

**Giant Manufacturing Co., Ltd. and  
Subsidiaries**

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

## **INDEPENDENT AUDITORS' REVIEW REPORT**

The Board of Directors and Shareholders  
Giant Manufacturing Co., Ltd.

### **Introduction**

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

### **Scope**

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

### **Basis for Qualified Conclusion**

As stated in Note 12 of the consolidated financial statements, the financial statements of some immaterial subsidiaries for the same period included in the consolidated financial statements as defined in the Introduction paragraph are not reviewed by independent auditors. The total assets of these subsidiaries amounted to NT\$33,883,454 thousand and NT\$39,151,689 thousand, and accounted for 43% and 46% of total consolidated assets; and their total liabilities amounted to NT\$11,898,640 thousand and NT\$16,809,898 thousand, and accounted for 29% and 36% of total consolidated liabilities as of March 31, 2025 and 2024, respectively. Their total comprehensive income amounted to NT\$(6,190) thousand and NT\$(58,887) thousand, and accounted for (1%) and (5%) of consolidated comprehensive income for the three months then ended. Moreover, as stated in Note 13 of the consolidated financial statements, the balances of investments accounted for using the equity method were NT\$195,251 thousand and NT\$142,918 thousand as of March 31, 2025 and 2024 with investment income of NT\$1,010 thousand and NT\$10,900 thousand for the three months then ended, respectively. Those amounts were recognized and disclosed based on unreviewed financial statements of the investees for the same period.

## Qualified Conclusion

Based on our reviews, except for the financial statements of immaterial subsidiaries and investments accounted for using the equity method described in the Basis for Qualified Conclusion paragraph which may lead to adjustments in the consolidated financial statements if they were reviewed by independent auditors, we did not discover matters which would lead us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2025 and 2024, and its consolidated financial performance and cash flows for the three months then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission.

The engagement partners on the reviews resulting in this independent auditors’ review report are Ting-Chien Su and Shu-Jing Jiang.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China  
May 9, 2025

### Notice to Readers

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

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

# GIANT MANUFACTURING CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS

MARCH 31, 2025, DECEMBER 31, 2024 AND MARCH 31, 2024

(In Thousands of New Taiwan Dollars)

ASSETS	March 31, 2025		December 31, 2024		March 31, 2024	
	Amount	%	Amount	%	Amount	%
<b>CURRENT ASSETS</b>						
Cash and cash equivalents (Note 6)	\$ 13,199,126	17	\$ 13,998,819	18	\$ 17,596,454	21
Financial assets at fair value through profit or loss - current (Note 7)	100	-	50	-	-	-
Financial assets at amortized cost - current (Notes 9 and 33)	195,022	-	220,139	-	536,235	1
Notes receivable (Notes 10 and 24)	135,889	-	109,018	-	103,493	-
Accounts receivable (Notes 10, 24 and 32)	13,914,819	18	10,694,425	14	11,896,334	14
Other receivables (Notes 10 and 32)	364,664	-	165,310	-	173,595	-
Inventories (Note 11)	23,378,449	30	26,290,073	34	32,946,601	39
Other current assets (Notes 14 and 24)	2,648,192	3	2,612,266	3	1,668,462	2
Total current assets	<u>53,836,261</u>	<u>68</u>	<u>54,090,100</u>	<u>69</u>	<u>64,921,174</u>	<u>77</u>
<b>NON-CURRENT ASSETS</b>						
Financial assets at fair value through other comprehensive income - non-current (Note 8)	29,670	-	30,005	-	60,299	-
Financial assets at amortized cost - non-current (Note 9)	4,251,402	5	3,963,915	5	-	-
Investments accounted for using the equity method (Note 13)	195,251	-	193,990	-	142,918	-
Property, plant and equipment (Note 15)	12,681,512	16	12,684,570	16	13,032,692	16
Right-of-use assets (Note 16)	3,475,572	5	3,432,830	4	2,983,793	4
Goodwill	73,957	-	70,288	-	70,833	-
Other intangible assets (Note 17)	878,119	1	849,836	1	302,068	-
Deferred tax assets (Notes 4 and 26)	2,790,137	4	2,854,118	4	2,632,203	3
Prepayments for equipment	542,841	1	355,444	1	341,093	-
Net defined benefit assets (Notes 4 and 22)	76,980	-	75,306	-	1,494	-
Other non-current assets	114,483	-	102,654	-	91,281	-
Total non-current assets	<u>25,109,924</u>	<u>32</u>	<u>24,612,956</u>	<u>31</u>	<u>19,658,674</u>	<u>23</u>
<b>TOTAL</b>	<u>\$ 78,946,185</u>	<u>100</u>	<u>\$ 78,703,056</u>	<u>100</u>	<u>\$ 84,579,848</u>	<u>100</u>
<b>LIABILITIES AND EQUITY</b>						
<b>CURRENT LIABILITIES</b>						
Short-term bank loans (Note 18)	\$ 12,609,337	16	\$ 13,410,792	17	\$ 17,945,004	21
Financial liabilities at fair value through profit or loss - current (Note 7)	133,071	-	49,445	-	53,134	-
Notes payable	1,571,642	2	1,340,986	2	1,265,579	1
Accounts payable (Note 32)	4,302,054	6	4,401,458	6	3,867,715	5
Other payables (Notes 20 and 32)	9,022,913	11	9,094,500	12	8,625,981	10
Current tax liabilities (Note 4)	183,218	-	351,989	-	1,865,340	2
Provisions - current (Note 21)	366,623	1	334,053	-	372,975	-
Lease liabilities - current (Note 16)	602,400	1	626,222	1	587,992	1
Current portion of long-term bank borrowings (Notes 18 and 19)	4,232,798	5	4,368,836	5	557,457	1
Other current liabilities (Note 24)	705,132	1	734,002	1	589,160	1
Total current liabilities	<u>33,729,188</u>	<u>43</u>	<u>34,712,283</u>	<u>44</u>	<u>35,730,337</u>	<u>42</u>
<b>NON-CURRENT LIABILITIES</b>						
Bonds payable (Note 19)	-	-	-	-	3,824,824	5
Long-term bank loans (Note 18)	3,093,503	4	3,022,870	4	3,284,573	4
Deferred tax liabilities (Notes 4 and 26)	2,097,613	3	2,034,896	3	2,016,438	3
Lease liabilities - non-current (Note 16)	1,232,857	1	1,182,831	1	1,151,379	1
Deferred revenue - non-current (Note 28)	934,214	1	916,396	1	911,185	1
Other non-current liabilities (Note 21)	101,198	-	96,231	-	199,257	-
Total non-current liabilities	<u>7,459,385</u>	<u>9</u>	<u>7,253,224</u>	<u>9</u>	<u>11,387,656</u>	<u>14</u>
Total liabilities	<u>41,188,573</u>	<u>52</u>	<u>41,965,507</u>	<u>53</u>	<u>47,117,993</u>	<u>56</u>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>						
Ordinary shares	3,920,646	5	3,920,646	5	3,920,646	5
Capital surplus	4,766,678	6	4,766,678	6	4,726,957	6
Retained earnings						
Legal reserve	6,876,907	9	6,876,907	9	6,531,622	8
Special reserve	1,984,825	2	1,984,825	3	1,904,900	2
Unappropriated earnings	17,882,227	23	17,514,653	22	19,101,667	22
Other equity	(697,486)	(1)	(1,308,238)	(2)	(1,487,653)	(2)
Total equity attributable to owners of the Company	<u>34,733,797</u>	<u>44</u>	<u>33,755,471</u>	<u>43</u>	<u>34,698,139</u>	<u>41</u>
<b>NON-CONTROLLING INTERESTS</b>	<u>3,023,815</u>	<u>4</u>	<u>2,982,078</u>	<u>4</u>	<u>2,763,716</u>	<u>3</u>
Total equity	<u>37,757,612</u>	<u>48</u>	<u>36,737,549</u>	<u>47</u>	<u>37,461,855</u>	<u>44</u>
<b>TOTAL</b>	<u>\$ 78,946,185</u>	<u>100</u>	<u>\$ 78,703,056</u>	<u>100</u>	<u>\$ 84,579,848</u>	<u>100</u>

