>
	<u>\$ 142,188</u>	<u>\$ 139,890</u>
From continuing operations		
Short-term benefits		
Wages and salaries	\$ 120,791	\$ 116,955
Labor and health insurance	8,139	8,659
Others	<u>7,538</u>	<u>6,244</u>
	<u>136,468</u>	<u>131,858</u>
From discontinued operations (Note 13)		
Short-term benefits		
Wages and salaries	-	2,404
Labor and health insurance	-	235
Others	<u>-</u>	<u>120</u>
	<u>-</u>	<u>2,759</u>
	<u>\$ 136,468</u>	<u>\$ 134,617</u>

(Concluded)

f. Compensation of employees and remuneration of directors

The compensation of employees and remuneration of directors is set aside at rates not less than 0.5% and not higher than 1%, respectively, of net profit before income tax, compensation of employees and remuneration of directors. In accordance with the amendments to the Securities and Exchange Act in August 2024, the Corporation's board of directors approved an amendment to the Articles on March 13, 2025. The amendment is expected to be approved at the 2025 shareholders' meeting and specifies that 1% of the employee compensation will be allocated to non-executive employees, with the remaining portion distributed among all employees.

The compensation of employees (including non-executive employees) and remuneration of directors for the three months ended March 31, 2025 and 2024 were as follows:

	For the Three Months Ended March 31	
	2025	2024
Employees' compensation	\$ 11,361	\$ 9,421
Remuneration of directors	3,708	3,140

If there will be a change in the proposed amount after the annual consolidated financial statements are authorized for issue, the difference will be 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 had been resolved by the Corporation's board of directors on March 13, 2025 and March 13, 2024, respectively, were as follows:

	For the Year Ended December 31	
	2024	2023
Compensation of employees - cash	\$ 45,567	\$ 42,398
Remuneration of directors - cash	14,270	13,133

There was no difference between the above resolved amounts and the respective amounts recognized in the consolidated financial statements for the years ended December 31, 2024 and 2023.

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

31. INCOME TAX

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

	For the Three Months Ended March 31	
	2025	2024 (Restated)
From continuing operations		
Current income tax		
In respect of the current period	\$ 32,803	\$ 23,501
Income tax on unappropriated earnings	<u>1,106</u>	<u>1,142</u>
	33,909	24,643
Deferred income tax		
In respect of the current period	<u>(7,725)</u>	<u>(3,183)</u>
	<u>26,184</u>	<u>21,460</u>
From discontinued operations (Note 13)		
Deferred income tax		
In respect of the current period	<u>-</u>	<u>(523)</u>
Income tax expense recognized in profit or loss	<u>\$ 26,184</u>	<u>\$ 20,937</u>

- b. Income tax assessments

The income tax returns of SSC, MWC and HML through 2023 have been assessed by the tax authorities. The income tax returns of the Corporation, SWC, TGE and SKE through 2022 have been assessed by the tax authorities. In addition, the income tax returns of SEC through 2023 have been assessed by the tax authorities. However, the 2022 income tax return is still pending assessment.

Under the local income tax law, TCIC is not obligated to pay income tax.

32. EARNINGS PER SHARE

	For the Three Months Ended March 31	
	2025	2024 (Restated)
Basic earnings per share (NT\$)		
From continuing operations	\$ 0.48	\$ 0.43
From discontinued operations	<u>-</u>	<u>(0.01)</u>
Total basic earnings per share	<u>\$ 0.48</u>	<u>\$ 0.42</u>
Diluted earnings per share (NT\$)		
From continuing operations	\$ 0.48	\$ 0.43
From discontinued operations	<u>-</u>	<u>(0.01)</u>
Total diluted earnings per share	<u>\$ 0.48</u>	<u>\$ 0.42</u>

The earnings and weighted average number of ordinary shares outstanding used in the computation of earnings per share were as follows.

Net profit

	For the Three Months Ended March 31	
	2025	2024 (Restated)
Net profit for the period attributable to owners of the Corporation used in the computation of basic earnings per share	\$ 353,949	\$ 306,714
Less: Net loss from discontinued operations	<u>-</u>	<u>(5,140)</u>
Net profit from continuing operations	<u>\$ 353,949</u>	<u>\$ 311,854</u>

Weighted average number of ordinary shares outstanding (in thousands of 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	730,282	730,282
Effect of potentially dilutive ordinary shares		
Compensation of employees of the Corporation	<u>1,151</u>	<u>908</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>731,433</u>	<u>731,190</u>

The Corporation may settle the compensation of employees paid in cash or shares; therefore, the Corporation assumes that the entire amount of the compensation are settled in shares and the resulting potential shares are 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.

33. PARTIAL CASH TRANSACTIONS

- a. For the three months ended March 31, 2025 and 2024, the Group entered into the following partial cash investing activities:

	For the Three Months Ended March 31	
	2025	2024
Partial cash payments for acquisition of property, plant and equipment		
Acquisition of property, plant and equipment	\$ 27,769	\$ 9,522
Changes in payables for equipment	75,972	98,721
Depreciation of right-of-use assets	<u>(246)</u>	<u>(290)</u>
Cash payments	<u>\$ 103,495</u>	<u>\$ 107,953</u>

