

GlobalWafers Co., Ltd. and Subsidiaries

Consolidated Financial Statements

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

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

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安侯建業聯合會計師事務所

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Independent Auditors' Review Report

To the Board of Directors
GlobalWafers Co., Ltd.:

Introduction

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

Scope of Review

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

Conclusion

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



The engagement partners on the review resulting in this independent auditors' report are Yung-Hua Huang and Chun-Yuan Wu.

KPMG

Taipei, Taiwan (Republic of China)

May 6, 2025

Notes to Readers

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

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

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

GlobalWafers Co., Ltd. and subsidiaries

Consolidated Balance Sheets

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

(Expressed in Thousands of New Taiwan Dollars)

		March 31, 2025		December 31, 2024		March 31, 2024				March 31, 2025		December 31, 2024		March 31, 2024	
Assets		Amount	%	Amount	%	Amount	%	Liabilities and Equity		Amount	%	Amount	%	Amount	%
Current assets:								Current liabilities:							
1100	Cash and cash equivalents (note 6(1))	\$ 28,845,567	13	38,929,337	17	35,672,250	18	2100	Short-term borrowings (note 6(12))	\$ 30,122,763	13	25,376,780	11	21,184,868	10
1110	Financial assets at fair value through profit or loss—current (note 6(2))	3,521	-	28,751	-	63	-	2110	Short-term notes and bills payable (note 6(11))	699,968	-	1,399,930	1	-	-
1170	Notes and accounts receivable, net (note 6(5))	10,722,464	5	10,195,647	5	9,898,006	5	2120	Financial liabilities at fair value through profit or loss—current (notes 6(2) and (14))	21,812	-	50,182	-	209,433	-
1180	Accounts receivable due from related parties, net (note 7)	122,612	-	69,506	-	163,356	-	2130	Contract liabilities—current (note 6(21))	9,694,403	5	10,634,354	5	10,190,610	5
130X	Inventories (note 6(6))	11,953,117	5	11,238,246	5	10,737,168	5	2170	Notes and accounts payable	4,322,976	2	4,357,150	2	3,909,170	2
1476	Other financial assets—current (notes 6(1) and 8)	20,496,762	9	17,597,303	8	35,493,788	18	2180	Accounts payable to related parties (note 7)	109,704	-	1,013,844	-	1,279,454	1
1479	Other current assets (notes 6(10) and 7)	2,592,412	1	2,432,932	1	2,123,105	1	2201	Payroll and bonus payable	2,705,558	1	2,599,756	1	2,831,367	1
	Total current assets	<u>74,736,455</u>	<u>33</u>	<u>80,491,722</u>	<u>36</u>	<u>94,087,736</u>	<u>47</u>	2216	Dividends payable	2,868,682	1	2,390,569	1	-	-
Non-current assets:								2230	Current tax liabilities	2,492,131	1	2,160,179	1	3,785,429	2
1513	Financial assets at fair value through profit or loss—non-current (note 6(2))	6,167,482	3	6,766,986	3	11,851,392	6	2322	Long-term borrowings, current portion (notes 6(13) and 8)	2,151,853	1	2,020,751	1	2,028,285	1
1517	Financial assets at fair value through other comprehensive income—non-current (note 6(3))	60,661	-	68,298	-	94,978	-	2321	Ordinary bonds payable, current portion (note 6(14))	-	-	-	-	7,099,033	4
1535	Non-current financial assets at amortized cost, net (note 6(4))	6,607,795	3	6,524,215	3	-	-	2270	Convertible bonds payable, current portion (note 6(14))	-	-	-	-	6,317,819	2
1550	Investments accounted for using equity method (note 6(7))	713,561	-	920,925	-	1,562,964	-	2399	Other current liabilities (note 6(15))	<u>9,737,987</u>	<u>5</u>	<u>13,061,071</u>	<u>6</u>	<u>8,728,656</u>	<u>4</u>
1600	Property, plant and equipment (notes 6(8), 7 and 8)	128,494,887	56	119,074,144	53	82,398,735	41		Total current liabilities	<u>64,927,837</u>	<u>29</u>	<u>65,064,566</u>	<u>29</u>	<u>67,564,124</u>	<u>32</u>
1755	Right-of-use assets (note 6(9))	932,180	-	869,508	-	917,469	-	2527	Non-Current liabilities:						
1780	Intangible assets	2,575,665	1	2,448,363	1	2,416,280	1	2540	Contract liabilities—non-current (note 6(21))	19,747,902	9	19,880,163	9	23,436,365	12
1840	Deferred tax assets	4,057,420	2	3,838,064	2	3,330,553	2	2500	Long-term borrowings (notes 6(13) and 8)	11,908,297	5	10,530,658	4	2,028,708	1
1980	Other financial assets—non-current (notes 7 and 8)	178,065	-	174,745	-	813,141	-	2531	Financial liabilities at fair value through profit or loss—non-current (notes 6(2) and (14))	439,556	-	404,230	-	936,183	1
1900	Other non-current assets (note 6(10))	3,601,866	2	3,403,601	2	5,309,837	3	2532	Ordinary bonds payable (note 6(14))	16,891,627	7	16,890,669	8	16,887,792	9
	Total non-current assets	<u>153,389,582</u>	<u>67</u>	<u>144,088,849</u>	<u>64</u>	<u>108,695,349</u>	<u>53</u>	2570	Exchangeable bonds with warrants (note 6(14))	10,899,278	5	10,256,704	4	10,090,683	5
								2670	Deferred tax liabilities	7,547,797	3	6,770,513	3	6,449,590	3
								2640	Other non-current liabilities (note 6(15))	2,481,816	1	2,243,130	1	2,292,812	1
									Net defined benefit liabilities—non-current	<u>1,605,135</u>	<u>1</u>	<u>1,512,147</u>	<u>1</u>	<u>1,575,376</u>	<u>1</u>
									Total non-current liabilities	<u>71,521,408</u>	<u>31</u>	<u>68,488,214</u>	<u>30</u>	<u>63,697,509</u>	<u>33</u>
									Total liabilities	<u>136,449,245</u>	<u>60</u>	<u>133,552,780</u>	<u>59</u>	<u>131,261,633</u>	<u>65</u>
									Equity (note 6(20)):						
								3110	Ordinary share	4,781,137	2	4,781,137	2	4,361,137	2
								3200	Capital surplus	45,720,158	20	45,720,158	20	24,248,547	12
								3300	Retained earnings	46,228,620	20	47,641,022	22	48,989,577	24
								3400	Other equity interest	<u>(5,049,349)</u>	<u>(2)</u>	<u>(7,111,401)</u>	<u>(3)</u>	<u>(6,081,186)</u>	<u>(3)</u>
									Total equity attributable to owners of parent	<u>91,680,566</u>	<u>40</u>	<u>91,030,916</u>	<u>41</u>	<u>71,518,075</u>	<u>35</u>
								3600	Non-controlling interests	<u>(3,774)</u>	<u>-</u>	<u>(3,125)</u>	<u>-</u>	<u>3,377</u>	<u>-</u>
									Total equity	<u>91,676,792</u>	<u>40</u>	<u>91,027,791</u>	<u>41</u>	<u>71,521,452</u>	<u>35</u>
									Total liabilities and equity	<u>\$ 228,126,037</u>	<u>100</u>	<u>224,580,571</u>	<u>100</u>	<u>202,783,085</u>	<u>100</u>
	Total assets	<u>\$ 228,126,037</u>	<u>100</u>	<u>224,580,571</u>	<u>100</u>	<u>202,783,085</u>	<u>100</u>								

See accompanying notes to consolidated financial statements.

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

GlobalWafers Co., Ltd. and subsidiaries

Consolidated Statements of Comprehensive Income

For the three months ended March 31, 2025 and 2024

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

		For the three months ended March 31,			
		2025		2024	
		Amount	%	Amount	%
4000	Operating revenue (notes 6(21) and 7)	\$ 15,594,522	100	15,087,063	100
5000	Operating costs (notes 6(6), (16), (22) and 7)	11,482,663	74	9,919,488	66
	Gross profit from operations	4,111,859	26	5,167,575	34
	Operating expenses (notes 6(16), (22) and 7):				
6100	Selling expenses	383,103	3	291,917	2
6200	Administrative expenses	520,605	3	365,078	2
6300	Research and development expenses	611,430	4	544,050	4
6450	Expected credit losses (reversal of gains) (note 6(5))	7,604	-	(1,014)	-
	Total operating expenses	1,522,742	10	1,200,031	8
	Net operating income	2,589,117	16	3,967,544	26
	Non-operating income and expenses:				
7100	Interest income (note 6(23))	576,003	3	733,931	5
7020	Other gains and losses (notes 6(14), (23) and 7)	(811,489)	(5)	57,651	-
7050	Finance costs (notes 6(14), (15), (23) and 7)	(220,226)	(1)	(201,177)	(1)
		(455,712)	(3)	590,405	4
	Income before income tax	2,133,405	13	4,557,949	30
7950	Less: income tax expense (note 6(17))	677,700	4	1,024,868	7
	Net income	1,455,705	9	3,533,081	23
8300	Other comprehensive income:				
8310	Items that will not be reclassified subsequently to profit or loss:				
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(7,637)	-	73,711	1
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method (note 6(7))	(170,703)	(1)	142,309	1
8349	Less: income tax related to components of other comprehensive income that will not be reclassified to profit or loss (note 6(17))	-	-	-	-
	Total items that will not be reclassified subsequently to profit or loss	(178,340)	(1)	216,020	2
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translation of foreign operations	2,800,195	18	1,647,931	11
8399	Less: income tax related to components of other comprehensive income that may be reclassified to profit or loss (note 6(17))	559,877	4	329,205	2
	Total items that may be reclassified subsequently to profit or loss	2,240,318	14	1,318,726	9
8300	Other comprehensive income (after tax)	2,061,978	13	1,534,746	11
	Total comprehensive income	\$ 3,517,683	22	5,067,827	34
	Net income attributable to:				
	Shareholders of GlobalWafers Co., Ltd	\$ 1,456,280	9	3,533,833	23
	Non-controlling interests	(575)	-	(752)	-
		\$ 1,455,705	9	3,533,081	23
	Total comprehensive income attributable to:				
	Shareholders of GlobalWafers Co., Ltd	\$ 3,518,332	22	5,068,510	34
	Non-controlling interests	(649)	-	(683)	-
		\$ 3,517,683	22	5,067,827	34
	Earnings per share (NT Dollars) (note 6(20))				
9750	Basic earnings per share	\$ 3.05		8.10	
9850	Diluted earnings per share	\$ 3.04		8.01	

See accompanying notes to consolidated financial statements.

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

GlobalWafers Co., Ltd. and subsidiaries

Consolidated Statements of Changes in Equity

For the three months ended March 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

Equity attributable to shareholders of GlobalWafers Co., Ltd.

							Other equity interest				Total	Non-controlling interests	Total equity
	Retained earnings						Exchange differences on translation of foreign financial statements	Gains (losses) from equity instrument measured at fair value through other comprehensive income	Unearned share-based employee compensation	Total other equity interest			
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings							
Balance at January 1, 2024	\$ 4,361,137	24,248,547	8,062,380	6,546,698	30,691,152	45,300,230	(8,601,325)	1,140,548	428	(7,460,349)	66,449,565	4,060	66,453,625
Net income (loss) for the period	-	-	-	-	3,533,833	3,533,833	-	-	-	-	3,533,833	(752)	3,533,081
Other comprehensive income for the period	-	-	-	-	-	-	1,318,657	216,020	-	1,534,677	1,534,677	69	1,534,746
Comprehensive income for the period	-	-	-	-	3,533,833	3,533,833	1,318,657	216,020	-	1,534,677	5,068,510	(683)	5,067,827
Disposal of equity instruments at fair value through other comprehensive income	-	-	-	-	155,514	155,514	-	(155,514)	-	(155,514)	-	-	-
Balance at March 31, 2024	\$ 4,361,137	24,248,547	8,062,380	6,546,698	34,380,499	48,989,577	(7,282,668)	1,201,054	428	(6,081,186)	71,518,075	3,377	71,521,452
Balance at January 1, 2025	\$ 4,781,137	45,720,158	10,741,767	6,325,189	30,574,066	47,641,022	(7,669,397)	557,568	428	(7,111,401)	91,030,916	(3,125)	91,027,791
Net income (loss) for the period	-	-	-	-	1,456,280	1,456,280	-	-	-	-	1,456,280	(575)	1,455,705
Other comprehensive income for the period	-	-	-	-	-	-	2,240,392	(178,340)	-	2,062,052	2,062,052	(74)	2,061,978
Comprehensive income for the period	-	-	-	-	1,456,280	1,456,280	2,240,392	(178,340)	-	2,062,052	3,518,332	(649)	3,517,683
Appropriation and distribution of retained earnings:													
Cash dividends on ordinary shares	-	-	-	-	(2,868,682)	(2,868,682)	-	-	-	-	(2,868,682)	-	(2,868,682)
Balance at March 31, 2025	\$ 4,781,137	45,720,158	10,741,767	6,325,189	29,161,664	46,228,620	(5,429,005)	379,228	428	(5,049,349)	91,680,566	(3,774)	91,676,792

See accompanying notes to consolidated financial statements.

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

GlobalWafers Co., Ltd. and subsidiaries

Consolidated Statements of Cash Flows

For the three months ended March 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	For the three months ended March 31,	
	2025	2024
Cash flows from operating activities:		
Income before income tax	\$ 2,133,405	4,557,949
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expenses	2,249,944	1,851,575
Amortization expenses	5,357	5,367
Expected credit losses (reversal of gains)	7,604	(1,014)
Net loss on financial assets or liabilities at fair value through profit or loss	863,858	65,315
Finance costs	220,226	201,177
Interest income	(576,003)	(733,931)
Dividend income	(8,253)	(2,579)
Shares of profit of associates accounted for using equity method	(22,681)	(26,561)
Gain on disposal of property, plant and equipment	(4,106)	(21,945)
Provisions for inventory valuation (reversal of gains)	87,264	(16,042)
Gain on lease modification	(11,000)	(8)
Loss on provision	914	-
Total adjustments	2,813,124	1,321,354
Changes in operating assets and liabilities:		
Notes and accounts receivable (including related parties)	(528,374)	55,338
Inventories	(831,775)	(1,362,677)
Prepayments for purchase of materials	65,838	31,017
Other financial assets	21,224	41,353
Other operating assets	(109,961)	(129,946)
Total changes in operating assets	(1,383,048)	(1,364,915)
Contract liabilities	(1,465,527)	(1,301,187)
Notes and accounts payable (including related parties)	(594,533)	213,863
Net defined benefit liabilities	92,988	(26,714)
Other operating liabilities	196,900	(692,052)
Total changes in operating liabilities	(1,770,172)	(1,806,090)
Total changes in operating assets and liabilities	(3,153,220)	(3,171,005)
Total adjustments	(340,096)	(1,849,651)
Cash inflow generated from operations	1,793,309	2,708,298
Interest received	405,183	671,632
Dividends received	8,253	2,579
Interest paid	(797,879)	(329,452)
Income taxes paid	(383,109)	(964,719)
Net cash flows from operating activities	1,025,757	2,088,338

(Continued)

See accompanying notes to consolidated financial statements.

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

GlobalWafers Co., Ltd. and subsidiaries

Consolidated Statements of Cash Flows(Continued)

For the three months ended March 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	For the three months ended March 31,	
	2025	2024
Cash flows from investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	\$ (33,385)	(22,600)
Proceeds from disposal of financial assets at fair value through other comprehensive income	-	223,429
Proceeds from capital reduction of financial assets at fair value through profit or loss	4,647	7,708
Acquisition of property, plant and equipment, and prepayments of equipment	(11,557,104)	(10,437,937)
Proceeds from disposal of property, plant and equipment	376	58,497
Acquisition of intangible assets	(4,890)	-
Decrease (increase) in other financial assets	(2,753,182)	6,977,362
Other investing activities	132,628	-
Net cash flows used in investing activities	(14,210,910)	(3,193,541)
Cash flows from financing activities:		
Increase (decrease) in short-term borrowings	4,745,983	(3,462,994)
Decrease in short-term notes and bills payable	(699,962)	-
Issuing bonds	-	16,457,644
Proceeds from long-term borrowings	1,739,701	-
Repayments of long-term borrowings	(562,032)	(130,227)
Increase in guarantee deposits received	30,250	25,792
Decrease in other payables to related parties	(340,000)	11,961
Payment of lease liabilities	(47,636)	(50,819)
Cash dividends	(2,390,569)	(3,488,910)
Net cash flows from financing activities	2,475,735	9,362,447
Effect of exchange rate changes on cash and cash equivalents	625,648	1,250,415
Increase (decrease) in cash and cash equivalents	(10,083,770)	9,507,659
Cash and cash equivalents at beginning of period	38,929,337	26,164,591
Cash and cash equivalents at end of period	\$ 28,845,567	35,672,250

See accompanying notes to consolidated financial statements.