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

(With Deloitte & Touche auditors' review report dated May 9, 2025)

# GIANT MANUFACTURING CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	Three Months Ended March 31			
	2025		2024	
	Amount	%	Amount	%
NET SALES REVENUE (Notes 24 and 32)	\$ 16,850,946	100	\$ 16,063,157	100
COST OF GOODS SOLD (Notes 11, 25 and 32)	<u>13,853,967</u>	<u>82</u>	<u>12,826,460</u>	<u>80</u>
GROSS PROFIT	<u>2,996,979</u>	<u>18</u>	<u>3,236,697</u>	<u>20</u>
OPERATING EXPENSES (Notes 26 and 32)				
Selling and marketing expenses	1,714,871	10	1,727,352	11
General and administrative expenses	433,968	3	511,522	3
Research and development expenses	370,690	2	370,768	2
Expected credit loss (Note 10)	<u>52,453</u>	<u>-</u>	<u>83,980</u>	<u>1</u>
Total operating expenses	<u>2,571,982</u>	<u>15</u>	<u>2,693,622</u>	<u>17</u>
PROFIT FROM OPERATIONS	<u>424,997</u>	<u>3</u>	<u>543,075</u>	<u>3</u>
NON-OPERATING INCOME AND EXPENSES				
Finance costs (Note 25)	( 228,782)	( 1)	( 260,567)	( 1)
Share of profit of associates accounted for using the equity method (Note 13)	1,010	-	10,900	-
Interest income	95,504	-	199,938	1
Other income (Notes 25 and 32)	130,501	1	155,930	1
Other gains and losses (Notes 25 and 32)	<u>66,560</u>	<u>-</u>	<u>173,150</u>	<u>-</u>
Total non-operating income and expenses	<u>64,793</u>	<u>-</u>	<u>279,351</u>	<u>2</u>
PROFIT BEFORE INCOME TAX	489,790	3	822,426	5
INCOME TAX EXPENSE (Notes 4 and 26)	<u>134,158</u>	<u>1</u>	<u>241,441</u>	<u>1</u>
NET PROFIT	<u>355,632</u>	<u>2</u>	<u>580,985</u>	<u>4</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss				
Unrealized loss on investments in equity instruments at fair value through other comprehensive income	( 335)	-	( 344)	-

(Continued)

# GIANT MANUFACTURING CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	Three Months Ended March 31			
	2025		2024	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translation of the financial statements of foreign operations	\$ 817,538	5	\$ 680,235	4
Income tax related to items that may be reclassified subsequently to profit or loss	( 152,772)	( 1)	( 124,314)	( 1)
Other comprehensive income, net of income tax	<u>664,431</u>	<u>4</u>	<u>555,577</u>	<u>3</u>
<b>TOTAL COMPREHENSIVE INCOME</b>	<u>\$ 1,020,063</u>	<u>6</u>	<u>\$ 1,136,562</u>	<u>7</u>
<b>NET PROFIT ATTRIBUTABLE TO:</b>				
Owners of the Company	\$ 367,574	2	\$ 519,702	3
Non-controlling interests	( 11,942)	-	61,283	1
	<u>\$ 355,632</u>	<u>2</u>	<u>\$ 580,985</u>	<u>4</u>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>				
Owners of the Company	\$ 978,326	6	\$ 1,016,874	6
Non-controlling interests	<u>41,737</u>	<u>-</u>	<u>119,688</u>	<u>1</u>
	<u>\$ 1,020,063</u>	<u>6</u>	<u>\$ 1,136,562</u>	<u>7</u>
<b>EARNINGS PER SHARE (Note 27)</b>				
Basic	<u>\$ 0.94</u>		<u>\$ 1.33</u>	
Diluted	<u>\$ 0.93</u>		<u>\$ 1.30</u>	

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

(With Deloitte & Touche auditors' review report dated May 9, 2025)

(Concluded)

## GIANT MANUFACTURING CO., LTD. AND SUBSIDIARIES

### CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company (Note 23)					Other Equity		Total	Non-controlling Interests	Total Equity
	Ordinary Shares	Capital Surplus	Retained Earnings		Unappropriated Earnings	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Valuation Loss on Financial Assets at Fair Value Through Other Comprehensive Income			
			Legal Reserve	Special Reserve						
BALANCE AT JANUARY 1, 2024	\$ 3,920,646	\$ 4,726,957	\$ 6,531,622	\$ 1,904,900	\$ 18,581,965	(\$ 1,980,336)	(\$ 4,489)	\$ 33,681,265	\$ 2,644,028	\$ 36,325,293
Net profit for the three months ended March 31, 2024	-	-	-	-	519,702	-	-	519,702	61,283	580,985
Other comprehensive income (loss) for the three months ended March 31, 2024, net of income tax	-	-	-	-	-	497,516	(344)	497,172	58,405	555,577
Total comprehensive income (loss) for the three months ended March 31, 2024	-	-	-	-	519,702	497,516	(344)	1,016,874	119,688	1,136,562
BALANCE AT MARCH 31, 2024	<u>\$ 3,920,646</u>	<u>\$ 4,726,957</u>	<u>\$ 6,531,622</u>	<u>\$ 1,904,900</u>	<u>\$ 19,101,667</u>	<u>(\$ 1,482,820)</u>	<u>(\$ 4,833)</u>	<u>\$ 34,698,139</u>	<u>\$ 2,763,716</u>	<u>\$ 37,461,855</u>
BALANCE AT JANUARY 1, 2025	\$ 3,920,646	\$ 4,766,678	\$ 6,876,907	\$ 1,984,825	\$ 17,514,653	(\$ 1,307,984)	(\$ 254)	\$ 33,755,471	\$ 2,982,078	\$ 36,737,549
Net profit for the three months ended March 31, 2025	-	-	-	-	367,574	-	-	367,574	(11,942)	355,632
Other comprehensive income (loss) for the three months ended March 31, 2025, net of income tax	-	-	-	-	-	611,087	(335)	610,752	53,679	664,431
Total comprehensive income (loss) for the three months ended March 31, 2025	-	-	-	-	367,574	611,087	(335)	978,326	41,737	1,020,063
BALANCE AT MARCH 31, 2025	<u>\$ 3,920,646</u>	<u>\$ 4,766,678</u>	<u>\$ 6,876,907</u>	<u>\$ 1,984,825</u>	<u>\$ 17,882,227</u>	<u>(\$ 696,897)</u>	<u>(\$ 589)</u>	<u>\$ 34,733,797</u>	<u>\$ 3,023,815</u>	<u>\$ 37,757,612</u>

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

(With Deloitte & Touche auditors' review report dated May 9, 2025)

# GIANT MANUFACTURING CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$ 489,790	\$ 822,426
Adjustments for:		
Depreciation and amortization expenses	678,221	626,289
Expected credit loss	52,453	83,980
Valuation loss on financial assets and liabilities at fair value through profit or loss, net	91,583	51,446
Finance costs	228,782	260,567
Interest income	( 95,504)	( 199,938)
Dividend income	( 13)	( 11)
Share of profit of associates accounted for using the equity method	( 1,010)	( 10,900)
Loss on disposal of property, plant and equipment, net	1,387	6,754
Write-down of inventories	95,535	532,139
Unrealized gain (loss) on foreign currency exchange	37,636	( 95,564)
Deferred revenue	( 9,869)	( 7,640)
Loss on lease modification	-	110
Net changes in operating assets and liabilities		
Notes receivable	( 24,700)	22,793
Accounts receivable	( 2,925,605)	( 1,125)
Other receivables	( 159,414)	46,679
Inventories	3,593,452	1,943,876
Other current assets	2,366	529,396
Notes payable	200,607	( 164,698)
Accounts payable	( 162,745)	( 87,414)
Other payables	( 190,686)	( 511,820)
Provisions	26,406	( 1,161)
Other current liabilities	( 41,961)	9,465
Net defined benefit assets	( 1,674)	( 4,108)
Cash generated from operations	1,885,037	3,851,541
Interest received	64,626	245,051
Interest paid	( 231,357)	( 226,798)
Income tax paid	( 282,973)	( 510,935)
Net cash generated from operating activities	<u>1,435,333</u>	<u>3,358,859</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisitions of financial assets at amortized cost	( 492,284)	( 19,363)
Proceeds from sale of financial assets at amortized cost	314,838	571,289
Acquisitions of financial assets at fair value through profit or loss	( 8,005)	-