- b. Changes in liabilities arising from financing activities

For the three months ended March 31, 2025

	January 1, 2025	Cash Flows	Non-cash Changes			March 31, 2025
			New Leases	Interest Expense	Others	
Short-term bills payable	\$ 499,764	\$ (500,000)	\$ -	\$ 809	\$ (573)	\$ -
Long-term loans	2,109,187	(34,648)	-	-	-	2,074,539
Guarantee deposits received	89,397	11,473	-	-	-	100,870
Bonds payable	2,499,158	-	-	5,223	(5,062)	2,499,319
Lease liabilities	<u>456,265</u>	<u>(10,874)</u>	<u>33,543</u>	<u>2,382</u>	<u>13,804</u>	<u>495,120</u>
	<u>\$ 5,653,771</u>	<u>\$ (534,049)</u>	<u>\$ 33,543</u>	<u>\$ 8,414</u>	<u>\$ 8,169</u>	<u>\$ 5,169,848</u>

For the three months ended March 31, 2024

	January 1, 2024	Cash Flows	Non-cash Changes			March 31, 2024
			New Leases	Interest Expense	Others	
Short-term borrowings	\$ 55,000	\$ (20,000)	\$ -	\$ -	\$ -	\$ 35,000
Short-term bills payable	999,130	-	-	1,781	(1,196)	999,715
Long-term loans	1,751,908	(53,398)	-	-	-	1,698,510
Guarantee deposits received	53,732	(992)	-	-	-	52,740
Bonds payable	2,498,517	-	-	5,221	(5,063)	2,498,675
Lease liabilities	<u>483,071</u>	<u>(14,087)</u>	<u>3,078</u>	<u>2,310</u>	<u>(2,001)</u>	<u>472,371</u>
	<u>\$ 5,841,358</u>	<u>\$ (88,477)</u>	<u>\$ 3,078</u>	<u>\$ 9,312</u>	<u>\$ (8,260)</u>	<u>\$ 5,757,011</u>

34. EXPLANATORY COMMENTS ABOUT THE SEASONALITY OR CYCLICALITY OF INTERIM OPERATIONS

The operations of the cogeneration plant have seasonal characteristics and the electricity price is determined in accordance with TPC's requirements. During the summer months (May 16 to October 15), the selling price of electricity is higher. The rest of the months are classified as non-summer months. Based on past experience, the Corporation sells electricity and steam it produces to energy users, and sells any remaining electricity to TPC. Revenue is recognized accordingly on a monthly basis. Hence, the peak period for sales is in the summer months.

Construction and operations, maintenance and consulting services do not have seasonal characteristics. Based on past experience, the Group's consolidated revenue is recognized based on the progress of each construction project and when services are provided.

35. CAPITAL MANAGEMENT

The Corporation manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to shareholders through the optimization of the debt and equity balance. The Corporation's overall strategy remains unchanged within recent 5 years.

The capital structure of the Group consists of net debt (borrowings offset by cash and cash equivalents) and equity attributable to owners of the Corporation (comprising ordinary shares, capital surplus, retained earnings and other equity).

Key management personnel of the Corporation review the capital structure on an annual 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 Corporation may adjust the amount of dividends paid to shareholders, the number of new shares issued, and/or the amount of new debt issued or existing debt redeemed.

36. FINANCIAL INSTRUMENTS

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

Management believes the carrying amounts of the financial assets and financial liabilities not carried at fair value are approximately at their fair values.

b. Fair value of financial instruments that are 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 FVTOCI				
Investments in equity instruments				
Domestic unlisted securities	\$ -	\$ -	\$ 272,157	\$ 272,157

December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic unlisted securities	\$ -	\$ -	\$ 268,557	\$ 268,557

March 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI				
Investments in equity instruments				
Domestic unlisted securities	\$ -	\$ -	\$ 268,854	\$ 268,854

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

For the three months ended March 31, 2025

	Financial Assets at FVTOCI - Equity Investments
Beginning balance	\$ 268,557
Recognized in other comprehensive income	<u>3,600</u>
Ending balance	<u>\$ 272,157</u>

For the three months ended March 31, 2024

	Financial Assets at FVTOCI - Equity Investments
Beginning balance	\$ 270,054
Recognized in other comprehensive loss	<u>(1,200)</u>
Ending balance	<u>\$ 268,854</u>

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

The fair value of domestic unlisted equity in KADC securities was determined using the income approach. In this approach, the discounted cash flow method was used to capture the present value of the expected future economic benefits to be derived from the ownership of the investee. The significant unobservable inputs used are listed on the table below. An increase in long-term revenue growth rates or long-term pre-tax operating margin or a decrease in the weighted average cost of capital (WACC) or discount for lack of marketability used in isolation would result in increases in fair value.

	March 31, 2025	December 31, 2024	March 31, 2024
Long-term revenue growth rates	0.00%-2.31%	(0.03%)-2.31%	(0.08%)-1.99%
Long-term pre-tax operating margin	39.99%-45.08%	39.99%-45.08%	39.26%-42.75%
WACC	7.67%	7.58%	7.27%
Discount for lack of marketability	16.49%	16.11%	13.60%

If the inputs to the valuation model were changed to reflect reasonably possible alternative assumptions while all the other variables were held constant, the fair value of the equity investments would have increased (decreased) as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Long-term revenue growth rate			
1% increase	\$ 30,400	\$ 31,600	\$ 35,200
1% decrease	\$ (31,200)	\$ (29,600)	\$ (30,000)
WACC			
0.5% increase	\$ (13,000)	\$ (13,200)	\$ (13,600)
0.5% decrease	\$ 14,000	\$ 14,400	\$ 14,800

The fair value of domestic unlisted equity in Synergy securities was determined using the market approach. The judgment is based on the evaluation of companies of the same type and the operating conditions of the invested companies.

c. Categories of financial instruments

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Financial assets</u>			
Financial assets measured at amortized cost (Note 1)	\$ 4,796,055	\$ 3,670,508	\$ 3,252,287
Financial assets at FVTOCI	272,157	268,557	268,854
<u>Financial liabilities</u>			
Measured at amortized cost (Note 2)	9,615,214	10,016,259	9,019,510

Note 1: The balances include cash and cash equivalents, accounts receivable, accounts receivable from related parties, dividend receivables, part of other receivables, refundable deposits and financial assets measured at amortized cost.