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

GlobalWafers Co., Ltd. and subsidiaries

Notes to the Consolidated Financial Statements

March 31, 2025 and 2024

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

1. Company history

GlobalWafers Co., Ltd. (the “Company”) had been a semiconductor operating unit of Sino-American Silicon Products Inc. (“SAS”) and the Company, along with its assets and liabilities, was spun off from SAS on October 1, 2011. The Company was incorporated in October 18, 2011, and authorized by the Hsinchu Science Park Bureau (HSPB). Its registered office is located at No. 8, Industrial East Road 2, Science-Based Park, Hsinchu, Taiwan (R.O.C.). As of March 31, 2025, the consolidated financial statements comprise the Company and its subsidiaries (together referred to as the “Group”). The Group engages mainly in the research, development, production, design, and sales of semiconductor ingots and wafers, and is also engaged in the technology and management consulting service for related products.

On December 2, 2016, the Group acquired the entire outstanding shares of SunEdison Semiconductor Limited (“SunEdison”). The Group’s research and development, manufacturing and sales locations spread over the United States, Europe, and Asia through this acquisition, thereby expanding its global market share, customers, and other wafer technologies and production capacities.

The Company’s common shares have been listed on Taipei Exchange (“TPEX”) since September 25, 2015, and were delisted from the Emerging Market at the same date.

2. Approval date and procedures of the consolidated financial statements:

These consolidated financial statements were authorized for issue by the Board of Directors on May 6, 2025.

3. New standards, amendments and interpretations adopted:

- (1) The impact of the International Financial Reporting Standards (“IFRS Accounting Standards”) endorsed by the Financial Supervisory Commission, R.O.C. (the “FSC”) which have already been adopted.

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

- Amendments to IAS 21 “Lack of Exchangeability”

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

The Group’s anticipated adoption of the new amendments beginning on January 1, 2026, are expected to have the following impacts:

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

GlobalWafers Co., Ltd. and subsidiaries
Notes to the Consolidated Financial Statements

For financial assets with contingent features that are not related directly to a change in basic lending risks or costs (e.g. where the cash flows change depending on whether the borrower meets an ESG target specified in the loan contract), the amendments introduce an additional test to assess the “solely payments of principal and interest on the principal amount outstanding” criterion. In accordance with the Q&A published by the FSC on February 26, 2025, the Group did not elect to early adopt the application guidance in Section 4.1 of the amendments on January 1, 2025.

The Group invested in ESG-linked bonds and may need to change the classification due to the above amendments. The Group is continually evaluating the impact of its initial adoption of the amendments on its consolidated financial statements.

(3) The impact of IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

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

Standards or Interpretations	Content of amendment	Effective date per IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	<p>The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities.</p> <ul style="list-style-type: none"> • A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined ‘operating profit’ subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities. 	January 1, 2027

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Standards or Interpretations	Content of amendment	Effective date per IASB
	<ul style="list-style-type: none"> • Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards. • Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes. 	

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

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

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” regarding the application guidance requirements for Sections 3.1 and 3.3 of IFRS 9 and the related disclosure requirements of IFRS 7
- Annual Improvements to IFRS Accounting Standards—Volume 11
- Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”

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4. Summary of material accounting policies:

(1) Statement of compliance

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

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

(2) Basis of consolidation

A. Principles of preparation of the consolidated financial statements

Principles of preparation of the consolidated financial statements were the same as those of the consolidated financial statements for the year ended December 31, 2024. For the related information, please refer to note 4(3) of the consolidated financial statements for the year ended December 31, 2024.

B. List of subsidiaries in the consolidated financial statements

Name of Investor	Name of Subsidiary	Business	Percentage of Ownership			Note
			March 31, 2025	December 31, 2024	March 31, 2024	
The Company	GlobalSemiconductor Inc. (GSI)	Investment activities	100 %	100 %	100 %	
The Company	GlobalWafers Japan Co., Ltd. (GWJ)	Manufacturing and trading of silicon wafers	100 %	100 %	100 %	
The Company	GlobalWafers Singapore Pte. Ltd. (GWS)	Investment activities	100 %	100 %	100 %	
The Company	Sunrise PV Four Co., Ltd. (SPV4)	Electricity activities	100 %	100 %	100 %	
The Company	Sunrise PV Electric Power Five Co., Ltd. (SPVE5)	Electricity activities	100 %	100 %	100 %	
The Company	GWC Capital Co., Ltd. (GWH)	Investment activities	100 %	100 %	100 %	
The Company	GlobalWafers GmbH (GW GmbH)	Investment activities	100 %	100 %	100 %	

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Name of Investor	Name of Subsidiary	Business	Percentage of Ownership			Note
			March 31, 2025	December 31, 2024	March 31, 2024	
The Company	GlobalWafers B.V. (GWBV)	Investment activities	100 %	100 %	100 %	
The Company	Crystalwise Technology Inc. (CWT)	Manufacturing and trading of optoelectronic wafers and substrate material	100 %	100 %	100 %	
The Company	GlobalWafers Capital Co., Ltd. (GWCC)	Investment activities	100 %	100 %	-	% note (1)
GSI	Kunshan Sino Silicon Technology Co., Ltd. (SST)	Processing and trading of ingots and wafers	100 %	100 %	100 %	
GWJ	MEMC Japan Ltd. (MEMC Japan)	Manufacturing and trading of silicon wafers	100 %	100 %	100 %	
SST	MEMC Electronic Materials Sdn Bhd (MEMC Sdn Bhd)	Research and development, manufacturing and trading of silicon wafers	100 %	100 %	100 %	
SST	Kunshan SST Trading Co., Ltd. (KST)	Sales, marketing and trading activities	100 %	100 %	100 %	
SST	Shanghai Sawyer Shenkai Technology Material Co., Ltd. (SSKT)	Manufacturing and sales of lithium tantalate and lithium niobate wafers	100 %	100 %	100 %	
CWT	Crystalwise Technology (HK) Limited (Crystalwise (HK))	Investment activities	100 %	100 %	100 %	
CWT	Yuan Hong (SHANDONG) Technical Materials Ltd. (YHTM)	Manufacturing and trading of optoelectronic wafers and substrate material	19.69 %	19.69 %	19.69 %	

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Name of Investor	Name of Subsidiary	Business	Percentage of Ownership			Note
			March 31, 2025	December 31, 2024	March 31, 2024	
GWBV	MEMC Electronic Materials, SpA (MEMC SpA)	Manufacturing and trading of silicon wafers	100 %	100 %	100 %	
MEMC SpA	MEMC Electronic Materials France SarL (MEMC SarL)	Trading	100 %	100 %	100 %	
GWBV	MEMC Korea Company (MEMC Korea)	Manufacturing and trading of silicon wafers	100 %	100 %	100 %	
GWBV	MEMC Ipoh Sdn Bhd (MEMC Ipoh)	Manufacturing and trading of silicon wafers	100 %	100 %	100 %	
GWBV	GlobiTech Incorporated (GTI)	Manufacturing and trading of epitaxial wafers and silicon wafers	100 %	100 %	100 %	
GWBV	Topsil Globalwafers A/S (Topsil A/S)	Manufacturing and trading of silicon wafers	100 %	100 %	100 %	
Crystalwise (HK)	YHTM	Manufacturing and trading of optoelectronic wafers and substrate material	80.31 %	80.31 %	80.31 %	
GTI	MEMC LLC	Research and development, manufacturing and trading of silicon wafers	100 %	100 %	100 %	
GTI	GlobalWafers America, LLC (GWA)	Manufacturing and trading of silicon wafers	100 %	100 %	100 %	
SSKT	Yuan Hong Technical Materials Ltd. (MHTM)	Manufacturing and sales of lithium tantalate and lithium niobate wafers	90 %	90 %	90 %	

Note: The Group's organizational restructuring and changes were as follows:

(1) GWCC was established in April 2024.

GlobalWafers Co., Ltd. and subsidiaries
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C. Subsidiaries excluded from the consolidated financial statements: None.

(3) Provisions

Carbon fees

Carbon fees levied in accordance with Taiwan's Climate Change Response Act and Regulations Governing the Collection of Carbon Fees are recognized when the annual greenhouse gas emissions are probably to exceed the threshold, and the amount is estimated based on the proportion of greenhouse gas emissions that have occurred as of the reporting date divided by the total annual greenhouse gas emissions.

(4) Employee benefits

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

(5) Income tax

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

Income tax expenses for the period are best estimated by multiplying pre-tax income for the interim reporting period using the effective annual tax rate as forecasted by the management. This should be recognized fully as tax expense for the current period.

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

5. Significant accounting assumptions and judgments, and major sources of estimation uncertainty:

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

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

6. Explanation of significant accounts:

Except for the following disclosures, there were no material differences in the disclosures of significant accounts between the interim consolidated financial statements for the current period and the consolidated financial statements for the year ended December 31, 2024. Please refer to note 6 of consolidated financial statements for the year ended December 31, 2024.

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(1) Cash and cash equivalents

	March 31, 2025	December 31, 2024	March 31, 2024
Cash on hand	\$ 3,817	3,801	1,844
Demand deposits	12,409,635	14,109,820	21,534,450
Time deposits	14,334,679	20,247,848	13,321,086
Bond investments with repurchase agreements	2,097,436	4,567,868	814,870
	<u><u>\$ 28,845,567</u></u>	<u><u>38,929,337</u></u>	<u><u>35,672,250</u></u>

As of March 31, 2025, December 31, 2024, and March 31, 2024, the Group reclassified time deposits to other financial assets— current due to liquidity considerations amounting to \$5,773,643 thousand, \$4,812,163 thousand and \$23,025,341 thousand, respectively.

On November 28, 2019 and February 21, 2020, the Group applied to the National Taxation Bureau for the application of the Overseas Fund Repatriation Management, Utilization and Taxation Regulations. After approval, the funds were repatriated. 5% of the repatriated funds can be used freely, and the remaining 95% can only be used for special investment plans approved by the Ministry of Economic Affairs. Funds are deposited in a special account and cannot be used randomly for expenditure within five years. The Group has applied to the Ministry of Economic Affairs for substantial investment, and the funds are expected to be used for capital expenditures on factory expansion and the purchase of machinery, equipment and related assets. As of March 31, 2025, December 31, 2024, and March 31, 2024, the balances of the special accounts were \$2,029,006 thousand, \$3,005,012 thousand and \$2,822,046 thousand recorded in cash and cash equivalents (or other financial assets), respectively.

Please refer to note 6(24) for the interest rate risk and sensitivity analysis of the financial assets and liabilities of the Group.

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

	March 31, 2025	December 31, 2024	March 31, 2024
Financial assets measured at fair value through profit or loss — current:			
Forward exchange contracts	\$ <u><u>3,521</u></u>	<u><u>28,751</u></u>	<u><u>63</u></u>
Financial assets measured at fair value through profit or loss — non-current:			
Privately offered funds	\$ 297,866	254,686	230,453
Overseas securities held	5,869,616	6,512,300	11,620,939
	<u><u>\$ 6,167,482</u></u>	<u><u>6,766,986</u></u>	<u><u>11,851,392</u></u>

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	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Financial liabilities designated as at fair value through profit or loss — current:			
Forward exchange contracts	\$ 21,812	50,182	6,239
Embedded derivatives of convertible bonds	-	-	203,194
	<u>\$ 21,812</u>	<u>50,182</u>	<u>209,433</u>
Financial liabilities designated as at fair value through profit or loss — non-current:			
Embedded derivatives of exchangeable bonds with warrants	\$ 439,556	404,230	936,183

Please refer to note 6(23) for the amount remeasured at fair value through profit or loss.

For the three months ended March 31, 2025 and 2024, the dividends of \$8,253 thousand and \$2,579 thousand, respectively, were recognized from investments in financial assets mandatorily measured at fair value through profit or loss.

The Group issued overseas bonds with warrant the shares of Sliteonic AG in January 2024. When warrants are exercised, shares of Siltronic AG will be delivered to the holders. Please refer to Note 6(14) for details.

The Group uses derivative instruments to hedge certain currency risk arising from the Group's operating activities. The Group held the following derivative instruments, which were not qualified for hedge accounting, and accounted them as mandatorily measured at fair value through profit or loss financial assets and held-for-trading financial liabilities as of March 31, 2025, December 31, 2024, and March 31, 2024:

	<u>March 31, 2025</u>		
	<u>Contract amount (in thousands)</u>	<u>Currency</u>	<u>Maturity date</u>
Forward exchange contracts buy	USD 30,000	USD to EUR	October 29, 2025
Forward exchange contracts sold	USD 155,000	USD to NTD	April 8, 2025 ~ April 30, 2025
Forward exchange contracts sold	USD 21,210	USD to EUR	April 24, 2025 ~ June 26, 2025

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December 31, 2024				
	Contract amount (in thousands)		Currency	Maturity date
Forward exchange contracts buy	USD	30,000	USD to EUR	October 29, 2025
Forward exchange contracts sold	USD	165,000	USD to NTD	January 8, 2025 ~ March 24, 2025
Forward exchange contracts sold	USD	20,300	USD to EUR	February 26, 2025 ~March 26, 2025

March 31, 2024				
	Contract amount (in thousands)		Currency	Maturity date
Forward exchange contracts sold	USD	24,350	USD to EUR	April 26, 2024 ~ February 27, 2024

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

	March 31, 2025	December 31, 2024	March 31, 2024
Equity investment in domestic entities	\$ 60,661	68,298	91,581
Equity investment in foreign entities	-	-	3,397
	\$ 60,661	68,298	94,978

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

Due to the changes in investment strategy for the three months ended March 31, 2024, the Group disposed domestic equity investments designated to be measured at fair value through other comprehensive gains and losses, at the fair value of \$223,429 thousand, resulting in the accumulated disposal gains of \$155,514 thousand, which were reclassified from other equity to retained earnings.

The Group did not dispose its strategic investments for the three months ended March 31, 2025; therefore, there were no transfers of any cumulative gain or loss within equity relating to these investments.

For market risk, please refer to note 6(24).

The financial assets mentioned above were not pledged as collateral.

(4) Financial assets measured at amortized cost

	March 31, 2025	December 31, 2024	March 31, 2024
Foreign Bonds	\$ 6,607,795	6,524,215	-

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A. The Group invested in foreign bonds, with the face value of US\$199,000 thousand and a coupon rate ranging from 4.71% to 5.15%, as well as the maturity dates from October 8, 2026 to June 13, 2029. The Group has assessed that these financial assets are held to maturity to collect contractual cash flows, which consist solely of payments of principal and interest on principal amount outstanding. Therefore, these investments were classified as financial assets measured at amortized cost.