(Continued)

# GIANT MANUFACTURING CO., LTD. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars) (Reviewed, Not Audited)

	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Acquisitions of property, plant and equipment	(\$ 279,525)	(\$ 307,514)
Proceeds from disposal of property, plant and equipment	35,979	4,072
Acquisitions of intangible assets	( 86,042)	( 11,937)
Decrease (increase) in other non-current assets	( 1,086)	7,362
Increase in prepayments for equipment	( 203,336)	( 77,983)
Other dividends received	<u>13</u>	<u>11</u>
Net cash (used in) generated from investing activities	( <u>719,448</u> )	<u>165,937</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Decrease in short-term bank loans	( 1,271,076)	( 542,166)
Proceeds from long-term bank loans	18,427	7,823
Repayment of long-term bank loans	( 227,236)	( 104,468)
Repayment of the principal portion of lease liabilities	( 140,437)	( 112,769)
Increase (decrease) in other non-current liabilities	<u>10</u>	( <u>1,576</u> )
Net cash used in financing activities	( <u>1,620,312</u> )	( <u>753,156</u> )
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS	<u>104,734</u>	<u>32,499</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	( 799,693)	2,804,139
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>13,998,819</u>	<u>14,792,315</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 13,199,126</u>	<u>\$ 17,596,454</u>

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

(With Deloitte & Touche auditors' review report dated May 9, 2025)

(Concluded)

# GIANT MANUFACTURING CO., LTD. AND SUBSIDIARIES

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

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### 1. GENERAL INFORMATION

Giant Manufacturing Co., Ltd. (“Giant” or the “Company”) was incorporated in October 1972. Its shares are listed on the Taiwan Stock Exchange since December 1994.

Giant manufactures and sells bicycles, electric bicycles and related parts.

The consolidated financial statements of Giant and its subsidiaries (collectively referred to as the “Group”) are presented in the Company’s functional currency, New Taiwan dollar.

### 2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company’s board of directors on May 9, 2025.

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

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

The initial application of the IFRS Accounting Standards endorsed and issued into effect by the FSC did not have material impact on the Company and entities controlled by the Company (collectively, the “Group”) accounting policies.

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

<u>New, Amended and Revised Standards and Interpretations</u>	<u>Effective Date Announced by International Accounting Standards Board (IASB)</u>
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” - the amendments to the application guidance of classification of financial assets	January 1, 2026 (Note 1)

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

As of the date the consolidated financial statements were authorized for issue, the Group has assessed that the initial application of the above standards and interpretations will not have a material impact on the Group’s financial position and financial performance.

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

<b>New, Amended and Revised Standards and Interpretations</b>	<b>Effective Date Announced by IASB (Note)</b>
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” - the amendments to the application guidance of derecognition of financial liabilities	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”	January 1, 2026
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between An Investor and Its Associate or Joint Venture”	To be determined by IASB
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 “Initial Application of IFRS 17 and IFRS 9 - Comparative Information”	January 1, 2023
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027
IFRS 19 “Subsidiaries without Public Accountability: Disclosures”	January 1, 2027

Note 1: Unless stated otherwise, the above IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

#### IFRS 18 “Presentation and Disclosure in Financial Statements”

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

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

Except for the above impact, as of the date the consolidated financial statements were approved, the Group continues to evaluating other impacts of the above amended standards and interpretations on the Group’s financial position and financial performance and will disclose the relevant impact when the assessment is completed.

#### 4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

##### a. Statement of compliance

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

##### b. Basis of preparation

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

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs

are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- 3) Level 3 inputs are unobservable inputs for an asset or a liability.

##### c. Basis of consolidation

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

When necessary, adjustments are made to the financial statements of subsidiaries to align their accounting policies with those of the Group.

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

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

Refer to Note 12 and Tables 7 and 8 for the detailed information of subsidiaries (including the percentages of ownership and main businesses).

d. Other significant accounting policies

Except for the descriptions set out below, please refer to the consolidated financial statements for the year ended December 31, 2024 for a summary of significant accounting policies.

1) Defined benefit retirement benefit plan

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

2) Income tax expense

Income tax expense represents the total of the current tax payable and deferred tax. Income tax for an interim period is calculated on an annual basis, by applying the expected tax rate applicable to the annual earnings to the net profit before income tax of the interim period.

## 5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

When developing material accounting estimates, the Group considers the possible impact of US reciprocal tariffs on the cash flow projections, growth rates, discount rates, profitability and other relevant material estimates. These estimates and underlying assumptions are reviewed on an ongoing basis by management.

## 6. CASH AND CASH EQUIVALENTS

	March 31, 2025	December 31, 2024	March 31, 2024
Cash on hand and petty cash	\$ 2,986	\$ 2,781	\$ 2,705
Checking accounts and demand deposits	11,233,188	9,376,235	16,791,382
Cash equivalents			
Time deposits with original maturities of less than three months	1,672,223	4,298,315	487,461
Repurchase agreements collateralized by bonds	<u>293,264</u>	<u>328,060</u>	<u>328,031</u>
	13,201,661	14,005,391	17,609,579
Less: Pledged time deposits (Note 33)	( <u>2,535</u> )	( <u>6,572</u> )	( <u>13,125</u> )
	<u>\$ 13,199,126</u>	<u>\$ 13,998,819</u>	<u>\$ 17,596,454</u>

## 7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Financial assets - current</u>			
Financial assets mandatorily classified as at FVTPL			
Derivative financial assets (not under hedge accounting)			
Foreign exchange forward contracts (a)	\$ <u>100</u>	\$ <u>50</u>	\$ <u>-</u>
 <u>Financial liabilities – current</u>			
Financial liabilities held for trading			
Derivative financial liabilities (not under hedge accounting)			
Cross currency swap contracts (b)	\$ 90,387	\$ -	\$ -
Redemption and put options of convertible bonds (Note 19)	37,600	46,400	16,000
Foreign exchange forward contracts (a)	5,084	3,045	7,901
Foreign exchange swap contracts (c)	<u>-</u>	<u>-</u>	<u>29,233</u>
	<u>\$ 133,071</u>	<u>\$ 49,445</u>	<u>\$ 53,134</u>

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

	Currency	Maturity Date	Notional Amount (In Thousands)
<u>March 31, 2025</u>			
Sell	USD/NTD	2025.4.11-2025.5.29	USD13,200/NTD434,202
	CNY/NTD	2025.4.18-2025.5.20	CNY35,000/NTD158,732
	EUR/NTD	2025.4.25	EUR2,500/NTD88,603
	CAD/NTD	2025.4.17-2025.5.20	CAD1,800/NTD41,581
	USD/AUD	2025.4.29	USD235/AUD370
 <u>December 31, 2024</u>			
Sell	USD/NTD	2025.1.3-2025.2.5	USD9,000/NTD293,475
	CNY/NTD	2025.1.21-2025.2.21	CNY100,000/NTD446,070
 <u>March 31, 2024</u>			
Sell	USD/NTD	2024.4.3-2024.5.24	USD10,600/NTD330,514

- b. At the end of the reporting period, outstanding cross currency swap contracts not under hedge accounting were as follows:

March 31, 2025

<b>Contract Amount (In Thousands)</b>	<b>Maturity Date</b>	<b>Payable Interest Rate</b>	<b>Receivable Interest Rate</b>
EUR 40,000/TWD 1,354,000	2026.01.15	3.164%	2.035%

- c. At the end of the reporting period, outstanding foreign exchange swap contracts not under hedge accounting were as follows:

	<b>Currency</b>	<b>Maturity Date</b>	<b>Notional Amount (In Thousands)</b>
<u>March 31, 2024</u>			
Foreign exchange swap contracts	EUR/NTD	2024.5.15-2024.6.14	EUR90,000/NTD3,058,270

The Group entered into foreign exchange forward contracts, cross currency swap contracts and foreign exchange swap contracts to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities. These foreign exchange forward contracts, cross currency swap contracts and foreign exchange swap contracts did not meet the criteria of hedge effectiveness and therefore were not accounted for using hedge accounting.