Note 2: The balances include financial liabilities measured at amortized cost, which comprise short-term borrowings, short-term bills payable, accounts payable, accounts payable to related parties, construction costs payable, other payables, current portion of long-term borrowings, current portion of bonds payable, guarantee deposits received, bonds payable and long-term borrowings. However, short-term employee benefits payable and payables for business tax are not included.

d. Financial risk management objectives and policies

The Group's financial risk management objectives are to manage the market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk with respect to the Group's operations. To lower the financial risks, the Group seeks to identify, evaluate, and avoid market uncertainty, to minimize the potential unfavorable impact on the Group due to market volatility.

The Group's important financial activities are reviewed by the board of directors in accordance with related regulations and internal control systems. The Group shall follow the overall guidelines for financial risk management and segregation of duties with respect to financial operating procedures.

1) Market risk

a) Foreign currency risk

Refer to Note 41 for the carrying amounts of the Group's significant monetary assets and monetary liabilities denominated in non-functional foreign currencies (including those eliminated in the consolidated financial statements).

Sensitivity analysis

The Group is mainly exposed to the U.S. dollar and the Euro.

The following table details the Group's sensitivity to a 1% increase and decrease in its functional currency against the relevant foreign currencies. A positive number below indicates a decrease in profit before income tax associated with the New Taiwan dollar strengthening 1% against the relevant foreign currency. For a 1% weakening of the New Taiwan dollar, there would be an equal and opposite impact on profit before income tax, and the balances below would be negative.

	For the Three Months Ended March 31	
	2025	2024
Profit or loss		
USD	\$ 713	\$ 809
EUR	4,290	(352)

b) Interest rate risk

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

	March 31, 2025	December 31, 2024	March 31, 2024
Fair value interest rate risk			
Financial assets	\$ 509,127	\$ 491,018	\$ 956,553
Financial liabilities	2,994,439	3,455,187	3,970,761
Cash flow interest rate risk			
Financial assets	2,685,807	1,844,515	1,641,146
Financial liabilities	2,074,539	2,109,187	1,733,510

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate assets and liabilities, the analysis was prepared assuming the amount of liabilities outstanding at the end of the reporting period was outstanding for the reporting period. A 1% increase or decrease in interest rates 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 1% increase/decrease and all other variables were held constant, the Group's profit before income tax for the three months ended March 31, 2025 and 2024 would have increased/decreased by \$1,528 thousand and decreased/increased \$231 thousand, respectively.

c) Other price risk

The Group was exposed to equity price risk through its investments in equity securities. Equity investments are held for strategic rather than for trading purposes, the Group does not actively trade these investments.

Sensitivity analysis

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

If equity prices had been 1% higher/lower, the pre-tax other comprehensive income for the three months ended March 31, 2025 and 2024 would have increased/decreased by \$2,722 thousand and \$2,689 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI.

2) Credit risk

Credit risk represents the potential loss that would be incurred by the Group if the counterparties or third parties breached the contracts. Financial instruments with positive fair values at the balance sheet date are evaluated for credit risk. The Group only transacts with financial institutions and companies with good credit ratings; thus, no material credit risk is anticipated.

3) Liquidity risk

The Group manages liquidity risk by maintaining adequate cash in banks and banking facilities, and continuously monitoring forecast and actual cash flows as well as matching the maturity profiles of financial assets and liabilities. As of March 31, 2025, December 31, 2024 and March 31, 2024, the available unutilized bank loan facilities were \$12,834,299 thousand, \$11,129,876 thousand and \$10,316,819 thousand, respectively, which were sufficient to cover the Group's current liabilities.

The following tables detail the Group's remaining contractual maturities of its non-derivative financial liabilities with agreed repayment periods. The tables have 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.

March 31, 2025

	Within One Year	2 to 3 Years	4 to 5 Years	5+ Years	Total
Non-interest bearing liabilities	\$ 5,041,356	\$ -	\$ -	\$ -	\$ 5,041,356
Lease liabilities	63,346	87,653	50,480	401,829	603,308
Long-term borrowings	417,420	280,329	300,329	1,076,461	2,074,539
Bonds payable	<u>1,911,274</u>	<u>12,000</u>	<u>12,000</u>	<u>602,220</u>	<u>2,537,494</u>
	<u>\$ 7,433,396</u>	<u>\$ 379,982</u>	<u>\$ 362,809</u>	<u>\$ 2,080,510</u>	<u>\$ 10,256,697</u>

December 31, 2024

	Within One Year	2 to 3 Years	4 to 5 Years	5+ Years	Total
Short-term bills payable	\$ 500,000	\$ -	\$ -	\$ -	\$ 500,000
Non-interest bearing liabilities	4,908,150	-	-	-	4,908,150
Lease liabilities	36,758	69,811	50,661	408,786	566,016
Long-term borrowings	221,829	486,707	300,329	1,100,322	2,109,187
Bonds payable	<u>1,914,836</u>	<u>12,000</u>	<u>12,000</u>	<u>603,721</u>	<u>2,542,557</u>
	<u>\$ 7,581,573</u>	<u>\$ 568,518</u>	<u>\$ 362,990</u>	<u>\$ 2,112,829</u>	<u>\$ 10,625,910</u>