B. The financial assets mentioned above were not pledged as collateral.

(5) Notes and accounts receivable, net

	March 31, 2025	December 31, 2024	March 31, 2024
Notes receivable	\$ 478,900	301,563	295,918
Accounts receivable	10,262,062	9,904,922	9,615,999
Less: allowance for expected credit loss	(18,498)	(10,838)	(13,911)
	<u>\$ 10,722,464</u>	<u>10,195,647</u>	<u>9,898,006</u>

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

The credit loss provision of notes and accounts receivable (including related parties) was determined as follows:

	March 31, 2025		
	Gross amount of notes and accounts receivable	Weighted-average loss rate	Credit loss allowance
Current	\$ 10,228,338	0%	-
1 to 30 days past due	434,458	0%	-
31 to 60 days past due	109,448	3%	3,393
61 to 90 days past due	13,234	24%	3,172
91 to 120 days past due	7,404	22%	1,630
121 to 150 days past due	1,010	56%	565
151 to 180 days past due	217	90%	196
More than 181 days past due	9,542	100%	9,542
	<u>\$ 10,803,651</u>		<u>18,498</u>

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	December 31, 2024		
	Gross amount of notes and accounts receivable	Weighted-average loss rate	Credit loss allowance
Current	\$ 9,944,872	0%	-
1 to 30 days past due	304,056	0%	-
31 to 60 days past due	14,341	10%	1,432
61 to 90 days past due	1,577	30%	473
91 to 120 days past due	1,189	50%	594
121 to 150 days past due	1,297	70%	908
151 to 180 days past due	736	90%	663
More than 181 days past due	6,768	100%	6,768
	\$ 10,274,836		10,838

	March 31, 2024		
	Gross amount of notes and accounts receivable	Weighted-average loss rate	Credit loss allowance
Current	\$ 9,865,374	0%	-
1 to 30 days past due	177,735	0%	-
31 to 60 days past due	16,156	14%	2,302
61 to 90 days past due	2,794	29%	814
91 to 120 days past due	2,258	26%	596
121 to 150 days past due	304	70%	213
151 to 180 days past due	-	0%	-
More than 181 days past due	9,986	100%	9,986
	\$ 10,074,607		13,911

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

	For the three months ended March 31,	
	2025	2024
Balance on January 1	\$ 10,838	14,747
Credit losses recognized (reversal of gains)	7,604	(1,014)
Amount written off which was considered uncollectible in the current period	(127)	-
Foreign exchange changes	183	178
Balance on March 31	\$ 18,498	13,911

The notes and accounts receivable mentioned above were not pledged as collateral.

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(6) Inventories

	March 31, 2025	December 31, 2024	March 31, 2024
Finished goods	\$ 3,015,488	2,609,113	2,610,244
Work in progress	3,404,672	3,718,253	3,204,417
Raw materials	5,532,957	4,910,880	4,922,507
	\$ 11,953,117	11,238,246	10,737,168

Components of operating costs were as follows:

	For the three months ended March 31,	
	2025	2024
Cost of sales	\$ 11,340,747	9,894,634
Provisions for inventory valuation loss (reversal of gains)	87,264	(16,042)
Unallocated fixed manufacturing expense	54,652	40,896
	\$ 11,482,663	9,919,488

The inventories mentioned above were not pledged as collateral.

(7) Investments accounted for using equity method

A summary of financial information for investments accounted for using the equity method at the reporting date is as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Associates	\$ 713,561	920,925	1,562,964

A. Associates

The associates of the Group accounted for using the equity method were individually insignificant, and their summarized financial information included in the consolidated financial statements of the Group was as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
The carrying amount of investments in the individually insignificant associates	\$ 713,561	920,925	1,562,964

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	For the three months ended March 31,	
	2025	2024
Amount of individually insignificant associates' interests attributable to the Group:		
Net income	\$ 22,681	26,561
Other comprehensive income (loss)	<u>(170,703)</u>	<u>142,309</u>
Total	<u>\$ (148,022)</u>	<u>168,870</u>

For the three months ended March 31, 2025 and 2024, the cash dividends of the invested associates were \$59,336 thousand and \$0 thousand, respectively, which were recognized as deductions of investments accounted for using the equity method.

The Group holds 30.98% of the shares of the HONG-WANG Investment Co., Ltd., with the largest shareholder owning 39.02% shares of the company, resulting in the Group to have no control over the company.

B. Collateral

The investments accounted for using equity method mentioned above were not pledged as collateral.

(8) Property, plant and equipment

A. The movements of cost and depreciation of the property, plant and equipment of the Group were as follows:

	Land	Buildings	Machinery and equipment	Other equipment	Construction in progress and equipment awaiting inspection	Total
Cost:						
Balance at January 1, 2025	\$ 2,661,362	30,206,380	58,365,429	7,544,383	67,407,472	166,185,026
Additions	-	12,691	16,737	23,153	8,516,933	8,569,514
Disposals	-	(9,664)	(72,252)	(28,504)	(376)	(110,796)
Reclassification	-	2,880,990	9,333,858	52,714	(12,241,848)	25,714
Transfer and others	-	(526)	(13,225)	(874)	-	(14,625)
Effect of changes in exchange rates	<u>84,987</u>	<u>1,059,913</u>	<u>3,026,532</u>	<u>174,645</u>	<u>1,139,493</u>	<u>5,485,570</u>
Balance at March 31, 2025	<u>\$ 2,746,349</u>	<u>34,149,784</u>	<u>70,657,079</u>	<u>7,765,517</u>	<u>64,821,674</u>	<u>180,140,403</u>
Balance at January 1, 2024	\$ 2,653,843	21,481,582	50,011,861	7,573,234	32,793,886	114,514,406
Additions	-	10,479	24,204	36,284	10,506,980	10,577,947
Disposals	-	(3,883)	(514,325)	(29,341)	-	(547,549)
Reclassification	-	238,366	3,186,276	17,590	(2,820,239)	621,993
Transfer and others	-	4,355	(2,052)	-	269,189	271,492
Effect of changes in exchange rates	<u>(4,281)</u>	<u>(76,442)</u>	<u>(304,527)</u>	<u>37,642</u>	<u>1,037,089</u>	<u>689,481</u>
Balance at March 31, 2024	<u>\$ 2,649,562</u>	<u>21,654,457</u>	<u>52,401,437</u>	<u>7,635,409</u>	<u>41,786,905</u>	<u>126,127,770</u>

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					Construction in progress and equipment awaiting inspection	
	Land	Buildings	Machinery and equipment	Other equipment		Total
Depreciation and impairment losses:						
Balance at January 1, 2025	\$ -	9,994,533	33,242,812	3,832,045	41,492	47,110,882
Depreciation for the period	-	272,542	1,789,158	143,750	-	2,205,450
Disposals	-	(9,664)	(72,252)	(28,504)	-	(110,420)
Reclassification	-	9,672	3,810	(13,482)	-	-
Transfer and others	-	-	2,635	-	-	2,635
Effect of changes in exchange rates	-	416,980	1,903,823	115,634	532	2,436,969
Balance at March 31, 2025	<u>\$ -</u>	<u>10,684,063</u>	<u>36,869,986</u>	<u>4,049,443</u>	<u>42,024</u>	<u>51,645,516</u>
Balance at January 1, 2024	\$ -	9,279,773	29,542,534	3,402,425	38,860	42,263,592
Depreciation for the period	-	211,309	1,442,648	150,570	-	1,804,527
Disposals	-	-	(32,881)	-	-	(32,881)
Reclassification	-	(3,782)	(463,007)	(28,785)	-	(495,574)
Transfer and others	-	5,438	482,667	(1,630)	-	486,475
Impairment of loss	-	-	2,819	-	-	2,819
Effect of changes in exchange rates	-	(36,054)	(279,962)	14,454	1,639	(299,923)
Balance at March 31, 2024	<u>\$ -</u>	<u>9,456,684</u>	<u>30,694,818</u>	<u>3,537,034</u>	<u>40,499</u>	<u>43,729,035</u>
Carrying amounts:						
Balance at January 1, 2025	<u>\$ 2,661,362</u>	<u>20,211,847</u>	<u>25,122,617</u>	<u>3,712,338</u>	<u>67,365,980</u>	<u>119,074,144</u>
Balance at March 31, 2025	<u>\$ 2,746,349</u>	<u>23,465,721</u>	<u>33,787,093</u>	<u>3,716,074</u>	<u>64,779,650</u>	<u>128,494,887</u>
Balance at January 1, 2024	<u>\$ 2,653,843</u>	<u>12,201,809</u>	<u>20,469,327</u>	<u>4,170,809</u>	<u>32,755,026</u>	<u>72,250,814</u>
Balance at March 31, 2024	<u>\$ 2,649,562</u>	<u>12,197,773</u>	<u>21,706,619</u>	<u>4,098,375</u>	<u>41,746,406</u>	<u>82,398,735</u>

B. Collateral

A portion of the property, plant and equipment was pledged as collateral for credit lines. Please refer to note 8.

- C. For the Group's capital expenditure plan, the total amount of expenditures incurred but the construction has not yet been completed for the three months ended March 31, 2025 and 2024, were \$64,779,650 thousand and \$41,746,406 thousand, including the capitalized borrowing costs related to the acquisition of the construction of property, plant and equipment of \$460,672 thousand and \$269,189 thousand, calculated using a capitalization interest rates of 4.61%~5.61% and 5.26%~5.92%, respectively.

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(9) Right-of-use assets

The Group leases many assets including land, buildings, machinery and other equipment. The carrying amounts of right-of-use assets were presented below:

	<u>Land</u>	<u>Buildings</u>	<u>Machinery</u>	<u>Other equipment</u>	<u>Total</u>
Carrying amounts:					
Balance at January 1, 2025	\$ 395,382	56,984	597	416,545	869,508
Balance at March 31, 2025	\$ 368,712	50,972	528	511,968	932,180
Balance at January 1, 2024	\$ 431,073	53,207	-	445,439	929,719
Balance at March 31, 2024	\$ 421,665	52,882	801	442,121	917,469

The Group did not have any significant additions, deletions, additions or reversals of assets recognized as right-of-use of leased land, buildings and structures, machine and equipment, and other equipment during the three months ended March 31, 2025 and 2024, please refer to Note 6(10) of the 2024 Consolidated Financial Statements for other related information.

(10) Other assets — current and non-current

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Prepayment for materials	\$ 791,043	856,881	1,058,902
Refundable tax and overpaid tax	1,710,123	1,546,771	1,266,286
Prepayments for equipment — non-current	3,029,173	2,819,278	4,398,857
Others	663,939	613,603	708,897
	<u>\$ 6,194,278</u>	<u>5,836,533</u>	<u>7,432,942</u>
Current	<u>\$ 2,592,412</u>	<u>2,432,932</u>	<u>2,123,105</u>
Non-current	<u>\$ 3,601,866</u>	<u>3,403,601</u>	<u>5,309,837</u>

(11) Short-term notes and bills payable

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Commercial paper payable	<u>\$ 699,968</u>	<u>1,399,930</u>	<u>-</u>

There were no issues, repurchases and repayments of short-term notes and bills payable for the three months ended March 31, 2024. Information on interest expense for the period is discussed in note 6(23).

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(12) Short-term borrowings

	March 31, 2025	December 31, 2024	March 31, 2024
Unsecured borrowings	\$ 28,432,595	25,376,780	14,476,478
Secured borrowings	1,690,168	-	6,708,390
	\$ 30,122,763	25,376,780	21,184,868
Range of interest rates at the end of the period	0.85%~4.95%	0.5%~5.3%	0.39%~5.94%

(13) Long-term borrowings

March 31, 2025				
	Currency	Rate	Maturity	Amount
Unsecured bank loans	JPY	0.10%~0.28%	115.1~115.3	\$ 2,136,138
Unsecured bank loans	NTD	0.50%	118.4~118.6	70,000
Unsecured bank loans	DKK	2.9300%	116.3	1,780,810
Secured bank loans	USD	5.1168%	115.12	10,073,202
Less: current portion				(2,151,853)
				\$ 11,908,297
December 31, 2024				
	Currency	Rate	Maturity	Amount
Unsecured bank loans	JPY	0.10%~0.28%	115.1~115.3	\$ 2,559,520
Unsecured bank loans	NTD	0.50%	118.4~118.6	46,100
Secured bank loans	USD	5.1541%	115.12	9,945,789
Less: current portion				(2,020,751)
				\$ 10,530,658
March 31, 2024				
	Currency	Rate	Maturity	Amount
Unsecured bank loans	JPY	0.10%~0.28%	115.1~115.3	\$ 4,056,993
Less: current portion				(2,028,285)
				\$ 2,028,708

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(14) Bonds payable

The details of bonds payable were as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Unsecured ordinary bonds	\$ 16,891,627	16,890,669	23,986,825
Unsecured convertible bonds	-	-	6,317,819
Exchangeable bonds with warrants	10,899,278	10,256,704	10,090,683
Less: current portion	-	-	(13,416,852)
Total	<u>\$ 27,790,905</u>	<u>27,147,373</u>	<u>26,978,475</u>

A. The details of issued unsecured bonds as follows:

	First issued of 2021	Second issued of 2021		First issued of 2024	
		Bonds A	Bonds B	Bonds A	Bonds B
Date	May 11, 2021	August 19, 2021	August 19, 2021	March 19, 2024	March 19, 2024
Total amount	\$ 6,500,000	7,100,000	5,400,000	2,500,000	2,500,000
Rate	0.62 %	0.50 %	0.60 %	1.70 %	1.75 %
Period	Five years	Three years	Five years	Five years	Seven years
Due date	May 11, 2026	August 19, 2024	August 19, 2026	March 19, 2029	March 19, 2031

On August 19, 2024, the Group redeemed all of the unsecured ordinary bonds of Bonds A, which were second issued in 2021.

B. On April 21, 2021, the Group's Board of Directors resolved to issue the first unsecured overseas convertible bonds on the Singapore Exchange Limited, which had been approved by the Financial Supervisory Commission with approval No.1100342091 on May 19, 2021. The Group issued the five-year unsecured convertible bond, amounting to US\$1,000,000 thousand at zero coupon rate, with the maturity date on June 1, 2026.

The details of unsecured convertible bonds were as follows:

	March 31, 2024
Total outstanding convertible bonds	\$ 6,483,497
Unamortized discount	(165,678)
Cumulative converted amount	-
Convertible bonds balance at period-end	<u>\$ 6,317,819</u>
Embedded derivative – call and put options, included in financial liabilities at fair value through profit or loss	<u>\$ 203,194</u>

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	For the three months ended March 31, 2024
Embedded derivatives – gain and losses of re-measurement of calls and put options based on fair value (recorded under other gains and losses)	\$ <u><u>9,847</u></u>
Interest expense	\$ <u><u>18,922</u></u>

The convertible bonds may be redeemed in advance by the Group from the day following the third anniversary of the issuance until the maturity date. If the closing price of GlobalWafers' common stock reaches 130% of the amount obtained by multiplying the amount of early redemption by the conversion price and dividing it by the face value for twenty trading days out of thirty consecutive business days, or if the outstanding balance of the convertible bonds is less than 10% of the original total issuance, the Group may redeem the amount in advance and redeem all or part of the convertible bonds.

Except for the early redemption, repurchases and cancellation or conversion of the convertible bonds, the holders may request the Group to redeem entire or part of the convertible bonds according to the early redemption amount on the day of June 1, 2024. So, on June 1, 2023, the unsecured convertible bonds were reclassified to current liabilities. It does not mean that the holders will definitely demand repayment of the debt from the Group within the next year.

Except for early redemptions, repurchases and cancellations, exercise of conversion rights by the bondholders, statutory requirements and the cessation of transfer period as otherwise provided in the Trust Deed, from the day following the three months after the issuance of the bonds to (1) ten days before the maturity date or (2) the fifth business day prior to the date of early redemption of the bonds (hereinafter referred to as the "conversion period"), the bondholders may request the issuing company to convert the bonds into shares of common stock newly issued by the issuing company in accordance with the provisions of the relevant laws and the Trust Deed.

As of March 31, 2024, the conversion price of the bonds was NT\$956.53. After the issuance of the bonds, the conversion price was adjusted in accordance with the relevant antidilution provisions of the contract.

The Group redeemed the first unsecure oversea convertible bonds of US\$13,000 thousand, respectively, during the three months period ended March 31, 2024, resulting in the invalid conversion right of \$22,145 thousand to be reclassified from capital surplus – share options to capital surplus – others.

As of December 31, 2024, the above-mentioned unsecured convertible bonds had been fully redeemed.