## 8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
<u>Investments in equity instruments - non-current</u>			
Domestic unlisted company	\$ 28,495	\$ 28,752	\$ 29,301
Domestic listed company	1,175	1,253	1,478
Foreign unlisted company	<u>-</u>	<u>-</u>	<u>29,520</u>
	<u>\$ 29,670</u>	<u>\$ 30,005</u>	<u>\$ 60,299</u>

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

## 9. FINANCIAL ASSETS AT AMORTIZED COST

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Current</u>			
Time deposits with original maturities of more than 3 months	\$ 192,487	\$ 213,567	\$ 523,110
Pledged bank deposits	<u>2,535</u>	<u>6,572</u>	<u>13,125</u>
	<u>\$ 195,022</u>	<u>\$ 220,139</u>	<u>\$ 536,235</u>
	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
<u>Non-current</u>			
Time deposits with original maturities of more than 3 months	<u>\$ 4,251,402</u>	<u>\$ 3,963,915</u>	<u>\$ -</u>

Refer to Note 33 for information relating to investments in financial assets at amortized cost pledged as security.

## 10. NOTES RECEIVABLE, ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Notes receivable</u>			
At amortized cost			
Gross carrying amount	\$ 135,889	\$ 109,018	\$ 103,493
Less: Allowance for impairment loss	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 135,889</u>	<u>\$ 109,018</u>	<u>\$ 103,493</u>
<u>Accounts receivable</u>			
At amortized cost			
Gross carrying amount	\$ 15,403,221	\$ 12,113,743	\$ 13,462,575
Less: Allowance for impairment loss	<u>( 1,488,402 )</u>	<u>( 1,419,318 )</u>	<u>( 1,566,241 )</u>
	<u>\$ 13,914,819</u>	<u>\$ 10,694,425</u>	<u>\$ 11,896,334</u>
<u>Other receivables</u>			
Other receivables	\$ 381,421	\$ 181,876	\$ 180,441
Less: Allowance for impairment loss	<u>( 16,757 )</u>	<u>( 16,566 )</u>	<u>( 6,846 )</u>
	<u>\$ 364,664</u>	<u>\$ 165,310</u>	<u>\$ 173,595</u>

The average credit period of sales of goods ranges from 30 to 120 days. No interest is charged on accounts receivable. The Group adopts a policy of conducting business only with entities rated the equivalent of investment grade or higher and, where appropriate, obtaining sufficient collateral to mitigate the risk of financial loss from defaults. Credit rating information is obtained from independent rating agencies where available or, if such information is not available, the Group uses other publicly available financial information or its own trading records to assess the creditworthiness of its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored. Credit exposure is managed through counterparty limits, which are reviewed and approved annually by the internal risk management administrator.

The Group measures the loss allowance for accounts receivable at an amount equal to lifetime expected credit losses (ECLs). The lifetime ECLs on accounts receivable are estimated by reference to past default experience of the debtor and an analysis of the debtor's current financial position and the economic condition of the industry in which the debtors operate. Due to indication of default on certain customers, the Group applies different provision matrices for these customers and determines the expected credit loss ratio by referencing the expected recoverable amounts.

The Group writes off accounts receivable when there is evidence indicating that the debtor is experiencing severe financial difficulty and there is no realistic prospect of recovery, such as when the debtor has been placed under liquidation. For accounts receivable that have been written off, the Group continues to pursue enforcement actions to attempt to recover the receivables due. Any recoveries made are recognized in profit or loss.

The following table details the loss allowance of notes receivable and accounts receivable:

	Not Past Due	Less than 90 Days	91 to 180 Days	Over 180 Days	Indication of Default	Total
<u>March 31, 2025</u>						
ECL rate	0%-3%	0.5%-70%	30%-90%	80%-100%	100%	
Gross carrying amount	\$ 13,457,551	\$ 585,682	\$ 137,531	\$ 793,511	\$ 564,835	\$15,539,110
Loss allowance (lifetime ECL)	( 108,971)	( 18,612)	( 53,039)	( 742,945)	( 564,835)	( 1,488,402)
Amortized cost	<u>\$ 13,348,580</u>	<u>\$ 567,070</u>	<u>\$ 84,492</u>	<u>\$ 50,566</u>	<u>\$ -</u>	<u>\$14,050,708</u>
<u>December 31, 2024</u>						
ECL rate	0%-3%	0.5%-70%	30%-90%	80%-100%	100%	
Gross carrying amount	\$ 10,245,561	\$ 523,650	\$ 178,918	\$ 709,797	\$ 564,835	\$12,222,761
Loss allowance (lifetime ECL)	( 82,550)	( 29,595)	( 61,389)	( 680,949)	( 564,835)	( 1,419,318)
Amortized cost	<u>\$ 10,163,011</u>	<u>\$ 494,055</u>	<u>\$ 117,529</u>	<u>\$ 28,848</u>	<u>\$ -</u>	<u>\$10,803,443</u>
<u>March 31, 2024</u>						
ECL rate	0%-3%	0.5%-70%	30%-90%	80%-100%	100%	
Gross carrying amount	\$ 10,822,333	\$ 1,128,458	\$ 352,169	\$ 698,273	\$ 564,835	\$13,566,068
Loss allowance (lifetime ECL)	( 59,527)	( 165,903)	( 152,380)	( 623,596)	( 564,835)	( 1,566,241)
Amortized cost	<u>\$ 10,762,806</u>	<u>\$ 962,555</u>	<u>\$ 199,789</u>	<u>\$ 74,677</u>	<u>\$ -</u>	<u>\$11,999,827</u>

The movements of the loss allowance of notes receivable, accounts receivable and other receivables were as follows:

	<b>Three Months Ended March 31</b>			
	<b>2025</b>		<b>2024</b>	
	<b>Accounts Receivable</b>	<b>Other Receivables</b>	<b>Accounts Receivable</b>	<b>Other Receivables</b>
Balance at January 1	\$ 1,419,318	\$ 16,566	\$ 1,466,058	\$ 6,900
Net remeasurement (reversed) of loss allowance	52,468	( 15 )	84,041	( 61 )
Amounts written off	( 8,698 )	-	( 2,283 )	-
Effects of foreign currency exchange differences	25,314	206	18,425	7
Balance at March 31	<u>\$ 1,488,402</u>	<u>\$ 16,757</u>	<u>\$ 1,566,241</u>	<u>\$ 6,846</u>

## 11. INVENTORIES

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Finished goods and merchandise	\$ 16,862,641	\$ 19,220,121	\$ 23,905,946
Work in process	822,272	323,266	739,465
Raw materials and supplies	<u>5,693,536</u>	<u>6,746,686</u>	<u>8,301,190</u>
	<u>\$ 23,378,449</u>	<u>\$ 26,290,073</u>	<u>\$ 32,946,601</u>

The cost of inventories recognized as cost of goods sold for the three months ended March 31, 2025 and 2024 was \$13,441,918 thousand and \$12,463,493 thousand, respectively. The cost of goods sold for the three months ended March 31, 2025 and 2024 included inventory write-downs of \$95,535 thousand and \$532,139 thousand, respectively.