March 31, 2024

	Within One Year	2 to 3 Years	4 to 5 Years	5+ Years	Total
Short-term borrowings	\$ 35,000	\$ -	\$ -	\$ -	\$ 35,000
Short-term bills payable	1,000,000	-	-	-	1,000,000
Non-interest bearing liabilities	3,787,610	-	-	-	3,787,610
Lease liabilities	70,478	62,814	51,633	387,977	572,902
Long-term borrowings	423,971	509,585	184,329	580,625	1,698,510
Bonds payable	<u>20,250</u>	<u>1,917,274</u>	<u>12,000</u>	<u>608,221</u>	<u>2,557,745</u>
	<u>\$ 5,337,309</u>	<u>\$ 2,489,673</u>	<u>\$ 247,962</u>	<u>\$ 1,576,823</u>	<u>\$ 9,651,767</u>

37. RELATED PARTY TRANSACTIONS

Besides as disclosed elsewhere in the other notes, details of significant transactions between the Group and its related parties were disclosed below:

a. Related parties and relationships

Related Party	Relationship with the Group
TPC	Investor with significant influence over the Group
TYC	Associate
Sun Ba	Associate
SEPC	Associate
KKPC	Associate
SBPC	Associate

b. Operating transactions

Line Item	Related Party Category/Name	For the Three Months Ended March 31	
		2025	2024
Sales	Investors with significant influence over the Group		
	TPC	<u>\$ 135,299</u>	<u>\$ 150,556</u>
Construction service revenue	Investors with significant influence over the Group		
	TPC	<u>\$ 147,764</u>	<u>\$ 65,168</u>

(Continued)

Line Item	Related Party Category/Name	For the Three Months Ended March 31	
		2025	2024
Operations, maintenance and consulting services revenue	Investors with significant influence over the Group		
	TPC	\$ 58,800	\$ 58,800
	Associates		
	Others	<u>4,299</u>	<u>3,866</u>
		<u>\$ 63,099</u>	<u>\$ 62,666</u>
Cost of sales	Investors with significant influence over the Group		
	TPC	\$ 12,466	\$ 10,821
	Associates		
	Others	<u>31</u>	<u>14</u>
		<u>\$ 12,497</u>	<u>\$ 10,835</u>
Operations, maintenance and consulting services cost	Investors with significant influence over the Group		
	TPC	<u>\$ -</u>	<u>\$ 1</u>
			(Concluded)

The above transactions with related parties were negotiated based on each contract.

c. Non-operating transactions

Line Item	Related Party Category/Name	For the Three Months Ended March 31	
		2025	2024
Other income	Associates		
	KKPC	\$ 810	\$ 1,020
	TYC	481	350
	SBPC	418	524
	Sun Ba	379	418
	SEPC	<u>371</u>	<u>530</u>
		<u>\$ 2,459</u>	<u>\$ 2,842</u>
Interest expense	Investors with significant influence over the Group		
	TPC	<u>\$ 20</u>	<u>\$ -</u>

The above transactions with related parties were negotiated based on each contract.

d. Receivables from related parties

Line Item	Related Party Category/Name	March 31, 2025	December 31, 2024	March 31, 2024
Accounts receivable from related parties	Investors with significant influence over the Group			
	TPC	\$ 161,963	\$ 173,717	\$ 161,963
	Associates			
	Others	<u>3,465</u>	<u>3,803</u>	<u>2,916</u>
		<u>\$ 165,428</u>	<u>\$ 177,520</u>	<u>\$ 164,879</u>
Other receivables	Associates			
	TYC	\$ 160	\$ 1,147	\$ 100
	SEPC	-	1,212	46
	Others	<u>-</u>	<u>1,762</u>	<u>-</u>
		<u>\$ 160</u>	<u>\$ 4,121</u>	<u>\$ 146</u>

The outstanding receivables from related parties were unsecured. For the three months ended March 31, 2025 and 2024, no impairment loss was recognized on receivables from related parties.

e. Payables to related parties

Line Item	Related Party Category/Name	March 31, 2025	December 31, 2024	March 31, 2024
Accounts payable to related parties	Investors with significant influence over the Group			
	TPC	<u>\$ 1,374</u>	<u>\$ 1,438</u>	<u>\$ 2,417</u>
Other payables	Investors with significant influence over the Group			
	TPC	\$ 4,323	\$ 3,200	\$ 2,119
	Associates			
	Others	<u>-</u>	<u>156</u>	<u>-</u>
		<u>\$ 4,323</u>	<u>\$ 3,356</u>	<u>\$ 2,119</u>

The outstanding payables to related parties were unsecured.