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- C. The Group (subsidiary GW GmbH) issued a bond with 1.5% coupon rate, with interest payable annually on January 23, 2024. At the time of issuance of the bond, the Group separated the warrant call and put options (collectively referred to as the "options") from the host contract in accordance with IFRS 9 and accounted for "financial liabilities at fair value through profit or loss". Financial liabilities at fair value through profit or loss (FVTPL) as of March 31, 2025 are summarized below:

The details of the Group exchangeable bonds with warrants are as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Total exchangeable bonds with warrants	\$ 12,416,844	11,785,128	11,895,592
Unamortized discount	<u>(1,517,566)</u>	<u>(1,528,424)</u>	<u>(1,804,909)</u>
Total exchangeable bonds with warrants period-end	<u>\$ 10,899,278</u>	<u>10,256,704</u>	<u>10,090,683</u>
Embedded derivatives options, included in financial liabilities at fair value through profit or loss	<u>\$ 439,556</u>	<u>404,230</u>	<u>936,183</u>
	For the three months ended March 31,		
	2025	2024	
Embedded derivatives - gain and losses of re-measurement of options based on fair value (recorded under other gains and losses)	<u>\$ (13,151)</u>	<u>837,467</u>	
Interest expense	<u>\$ 134,176</u>	<u>97,957</u>	

The principal terms of the above exchangeable bonds with warrants are set out below:

- (a) Total amount issued: EUR 345,200 thousand (EUR 100 thousand per sheet).
- (b) Issue period: five years
- (c) Maturity date: January 23, 2029
- (d) Important terms and conditions:
 - i After three years from the issuance date, holders of exchangeable bonds with warrants may exercise the put right to sell back the bonds at par value.
 - ii Warrants are to be exercised for 3,100,413 ordinary shares of Siltronic AG held by GW GmbH at a price of EUR 111.34 per share, which will be adjusted in subsequent years in accordance with the terms of the contract and the dividend payment of Siltronic AG. The exercise price was EUR 111.34 per share as of March 31, 2025. The warrants are exercisable immediately from the date of issuance of the exchangeable bonds with warrants.

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- iii The Company is the guarantor of the exchangeable bonds with warrants.
- iv In the event of changes of control over the guarantor or stock-delisting in the market of Siltronic AG, the holders may request to redeem entire of the bonds by book value.

(15) Lease liabilities

The carrying amounts of lease liabilities of the Group were as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Current	\$ <u>165,133</u>	<u>135,109</u>	<u>139,269</u>
Non-current	\$ <u>772,925</u>	<u>749,455</u>	<u>788,734</u>

For the maturity analysis, please refer to note 6(24) “Financial instruments”.

The amounts recognized in profit or loss were as follows:

	For the three months ended March 31,	
	2025	2024
Interest on lease liabilities	\$ <u>4,915</u>	<u>4,082</u>
Variable lease payments not included in the measurement of lease liabilities	\$ <u>2,739</u>	<u>2,848</u>
Expenses relating to short-term leases	\$ <u>12,222</u>	<u>8,685</u>
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	\$ <u>3,611</u>	<u>2,833</u>

The amounts recognized in the statement of cash flows were as follows:

	For the three months ended March 31,	
	2025	2024
Total cash outflow for leases	\$ <u>66,208</u>	<u>65,185</u>

Land leases' additional rent payments that are based on changes in local price indices and the public facilities construction costs re-invested annually in each park will be adjusted after being assessed.

(16) Employee benefits

A. Defined benefit plans

Management believes that there was no material volatility of the market, no material reimbursement and settlement or other material onetime events since prior fiscal year. As a result, the pension cost in the accompanying interim period was measured and disclosed according to the actuarial report as of December 31, 2024 and 2023.

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The expenses recognized in profit or loss for the Group were \$76,923 thousand and \$75,967 thousand for the three months ended March 31, 2025 and 2024, respectively.

B. Defined contribution plans

Domestic subsidiaries' pension costs incurred from contributions to the defined contribution plan were \$19,359 thousand and \$18,209 thousand for the three months ended March 31, 2025 and 2024, respectively. Such contributions were made to the Bureau of the Labor Insurance.

The total periodic pension costs of other subsidiaries were recognized as current expenses in accordance with the local regulations of their respective jurisdictions where they are domiciled.

The overseas subsidiaries of the Group recognized the pension costs of \$81,838 thousand and \$78,711 thousand for the three months ended March 31, 2025 and 2024, respectively.

(17) Income tax

The income tax expense of the Group is calculated by the profit before tax of interim reporting period multiply by the best estimated measurement of the expected effective tax rate by the management in all the year.

A. Income tax expense

The components of income tax expenses were as follows:

	For the three months ended March 31,	
	2025	2024
Income tax expense	<u><u>\$ 677,700</u></u>	<u><u>1,024,868</u></u>

The amounts of income tax (benefit) recognized in other comprehensive income were as follows:

	For the three months ended March 31,	
	2025	2024
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign financial statements	<u><u>\$ 559,877</u></u>	<u><u>329,205</u></u>

B. Assessment of tax filings

As of March 31, 2025, income tax returns of the Company and its domestic subsidiaries for the years through 2022 were assessed by the tax authority.

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The operations of the Group encompass tax matters in multiple countries. The tax treatment of each country shall be determined by the country in which the operation is situated. The tax laws of each country shall prevail, and all declarations shall be made on time in accordance with the regulations of the countries where subsidiaries are located. There may be adjustments arising from tax inspections conducted by various regions, and the Group has taken appropriate measures to address these matters.

C. Global minimum top-up tax

The Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

The Group is subject to the Pillar Two Global tax legislations, as certain jurisdictions in which it operates have already implemented rules such as the Qualified Domestic Minimum Top-up Tax, the Income Inclusion Rule, and the Undertaxed Payments Rule. Upon reviewing the expected effective tax rates in the relevant tax jurisdictions where these rules apply, the Group has appropriately assessed the anticipated top-up taxes payable under the minimum tax regime.

(18) Capital and other equity

Except for the following disclosure, there was no significant change in capital and other equity for the periods from January 1 to March 31, 2025 and 2024. For the related information, please refer to note 6(20) to the consolidated financial statements for the year ended December 31, 2024.

A. Ordinary shares

As of March 31, 2025, December 31, 2024, and March 31, 2024, the authorized ordinary shares of the Company amounted to \$10,000,000 thousand, \$10,000,000 thousand and 6,000,000 thousand, which were divided into 1,000,000 thousand, 1,000,000 thousand and 600,000 thousand shares, with a par value of \$10 per share, of which \$200,000 thousand was reserved for employee stock options, preferred shares with stock options or bonds with stock options.

The Company conducted a cash capital increase by issuing 42,000 units of overseas depository receipts (42,000 thousand shares of the Company's common stock) on April 2, 2024, based on a resolution decided during its board meeting held on February 27, 2024. All relevant statutory registration procedures had since been completed.

The Company's issued the outstanding ordinary shares of \$4,781,137 thousand, \$4,781,137 thousand and \$4,361,137 thousand as of March 31, 2025, December 31, 2024, and March 31, 2024, respectively.

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B. Capital surplus

The balances of capital surplus were as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Additional paid-in capital	\$ 43,677,693	43,677,693	22,206,259
Capital surplus resulting from share swap	429,157	429,157	429,157
Employee stock options	60,727	60,727	60,727
Due to recognition of equity component of convertible bonds issued	-	-	422,801
Difference between the consideration and the carrying amount of subsidiaries' share acquired or disposed	3,940	3,940	3,940
Additional paid-in capital resulting from assets donated	185	185	8
Other (note 6(16))	1,548,456	1,548,456	1,125,655
	<u>\$ 45,720,158</u>	<u>45,720,158</u>	<u>24,248,547</u>

C. Retained earnings

According to the Company's Articles of Incorporation, the proposal of earnings distribution or loss off-setting for the first half fiscal year, together with the business report and financial statements, shall be forwarded to the audit committee for auditing before the end of the second half of the fiscal year; thereafter, it is to be submitted to the Board of Directors for approval.

Distribution of earnings, by way of cash, shall be approved in the Board of Directors meeting. The distribution of earnings through issuance of new shares shall be resolved in the stockholders' meeting.

According to the Company's Articles of Incorporation, earnings distribution on a semiannual basis shall be distributed in the following order:

- (a) Offset the cumulative deficits;
- (b) 10% of the current-period earning should be set aside for legal reserve, until the accumulated legal reserve equals the Company's issued capital;
- (c) Set aside special reserve in accordance with relevant laws or regulations or as requested by the authorities;

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- (d) After deducting items (a), (b), and (c) above from the earnings, the remaining undistributed earnings of current and previous years, if any, will be proposed for distribution by the Board of Directors. According to the R.O.C. Company Act Section 240(5), it was authorized that the distribution of earnings, in whole or in part by way of cash dividends, shall be made after a resolution has been approved by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors and the resolution is reported to shareholders in their meeting. If the distribution of earnings is made by issuance of new shares, wherein the resolution will be approved during the shareholders meeting.

After considering both the long-term development of the business and the goal of stable growth of earnings per share, the distribution of dividends to shareholders should not be less than 50% of the distributable earnings, which is calculated using the net income of the current year, minus, legal reserve and special reserve. Distribution of cash dividends should not be less than 50% of the total dividends.

(a) Earnings distribution

The distribution of cash dividends for the year of 2024 and the first half of 2024, were approved by the Board of Directors on May 7, 2025, and December 12, 2024, as follows:

2024		
	Cash dividends per share (NT\$)	Amount
Dividends distributed to ordinary shareholders:		
Earnings distribution for the first half of the year	\$ 5.0	2,390,569
Earnings distribution for the second half of the year	6.0	2,868,682
Total	\$ 11.00	5,259,251

The distributions of cash dividends for the year of 2023 and the first half of 2023, were approved by the Board of Directors on May 7, 2024, and December 12, 2023, as follows:

2023		
	Cash dividends per share (NT\$)	Amount
Dividends distributed to ordinary shareholders:		
Earnings distribution for the first half of the year	\$ 8.0	3,488,910
Earnings distribution for the second half of the year	11.0	5,259,251
Total	\$ 19.00	8,748,161

The above-mentioned relevant information can be obtained through channel such as Market Observation Post System.

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(19) Share-based payment

Except for the following disclosure, there were no significant changes in share-based payment during the periods from January 1 to March 31, 2025 and 2024. For the related information, please refer to note 6(21) to the consolidated financial statements for the year ended December 31, 2024.

(20) Earnings per share (“EPS”)

A. Basic earnings per share

	For the three months ended March 31,	
	2025	2024
Net income attributable to the shareholders of the Company	\$ <u>1,456,280</u>	<u>3,533,833</u>
Weighted-average number of ordinary shares outstanding during the period (in thousands of shares)	<u>478,114</u>	<u>436,114</u>
Basic earnings per share (dollars)	\$ <u>3.05</u>	<u>8.10</u>

B. Diluted earnings per share

	For the three months ended March 31,	
	2025	2024
Net income attributable to the shareholders of the Company	\$ 1,456,280	3,533,833
Interest expense and gain or loss on embedded derivative of convertible bonds, net of tax	<u>-</u>	<u>23,016</u>
Net income attributable to the shareholders of the Company (diluted)	\$ <u>1,456,280</u>	<u>3,556,849</u>
Weighted-average number of ordinary shares outstanding during the period (in thousands of shares)	478,114	436,114
	-	6,877
Effect of the employee remuneration issued by stock (in thousands of shares)	<u>779</u>	<u>1,063</u>
	<u>478,893</u>	<u>444,054</u>
Diluted earnings per share (dollars)	\$ <u>3.04</u>	<u>8.01</u>

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(21) Revenue from contracts with customers

A. Disaggregation of revenues

	For the three months ended March 31,	
	2025	2024
Primary geographical markets:		
Taiwan	\$ 3,048,492	3,542,893
Northeast Asia (Japan and Korea)	3,391,335	3,813,904
Asia - others	3,565,357	2,423,959
America	2,104,301	2,108,696
Europe	3,454,019	3,142,257
Other areas	31,018	55,354
Total	\$ 15,594,522	15,087,063
Major product categories:		
Semiconductor wafers	\$ 15,230,644	14,515,870
Semiconductor ingot	312,960	390,243
Electricity revenue	29,838	30,189
Others	21,080	150,761
	\$ 15,594,522	15,087,063

B. Contract balances

	March 31, 2025	December 31, 2024	March 31, 2024
Contract liabilities	\$ 29,442,305	30,514,517	33,626,975

For details on accounts receivables and allowance for impairment, please refer to note 6(5).

The major change in the balance of contract liabilities is the advance consideration received from customers for the contracts, in which revenue is recognized when products are delivered to customers. The Group issues a performance guarantee letter for this purpose, please refer to note 9. The amount of revenue recognized for the three months ended March 31, 2025 and 2024, which was included in the contract liability balance at the beginning of the period, was \$1,783,928 thousand and \$1,335,674 thousand, respectively.

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(22) Remuneration to employees and directors

In accordance with the Articles of Incorporation, the Company should contribute between 3% and 15% of the profit as employee compensation and no higher than 3% as directors' remuneration when there is profit for the year. However, if the Company has accumulated deficits, the profit should be reserved to offset the deficit. The amount of remuneration of each director and compensation for employees is approved by the Board of Directors. Remuneration to directors is paid in cash. The recipients of shares and cash may include the employees of the Company's affiliated companies who meet certain conditions. A resolution for employee remuneration in the form of shares has to be approved first in the Board of Directors meeting, wherein at least half of the votes are needed, and two thirds of the members are present during the meeting; thereafter, to be reported during the shareholders' meeting.

For the three months ended March 31, 2025 and 2024, the Company accrued and recognized its employee remuneration amounting to \$88,360 thousand and \$132,570 thousand and directors' remuneration amounting to \$5,890 thousand and \$13,260 thousand. These amounts were calculated by using the Company's pre-tax net profit for the period before deducting the amounts of the remuneration to employees and directors, multiplied by the distribution ratio of the remuneration to employees and directors based on the Company's Articles of Incorporation, and expensed under operating costs or expenses. If there would be any changes in accounting estimates the changes shall be accounted for as profit or loss in the following year. If, however, the shareholders determine that the employee remuneration is to be distributed through issuance of shares, the calculation of distributable shares shall be calculated using the stock price on the day before a resolution was made by the Board of Directors.

The amounts recognized for employee remuneration were \$366,825 thousand and \$752,539 thousand, respectively, and for directors' remuneration were \$36,690 thousand and \$75,250 thousand, respectively, in the 2024 and 2023 consolidated financial statements and were not significantly different from those approved in the Board of Directors meetings.

(23) Non-Operating income and expenses

A. Interest income

	For the three months ended March 31,	
	2025	2024
Interest from bank deposits	\$ 495,096	733,931
Interest from amortized cost	80,907	-
	\$ 576,003	733,931

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B. Other gains and losses

	For the three months ended March 31,	
	2025	2024
Foreign exchange gains (losses), net	\$ (19,896)	46,849
Gains on disposal of property, plant and equipment	4,106	21,945
Valuation gains (losses) on financial assets (liabilities) measured at fair value through profit or loss	(890,124)	(40,287)
Dividend income	8,253	2,579
Others	86,172	26,565
	\$ (811,489)	57,651

C. Finance costs

	For the three months ended March 31,	
	2025	2024
Interest expense — borrowings	\$ (40,982)	(49,094)
Interest expense — bonds	(174,329)	(148,001)
Interest expense — lease liabilities	(4,915)	(4,082)
	\$ (220,226)	(201,177)

(24) Financial instruments

Except for the following, there is no significant change in the fair value of the Group's financial instruments and exposure to credit risk, liquidity risk, and market risk due to financial instruments. For relevant information, please refer to note 6(26) of consolidated financial statement of 2024.

A. Credit risk

(a) Credit risk exposure

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

(b) Concentration of credit risk

The main customers of the Group are from the silicon wafer and related industries. The Group generally sets credit limits to its customers according to their credit evaluations. Therefore, the credit risk of the Group is mainly influenced by the silicon wafer industry. As of March 31, 2025, December 31, 2024, and March 31, 2024, 48%, 51% and 48%, respectively, of the Group's accounts receivable (including related parties) were from the top 10 customers. Although there is a potential for concentration of credit risk, the Group routinely assesses the collectability of the accounts receivable and makes a corresponding allowance for doubtful accounts.

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(c) Credit risk of receivables

For credit risk exposure on notes and accounts receivables, please refer to note 6(5).