## 12. SUBSIDIARIES

Subsidiaries included in the consolidated financial statements:

<b>Investor</b>	<b>Investee</b>	<b>% of Ownership</b>		
		<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Giant	Gaiwin B.V. ("Gaiwin")	100	100	100
	Growood Investment Ltd. ("Growood")	100	100	100
	Darzins Holdings Ltd. ("Darzins")	100	100	100
	Merdeka International Ltd. ("Merdeka")	100	100	100
	Giant Sales Co., Ltd. ("Giant Sales")	100	100	100
	YouBike Co., Ltd. ("YouBike")	100	100	100
	Giant Holding Co., Ltd. ("Giant Holding")	100	100	100
	Giant Bicycle Mexico S. de R.L. de C.V. ("Giant Mexico")	-	-	-
	AIPS Technology Co., Ltd. ("AIPS")	100	100	100
	Giant Vietnam Manufacturing Company Limited ("Giant Vietnam Mfg.")	100	100	100

(Continued)

Investor	Investee	% of Ownership		
		March 31, 2025	December 31, 2024	March 31, 2024
Giant	Giant SEA Bicycle Company Limited ("Giant SEA Bicycle")	100	100	100
	Giant Bicycle (Thailand) Company Limited ("Giant Thailand") (Note)	100	100	-
Gaiwin	Giant Europe B.V. ("Giant Europe")	100	100	100
	Giant Co., Ltd. ("Giant Japan")	100	100	100
	Giant Bicycle Inc. ("Giant USA")	100	100	100
	Giant Korea Co., Ltd. ("Giant Korea")	100	100	100
	Giant Bicycle Canada Inc. ("Giant Canada")	100	100	100
	Giant Bicycle Company Pty. Ltd. ("Giant Australia")	100	100	100
	Giant Mexico	100	100	100
Giant Europe	SPIA Cycling Inc. ("SPIA")	100	100	100
	Giant Deutschland GmbH ("Giant Germany")	100	100	100
	Giant Polska Sp. ZO.O. ("Giant Polska")	100	100	100
	Giant Europe Manufacturing B.V. ("Giant Europe Mfg.")	100	100	100
	Giant France S.A.R.L. ("Giant France")	100	100	100
	Giant U.K. Ltd. ("Giant UK")	100	100	100
	Giant Benelux B.V. ("Giant Benelux")	100	100	100
	Giant Italia S.R.L. ("Giant Italy")	100	100	100
	Giant Manufacturing Hungary Ltd. ("Giant Hungary Mfg.")	100	100	100
	Growood	Giant (China) Co., Ltd. ("Giant China")	100	100
Giant Electric Vehicle (Kunshan) Co., Ltd. ("Giant Electric Vehicle")		100	100	100
Giant (Tianjin) Co., Ltd. ("Giant Tianjin")		100	100	100
Darzins	Giant Thailand (Note)	-	-	-
	D. Mag (Kunshan) New Material Technology Co., Ltd. ("D. Mag")	60	60	60
Merdeka	Giant (Chengdu) Co., Ltd. ("Giant Chengdu")	100	100	100
Giant Sales	Giant Adventure Co., Ltd. ("Giant Adventure")	100	100	100
Giant Holding	Giant (Kunshan) Co., Ltd. ("Giant Kunshan")	100	100	100
	Giant Cycling Service (Kunshan) Co., Ltd. ("Giant Cycling Service")	100	100	100
Giant China	Giant (Jiangsu) Co., Ltd. ("Giant Jiangsu")	100	100	100
	Jiangsu Giant Adventure Co., Ltd. ("Jiangsu Giant")	100	100	100
Giant Kunshan	Quanzhou YouBike Co., Ltd ("Quanzhou YouBike")	100	100	100
	Putian YouBike Co., Ltd. ("Putian YouBike")	100	100	100
D. Mag	Golden Rich Ltd. ("Golden Rich")	100	100	100
	Giant Light Metal Technology (Haian) Co., Ltd. ("Light Metal Haian")	100	100	100
	GIANT LIGHT METAL TECHNOLOGY (MALAYSIA) SDN. BHD. ("Light Metal Malaysia")	100	100	100
	Innovation Tech Investment Pte. Ltd. ("Innovation Tech")	100	100	100
	Innovation Tech	D.MAG PRECISION TECHNOLOGY VIETNAM COMPANY LIMITED ("D.MAG PRECISION") (Note)	100	100
D.MAG LIGHT METAL TECHNOLOGY VIETNAM COMPANY LIMITED ("D.MAG LIGHT METAL") (Note)		100	100	-

(Concluded)

Note: A newly established subsidiary for the years ended December 31, 2024.

Refer to Tables 7 and 8 for the information on the main business items and the countries of incorporation of the abovementioned subsidiaries.

For the three months ended March 31, 2025 and 2024, the financial statements of subsidiaries included in the consolidated financial statements were not reviewed by independent auditors, except for Giant China, Giant Electric Vehicle, Giant Tianjin, Giant Jiangsu, Giant Holding, Giant Kunshan, Gaiwin, Giant Europe and Growood.

### 13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	March 31, 2025	December 31, 2024	March 31, 2024
Investments in insignificant associates	<u>\$ 195,251</u>	<u>\$ 193,990</u>	<u>\$ 142,918</u>

Refer to Tables 7 and 8 for the information on the main business items and countries of incorporation of the abovementioned associates.

In November 2024, Microprogram Information Co., Ltd. (“Microprogram”) completed a cash capital increase of \$323,000 thousand. The Company subscribed to additional new shares of Microprogram at a percentage different from its existing ownership percentage, reducing its continuing interest to 18%, and increasing the capital surplus by \$39,721 thousand.

The investments accounted for using the equity method and the Group’s share of profit or loss of those investments were based on unreviewed financial statements.

### 14. OTHER CURRENT ASSETS

	March 31, 2025	December 31, 2024	March 31, 2024
Contract assets	\$ 1,204,485	\$ 1,124,032	\$ 865,729
Input value-added tax	810,005	913,607	256,532
Prepaid expenses	368,227	277,115	343,417
Prepayment for purchases	75,765	192,791	140,192
Others	<u>189,710</u>	<u>104,721</u>	<u>62,592</u>
	<u>\$ 2,648,192</u>	<u>\$ 2,612,266</u>	<u>\$ 1,668,462</u>

### 15. PROPERTY, PLANT AND EQUIPMENT

	Three Months Ended March 31, 2025					
	Beginning Balance	Additions	Disposals	Reclassifications	Effects of foreign currency exchange differences	Ending Balance
<u>Cost</u>						
Land	\$ 997,713	\$ -	\$ -	\$ -	\$ 13,474	\$ 1,011,187
Buildings	10,679,266	14,807	533	4,486	226,379	10,924,405
Machinery equipment	10,059,485	85,175	74,739	31,741	168,015	10,269,677
Transportation equipment	313,017	1,433	8,191	2,800	4,615	313,674
Office equipment	407,804	6,364	1,589	-	9,361	421,940
Furniture and fixtures	18,657	707	749	-	155	18,770
Other equipment	5,040,330	49,064	22,556	11,144	95,762	5,173,744
Construction in progress	<u>303,020</u>	<u>74,010</u>	<u>-</u>	<u>( 57,275 )</u>	<u>9,014</u>	<u>328,769</u>
	<u>27,819,292</u>	<u>\$ 231,560</u>	<u>\$ 108,357</u>	<u>( \$ 7,104 )</u>	<u>\$ 526,775</u>	<u>28,462,166</u>

(Continued)

**Three Months Ended March 31, 2025**

	Beginning Balance	Additions	Disposals	Reclassifications	Effects of foreign currency exchange differences	Ending Balance
<u>Accumulated depreciation</u>						
Buildings	4,341,237	\$ 119,311	\$ 340	(\$ 21,924)	\$ 92,281	4,530,565
Machinery equipment	6,406,083	175,876	43,283	( 36)	105,590	6,644,230
Transportation equipment	238,437	7,509	6,116	-	3,809	243,639
Office equipment	310,033	9,557	1,350	-	6,529	324,769
Furniture and fixtures	11,847	677	681	-	52	11,895
Other equipment	<u>3,826,130</u>	<u>141,947</u>	<u>19,221</u>	<u>23</u>	<u>75,702</u>	<u>4,024,581</u>
	<u>15,133,767</u>	<u>\$ 454,877</u>	<u>\$ 70,991</u>	<u>(\$ 21,937)</u>	<u>\$ 283,963</u>	<u>15,779,679</u>
<u>Accumulated impairment</u>						
Other equipment	955	\$ -	\$ -	\$ -	\$ 20	975
Net	<u>\$ 12,684,570</u>					<u>\$ 12,681,512</u>