f. Contract assets

Related Party Category/Name	March 31, 2025	December 31, 2024	March 31, 2024
Investors with significant influence over the Group			
TPC	\$ 779,593	\$ 608,824	\$ 583,575
Associates			
Others	<u>43,291</u>	<u>43,250</u>	<u>43,250</u>
	<u>\$ 822,884</u>	<u>\$ 652,074</u>	<u>\$ 626,825</u>

g. Contract liabilities

Related Party Category/Name	March 31, 2025	December 31, 2024	March 31, 2024
Investors with significant influence over the Group			
TPC	\$ 208,802	\$ 244,597	\$ -
Associates			
Others	<u>-</u>	<u>41</u>	<u>-</u>
	<u>\$ 208,802</u>	<u>\$ 244,638</u>	<u>\$ -</u>

h. Lease agreement

Line Item	Related Party Category/Name	March 31, 2025	December 31, 2024	March 31, 2024
Lease liabilities - current	Investors with significant influence over the Group			
	TPC	<u>\$ 367</u>	<u>\$ 524</u>	<u>\$ 519</u>
Lease liabilities - non-current	Investors with significant influence over the Group			
	TPC	<u>\$ 6,606</u>	<u>\$ 7,031</u>	<u>\$ 6,973</u>

i. Sublease arrangements

Line Item	Related Party Category/Name	March 31, 2025	December 31, 2024	March 31, 2024
Finance lease receivables - current	Associates			
	Sun Ba	\$ 4,407	\$ 391	\$ 3,832
	SBPC	2,803	254	2,467
	SEPC	<u>2,030</u>	<u>181</u>	<u>1,768</u>
		<u>\$ 9,240</u>	<u>\$ 826</u>	<u>\$ 8,067</u>

(Continued)

Line Item	Related Party Category/Name	March 31, 2025	December 31, 2024	March 31, 2024
Long-term finance lease receivables non-current	Associates Sun Ba SBPC SEPC	\$ 3,736 2,376 <u>1,720</u>	\$ - - <u>-</u>	\$ - - <u>-</u>
		<u>\$ 7,832</u>	<u>\$ -</u>	<u>\$ -</u> (Concluded)

For the three months ended March 31, 2025 and 2024, no impairment loss was recognized for finance lease receivables. Refer to Note 10 for information about sublease arrangements.

j. Remuneration of key management personnel

	For the Three Months Ended March 31	
	2025	2024
Short-term employee benefits	\$ 13,054	\$ 11,913
Post-employment benefits	<u>342</u>	<u>355</u>
	<u>\$ 13,396</u>	<u>\$ 12,268</u>

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

38. ASSETS PLEDGED OR MORTGAGED AS COLLATERAL

The following assets have been pledged or mortgaged as collateral for borrowings, contract performance and establishment of a branch office:

	March 31, 2025	December 31, 2024	March 31, 2024
Machinery and equipment, net	\$ 1,577,257	\$ 1,601,174	\$ 1,362,632
Buildings	1,220,674	1,234,837	-
Service concession arrangement - operating assets	-	-	280,000
Land	63,214	63,214	50,135
Time deposits (recognized as financial assets at amortized cost)	104	-	10,497
Demand deposits (recognized as financial assets at amortized cost)	6,500	6,500	6,500
Philippines government bonds (recognized as financial assets at amortized cost)	<u>354</u>	<u>347</u>	<u>348</u>
	<u>\$ 2,868,103</u>	<u>\$ 2,906,072</u>	<u>\$ 1,710,112</u>

39. SIGNIFICANT CONTINGENCIES AND UNRECOGNIZED COMMITMENTS

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

- a. The commitments for construction projects that have not been performed amounted to approximately \$8,581,111 thousand.
- b. Commitments for construction expenditure and purchase of equipment were approximately \$10,849,093 thousand.
- c. Under a Coal Purchase Agreement, the Group shall purchase 36 thousand tons of coal based on an agreed price.
- d. TPC concluded that IPPs violated the Fair Trade Act with concerted action and caused a loss to TPC.

In September 2015, TPC filed administrative proceedings in the Taipei High Administrative Court and filed a civil action in the Taipei District Court to claim compensation for the loss. As of March 31, 2025 the closing administrative proceedings and civil action in progress were as follows:

TPC filed a civil action in the Taipei District Court to claim \$4,257 million, \$2,489 million, \$307 million and \$2,490 million against Sun Ba, SEPC, SBPC and KKPC, respectively. On February 8, 2018, the Taipei District Court ruled to dismiss TPC's civil action against SBPC. On March 5, 2018, TPC appealed this case to the Taiwan High Court. Afterwards, on June 14, 2018, the Taiwan High Court ruled to postpone this case until the administrative proceedings between SBPC and FTC in the Supreme Administrative Court with respect to the alleged concerted action are concluded. Thereafter, on August 1, 2019, in order to avoid repeating trials of the same facts of the same case that will result in a waste of judicial resources, the Taiwan High Court, within its power and authority, revoked its previous ruling that suspended the proceedings. TPC appealed the ruling to the Taiwan High Court. However, the Supreme Administrative Court ruled to dismiss TPC's appeal on December 11, 2019. After the trial, the Taiwan High Court ruled to reject TPC's appeal and the additional lawsuit on December 28, 2022. Because TPC had already filed an appeal on January 30, 2023. However, After a trial, the Supreme Court announced on November 22, 2023 that the original judgment should be abandoned and sent back to the Taiwan High Court for trial. On June 19, 2018, the Taipei District Court ruled to dismiss TPC's civil action against Sun Ba, SEPC and KKPC. On July 13, 2018, TPC appealed this case to the Taiwan High Court. After about three years of trial procedures in the Taiwan High Court (THC), THC ruled to dismiss TPC's appeal and additional claim on November 9, 2021. On December 13, 2021, TPC appealed this case to the Supreme Court, and this case was transferred to the Supreme Court.

These companies have engaged attorneys for the above claims. Whether these companies are liable for the damages depends on the judgment by the court.