B. Liquidity risk

The following table shows the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

	<u>Carrying amount</u>	<u>Contractual cash flows</u>	<u>Within 6 months</u>	<u>6 to 12 months</u>	<u>1-2 years</u>	<u>2-5 years</u>	<u>Over 5 years</u>
March 31, 2025							
Non-derivative financial liabilities							
Short-term borrowings \$	30,122,763	(30,204,339)	(30,204,339)	-	-	-	-
Short-term notes and bills payable	699,968	(700,000)	(700,000)	-	-	-	-
Notes and accounts payable (including related parties)	4,432,680	(4,432,680)	(4,411,133)	(21,547)	-	-	-
Payroll and bonus payable	2,705,558	(2,705,558)	(1,806,800)	(898,758)	-	-	-
Accrued remuneration of directors (other current liabilities)	42,580	(42,580)	(36,690)	(5,890)	-	-	-
Long-term borrowing (including current portion)	14,060,150	(14,995,414)	(1,077,917)	(1,078,100)	(12,802,044)	(37,353)	-
Lease liabilities	938,058	(981,932)	(91,353)	(86,221)	(143,192)	(269,450)	(391,716)
Ordinary bonds	16,891,627	(17,477,900)	(72,700)	(86,250)	(12,058,950)	(2,716,250)	(2,543,750)
Exchangeable bonds with warrants	10,899,278	(13,934,411)	(187,969)	(191,211)	(392,371)	(13,162,860)	-
Dividends payable	2,868,682	(2,868,682)	(2,868,682)	-	-	-	-
Derivative financial instruments							
Forward exchange contracts:							
Outflows	21,812	(1,701,073)	(730,331)	(970,742)	-	-	-
Inflows	(3,521)	1,682,782	715,596	967,186	-	-	-
	<u>\$ 83,679,635</u>	<u>(88,361,787)</u>	<u>(41,472,318)</u>	<u>(2,371,533)</u>	<u>(25,396,557)</u>	<u>(16,185,913)</u>	<u>(2,935,466)</u>

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	<u>Carrying amount</u>	<u>Contractual cash flows</u>	<u>Within 6 months</u>	<u>6 to 12 months</u>	<u>1-2 years</u>	<u>2-5 years</u>	<u>Over 5 years</u>
December 31, 2024							
Non-derivative financial liabilities							
Short-term borrowings \$	25,376,780	(25,518,282)	(23,547,617)	(1,970,665)	-	-	-
Short-term notes and bills payable	1,399,930	(1,400,000)	(1,400,000)	-	-	-	-
Notes and accounts payable (including related parties)	5,370,994	(5,370,994)	(5,004,821)	(366,173)	-	-	-
Payroll and bonus payable	2,599,756	(2,599,756)	(1,497,844)	(1,101,912)	-	-	-
Accrued remuneration of directors (other current liabilities)	53,753	(53,753)	(17,063)	(36,690)	-	-	-
Long-term borrowing (including current portion)	12,551,409	(13,591,902)	(1,012,243)	(1,014,338)	(11,545,500)	(19,821)	-
Lease liabilities	884,564	(929,274)	(74,872)	(67,493)	(126,238)	(249,331)	(411,340)
Ordinary bonds (including current portion)	16,890,669	(17,564,150)	(126,550)	(32,400)	(12,058,950)	(2,758,750)	(2,587,500)
Dividends payable	2,390,569	(2,390,569)	(2,390,569)	-	-	-	-
Exchangeable bonds with warrants	10,256,704	(13,313,552)	(176,887)	(179,938)	(369,238)	(12,587,489)	-
Derivative financial instruments							
Forward exchange contracts:							
Outflows	50,182	(1,600,007)	(709,938)	(890,069)	-	-	-
Inflows	(28,751)	1,578,576	659,756	918,820	-	-	-
	<u>\$ 77,796,559</u>	<u>(82,753,663)</u>	<u>(35,298,648)</u>	<u>(4,740,858)</u>	<u>(24,099,926)</u>	<u>(15,615,391)</u>	<u>(2,998,840)</u>
March 31, 2024							
Non-derivative financial liabilities							
Short-term borrowing \$	21,184,868	(21,264,908)	(21,229,908)	(35,000)	-	-	-
Notes and accounts payable (including related parties)	5,188,624	(5,188,624)	(4,578,765)	(609,859)	-	-	-
Payroll and bonus payable	2,831,367	(2,831,367)	(2,634,211)	(197,156)	-	-	-
Accrued remuneration of directors (other current liabilities)	88,510	(88,510)	(20,000)	(68,510)	-	-	-
Long-term borrowing (including current portion)	4,056,993	(4,070,070)	(1,019,594)	(1,018,124)	(2,032,352)	-	-
Lease liabilities	928,003	(976,162)	(81,606)	(65,036)	(108,667)	(252,461)	(468,392)
Ordinary bonds (including current portion)	23,986,825	(24,772,350)	(7,175,800)	(118,650)	(158,950)	(14,731,450)	(2,587,500)
Convertible bonds	6,317,819	(6,483,498)	(6,483,498)	-	-	-	-
Exchangeable bonds with warrants	10,090,683	(13,700,501)	(174,024)	(177,025)	(739,161)	(12,610,291)	-
Derivative financial instruments							
Forward exchange contracts:							
Outflows	6,239	(776,162)	(776,162)	-	-	-	-
Inflows	(63)	769,986	769,986	-	-	-	-
	<u>\$ 74,679,868</u>	<u>(79,382,166)</u>	<u>(43,403,582)</u>	<u>(2,289,360)</u>	<u>(3,039,130)</u>	<u>(27,594,202)</u>	<u>(3,055,892)</u>

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

C. Currency risk

(a) Exposure to foreign currency risk

The Group's significant exposure to foreign currency risk was as follows:

March 31, 2025			
	Foreign currency	Exchange rate	NTD
<u>Financial assets</u>			
<u>Monetary Items</u>			
USD	\$ 410,607	33.205	13,634,191
JPY	13,017,254	0.2227	2,898,942
EUR	230,147	35.97	8,278,389
CNY	92,741	4.573	424,103
<u>Non-Monetary Items</u>			
USD	40,760	33.205	Note
<u>Financial liabilities</u>			
<u>Monetary Items</u>			
USD	235,808	33.205	7,829,996
JPY	11,460,928	0.2227	2,552,349
EUR	50,446	35.97	1,814,558
CNY	46,211	4.573	211,322
<u>Non-Monetary Items</u>			
USD	165,450	33.205	Note
December 31, 2024			
	Foreign currency	Exchange rate	NTD
<u>Financial assets</u>			
<u>Monetary Items</u>			
USD	\$ 522,275	32.785	17,122,784
JPY	11,530,869	0.2099	2,420,329
EUR	194,834	34.14	6,651,644
CNY	72,211	4.478	323,362
<u>Non-Monetary Items</u>			
USD	30,000	32.785	Note

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December 31, 2024			
	Foreign currency	Exchange rate	NTD
<u>Financial liabilities</u>			
<u>Monetary Items</u>			
USD	364,520	32.785	11,950,773
JPY	14,090,456	0.2099	2,957,587
EUR	115,943	34.14	3,958,296
CNY	32,613	4.478	146,040
<u>Non-Monetary Items</u>			
USD	185,300	32.785	Note
March 31, 2024			
	Foreign currency	Exchange rate	NTD
<u>Financial assets</u>			
<u>Monetary Items</u>			
USD	\$ 437,884	32.000	14,012,292
JPY	11,046,939	0.2115	2,336,428
EUR	187,297	34.46	6,454,270
CNY	46,980	4.408	207,086
<u>Non-Monetary Items</u>			
USD	900	32.000	Note
<u>Financial liabilities</u>			
<u>Monetary Items</u>			
USD	400,439	32.000	12,814,055
JPY	13,366,035	0.2115	2,826,916
EUR	57,997	34.46	1,998,561
CNY	46,902	4.408	206,744
<u>Non-Monetary Items</u>			
USD	23,450	32.000	Note

Note: The fair value of forward exchange contracts was measured at the reporting date. For related information, please refer to note 6(2).

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(b) Sensitivity analysis

The Group's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, accounts receivable, borrowings, and accounts payable, that are denominated in foreign currencies. A weakening (strengthening) of 1% of the NTD against the USD, JPY, EUR and CNY as of March 31, 2025 and 2024, would have increased or decreased the net income before income tax by \$128,274 thousand and increased or decreased by \$51,638 thousand, respectively. The analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the reporting date. The analysis assumes that all other variables remain constant and ignores any impact of forecasted sales and purchases. The analysis was performed on the same basis for comparative years.

(c) Foreign exchange gains and losses on monetary items

Since the Group has many kinds of functional currencies, the information on foreign exchange gains (losses) on monetary items is disclosed by an aggregate amount. For the three months ended March 31, 2025 and 2024, the foreign exchange gains (losses) (including realized and unrealized portions) amounted to \$(19,896) thousand and \$46,849 thousand, respectively.

D. Interest rate analysis

Please refer to the notes on liquidity risk management for interest rate exposure of the Group's financial liabilities.

The following sensitivity analysis is based on the exposure to interest rates. Regarding liabilities with variable interest rates, the analysis is based on the assumption that the amount of liabilities outstanding at the reporting date was outstanding throughout the period.

If the interest rate had increased or decreased by 0.25%, the Group's net income before income tax would have decreased or increased by \$19,858 thousand and decreased or increased by \$2,317 thousand, for the three months ended March 31, 2025 and 2024, respectively, assuming all other variable factors remain constant. This is mainly due to the Group's bank deposits and borrowings with variable rates.

E. Other price risk

For the three months ended March 31, 2025 and 2024, the sensitivity analyses for the changes in the securities price at the reporting date were performed using the same basis for the profit and loss as illustrated below:

	For the three months ended March 31,			
	2025		2024	
	Other comprehensive income before tax	Net income before income tax	Other comprehensive income before tax	Net income before income tax
Prices of securities at the reporting date				
Increasing 5%	\$ 3,033	293,481	4,749	581,047
Decreasing 5%	(3,033)	(293,481)	(4,749)	(581,047)

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F. Fair value of financial instruments

(a) Fair value hierarchy

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

		March 31, 2025			
		Carrying amount	Fair value		
			Level 1	Level 2	Level 3
					Total
Financial assets at fair value through profit or loss					
Forward exchange contract	\$	3,521	-	3,521	-
Privately offered fund		297,866	-	-	297,866
Overseas securities held		5,869,616	5,869,616	-	-
	\$	<u>6,171,003</u>	<u>5,869,616</u>	<u>3,521</u>	<u>297,866</u>
					<u>6,171,003</u>
Financial assets at fair value through other comprehensive income					
Stock listed on domestic market	\$	<u>60,661</u>	<u>60,661</u>	-	-
					<u>60,661</u>
Financial assets measured at amortized cost					
Cash and cash equivalents	\$	28,845,567			
Notes and accounts receivable (including related parties)		10,845,076			
Other financial assets—current and non-current		20,674,827			
Foreign bonds		6,607,795			
	\$	<u>66,973,265</u>			
Financial liabilities at fair value through profit or loss					
Forward exchange contract	\$	21,812	-	21,812	-
Embedded derivatives of exchangeable bonds with warrants		439,556	-	439,556	-
	\$	<u>461,368</u>	<u>-</u>	<u>461,368</u>	<u>-</u>

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		March 31, 2025				
		Carrying amount	Fair value			
			Level 1	Level 2	Level 3	Total
Financial liabilities measured at amortized cost						
Short-term borrowings	\$	30,122,763				
Short-term notes and bills payable		699,968				
Notes and accounts payable (including related parties)		4,432,680				
Long-term borrowings (including current portion)		14,060,150				
Accrued remuneration of directors (other current liabilities)		42,580				
Ordinary bonds		16,891,627				
Exchangeable bonds with warrants		10,899,278				
Lease liabilities—current and non-current		938,058				
Dividends payable		2,868,682				
	\$	<u>80,955,786</u>				
		December 31, 2024				
		Carrying amount	Fair value			
			Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss						
Forward exchange contract	\$	28,751	-	28,751	-	28,751
Stock listed on domestic market		254,686	-	-	254,686	254,686
Privately offered fund		6,512,300	6,512,300	-	-	6,512,300
	\$	<u>6,795,737</u>	<u>6,512,300</u>	<u>28,751</u>	<u>254,686</u>	<u>6,795,737</u>
Financial assets at fair value through other comprehensive income						
Stock listed on domestic market	\$	<u>68,298</u>	<u>68,298</u>	<u>-</u>	<u>-</u>	<u>68,298</u>
Financial assets measured at amortized cost						
Cash and cash equivalents	\$	38,929,337				
Notes and accounts receivable (including related parties)		10,265,153				
Other financial assets—current and non-current		17,772,048				
Foreign bonds		6,524,215				
	\$	<u>73,490,753</u>				

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		December 31, 2024				
		Carrying amount	Fair value			
			Level 1	Level 2	Level 3	Total
Financial liabilities at fair value through profit or loss						
Forward exchange contract	\$	50,182	-	50,182	-	50,182
Embedded derivatives of exchangeable bonds with warrants		404,230	-	404,230	-	404,230
	\$	<u>454,412</u>	<u>-</u>	<u>454,412</u>	<u>-</u>	<u>454,412</u>
Financial liabilities measured at amortized cost						
Short-term borrowings	\$	25,376,780				
Short-term notes and bills payable		1,399,930				
Notes and accounts payable (including related parties)		5,370,994				
Long-term borrowings (including current portion)		12,551,409				
Accrued remuneration of directors (other current liabilities)		53,753				
Ordinary bonds (including current portion)		16,890,669				
Exchangeable bonds with warrants		10,256,704				
Lease liabilities – current and non-current		884,564				
Dividends payable		2,390,569				
	\$	<u>75,175,372</u>				
		March 31, 2024				
		Carrying amount	Fair value			
			Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss						
Forward exchange contract	\$	63	-	63	-	63
Privately offered fund		230,453	-	-	230,453	230,453
Overseas securities held		11,620,939	11,620,939	-	-	11,620,939
	\$	<u>11,851,455</u>	<u>11,620,939</u>	<u>63</u>	<u>230,453</u>	<u>11,851,455</u>
Financial assets at fair value through other comprehensive income						
Stock listed on domestic market	\$	91,581	91,581	-	-	91,581
Stock listed on foreign market		3,397	3,397	-	-	3,397
	\$	<u>94,978</u>	<u>94,978</u>	<u>-</u>	<u>-</u>	<u>94,978</u>

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		March 31, 2024			
		Carrying amount	Fair value		
			Level 1	Level 2	Level 3
					Total
Financial assets measured at amortized cost					
Cash and cash equivalents	\$	35,672,250			
Notes and accounts receivable (including related parties)		10,061,362			
Other financial assets — current and non-current		36,306,929			
	\$	<u>82,040,541</u>			
Financial liabilities at fair value through profit or loss					
Forward exchange contract	\$	6,239	-	6,239	-
Embedded derivatives of convertible bonds		203,194	-	203,194	-
Embedded derivatives of exchangeable bonds with warrants		936,183	-	936,183	-
	\$	<u>1,145,616</u>	<u>-</u>	<u>1,145,616</u>	<u>-</u>
Financial liabilities measured at amortized cost					
Short-term borrowings	\$	21,184,868			
Notes and accounts payable (including related parties)		5,188,624			
Long-term borrowings (including related parties)		4,056,993			
Accrued remuneration of director (other current liabilities)		88,510			
Ordinary bonds (including current portion)		23,986,825			
Convertible bonds		6,317,819			
Exchangeable bonds with warrants		10,090,683			
Lease liabilities — current and non - current		928,003			
	\$	<u>71,842,325</u>			

(b) Financial Instruments Not Measured at Fair Value

The management of the consolidated company believes that the carrying amounts of financial assets and financial liabilities measured at amortized cost approximate their fair values in the consolidated financial statements.

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(c) Valuation techniques for financial instruments measured at fair value

i. Non-derivative financial instruments

A financial instrument is regarded as being quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's-length basis. Whether transactions are taking place 'regularly' is a matter of judgment and depends on the facts and circumstances of the market for the instrument.

Quoted market prices may not be indicative of the fair value of an instrument if the activity in the market is infrequent, the market is not well-established, only small volumes are traded, or bid-ask spreads are very wide. Determining whether a market is active involves judgment.