**Three Months Ended March 31, 2024**

	Beginning Balance	Additions	Disposals	Reclassifications	Effects of foreign currency exchange differences	Ending Balance
<u>Cost</u>						
Land	\$ 998,752	\$ -	\$ -	\$ -	\$ 814	\$ 999,566
Buildings	10,340,704	10,667	5,098	382	139,720	10,486,375
Machinery equipment	9,426,796	18,320	49,564	7,876	159,227	9,562,655
Transportation equipment	315,164	3,789	5,130	27	4,790	318,640
Office equipment	382,078	6,608	3,000	4	4,496	390,186
Furniture and fixtures	15,362	196	374	-	70	15,254
Other equipment	4,576,775	88,402	17,362	45,923	71,680	4,765,418
Construction in progress	<u>432,015</u>	<u>43,855</u>	<u>1,321</u>	<u>( 7,192)</u>	<u>9,241</u>	<u>476,598</u>
	<u>26,487,646</u>	<u>\$ 171,837</u>	<u>\$ 81,849</u>	<u>\$ 47,020</u>	<u>\$ 390,038</u>	<u>27,014,692</u>
<u>Accumulated depreciation</u>						
Buildings	3,819,912	\$ 107,474	\$ 4,174	\$ -	\$ 56,240	3,979,452
Machinery equipment	5,732,619	177,939	42,918	-	92,073	5,959,713
Transportation equipment	240,193	6,623	4,654	-	3,871	246,033
Office equipment	279,703	8,570	2,874	-	3,049	288,448
Furniture and fixtures	11,469	390	360	-	38	11,537
Other equipment	<u>3,272,110</u>	<u>155,575</u>	<u>16,043</u>	<u>-</u>	<u>54,668</u>	<u>3,466,310</u>
	<u>13,356,006</u>	<u>\$ 456,571</u>	<u>\$ 71,023</u>	<u>\$ -</u>	<u>\$ 209,939</u>	<u>13,951,493</u>
<u>Accumulated impairment</u>						
Machinery equipment	25,748	\$ -	\$ -	\$ -	\$ 557	26,305
Other equipment	4,113	-	-	-	89	4,202
	<u>29,861</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 646</u>	<u>30,507</u>
Net	<u>\$ 13,101,779</u>					<u>\$ 13,032,692</u>

(Concluded)

The above items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	
Main buildings	3-60 years
Electrical power equipment	5-50 years
Others	5-15 years
Machinery equipment	2-15 years
Transportation equipment	1 - 8 years
Office equipment	1-20 years
Furniture and fixtures	1-20 years
Other equipment	1-15 years

## 16. LEASE ARRANGEMENTS

### a. Right-of-use assets

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Carrying amount</u>			
Land	\$ 2,022,404	\$ 1,970,142	\$ 1,574,090
Buildings	1,330,237	1,343,102	1,272,189
Others	<u>122,931</u>	<u>119,586</u>	<u>137,514</u>
	<u>\$ 3,475,572</u>	<u>\$ 3,432,830</u>	<u>\$ 2,983,793</u>
		<u>Three Months Ended March 31</u>	
		2025	2024
Additions to right-of-use assets		<u>\$ 143,439</u>	<u>\$ 101,517</u>
Depreciation charge for right-of-use assets			
Land		\$ 21,690	\$ 7,783
Buildings		114,606	87,577
Others		<u>23,934</u>	<u>20,611</u>
		<u>\$ 160,230</u>	<u>\$ 115,971</u>

Except for the additions and recognized depreciation expenses listed above, the Group's right-of-use assets did not have any significant subleases or impairment for the three months ended March 31, 2025 and 2024.

### b. Lease liabilities

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Carrying amount</u>			
Current	\$ 602,400	\$ 626,222	\$ 587,992
Non-current	<u>\$ 1,232,857</u>	<u>\$ 1,182,831</u>	<u>\$ 1,151,379</u>

Ranges of discount rates (%) for lease liabilities were as follows:

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Land	0.26-5.25	0.26-5.25	0.26-5.25
Buildings	0.17-12.88	0.17-12.88	0.17-12.88
Others	0.17-13.52	0.17-13.52	0.17-8.00

c. Material leasing activities and terms

The Group leases land and buildings for the use of headquarters offices, plants, employee dormitories and retail stores from Central Taiwan Science Park Bureau, Ministry of Science and Technology and other lessors with lease terms of 1 to 20 years. The Group does not have bargain purchase options to acquire the leasehold at the end of the lease terms. In addition, the Group is prohibited from subleasing or transferring all or any portion of the underlying assets without the lessor's consent.

The Group acquired land use rights from the government of the People's Republic of China and Vietnam. The land use rights may be subleased or assigned to third parties under the agreement. The leased land was utilized to build manufacturing facilities, office buildings and employee dormitory facilities.

## 17. OTHER INTANGIBLE ASSETS

	<b>Computer Software</b>	<b>Patents</b>	<b>Trademark</b>	<b>Others</b>	<b>Total</b>
<u>Cost</u>					
Balance at January 1, 2025	\$ 1,324,975	\$ 173,263	\$ 297,070	\$ 85,130	\$ 1,880,438
Additions	86,042	-	-	-	86,042
Disposal	( 662)	-	-	-	( 662)
Effects of foreign currency exchange differences	<u>15,000</u>	<u>262</u>	<u>-</u>	<u>1,973</u>	<u>17,235</u>
Balance at March 31, 2025	<u>\$ 1,425,355</u>	<u>\$ 173,525</u>	<u>\$ 297,070</u>	<u>\$ 87,103</u>	<u>\$ 1,983,053</u>
<u>Accumulated amortization</u>					
Balance at January 1, 2025	\$ 957,144	\$ 5,826	\$ 7,545	\$ 60,087	\$ 1,030,602
Amortization expense	43,147	3,045	13,689	2,886	62,767
Disposal	( 662)	-	-	-	( 662)
Effects of foreign currency exchange differences	<u>10,656</u>	<u>102</u>	<u>-</u>	<u>1,469</u>	<u>12,227</u>
Balance at March 31, 2025	<u>\$ 1,010,285</u>	<u>\$ 8,973</u>	<u>\$ 21,234</u>	<u>\$ 64,442</u>	<u>\$ 1,104,934</u>
Carrying amount at March 31, 2025	<u>\$ 415,070</u>	<u>\$ 164,552</u>	<u>\$ 275,836</u>	<u>\$ 22,661</u>	<u>\$ 878,119</u>
Carrying amount at December 31, 2024	<u>\$ 367,831</u>	<u>\$ 167,437</u>	<u>\$ 289,525</u>	<u>\$ 25,043</u>	<u>\$ 849,836</u>

(Continued)

	<b>Computer Software</b>	<b>Patents</b>	<b>Trademark</b>	<b>Others</b>	<b>Total</b>
<u>Cost</u>					
Balance at January 1, 2024	\$ 1,063,220	\$ 4,065	\$ 3,523	\$ 76,701	\$ 1,147,509
Additions	22,236	-	-	-	22,236
Disposal	( 379)	-	-	-	( 379)
Effects of foreign currency exchange differences	<u>7,820</u>	<u>88</u>	<u>-</u>	<u>1,657</u>	<u>9,565</u>
Balance at March 31, 2024	<u>\$ 1,092,897</u>	<u>\$ 4,153</u>	<u>\$ 3,523</u>	<u>\$ 78,358</u>	<u>\$ 1,178,931</u>
<u>Accumulated amortization</u>					
Balance at January 1, 2024	\$ 764,008	\$ 4,065	\$ 2,683	\$ 46,136	\$ 816,892
Amortization expense	50,713	-	81	2,901	53,695
Disposal	( 379)	-	-	-	( 379)
Effects of foreign currency exchange differences	<u>5,529</u>	<u>-</u>	<u>-</u>	<u>1,126</u>	<u>6,655</u>
Balance at March 31, 2024	<u>\$ 819,871</u>	<u>\$ 4,065</u>	<u>\$ 2,764</u>	<u>\$ 50,163</u>	<u>\$ 876,863</u>
Carrying amount at March 31,2024	<u>\$ 273,026</u>	<u>\$ 88</u>	<u>\$ 759</u>	<u>\$ 28,195</u>	<u>\$ 302,068</u>