- e. On March 24, 2025, the Ministry of Economic Affairs issued a letter requesting Sun Ba to allocate the difference in the electricity development assistance fund (EDAF) amounting to \$370 million for the period from April 16, 2019 to the end of 2023, as well as the EDAF calculated based on the 2024 power generation volume of the Fong Der Power Plant Phase I, to a designated account by March 31, 2025, in accordance with Articles 4 and 5 of the Regulations on the Use and Supervision of the Electricity Development Assistance Fund. However, Sun Ba believes that the letter contains factual and legal errors. To protect its rights, Sun Ba filed an administrative appeal with the Executive Yuan on March 28, 2025. In addition, on March 31, 2025, Sun Ba submitted a formal request to the Ministry of Economic Affairs, seeking either a suspension of the execution of the directive until the conclusion of the administrative remedy process, or a grace period of no less than six months to allow time for further evaluation, based on the principles of legitimate expectation and good faith under administrative law.

The companies have engaged attorneys for the above claims. Whether the companies are obligated to make the payment will depend on the outcome of the review by the Executive Yuan.

40. SIGNIFICANT EVENT AFTER THE REPORTING PERIOD

On May 8, 2025, the Corporation's Board of Directors approved a resolution to participate in the cash capital increase plan of the second-phase power generation project of KKPC, with a maximum investment amount of \$7,423,000 thousand to be contributed in stages.

41. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information was aggregated by the foreign currencies other than the functional currencies of the Group, and the exchange rates between the foreign currencies and the respective functional currencies were disclosed. The significant assets and liabilities denominated in foreign currencies were as follows:

March 31, 2025

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Foreign currency assets</u>			
Monetary items			
USD	\$ 3,288	33.21	<u>\$ 109,201</u>
EUR	12,344	35.97	<u>\$ 444,004</u>
Non-monetary items			
Investments accounted for using the equity method			
PHP	92,689	0.5788	<u>\$ 52,486</u>
<u>Foreign currency liabilities</u>			
Monetary items			
USD	1,142	33.21	<u>\$ 37,942</u>
EUR	417	35.97	<u>\$ 15,016</u>

December 31, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Foreign currency assets</u>			
Monetary items			
USD	\$ 3,344	32.79	<u>\$ 109,653</u>
EUR	138	34.14	<u>\$ 4,718</u>
Non-monetary items			
Investments accounted for using the equity method			
PHP	90,907	0.5652	<u>\$ 51,382</u>

(Continued)

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Foreign currency liabilities</u>			
Monetary items			
USD	\$ 1,314	32.79	<u>\$ 43,009</u>
EUR	427	34.14	<u>\$ 14,569</u>
			(Concluded)

March 31, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Foreign currency assets</u>			
Monetary items			
USD	\$ 3,532	32.00	<u>\$ 113,016</u>
EUR	1,444	34.46	<u>\$ 49,764</u>
Non-monetary items			
Investments accounted for using the equity method			
PHP	91,020	0.5686	<u>\$ 51,752</u>

Foreign currency liabilities

Monetary items			
USD	1,002	32.00	<u>\$ 32,076</u>
EUR	422	34.46	<u>\$ 14,545</u>

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

For the Three Months Ended March 31				
		2025		
			2024	
Foreign Currencies	Exchange Rate	Net Foreign Exchange (Loss) Gain	Exchange Rate	Net Foreign Exchange Gain (Loss)
USD	32.895 (USD:NTD)	<u>\$ (701)</u>	31.448 (USD:NTD)	<u>\$ 3,594</u>
EUR	34.590 (EUR:NTD)	<u>\$ 21,120</u>	34.160 (EUR:NTD)	<u>\$ (215)</u>

42. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions:

- 1) Financing provided to others (None)
- 2) Endorsements/guarantees provided (None)
- 3) Significant marketable securities held (excluding investment in subsidiaries, associates, and joint ventures) (Table 1)

- 4) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 2)
 - 5) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 3)
 - 6) Intercompany relationships and significant intercompany transactions (Table 5)
- 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 (None)
 - 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 (None):
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.
 - c) The amount of property transactions and the amount of the resultant gains or losses.
 - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.
 - e) The highest balance, the ending balance, the interest rate range, and total current period interest with respect to financing of funds.
 - f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services.

43. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. The Group's reportable segments under IFRS 8 "Operating Segments" were as follows:

- Guantian cogeneration plant (GCP)
- Segment of construction and consulting services (CC)

YYC (and CGPC) were discontinued in the current period. The segment information reported on the following pages does not include any amounts for these discontinued operations, which are described in more detail in Note 13.

a. Segment revenue and results

The analysis of the Group's revenue and results from continuing operations by reportable segment was as follows:

	For the Three Months Ended March 31, 2025		
	GCP	CC	Total
Revenue from customers	<u>\$ 213,069</u>	<u>\$ 1,750,796</u>	<u>\$ 1,963,865</u>
Segment profit	<u>\$ 29,887</u>	<u>\$ 108,630</u>	\$ 138,517
Unallocated operating expenses			(30,898)
Interest income			2,516
Interest expense			(18,295)
Share of profit of associates accounted for using the equity method			263,406
Other non-operating income and expenses			<u>24,887</u>
Profit before income tax			<u>\$ 380,133</u>
Depreciation expense	<u>\$ 7,025</u>	<u>\$ 64,162</u>	
Amortization expense	<u>\$ 34</u>	<u>\$ 1,635</u>	
	For the Three Months Ended March 31, 2024		
	GCP	CC	Total
Revenue from customers	<u>\$ 174,784</u>	<u>\$ 1,838,853</u>	<u>\$ 2,013,637</u>
Segment profit	<u>\$ 4,079</u>	<u>\$ 106,010</u>	\$ 110,089
Unallocated operating expenses			(26,674)
Interest income			3,944
Interest expense			(15,782)
Share of profit of associates accounted for using the equity method			254,124
Other non-operating income and expenses			<u>6,219</u>
Profit before income tax from continuing operations			<u>\$ 331,920</u>
Depreciation expense	<u>\$ 6,973</u>	<u>\$ 65,187</u>	
Amortization expense	<u>\$ 34</u>	<u>\$ 9,157</u>	