Measurements of fair value of financial instruments in an active market are based on a valuation technique or quoted price from a competitor. Fair value measured by a valuation technique can be extrapolated from similar financial instruments, the discounted cash flow method, or other valuation technique, including a model using observable market data at the reporting date.

ii. Derivative financial instruments

Measurements of the fair value of derivative instruments are based on the valuation techniques generally accepted by market participants, such as the discounted cash flow or option pricing models. The fair value of forward currency is usually determined based by the forward currency exchange rate.

(d) Transfer between Level 1 and Level 2: None.

(e) Reconciliation of Level 3 fair value

	Financial assets measured at fair value through profit or loss
January 1, 2025	\$ 254,686
Addition in investment	33,385
Recognized in profit or loss	14,442
Capital reduction of investment	(4,647)
March 31, 2025	\$ 297,866
January 1, 2024	\$ 242,864
Recognized in profit or loss	(4,703)
Capital reduction of investment	(7,708)
March 31, 2024	\$ 230,453

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- (f) The fair value of the Group's financial instruments that use Level 3 inputs to measure fair value was based on the price of the third party. The Group did not disclose quantified information and sensitivity analysis on significant unobservable inputs because the unobservable inputs used in fair value measurement were not established by the Group.
- (g) The valuation technique of privately offered funds is based on net asset value method. For the three months ended March 31, 2025 and 2024, there was no transfer at fair value level.

(25) Financial risk management

There are no significant changes in the financial risk management objectives and policies of the Group from those disclosed in Note 6 (27) of the 2024 annual consolidated financial statements.

(26) Capital management

Management believes that the objectives, policies and processes of capital management of the Group has been applied consistently with those described in the consolidated financial statements for the year ended December 31, 2024. Also, management believes that there were no significant changes in the Group's capital management information as disclosed for the year ended December 31, 2024. Please refer to Note 6(28) of the consolidated financial statements for the year ended December 31, 2024 for related information.

(27) Investing and financing activities not affecting current cash flow

A. For acquisition of right-of-use assets by lease, please refer to note 6(10).

B. Reconciliations of liabilities arising from financing activities were as follows:

	January 1, 2025	Cash flows	Foreign exchange movement and others	March 31, 2025
Short-term borrowings	\$ 25,376,780	4,745,983	-	30,122,763
Short-term notes and bills payable	1,399,930	(699,962)	-	699,968
Long-term borrowings (including current portion)	12,551,409	1,177,669	331,072	14,060,150
Lease liabilities	884,564	(47,636)	101,130	938,058
Bonds payable	27,147,373	-	643,532	27,790,905
Borrowing from related party	340,000	(340,000)	-	-
Guarantee deposit received	1,425,889	30,250	-	1,456,139
Total liabilities from financing activities	<u>\$ 69,125,945</u>	<u>4,866,304</u>	<u>1,075,734</u>	<u>75,067,983</u>

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	January 1, 2024	Cash flows	Foreign exchange movement and others	March 31, 2024
Short-term borrowings	\$ 24,647,862	(3,462,994)	-	21,184,868
Long-term borrowings (including current portion)	4,255,165	(130,227)	(67,945)	4,056,993
Lease liabilities	939,970	(50,819)	38,852	928,003
Bonds payable (including current portion)	25,638,501	16,457,644	(1,700,818)	40,395,327
Guarantee deposit received	<u>1,377,807</u>	<u>25,792</u>	<u>-</u>	<u>1,403,599</u>
Total liabilities from financing activities	<u>\$ 56,859,305</u>	<u>12,839,396</u>	<u>(1,729,911)</u>	<u>67,968,790</u>

7. Related-party transactions:

- (1) Parent company and ultimate controlling company

Sino-American Silicon Product Inc. (“SAS”) is both the parent company and the ultimate controlling party of the Group. As of March 31, 2025, it owns 46.64% of all shares outstanding of the Company and has issued the consolidated financial statements available for public use.

- (2) Names and relationship with related parties

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

Name of related party	Relationship with the Group
Sino-American Silicon Product Inc. (“SAS”)	The parent company
Taiwan Specialty Chemical Co., Ltd.	Subsidiary of SAS
Sustainable Energy Solution Corp.	Subsidiary of SAS
Actron Technology Corp. (“Actron”)	Subsidiary of SAS
Crystalwise Technology Inc. (“CWT”)	Directly held subsidiary
Yuan Hong (ShanDong) Technical Materials Ltd. (“YHTM”)	Indirectly held subsidiary
Yuan Hong Technical Materials Ltd. (“MHTM”)	Indirectly held subsidiary
Taiwan’s Mosel Electronics Co., Ltd. (“Mosel”)	Subsidiary of Actron
HONG-WANG Investment Co., Ltd. (“HONGWANG”)	Affiliated Company
Advanced Wireless Semiconductor Company (“AWSC”)	Subsidiary of SAS

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(3) Key management personnel compensation

Key management personnel compensation comprised:

	For the three months ended March 31,	
	2025	2024
Short-term employee benefits	\$ 54,176	73,645
Post-employment benefits	154	153
	\$ 54,330	73,798

The Group provided a car costing \$1,500 thousand and two cars costing \$3,000 thousand, for key management use for the three months ended March 31, 2025 and 2024, respectively.

(4) Significant transactions with related parties

A. Sales

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

	For the three months ended March 31,	
	2025	2024
Parent company	\$ 3,992	91,194
Other related parties	67,814	90,310
	\$ 71,806	181,504

The sales price for sales to the related parties was determined by market price and adjusted according to the sales area and sales volume.

The credit terms for third parties were 0 to 120 days after month-end both for the three months ended March 31, 2025 and 2024, while those for related parties were 0 to 120 days after month-end both for the three months ended March 31, 2025 and 2024.

B. Purchases and process outsourcing

The amounts of purchases and process outsourcing by the Group from related parties were as follows:

Related parties	For the three months ended March 31,	
	2025	2024
Parent company	\$ 55,229	313,493

The prices of purchases and process outsourcing were determined by market rates.

The payment terms to third parties were 0 to 150 days after month-end both in the period ended March 31, 2025 and 2024, while those of related parties were 30 to 90 days after the following month-end both in the period ended March 31, 2025 and 2024.

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C. Receivables from related parties

The receivables from related parties were as follows:

<u>Related parties</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Parent company	\$ 3,506	4,574	71,363
Other related parties	59,183	63,778	91,327
	<u>\$ 62,689</u>	<u>68,352</u>	<u>162,690</u>

D. Payables to related parties

The payables to related parties were as follows:

<u>Related parties</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Parent company	\$ 16,009	574,902	596,402
Other related parties	223	135	174
	<u>\$ 16,232</u>	<u>575,037</u>	<u>596,576</u>

E. Prepayments

The prepayments to the parent company, SAS, were for material purchases which were paid in full. As of March 31, 2025, December 31, 2024, and March 31, 2024, the balance of prepayments, which were recognized as other current assets, amounted to \$0 thousand, \$11,440 thousand and \$59,709 thousand, respectively.

F. Payment on behalf of others

The receivables from related parties and payables to related parties generated from material purchases, insurance and utilities payments and manpower support of related parties as of March 31, 2025 and 2024 were as follows:

<u>Related parties</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Receivable from related parties	<u>\$ 65</u>	<u>70</u>	<u>4</u>
Payable to related parties	<u>\$ (630)</u>	<u>(923)</u>	<u>(2,684)</u>

G. Transactions of property, plant and equipment

- (a) Purchase amounts of property, plant and equipment from related parties were summarized as follows:

<u>Related parties</u>	<u>For the three months ended March 31,</u>	
	<u>2025</u>	<u>2024</u>
Parent company	<u>\$ -</u>	<u>90,560</u>

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As of March 31, 2025, December 31, 2024, and March 31, 2024, the payables were \$67,169 thousand, \$70,681 thousand and \$52,951 thousand, respectively.

- (b) Disposal amounts of property, plant and equipment to related parties were summarized as follows:

Related parties	For the three months ended March 31, 2025		For the three months ended March 31, 2024	
	Disposal price	Receivables	Disposal price	Receivables
Parent company	\$ -	-	40	-

The gains on disposal of fixed assets to related parties were \$0 thousand for the three months ended March 31, 2025 and 2024, respectively.

H. Leases

The Group to parent company SAS rented a plant from the parent company. The total value of the contract was \$11,290 thousand. For the three months ended March 31, 2025 and 2024, the Group recognized the amount of \$24 thousand and \$26 thousand as the interest expense, respectively. As of March 31, 2025, December 31, 2024, and March 31, 2024, the balance of lease liabilities amounted to \$2,844 thousand, \$5,673 thousand and \$2,712 thousand, respectively.

I. Refundable deposits

The Group signed an offshore wind power purchase contract via other related parties in response to its sustainable green energy implementation plan. As of March 31, 2025, December 31, 2024, and March 31, 2024, the deposits of \$24,848 thousand, \$23,500 thousand and \$23,500 thousand were classified under other financial assets-non-current, respectively.

J. Borrowings from Related Parties

The borrowings from related parties were as follows:

Related parties	December 31, 2024		
	Ending balance	Rate	Interest
Parent company	\$ 340,000	1.8%	269

Related parties	March 31, 2024		
	Ending balance	Rate	Interest
Other related parties	\$ 587,000	1.8%	2,743

The maturity date for these borrowings is on February 17, 2025 and December 27, 2024. As of March 31, 2025 and 2024, the unpaid interest of the above-mentioned debt and interest was \$788 thousand and \$2,630 thousand.

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K. Dividends income

The cash dividends of \$59,336 thousand and \$0 thousand from related parties to be distributed to the Group had been received as of March 31, 2025 and 2024.

L. Others

- (a) The Group provides other services for related parties, including service support, machine usage, human resources and plant lease, etc. Details of related other income and receivables from related parties were as follows:

Related parties			For the three months ended March 31,	
			2025	2024
Parent Company and other related parties			\$ 1,282	1,195
Items	Categories	March 31, 2025	December 31, 2024	March 31, 2024
Receivable from related parties	Parent company	\$ 504	1,084	617
Receivable from related parties	Other related parties	18	-	3
		\$ 522	1,084	620

- (b) The related parties charged the Group for their services, including administrative assistance, technical service, legal work engagement, and plant lease. Details of related other expenses and payables to related parties were as follows:

Related parties			For the three months ended March 31,	
			2025	2024
Parent company and other related parties			\$ 35,350	45,225
Items	Categories	March 31, 2025	December 31, 2024	March 31, 2024
Payable to related parties	Parent company	\$ 25,073	26,934	37,468
Payable to related parties	Other related parties	600	-	32
		\$ 25,673	26,934	37,500

GlobalWafers Co., Ltd. and subsidiaries
Notes to the Consolidated Financial Statements

8. Pledged assets:

The carrying values of pledged assets were as follows:

<u>Pledged assets</u>	<u>Purpose of pledge</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Property, plant and equipment	Credit lines of borrowings	\$ 1,987,490	1,880,042	2,082,298
Time deposits (recognized in other financial assets — non-current)	Guarantee for gas consumption from CPC Corporation	2,000	2,000	2,000
Time deposits (recognized in other financial assets — non-current)	Guarantee payment for import VAT	14,000	14,000	16,280
Time deposits (recognized in other financial assets — non-current)	Guarantee for the lease contract with the Hsinchu Science Park Bureau	40,768	40,747	40,747
Time deposits (recognized in other financial assets — current)	Guarantee for bank financing projects	11,787,807	9,999,425	11,200,000
Financial assets at fair value through profit or loss — non-current	Provision of Siltronic AG shares to the trustee for security pledge	4,438,918	4,922,322	8,782,267
		<u>\$ 18,270,983</u>	<u>16,858,536</u>	<u>22,123,592</u>

9. Commitments and contingencies:

(1) Significant unrecognized contractual commitments

- A. As of March 31, 2025, December 31, 2024, and March 31, 2024, the purchase amounts for future procurement from suppliers under the existing agreements were \$13,080,524 thousand, \$14,378,193 thousand and \$14,480,161 thousand, respectively.
- B. As of March 31, 2025, December 31, 2024, and March 31, 2024, the Group's unused letters of credit amounted to \$309,238 thousand, \$304,157 thousand and \$268,576 thousand, respectively.
- C. As of March 31, 2025, December 31, 2024, and March 31, 2024, the significant outstanding commitments for construction and purchase of property, plant and equipment amounted to \$13,819,021 thousand, \$27,449,247 thousand and \$49,947,917 thousand, respectively.
- D. As of March 31, 2025, December 31, 2024, and March 31, 2024, a guarantee letter for the Customs Administration and research and development projects issued by the bank amounted to \$33,284 thousand, \$33,284 thousand and \$44,500 thousand, respectively.

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- E. The Group signed a long-term sales contract with certain customers and received advance payments. The customer is required to order minimum quantity according to the contract. As of March 31, 2025, December 31, 2024, and March 31, 2024, a guarantee letter for the customer issued by the bank amounted to \$4,347,051 thousand, \$4,300,840 thousand and \$4,436,079 thousand, respectively.
- F. As of March 31, 2025, December 31, 2024, and March 31, 2024, the total amount of promissory notes deposited in banks by the Group due to bank financing is \$110,265,549 thousand, \$103,794,326 thousand and \$62,715,080 thousand, respectively.
- G. The subsidiary of the Group, GWA, entered into a plant construction subsidy agreement with the local government of Sherman, Texas. Under certain specified conditions outlined in the agreement, GWA is entitled to receive land and cash subsidies. From January 1 to March 31, 2025, GWA has received a plant construction subsidy of USD 5,500 thousand from the local government.

10. Losses due to major disasters: None.

11. Subsequent events: None

12. Other:

A summary of the employee benefits, depreciation, and amortization expenses, by function is as follows:

By function	For the three months ended March 31,					
	2025			2024		
	Cost of goods sold	Operating expenses	Total	Cost of goods sold	Operating expenses	Total
By item						
Employee benefits						
Salary	2,003,326	565,565	2,568,891	1,878,453	386,882	2,265,335
Labor and health insurance	299,864	80,483	380,347	276,410	72,814	349,224
Pension	148,823	29,297	178,120	144,726	28,161	172,887
Others	62,757	30,033	92,790	64,667	22,964	87,631
Depreciation	2,179,682	70,262	2,249,944	1,786,566	65,009	1,851,575
Amortization	4,620	737	5,357	4,524	843	5,367

13. Other disclosures:

(1) Information on significant transactions:

The following is the information on significant transactions required by the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” for the Group:

- A. Loans to other parties: Please refer to Table 1.
- B. Guarantees and endorsements for other parties: Please refer to Table 2.

GlobalWafers Co., Ltd. and subsidiaries
Notes to the Consolidated Financial Statements

- C. Securities held as of March 31, 2025 (excluding investment in subsidiaries, associates and joint ventures): Please refer to Table 3.
- D. Related-party transactions for purchases and sales with amounts exceeding the lower of NT\$100 million or 20% of the capital stock: Please refer to Table 4.
- E. Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20% of the capital stock: Please refer to Table 5.
- F. Business relationships and significant intercompany transactions: Please refer to Table 6.
- (2) Information on investees: Please refer to Table 7.
- (3) Information on investment in mainland China:
- A. The names of investees in Mainland China, the main businesses and products and other information: Please refer to Table 8(1).
- B. Limitation on investment in Mainland China: Please refer to Table 8(2).
- C. Significant transactions:

The significant inter-company transactions with the subsidiary in Mainland China, which were eliminated in the preparation of consolidated financial statements, are disclosed in the “Information on significant transactions”.