(Concluded)

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

Computer software	1-10 years
Patents	3-16 years
Trademark	5-10 years
Others	2-15 years

Amortization expense aggregated by function:

	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Operating costs	\$ 6,114	\$ 5,993
Selling and marketing expenses	<u>56,653</u>	<u>47,702</u>
	<u>\$ 62,767</u>	<u>\$ 53,695</u>

## 18. LOANS

### a. Short-term bank loans

	March 31, 2025	December 31, 2024	March 31, 2024
Credit loans	<u>\$ 12,609,337</u>	<u>\$ 13,410,792</u>	<u>\$ 17,945,004</u>
<u>Interest rates (%)</u>			
Credit loans	0.51-13.11	0.58-13.11	0.17-13.53

### b. Long-term bank loans

	March 31, 2025	December 31, 2024	March 31, 2024
Credit loans	\$ 3,454,738	\$ 3,553,658	\$ 3,888,374
Less: Current portion of long-term borrowings	( 354,118 )	( 503,691 )	( 557,457 )
Less: Discounts on government grants (Note 28)	( 7,117 )	( 27,097 )	( 46,344 )
	<u>\$ 3,093,503</u>	<u>\$ 3,022,870</u>	<u>\$ 3,284,573</u>
Effective interest rates (%)	0.72-5.10	0.52-5.10	0.60-7.40
Maturity Date	2025-2030	2025-2030	2025-2029

The long-term bank loan originally due in December 2029 has been extended to mature in 2030 within the grace period.

## 19. BONDS PAYABLE

	March 31, 2025	December 31, 2024	March 31, 2024
Domestic unsecured convertible bonds	\$ 3,878,680	\$ 3,865,145	\$ 3,824,824
Less: Current portion	( 3,878,680 )	( 3,865,145 )	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,824,824</u>

The Company issued 40,000 units of domestic unsecured convertible bonds with a principal amount of \$100 thousand at an issue price of 100.5% of the principal amount, and a 0% coupon rate, for a total amount of \$4,020,000 thousand on June 13, 2022. The bonds have a maturity of five years, from the issue date of June 13, 2022 to June 13, 2027.

Bondholders may convert the bonds into ordinary shares of the Company at a conversion price of \$290.7 per share during the conversion period from September 14, 2022 to June 13, 2027. Bonds held until maturity will be redeemed in cash at the principal amount. Other major terms are as follows:

a. Put option of the bondholders

Bondholders may request the Company to redeem the convertible bonds three years after the issue date (i.e., the put date is June 13, 2025) at the principal amount. Upon such request, the Company shall redeem the bonds in cash.

b. Redemption right of the Company

Between the day immediately following 3 months from the issue date (i.e., September 14, 2022) and 40 days prior to the maturity date (i.e., May 4, 2027), the Company may redeem the outstanding convertible bonds in cash at the principal amount in accordance with the relevant rules when the closing price of the Company's ordinary shares exceeds the conversion price at that time by 30% (inclusive) for a period of thirty consecutive trading days or when the balance of the outstanding bonds is less than 10% of the issue amount.

The convertible bonds contain a liability component and an equity component. The equity component is presented as capital surplus - stock options. For the liability component, the effective interest rate at initial recognition is 1.399%. Derivatives from the redemption right and put option are recognized as financial liabilities at fair value through profit or loss - current at the net amount.

Proceeds from issuance (net of transaction cost of \$4,810 thousand)	\$ 4,015,190
Equity component (net of transaction cost allocated to the equity component of \$317 thousand)	( 263,283 )
Derivatives from the redemption right and put option	( 22,000 )
Liability component as of the issue date (net of transaction cost allocated to the liability component of \$4,493 thousand)	3,729,907
Interest calculated using the effective interest rate of 1.399%	<u>135,238</u>
Liability component as of December 31, 2024	\$ 3,865,145
Interest calculated using the effective interest rate of 1.399%	<u>13,535</u>
Liability component as of March 31, 2025	<u><u>\$ 3,878,680</u></u>

## 20. OTHER PAYABLES

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Payables for salaries and bonus rewards	\$ 3,782,836	\$ 3,717,450	\$ 3,476,104
Payables for acquisitions of equipment	262,605	307,394	244,893
Payable for compensation to employees and remuneration of directors	247,517	201,356	486,346
Payables for unused annual leave	226,130	197,708	208,021
Others	<u>4,503,825</u>	<u>4,670,592</u>	<u>4,210,617</u>
	<u><u>\$ 9,022,913</u></u>	<u><u>\$ 9,094,500</u></u>	<u><u>\$ 8,625,981</u></u>

## 21. PROVISIONS

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Current</u>			
Warranties (a)	\$ 243,934	\$ 239,969	\$ 271,188
Sales returns and allowances (b)	<u>122,689</u>	<u>94,084</u>	<u>101,787</u>
	<u>\$ 366,623</u>	<u>\$ 334,053</u>	<u>\$ 372,975</u>
<u>Non-current (classified as other non-current liabilities)</u>			
Decommissioning (c)	\$ 16,285	\$ 14,725	\$ 14,012
Warranties (a)	<u>10,471</u>	<u>9,658</u>	<u>16,187</u>
	<u>\$ 26,756</u>	<u>\$ 24,383</u>	<u>\$ 30,199</u>

- a. The provision for warranty claims represents the present value of management's best estimate of the future outflow of economic benefits that will be required under the Group's obligations for warranties under local sale of goods legislation. The estimate has been made on the basis of historical warranty trends and may vary as a result of new materials, altered manufacturing processes or other events affecting product quality.
- b. The provision for sales returns and allowances was based on historical experience, management's judgments and other known reasons estimated product returns and rebates may occur in the year. The provision was recognized as a reduction of operating income in the year of the related goods sold.
- c. The provision for decommissioning consists of estimated costs of dismantling and removal of structure and recovery of the site at the end of the lease period.

## 22. RETIREMENT BENEFIT PLANS

Pension expenses under defined benefit plan for the three months ended March 31, 2025 and 2024 were calculated using the actuarially determined pension cost rates as of December 31, 2024 and 2023, respectively. Please refer to Note 25.

## 23. EQUITY

- a. Ordinary shares

	March 31, 2025	December 31, 2024	March 31, 2024
Shares authorized (in thousands of shares)	<u>495,000</u>	<u>495,000</u>	<u>495,000</u>
Shares authorized	<u>\$ 4,950,000</u>	<u>\$ 4,950,000</u>	<u>\$ 4,950,000</u>
Shares issued and paid (in thousands of shares)	<u>392,065</u>	<u>392,065</u>	<u>392,065</u>
Shares issued and paid	<u>\$ 3,920,646</u>	<u>\$ 3,920,646</u>	<u>\$ 3,920,646</u>

b. Capital surplus

	March 31, 2025	December 31, 2024	March 31, 2024
<u>May be used to offset a deficit,</u>			
<u>distributed as cash dividends, or</u>			
<u>transferred to share capital (1)</u>			
Additional paid-in capital	\$ 4,284,624	\$ 4,284,624	\$ 4,284,624
<u>May only be used to offset a deficit</u>			
Changes in percentage of ownership interests in subsidiaries	71,570	71,570	71,570
Changes in equity of associates accounted for using the equity method	50,375	50,375	10,654
Change in capital surplus from investments in associates accounted for using the equity method	1,245	1,245	1,245
<u>May not be used for any purpose</u>			
Recognition of equity component of convertible bonds	263,283	263,283	263,283
Employee share options	95,401	95,401	95,401
Others	<u>180</u>	<u>180</u>	<u>180</u>
	<u>\$ 4,766,678</u>	<u>\$ 4,766,678</u>	<u>\$ 4,726,957</u>

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

c. Retained earnings and dividends policy

Under the dividends policy as set forth in the Articles, where the Company makes a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with applicable laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders.