Segment revenue reported above represented the revenue generated from external customers. Segment profit (loss) represented the profit before income tax earned by each segment without allocation of part of operating expenses, share of profit or loss of associates accounted for using the equity method, part of interest income, part of interest expense, and part of other non-operating income and expenses. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

b. Segment assets and liabilities

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Segment assets</u>			
From continuing operations			
GCP	\$ 480,451	\$ 490,623	\$ 442,681
CC	<u>9,011,275</u>	<u>9,931,696</u>	<u>8,359,029</u>
Total segment assets	9,491,726	10,422,319	8,801,710
Unallocated assets			
Investments accounted for using the equity method	14,089,242	13,821,210	14,278,649
Others	<u>3,797,286</u>	<u>3,039,973</u>	<u>3,431,607</u>
Consolidated total assets	<u>\$ 27,378,254</u>	<u>\$ 27,283,502</u>	<u>\$ 26,511,966</u>
<u>Segment liabilities</u>			
From continuing operations			
GCP	\$ 95,725	\$ 91,183	\$ 75,592
CC	<u>8,251,862</u>	<u>8,375,155</u>	<u>6,462,125</u>
Total segment liabilities	8,347,587	8,466,338	6,537,717
Unallocated liabilities	<u>3,292,084</u>	<u>3,433,360</u>	<u>4,065,950</u>
Consolidated total liabilities	<u>\$ 11,639,671</u>	<u>\$ 11,899,698</u>	<u>\$ 10,603,667</u>

TABLE 1

TAIWAN COGENERATION CORPORATION AND SUBSIDIARIES

SIGNIFICANT MARKETABLE SECURITIES HELD
MARCH 31, 2025
(In Thousands of New Taiwan Dollars)

Holding Company Name	Type and Name of Marketable Security	Relationship	Financial Statement Account	March 31, 2025				Note
				Number of Shares (In Thousands)	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Taiwan Cogeneration Corporation	<u>Stock</u>							
	KADC	N/A	Financial assets at fair value through other comprehensive income	20,000	\$ 250,200	8.00	\$ 250,200	
	Synergy	N/A	"	1,911	21,957	1.19	21,957	

TABLE 2

TAIWAN COGENERATION CORPORATION AND SUBSIDIARIES

**TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE THREE MONTHS ENDED MARCH 31, 2025
(In Thousands of New Taiwan Dollars)**

Buyer/Seller	Related Party	Relationship	Transaction Details				Transaction with Terms Different from Others		Notes/Accounts Receivable (Payable)		Note
			Purchase Sale	Amount	% of Total (Note 3)	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total (Note 3)	
SEC	TPC	Investor with significant influence over the Group	Sale (Note 1)	\$ 242,722	16.41	Receivables are collected within 30 days after billing dates under agreements	-	-	\$ 117,561	49.97	
	The Corporation	Parent company	Sale (Note 2)	837,852 (Note 4)	56.64	Receivables are collected within 30 days after billing dates under agreements	-	-	312 (Note 4)	0.13	

Note 1: Sales of electricity and revenues from construction and operating, maintenance and consulting services.

Note 2: Revenue from construction and operating, maintenance and consulting services.

Note 3: The amount is shown as a ratio of financial statement of each entity.

Note 4: The amount was eliminated upon consolidation.

TABLE 3

TAIWAN COGENERATION CORPORATION AND SUBSIDIARIES

**RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
MARCH 31, 2025
(In Thousands of New Taiwan Dollars)**

Company Name	Related Party	Relationship	Ending Balance	Turnover Ratio	Overdue		Amount Received in Subsequent Period	Allowance for Bad Debts
					Amount	Action Taken		
SEC	TPC	Investor with significant influence on the parent company	Accounts receivable \$ 117,561	Note	\$ -	-	\$ 7,061	\$ -

Note: The amount represents construction contract receivables, and the method of payment is based on the contract; therefore, the information on turnover ratio is not applicable.

TABLE 4

TAIWAN COGENERATION CORPORATION AND SUBSIDIARIES

NAMES, LOCATIONS, AND RELATED INFORMATION OF INVESTEEES
FOR THE THREE MONTHS ENDED MARCH 31, 2025
(In Thousands of New Taiwan Dollars)