14. Segment information:

The Group operating segment information and reconciliations were as follows:

	For the three months ended March 31, 2025			
	Semiconductor segment	Power plant segment	Reconciliation and elimination	Total
Revenue:				
External customers	\$ 15,564,684	29,838	-	15,594,522
Intersegment	-	-	-	-
Total revenue	<u>\$ 15,564,684</u>	<u>29,838</u>	<u>-</u>	<u>15,594,522</u>
Reportable segment profit or loss	<u>\$ 1,437,661</u>	<u>(4,637)</u>	<u>-</u>	1,433,024
Share of profit (loss) of associates accounted for using equity method				22,681
				<u>\$ 1,455,705</u>

GlobalWafers Co., Ltd. and subsidiaries
Notes to the Consolidated Financial Statements

For the three months ended March 31, 2024				
	Semiconductor segment	Power plant segment	Reconciliation and elimination	Total
Revenue:				
External customers	\$ 15,056,874	30,189	-	15,087,063
Intersegment	-	-	-	-
Total revenue	<u>\$ 15,056,874</u>	<u>30,189</u>	<u>-</u>	<u>15,087,063</u>
Reportable segment profit or loss	<u>\$ 3,508,372</u>	<u>(1,852)</u>	<u>-</u>	3,506,520
Share of profit (loss) of associates accounted for using equity method				26,561
				<u>\$ 3,533,081</u>
	Semiconductor segment	Power plant segment	Reconciliation and elimination	Total
Reportable segment assets:				
March 31, 2025	<u>\$ 225,615,103</u>	<u>1,797,373</u>	<u>-</u>	227,412,476
Investments accounted for using equity metho				713,561
				<u>\$ 228,126,037</u>
December 31, 2024	<u>\$ 221,878,507</u>	<u>1,781,139</u>	<u>-</u>	223,659,646
Investments accounted for using equity method				920,925
				<u>\$ 224,580,571</u>
March 31, 2024	<u>\$ 199,325,066</u>	<u>1,895,055</u>	<u>-</u>	201,220,121
Investments accounted for using equity method				1,562,964
				<u>\$ 202,783,085</u>
Reportable segment liabilities				
March 31, 2025	<u>\$ 135,832,702</u>	<u>616,543</u>	<u>-</u>	<u>136,449,245</u>
December 31, 2024	<u>\$ 132,966,801</u>	<u>585,979</u>	<u>-</u>	<u>133,552,780</u>
March 31, 2024	<u>\$ 130,696,217</u>	<u>575,267</u>	<u>(9,851)</u>	<u>131,261,633</u>

GlobalWafers Co., Ltd. and Subsidiaries

Loans to other parties

For the period ended March 31, 2025

Table 1

(In Thousands of New Taiwan Dollars)

Number	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period	Ending balance	Actual usage amount during the period	Range of interest rates during the period	Purposes of fund financing for the borrower (Note 1)	Transaction amount for business between two parties	Reasons for short-term financing	Loss allowance	Collateral		Individual funding loan limits (Note 2)	Maximum limit of fund financing (Note 3)
													Item	Value		
0	The Company	SPVE5	Receivable from related parties	Yes	100,000	100,000	-	-	2	-	Operating capital	-	-	-	36,672,226	36,672,226
0	The Company	SPV4	Receivable from related parties	Yes	500,000	500,000	-	-	2	-	Operating capital	-	-	-	36,672,226	36,672,226
0	The Company	CWT	Receivable from related parties	Yes	200,000	200,000	-	-	2	-	Operating capital	-	-	-	36,672,226	36,672,226
1	GWJ	MEMC Japan	Receivable from related parties	Yes	14,787,280	14,787,280	12,515,740	1.10636 %	2	-	Operating capital	-	-	-	20,178,145	20,178,145
2	GWS	GWBV	Receivable from related parties	Yes	3,486,525	3,486,525	2,476,940	4.60%~6.04%	2	-	Operating capital	-	-	-	40,710,889	40,710,889
2	GWS	GW GmbH	Receivable from related parties	Yes	4,496,250	4,496,250	4,496,250	2.70 %	2	-	Operating capital	-	-	-	40,710,889	40,710,889
2	GWS	The Company	Receivable from related parties	Yes	9,961,500	9,961,500	2,689,605	5.00 %	2	-	Operating capital	-	-	-	40,710,889	40,710,889
2	GWS	MEMC SpA	Receivable from related parties	Yes	996,150	996,150	996,150	4.922 %	2	-	Operating capital	-	-	-	40,710,889	40,710,889
2	GWS	GWA	Receivable from related parties	Yes	4,980,750	4,980,750	4,495,957	4.625 %	2	-	Operating capital	-	-	-	40,710,889	40,710,889
3	GTI	MEMC LLC	Receivable from related parties	Yes	1,660,250	1,660,250	1,315,250	4.51928 %	2	-	Operating capital	-	-	-	13,393,961	13,393,961
3	GTI	GWA	Receivable from related parties	Yes	3,320,500	3,320,500	-	- %	2	-	Operating capital	-	-	-	13,393,961	13,393,961
4	GWBV	GW GmbH	Receivable from related parties	Yes	2,158,200	2,158,200	287,760	2.70 %	2	-	Operating capital	-	-	-	51,056,663	51,056,663
4	GWBV	Topsil A/S	Receivable from related parties	Yes	647,460	-	-	-	2	-	Operating capital	-	-	-	51,056,663	51,056,663
4	GWBV	MEMC SpA	Receivable from related parties	Yes	3,597,000	3,597,000	2,877,600	3.502 %	2	-	Operating capital	-	-	-	51,056,663	51,056,663
5	SST	SSKT	Receivable from related parties	Yes	66,309	66,309	-	-	2	-	Operating capital	-	-	-	3,285,119	3,285,119

Number	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period	Ending balance	Actual usage amount during the period	Range of interest rates during the period	Purposes of fund financing for the borrower (Note 1)	Transaction amount for business between two parties	Reasons for short-term financing	Loss allowance	Collateral		Individual funding loan limits (Note 2)	Maximum limit of fund financing (Note 3)
													Item	Value		
6	SSKT	MHTM	Receivable from related parties	Yes	94,626	64,022	43,444	3.45 %	2	-	Operating capital	-	-	-	112,968	112,968
7	GWCC	The Company	Receivable from related parties	Yes	3,235,815	-	-	-	2	-	Operating capital	-	-	-	3,362,288	3,362,288
7	GWCC	GWA	Receivable from related parties	Yes	3,154,475	3,154,475	3,154,475	4.625 %	2	-	Operating capital	-	-	-	3,362,288	3,362,288

Note 1: The nature of financing purposes:

(1)Code 1 represents entities with business transaction with the Group.

(2)Code 2 represents where an inter-company or inter-firm short-term financing facility is necessary.

Note 2: For entities who have business transactions with the Company, the amount of financing shall not exceed the amount of business transaction for the current year. For the purpose of lending operating capital, the amount of financing offered to a single company and to an investee whose voting shares, directly or indirectly, owned by the Company shall not exceed 40 percent of the lender's net worth.

Note 3: The total amount available for financing purposes shall not exceed 40 percent of the lender's net worth. The total amount available for financing to investees whose voting shares, directly or indirectly, owned by the Company shall not exceed 40 percent of the Company's net worth.

Note 4: The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.

GlobalWafers Co., Ltd. and Subsidiaries
Guarantees and endorsements for other parties
For the period ended March 31, 2025

Table 2

(In Thousands of New Taiwan Dollars)

No.	Name of guarantor	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a specific enterprise (Note 3, 4)	Highest balance for guarantees and endorsements during the period	Balance of guarantees and endorsements as of reporting date	Actual usage amount during the period	Property pledged for guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements	Parent company endorsements/ guarantees to third parties on behalf of subsidiary	Subsidiary endorsements/ guarantees to third parties on behalf of parent company	Endorsements/ guarantees to third parties on behalf of companies in Mainland China
		Name	Relationship with the Company (Note 2)										
0	The Company	GW GmbH	2	275,041,698	16,186,500	16,186,500	12,416,844	-	17.66 %	275,041,698	Y	N	N
0	The Company	GWH	2	275,041,698	800,000	800,000	-	-	0.87 %	275,041,698	Y	N	N
0	The Company	SPV4	2	275,041,698	535,067	535,067	408,667	-	0.58 %	275,041,698	Y	N	N
0	The Company	SPVE5	2	275,041,698	114,800	114,800	114,800	-	0.13 %	275,041,698	Y	N	N
0	The Company	GWS	2	275,041,698	5,659,156	5,659,156	5,559,541	-	6.17 %	275,041,698	Y	N	N
0	The Company	MEMC SpA	2	275,041,698	3,165,360	3,165,360	2,877,600	-	3.45 %	275,041,698	Y	N	N
0	The Company	GWA	2	275,041,698	16,137,630	16,137,630	12,817,130	-	17.60 %	275,041,698	Y	N	N
0	The Company	CWT	2	275,041,698	1,084,028	949,808	-	-	1.04 %	275,041,698	Y	N	N
0	The Company	MEMC LLC	2	275,041,698	664,100	664,100	664,100	-	0.72 %	275,041,698	Y	N	N
1	GTI	MEMC LLC	4	66,969,805	3,268,500	-	-	-	- %	66,969,805	N	N	N
2	SST	KST	4	16,425,595	1,456,138	1,456,138	1,456,138	-	44.33 %	16,425,595	N	N	Y
3	GWS	GWA	4	203,554,445	29,884,500	29,884,500	11,763,369	-	73.41 %	203,554,445	N	N	N
4	GWCC	GWA	4	42,028,595	9,961,500	9,961,500	-	-	118.51 %	42,028,595	N	N	N

Note 1: The characters of guarantees and endorsements are coded as follows:

(1) The issuer is coded "0".

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

Note 2: The relation between guarantor and guarantee and their endorsement should be disclosed as one of the following:

(1) Ordinary business relationship.

(2) Subsidiary which owned more than 50 percent by the guarantor.

(3) An investee owned more than 50 percent in total by both the guarantor and its subsidiary.

(4) An investee owned more than 90 percent by the guarantor or its subsidiary.

- (5) Fulfillment of contractual obligations by providing mutual endorsements and guarantor for peer or joint builders in order to undertake a construction project.
- (6) An entity that is guaranteed and endorsed by all capital contributing shareholders in proportion to their shareholding percentages.
- (7) The companies in the same industry provide among themselves joint and several securities for a performance guarantee of a sales contract for per-construction homes pursuant to the Consumer Protection Act for each other.

Note 3: The total amount of external endorsements and/or guarantees shall not be more than triple of the Company's net worth.

Note 4: The total amount of external endorsements and/or guarantees for any single company shall not exceed 10 percent of the Company's net worth. However, for subsidiaries shall not exceed 3 times of the Company's net worth.

GlobalWafers Co., Ltd. and Subsidiaries

Securities held as of March 31, 2025 (excluding investment in subsidiaries, associates and joint ventures)

March 31, 2025

Table 3

(In Thousands of New Taiwan Dollars)

Name of holder	Category and name of security	Relationship with the Company	Account title	Ending balance				Note
				Shares/Units (thousands)	Carrying value	Percentage of ownership (%)	Fair value	
The Company	CDIB Capital Growth Partners L.P.	None	Financial assets at fair value through profit or loss — non-current	-	133,391	3.85 %	133,391	
The Company	Siltronic AG	None	Financial assets at fair value through profit or loss — non-current	650	930,544	2.17 %	930,544	
GW GmbH	Siltronic AG	None	Financial assets at fair value through profit or loss — non-current	3,101	4,438,918	10.34 %	4,438,918	
GWBV	Siltronic AG	None	Financial assets at fair value through profit or loss — non-current	350	500,154	1.17 %	500,154	
The Company	WT Microelectronics Co., Ltd.	None	Financial assets at fair value through other comprehensive income	621	60,661	0.05 %	60,661	
GWH	Foreign Privately Securities	None	Financial assets at fair value through profit of loss — non-current	-	164,475	1.93 %	164,475	
GWS	Citigroup Global Markets Holdings Inc. USD Fixed rate Bond	None	Financial assets measured at amortized cost—non-current	-	6,607,795	-	-	

GlobalWafers Co., Ltd. and Subsidiaries

Related-party transactions for purchases and sales with amounts exceeding the lower than NT\$100 million or 20% of the capital stock

For the period ended March 31, 2025

Table 4

(In Thousands of New Taiwan Dollars)

Name of company	Related party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/Accounts receivable (payable)		Note
			Purchase /Sale	Amount	Percentage of total purchases/sales	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total notes/accounts receivable (payable)	
The Company	GTI	Indirectly held subsidiaries	Purchase	298,660	2 %	Net 60 days from the end of the next month upon issuance of invoice	-	-	(185,843)	(1)%	
The Company	SST	Indirectly held subsidiaries	Purchase	322,203	2 %	Net 60 days from the end of the month upon issuance of invoice	-	-	(231,816)	(2)%	
The Company	GWJ	Directly held subsidiaries	Purchase	1,928,730	12 %	Net 60 to 90 days from the end of the month upon issuance of invoice	-	-	(2,189,203)	(20)%	
The Company	Topsil A/S	Indirectly held subsidiaries	Purchase	493,584	3 %	Net 30 to 60 days from the end of the month upon issuance of invoice	-	-	(164,422)	(2)%	
The Company	GWS	Directly held subsidiaries	Purchase	198,476	1 %	Net 60 days from the end of the month upon issuance of invoice	-	-	(142,983)	(1)%	
GWS	The Company	Directly held subsidiaries	Purchase	1,920,360	12 %	Net 60 days from the end of the month upon issuance of invoice	-	-	(1,459,620)	(14)%	
GTI	The Company	Indirectly held subsidiaries	Purchase	728,582	5 %	Net 90 days from the end of the next month upon issuance of invoice	-	-	(313,169)	(3)%	
SST	The Company	Indirectly held subsidiaries	Purchase	199,042	1 %	Net 30 days from the end of the next month upon issuance of invoice	-	-	(92,901)	(1)%	
KST	The Company	Indirectly held subsidiaries	Purchase	182,177	1 %	Net 60 days from the end of the month upon issuance of invoice	-	-	(307,885)	(3)%	
GWJ	The Company	Directly held subsidiaries	Purchase	499,635	3 %	Net 60 to 90 days from the end of the month upon issuance of invoice	-	-	(769,061)	(14)%	
MEMC SpA	CWT	Directly held subsidiaries	Purchase	261,700	2 %	Net 60 days from the end of the month upon issuance of invoice	-	-	(181,390)	(2)%	
MEMC Korea	CWT	Directly held subsidiaries	Purchase	366,273	2 %	Net 60 days from the end of the month upon issuance of invoice	-	-	(332,734)	(3)%	

Name of company	Related party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/Accounts receivable (payable)		Note
			Purchase /Sale	Amount	Percentage of total purchases/sales	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total notes/accounts receivable (payable)	
GWJ	CWT	Directly held subsidiaries	Purchase	119,660	1 %	Net 60 days from the end of the month upon issuance of invoice	-	-	(120,494)	(1)%	
GWS	MEMC LLC	Indirectly held subsidiaries	Purchase	615,824	4 %	Net 60 days from the end of the month upon issuance of invoice	-	-	(427,807)	(4)%	
GWS	MEMC LLC	Indirectly held subsidiaries	Sale	(203,383)	(1) %	Net 60 days from the end of the month upon issuance of invoice	-	-	133,851	1%	
GWS	MEMC Sdn Bhd	Indirectly held subsidiaries	Purchase	345,929	2 %	Net 60 days from the end of the month upon issuance of invoice	-	-	(222,182)	(2)%	
GWS	MEMC Sdn Bhd	Indirectly held subsidiaries	Sale	(109,138)	(1) %	Net 60 days from the end of the month upon issuance of invoice	-	-	76,324	1%	
GWS	MEMC SpA	Indirectly held subsidiaries	Purchase	898,095	6 %	Net 60 days from the end of the month upon issuance of invoice	-	-	(575,229)	(5)%	
GWS	MEMC SpA	Indirectly held subsidiaries	Sale	(2,216,257)	(14)%	Net 60 days from the end of the month upon issuance of invoice	-	-	1,632,541	15%	
GWS	MEMC Korea	Indirectly held subsidiaries	Purchase	679,229	4 %	Net 60 days from the end of the month upon issuance of invoice	-	-	(464,924)	(4)%	
GWS	MEMC Japan	Indirectly held subsidiaries	Purchase	1,849,220	12 %	Net 60 days from the end of the month upon issuance of invoice	-	-	(693,547)	(6)%	
GWS	MEMC Japan	Indirectly held subsidiaries	Sale	(617,393)	(4) %	Net 60 days from the end of the month upon issuance of invoice	-	-	249,574	2%	

Note: The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.