Investor Company	Investee Company	Location	Main Business and Product	Original Investment Amount		As of March 31, 2025			Net Profit (Loss) of the Investee	Share of Profit (Loss)	Note
				March 31, 2025	December 31, 2024	Number of Shares (In Thousands)	Shareholding Percentage (%)	Carrying Amount			
Taiwan Cogeneration Corporation (the “Corporation”)	SEC	Taipei City	Undertaking and installing of power engineering projects	\$ 1,550,020	\$ 1,550,020	142,709	100.00	\$ 1,803,722	\$ 72,766	\$ 73,487 (Note 1)	Subsidiary (Note 5)
	TCIC	British Virgin Islands	Investment in foreign countries and international trading	685,374	685,374	22,260	100.00	167,762	1,607	1,607	Subsidiary (Note 5)
	TGE	Taipei City	Investment in green power plant	95,000	95,000	10,500	100.00	122,963	8,634	8,634	Subsidiary (Note 5)
	TYC	Taoyuan City	Cogeneration plants, management of operations, maintenance of equipment	214,240	214,240	35,834	29.31	624,602	90,268	26,458	Investee of the Corporation accounted for using the equity method
	Sun Ba	Tainan City	Power generation	3,073,500	3,073,500	516,000	43.00	6,664,787	255,398	109,821	Investee of the Corporation accounted for using the equity method
	KKPC	Taoyuan City	Power generation	1,775,426	1,775,426	114,730	35.00	1,858,028	194,329	62,852 (Note 2)	Investee of the Corporation accounted for using the equity method
	SEPC	Changhua County	Power generation	1,272,500	1,272,500	121,500	40.50	2,460,685	107,968	43,727	Investee of the Corporation accounted for using the equity method
	SBPC	Taipei City	Power generation	1,409,130	1,409,130	136,200	41.27	2,428,654	50,083	20,671	Investee of the Corporation accounted for using the equity method
	MWC	Taipei City	Power generation	673,608	673,608	51,400	100.00	776,740	17,456	14,590 (Note 3)	Subsidiary (Note 5)
	HML	Changhua County	Power generation	103,130	103,130	10,000	100.00	(14,395)	(4,517)	(4,566) (Note 4)	Subsidiary (Note 5)
SEC	SWC	Changhua County	Power generation	517,870	517,870	51,787	100.00	567,468	13,927	13,927	Sub-subsidiary (Note 5)
	SSC	Taipei City	Power generation	240,000	240,000	24,000	100.00	215,567	1,929	1,929	Sub-subsidiary (Note 5)
TCIC	Redondo Peninsula Energy, Inc.	Philippines	Power generation	573,165	573,165	8,446	25.00	52,486	(492)	(123)	Investee of the Corporation’s subsidiary accounted for using the equity method
TGE	SKE	Taipei City	Power generation	80,000	80,000	8,000	100.00	83,296	(43)	(43)	Sub-subsidiary (Note 5)

Note 1: It recognized share of profit of \$72,766 thousand and plus the realized sales gross profit of \$721 thousand.

Note 2: It recognized share of profit of \$68,014 thousand and less the amortization of investment premium of \$5,162 thousand.

Note 3: It recognized share of profit of \$17,456 thousand and less the amortization of investment premium of \$2,866 thousand.

Note 4: It recognized share of loss of \$(4,517) thousand and less the amortization of investment premium of \$49 thousand.

Note 5: The amount was eliminated upon consolidation.

TABLE 5

TAIWAN COGENERATION CORPORATION AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE THREE MONTHS ENDED MARCH 31, 2025

(In Thousands of New Taiwan Dollars)

No. (Note 1)	Company Name	Counterparty	Flow of Transactions (Note 2)	Transaction Details			% of Consolidated Operating Revenues or Total Assets (Note 3)
				Financial Statement Account	Amount (Note 4)	Payment Terms (Note 5)	
0	Taiwan Cogeneration Corporation (the “Corporation”)	SEC TGE	a	Operating, maintenance and consulting service revenue	\$ 3,000	According to general terms and conditions	-
			a	Accounts receivable from related parties	1,074	According to general terms and conditions	-
1	SEC	The Corporation	b	Construction revenue	837,546	According to general terms and conditions	43
		The Corporation	b	Contract assets	1,713,053	According to general terms and conditions	6
		SWC	c	Operating, maintenance and consulting service revenue	3,715	According to general terms and conditions	-
		SWC	c	Contract assets	5,808	According to general terms and conditions	-
		SSC	c	Operating, maintenance and consulting service revenue	3,182	According to general terms and conditions	-
		SSC	c	Contract assets	4,976	According to general terms and conditions	-
		MWC	c	Operating, maintenance and consulting service revenue	1,530	According to general terms and conditions	-
2	MWC	TGE	c	Sales revenue	96,377	According to general terms and conditions	5
		TGE	c	Accounts receivable from related parties	65,072	According to general terms and conditions	-
3	SWC	TGE	c	Sales revenue	32,686	According to general terms and conditions	2
		TGE	c	Accounts receivable from related parties	34,076	According to general terms and conditions	-
4	SKE	TGE	c	Sales revenue	5,510	According to general terms and conditions	-
		TGE	c	Accounts receivable from related parties	3,969	According to general terms and conditions	-
5	SSC	TGE	c	Sales revenue	22,193	According to general terms and conditions	1
		TGE	c	Accounts receivable from related parties	22,928	According to general terms and conditions	-
6	HML	The Corporation	b	Other receivables from related parties	3,816	According to general terms and conditions	-

Note 1: Significant transactions between the Corporation and its subsidiaries or among subsidiaries are numbered as follows:

- a. “0” for the Corporation.
- b. The subsidiaries are numbered consecutively beginning from “1” in the order presented in the table above.

Note 2: Related party transactions are divided into three categories as follows:

- a. From the Corporation to the subsidiary.
- b. From the subsidiary to the Corporation.
- c. Between subsidiaries.

Note 3: The percentage of consolidated operating revenues or consolidated total assets: For a balance sheet account, the percentage is calculated by dividing the ending balance of the account by consolidated total assets; for an income statement account, the percentage is calculated by dividing the accumulated amount in the current period of the account by the consolidated operating revenues.

Note 4: The amount was eliminated upon consolidation.

Note 5: The payment terms were negotiated based on each contract.

Note 6: The disclosure of significant transactions in this table determined by the principle of materiality of the Corporation.