GlobalWafers Co., Ltd. and Subsidiaries

Receivables from related parties with amounts exceeding the lower than NT\$100 million or 20% of the capital stock

March 31, 2025

Table 5

(In Thousands of New Taiwan Dollars)

Name of company	Counter-party	Nature of relationship	Ending balance	Turnover rate	Overdue		Amounts received in subsequent period	Allowance for bad debts
					Amount	Action taken		
The Company	GTI	Indirectly held subsidiaries	313,169	2.62	-	-	5,637	-
The Company	GWJ	Indirectly held subsidiaries	769,061	0.63	-	-	5,344	-
The Company	GWS	Indirectly held subsidiaries	1,459,620	1.80	-	-	732,251	-
The Company	KST	Indirectly held subsidiaries	307,885	0.75	-	-	32,055	-
GTI	The Company	Indirectly held subsidiaries	185,843	1.46	-	-	-	-
SST	The Company	Indirectly held subsidiaries	231,816	1.62	-	-	31,500	-
GWJ	The Company	Indirectly held subsidiaries	2,189,203	0.96	-	-	-	-
Topsil A/S	The Company	Indirectly held subsidiaries	164,422	2.70	-	-	-	-
CWT	MEMC Korea	Indirectly held subsidiaries	332,734	0.75	-	-	48,621	-
CWT	MEMC SpA	Indirectly held subsidiaries	181,390	1.81	-	-	-	-
CWT	GWJ	Indirectly held subsidiaries	120,494	0.99	-	-	-	-
GWS	MEMC Japan	Indirectly held subsidiaries	249,574	1.96	-	-	7,053	-
GWS	MEMC SpA	Indirectly held subsidiaries	1,632,541	1.34	-	-	718,574	-
GWS	MEMC LLC	Indirectly held subsidiaries	133,851	1.64	-	-	60,404	-
MEMC Sdn Bhd	GWS	Indirectly held subsidiaries	222,182	1.93	-	-	81,957	-
MEMC SpA	GWS	Indirectly held subsidiaries	575,229	1.76	-	-	275,655	-
MEMC Korea	GWS	Indirectly held subsidiaries	464,924	1.41	-	-	207,606	-
MEMC Japan	GWS	Indirectly held subsidiaries	693,547	2.53	-	-	-	-
MEMC LLC	GWS	Indirectly held subsidiaries	427,807	2.17	-	-	60,404	-
GWS	The Company	Indirectly held subsidiaries	142,983	1.54	-	-	-	-
GWS	The Company	Indirectly held subsidiaries	2,723,225	-	-	-	-	-
				(Note 3)				

Name of company	Counter-party	Nature of relationship	Ending balance	Turnover rate	Overdue		Amounts received in subsequent period	Allowance for bad debts
					Amount	Action taken		
GWJ	MEMC Japan	Indirectly held subsidiaries	12,515,740	- (Note 3)	-	-	-	-
GWS	GWBV	Indirectly held subsidiaries	2,513,755	- (Note 3)	-	-	-	-
GWS	GW GmbH	Indirectly held subsidiaries	4,511,265	- (Note 3)	-	-	-	-
GWBV	GW GmbH	Indirectly held subsidiaries	288,721	- (Note 3)	-	-	-	-
GTI	MEMC LLC	Indirectly held subsidiaries	1,324,857	- (Note 3)	-	-	-	-
GWS	MEMC SpA	Indirectly held subsidiaries	1,015,899	- (Note 3)	-	-	-	-
GWS	GWA	Indirectly held subsidiaries	4,496,535	- (Note 3)	-	-	4,495,957	-
GWBV	MEMC SpA	Indirectly held subsidiaries	2,887,028	- (Note 3)	-	-	-	-

Note 1: The amount received in subsequent period as of April 23, 2025.

Note 2: The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.

Note 3: Receivables from related-party for financing purpose.

GlobalWafers Co., Ltd. and Subsidiaries
Business relationships and significant intercompany transactions
For the period ended March 31, 2025

Table 6

(In Thousands of New Taiwan Dollars)

No. (Note 1)	Name of company	Name of counter-party	Nature of relationship (Note 2)	Intercompany transactions			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets (Note 3,4)
0	The Company	GTI	1	Purchase	298,660	Net 60 days from the end of the month upon issuance of invoice	1.92%
0	The Company	SST	1	Purchase	322,203	Net 60 days from the end of the month upon issuance of invoice	2.07%
0	The Company	GWJ	1	Purchase	1,928,730	Net 60 to 90 days from the end of the month upon issuance of invoice	12.37%
0	The Company	Topsil A/S	1	Purchase	493,584	Net 30 to 60 days from the end of the month upon issuance of invoice	3.17%
0	The Company	GWS	1	Purchase	198,476	Net 60 days from the end of the month upon issuance of invoice	1.27%
0	The Company	GTI	1	Sale	728,582	Net 90 days from the end of the next month upon issuance of invoice	4.67%
0	The Company	SST	1	Sale	199,042	Net 30 days from the end of the month upon issuance of invoice	1.28%
0	The Company	GWJ	1	Sale	499,635	Net 60 to 90 days from the end of the month upon issuance of invoice	3.20%
0	The Company	GWS	1	Sale	1,920,360	Net 60 days from the end of the month upon issuance of invoice	12.31%
0	The Company	KST	1	Sale	182,177	Net 60 days from the end of the month upon issuance of invoice	1.17%
1	CWT	MEMC Korea	3	Sale	366,273	Net 60 days from the end of the month upon issuance of invoice	2.35%
1	CWT	MEMC SpA	3	Sale	261,700	Net 60 days from the end of the month upon issuance of invoice	1.68%
2	GWS	MEMC LLC	3	Purchase	615,824	Net 60 days from the end of the month upon issuance of invoice	3.95%
2	GWS	MEMC LLC	3	Sale	203,383	Net 60 days from the end of the month upon issuance of invoice	1.30%
2	GWS	MEMC SpA	3	Purchase	898,095	Net 60 days from the end of the month upon issuance of invoice	5.76%
2	GWS	MEMC SpA	3	Sale	2,216,257	Net 60 days from the end of the month upon issuance of invoice	14.21%
2	GWS	MEMC Korea	3	Purchase	679,229	Net 60 days from the end of the month upon issuance of invoice	4.36%
2	GWS	MEMC Japan	3	Sale	617,393	Net 60 days from the end of the month upon issuance of invoice	3.96%

No. (Note 1)	Name of company	Name of counter-party	Nature of relationship (Note 2)	Intercompany transactions			
				Account name	Amount	Trading terms	Percentage of the consolidated net revenue or total assets (Note 3,4)
2	GWS	MEMC Japan	3	Purchase	1,849,220	Net 60 days from the end of the month upon issuance of invoice	11.86%
2	GWS	MEMC Sdn Bhd	3	Purchase	345,929	Net 60 days from the end of the month upon issuance of invoice	2.22%
2	GWS	The Company	2	Intercompany Loan	2,723,225	-	1.19%
2	GWS	GWBV	3	Intercompany Loan	2,513,755	-	1.10%
2	GWS	GWA	3	Intercompany Loan	4,496,535	-	1.97%
2	GWS	GWA	3	Prepayment for purchases	7,969,200	-	3.49%
2	GWS	GmbH	3	Intercompany Loan	4,511,265	-	1.98%
3	GWJ	MEMC Japan	3	Intercompany Loan	12,515,740	-	5.49%
4	GWBV	MEMC SpA	3	Intercompany Loan	2,887,028		1.27%

Note 1: The characters of business transactions between parent company and its subsidiaries are coded as follows:

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

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

Note 2: The relationships with transactions are as follows:

(1) Parent company to its subsidiaries.

(2) Subsidiaries to the parent company.

(3) Transactions between subsidiaries.

Note 3: The ratio of the transaction amount of the consolidated total sales revenue and consolidated total assets are calculated as follows:

(1) For transaction amount accounted for as asset or liability, the ratio is calculated based on the closing balance amount of the consolidated total assets.

(2) For transaction amount accounted for as profit or loss, the ratio is calculated based on the accumulated amount at the end of the financial period of the consolidated total sales revenue.

Note 4: The table represented the amount of significant transaction exceeding 1 percent of the consolidated operating revenue or total assets.

GlobalWafers Co., Ltd. and Subsidiaries

Information on investees

For the period ended March 31, 2025

Table 7

(In Thousands of New Taiwan Dollars/other currencies)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of March 31, 2025			Net income (losses) of investee	Share of profits/ losses of investee	Note
				March 31, 2025	March 31, 2025	Shares (thousands)	Percentage of Ownership	Carrying value			
The Company	GSI	Cayman	Investment in various business and triangular trade centers with subsidiaries in Mainland China	698,419 (USD24,555)	698,419 (USD24,555)	23,000	100.00 %	3,316,337	39,612	36,789	Subsidiary
The Company	GWJ	Japan	Manufacturing and trading of silicon wafers	5,448,015	5,448,015	128	100.00 %	20,182,094	289,252	284,417	Subsidiary
The Company	GWS	Singapore	Investment activities	2,207,377	2,207,377	41,674	100.00 %	39,131,077	825,273	827,930	Subsidiary
The Company	GW GmbH	Germany	Trading	1,952,235 (EUR62,525)	1,952,235 (EUR62,525)	48,025	100.00 %	(9,755,815)	(885,958)	(885,958)	Subsidiary
The Company	GWBV	Netherlands	Investment activities	40,367,464 (USD1,321,076)	40,367,464 (USD1,321,076)	0.1	100.00 %	51,065,663	(584,823)	(584,823)	Subsidiary
The Company	HONG-WANG Investment Co., Ltd.	Taiwan	Investment activities	309,760	309,760	30,976	30.98 %	713,561	73,220	22,681	Associate
The Company	SPV4	Taiwan	Electricity activities	1,045,000	1,045,000	104,500	100.00 %	1,044,902	(3,796)	(3,796)	Subsidiary
The Company	SPVE5	Taiwan	Electricity activities	141,340	141,340	14,134	100.00 %	135,928	(841)	(841)	Subsidiary
The Company	GWH	Taiwan	Investment activities	250,000	250,000	25,000	100.00 %	254,981	1,600	25,897	Subsidiary
The Company	CWT	Taiwan	Manufacturing and trading of optoelectronic wafers and substrate material	437,924	437,924	43,836	100.00 %	503,453	245,599	167,801	Subsidiary
The Company	GWCC	Taiwan	Investment activities	8,132,250 (USD250,000)	8,132,250 (USD250,000)	32,529	100.00 %	8,405,719	78,286	78,286	Subsidiary

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of March 31, 2025			Net income (losses) of investee	Share of profits/ losses of investee	Note
				March 31, 2025	March 31, 2025	Shares (thousands)	Percentage of Ownership	Carrying value			
GWJ	MEMC Japan	Japan	Manufacturing and trading of silicon wafers	373,413 (JPY100,000)	373,413 (JPY100,000)	750	100.00 %	2,610,687	28,565	-	Notes 2 and 3
GWBV	MEMC SpA	Italy	Manufacturing and trading of silicon wafers	6,732,641 (USD204,788)	6,732,641 (USD204,788)	65,000	100.00 %	12,105,324	(126,619)	-	Notes 2 and 3
MEMC SpA	MEMC SarL	France	Trading	1,316 (USD40)	1,316 (USD40)	0.5	100.00 %	4,549	132	-	Notes 2 and 3
GWBV	MEMC Korea	Korea	Manufacturing and trading of silicon wafers	11,851,262 (USD384,605)	11,851,262 (USD384,605)	25,200	100.00 %	23,160,428	160,036	-	Notes 2 and 3
GWBV	GTI	United States	Manufacturing and trading of epitaxial wafers	2,779,849 (USD91,262)	2,779,849 (USD91,262)	1	100.00 %	14,760,743	(569,090)	-	Notes 2 and 3
GWBV	MEMC Ipoh	Malaysia	Manufacturing and trading of silicon wafers	93,907 (USD1,323)	93,907 (USD1,323)	612,300	100.00 %	5,480	90	-	Notes 2 and 3
GWBV	Topsil A/S	Denmark	Manufacturing and trading of silicon wafers	1,843,604 (USD60,996)	1,843,604 (USD60,996)	1,000	100.00 %	2,783,577	22,631	-	Notes 2 and 3
CWT	Crystalwise HK	Hong Kong	Investment activities	- (USD47,650)	- (USD47,650)	47,650	100.00 %	34,923	16	-	Notes 2 and 3
GTI	MEMC LLC	United States	Research and development, manufacturing and trading of silicon wafers	543,384 (USD17,839)	543,384 (USD17,839)	-	100.00 %	5,041,956	(395,564)	-	Notes 2 and 3
SST	MEMC Sdn Bhd	Malaysia	Research and development, manufacturing and trading of silicon wafers	1,553,716 (USD47,315)	1,553,716 (USD47,315)	89,586	100.00 %	2,090,964	21,193	-	Notes 2 and 3
GTI	GWA	United States	Manufacturing and trading of silicon wafers	31 (USD1)	31 (USD1)	1	100.00 %	3,052,558	(118,123)	-	Notes 2 and 3

Note 1: A limited company.

Note 2: The investees are indirectly held subsidiaries of the Company.

Note 3: The investor's profits and losses included the profits and losses of the investees; therefore, the investee's profits and losses need not be disclosed.

Note 4: The aforementioned inter-company transactions have been eliminated in the consolidated financial statements.

GlobalWafers Co., Ltd. and Subsidiaries

The names of investees in Mainland China, the main businesses and products and other information

For the period ended March 31, 2025

Table 8

(In Thousands of New Taiwan Dollars/other currencies)

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

Name of investee	Main businesses and products	Total amount of paid-in capital	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2025	Investment flows		Accumulated outflow of investment from Taiwan as of March 31, 2025	Net income (losses) of the investee	Percentage of ownership	Investment income (losses) (Note 2)	Book value	Accumulated remittance of earnings in current period
					Outflow	Inflow						
SST	Processing and trading of ingots and wafers	1,429,778 (Note 5)	Note 1	713,300 (USD21,729)	-	-	713,300 (USD21,729)	39,527	100.00%	39,527	3,281,119	-
KST	Trading and marketing business	26,587	Note 6	-	-	-	-	4,208	100.00%	4,208	102,197	-
SSKT	Manufacturing and distributing lithium tantalate and lithium niobate wafers	102,776	Note 7	-	-	-	-	(10,500)	100.00%	(10,500)	282,421	-
MHTM	Manufacturing and distributing lithium tantalate and lithium niobate wafers	159,588	Note 8	-	-	-	-	(5,175)	90.00%	(5,175)	(33,967)	-
YHTM	Manufacturing and sales of optoelectronic and communication materials	1,787,164	Note 9 and Note 10	1,786,779 (USD57,450)	-	-	1,786,779 (USD57,450)	27	100.00%	27	42,482	-

(2) Limitation on investment in Mainland China

Company Name	Accumulated Investment in Mainland China as of March 31, 2025	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
The Company	2,479,138 (USD79,337) (Note 11)	3,476,061 (USD114,002) (Note 3 and 11)	55,008,340 (Note 4)

Note 1: Investments through GSI.

Note 2: The basis for investment income (loss) recognition is from the audited financial statements.

Note 3: Initial investment amounts denominated in foreign currencies are translated into New Taiwan Dollars using the Historical Foreign Exchange Rate.

Note 4: Pursuant to the 'Guidelines Governing the Review of Investment or Technical Cooperation in the Mainland Area' dated on August 29, 2008, the total amount of investment shall not exceed 60% of the Group's net worth on March 31, 2025.

Note 5: Retained earnings transferred to capital was included.

Note 6: KST was funded by using the capital of SST, which cannot be considered as investment limit because there was no remittance from Taiwan.

Note 7: SSKT was funded by using the capital of SST, which cannot be considered as investment limit because there was no remittance from Taiwan.

Note 8: MHTM is China-based company invested by SSKT.

Note 9: YHTM is China-based company invested by Crystalwise HK. Capital reduction of \$59,438 thousand (USD\$1,900 thousand) remitted back to crystal wise HK in March 2024. And Capital reduction of \$59,823 thousand (USD\$1,850 thousand) remitted back to CWT in June 2024.

Note 10: Investment made directly by Taiwan-based investment company.

Note 11: Includes the investment amount on November 1, 2023 for the merger of YHTM etc, a subsidiary of CWT. The cumulative investment amount is US\$57,608 thousand in the Mainland China and an amount approved by the Department of Investment Review is US\$57,838 thousand.