The Company's dividend policy is stipulated based on its current and future development plans, together with the consideration of the investment environment, capital requirements, domestic and international competition, and shareholders' interests. Earnings distribution to common shareholders shall not be less than 20% of distributable earnings. Dividends may be distributed to shareholders in cash or shares, with cash dividends being no less than 20% of the total dividends.

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

Items referred to under Rule No. 109015022 issued by the FSC and in the directive titled “Questions and Answers for Special Reserves Appropriated Following Adoption of IFRS Accounting Standards” should be appropriated to or reversed from a special reserve by the Company.

The appropriation of earnings for 2024 proposed by the Company’s board of directors in March 2025 and the appropriation of earnings for 2023 approved at the shareholders’ meeting in June 2024 were as follows:

	<u>Appropriation of Earnings</u>		<u>Dividends Per Share (NT\$)</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Legal reserve	\$ 131,822	\$ 345,285		
Special reserve (reversed)	( 676,587)	79,925		
Cash dividends	862,542	1,960,323	\$ 2.2	\$ 5

The appropriation of earnings for 2024 is subject to the resolution of the shareholders in the shareholders’ meeting to be held in June 2025.

d. Special reserve

The increase in retained earnings that resulted from the first-time adoption of IFRS Accounting Standards was not enough for this appropriation; therefore, the Company appropriated for special reserve an amount of \$677,989 thousand, the increase in retained earnings that resulted from all IFRS Accounting Standards adjustments on the transition to IFRSs. The reversal of special reserve that resulted from disposal of subsidiaries was \$71,523 thousand and \$476 thousand in 2015 and 2013, respectively.

The special reserve appropriated on the first-time adoption of IFRS Accounting Standards relating to land may be reversed on disposal or reclassification. A proportionate share of the special reserve relating to exchange differences on translating the financial statements of foreign operations (including the subsidiaries of the Company) will be reversed on the Group’s disposal of foreign operations; in the Group’s loss of significant influence, however, the entire special reserve will be reversed.

## 24. REVENUE

	<u>Three Months Ended March 31</u>	
	<u>2025</u>	<u>2024</u>
Revenue from contracts with customers		
Revenue from the sale of goods	\$ 15,996,624	\$ 15,250,751
Others	<u>854,322</u>	<u>812,406</u>
	<u>\$ 16,850,946</u>	<u>\$ 16,063,157</u>

a. Contract balances

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>	<b>January 1, 2024</b>
Notes Receivable	\$ 135,899	\$ 109,018	\$ 103,493	\$ 124,617
Accounts Receivable	<u>13,914,819</u>	<u>10,694,425</u>	<u>11,896,334</u>	<u>11,937,207</u>
	<u>\$ 14,050,708</u>	<u>\$ 10,803,443</u>	<u>\$ 11,999,827</u>	<u>\$ 12,061,824</u>
Contract assets				
Others	\$ 1,204,485	\$ 1,124,032	\$ 865,729	\$ 612,634
Less: Allowance for impairment loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 1,204,485</u>	<u>\$ 1,124,032</u>	<u>\$ 865,729</u>	<u>\$ 612,634</u>
Contracted Liabilities				
Revenue from the sale of goods	<u>\$ 203,959</u>	<u>\$ 235,024</u>	<u>\$ 213,135</u>	<u>\$ 184,768</u>

b. Disaggregation of revenue from contracts with customers

Refer to Note 37 for details of revenue information.

## 25. NET PROFIT FROM CONTINUING OPERATIONS

a. Finance costs

	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Interest on bank loans	\$ 205,595	\$ 240,620
Interest on convertible corporate bonds	13,535	13,347
Interest on lease liabilities	<u>9,652</u>	<u>6,600</u>
	<u>\$ 228,782</u>	<u>\$ 260,567</u>

b. Other income

	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Government grants	\$ 26,896	\$ 30,107
Others	<u>103,605</u>	<u>125,823</u>
	<u>\$ 130,501</u>	<u>\$ 155,930</u>

c. Other gains and losses

	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Foreign exchange gains, net	\$ 156,657	\$ 211,781
Valuation loss on financial assets and liabilities at FVTPL, net	( 91,583 )	( 51,446 )
Others	<u>1,486</u>	<u>12,815</u>
	<u>\$ 66,560</u>	<u>\$ 173,150</u>

d. Employee benefits expense, depreciation and amortization

Nature	<b>Three Months Ended March 31</b>					
	<b>2025</b>			<b>2024</b>		
	Operating Costs	Operating and Non-operating Expenses	Total	Operating Costs	Operating and Non-operating Expenses	Total
Short-term employee benefits	\$1,252,337	\$ 851,847	\$2,104,184	\$1,096,533	\$ 779,732	\$1,876,265
Labor insurance, health insurance and social welfare insurance	139,044	91,952	230,996	122,308	87,392	209,700
Post-employment benefits						
Defined contribution plans	115,122	47,650	162,772	100,748	52,104	152,852
Defined benefit plans	92	624	716	89	666	755
Other employee benefits	102,811	66,127	168,938	98,277	73,045	171,322
Depreciation and amortization expenses	296,942	381,279	678,221	288,769	337,520	626,289

e. Compensation of employees and remuneration of directors

According to the Company's Articles, the Company accrues compensation of employees and remuneration of directors at rates of 6%-12% and no higher than 2%, respectively, of net profit before income tax, compensation of employees and remuneration of directors. In accordance with the amendments to the Securities and Exchange Act in August 2024, the shareholders of the Company expect to resolve the amendments to the Company's Articles at its 2025 general meeting. The amendments explicitly stipulate the allocation of 30% of the compensation of employees as compensation distributions for non-executive employees. The compensation of employees and the remuneration of directors accrued for the three months ended March 31, 2025 and 2024 were as follows:

	<b>Three Months Ended March 31</b>			
	<b>2025</b>		<b>2024</b>	
	Accrual Rate	Amount	Accrual Rate	Amount
Compensation of employees	7.1%	\$ 36,013	7.1%	\$ 55,950
Remuneration of directors	2.0%	10,148	2.0%	15,795

If there is a change in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate in the following year.

2024 and 2023 employees' compensation and remuneration of directors approved in the board of directors' meetings in March 2025 and 2024, respectively, were as follows:

	<b>Years Ended December 31</b>			
	<b>2024</b>		<b>2023</b>	
	<b>Accrual Rate</b>	<b>Amount</b>	<b>Accrual Rate</b>	<b>Amount</b>
Compensation of employees	7%	\$ 156,808	7%	\$ 322,534
Remuneration of directors	2%	44,548	2%	92,067

There was no difference between the amounts of compensation of employees and remuneration of directors which were approved by the Company's board of directors for 2024 and 2023 and the amounts recognized in the consolidated financial statements.

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

## 26. INCOME TAXES

### a. Income tax recognized in profit or loss

Major components of income tax expense were as follows:

	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Current tax		
In respect of the current year	\$ 122,710	\$ 392,265
Income tax on unappropriated earnings	<u>37,522</u>	<u>39,969</u>
	160,232	432,234
Deferred tax		
In respect of the current year	( 26,074)	( 190,793)
Income tax expense recognized in profit or loss	<u>\$ 134,158</u>	<u>\$ 241,441</u>

### b. Income tax assessments

The income tax returns of the Company and YouBike through 2022, AIPS, Giant Sales and Giant Adventure through 2023 have been assessed by the tax authorities.

### c. Pillar Two income taxes

The government where Giant Australia, Giant Vietnam Mfg., Giant SEA Bicycle, D.MAG PRECISION, D.MAG LIGHT METAL, Giant Japan, Giant Korea, Giant UK, Giant Germany, Gaiwin, Giant Europe Mfg., Giant Europe, Giant Benelux, Giant Hungary Mfg., Giant Canada, Giant France and Giant Italy are incorporated, enacted the Pillar Two income tax legislation effective on January 1, 2024. Under the legislation, the above subsidiaries will be required to pay, in incorporated countries, a top-up tax on the profits of their group entities that are taxed at an effective tax rate of less than 15 percent. As of March 31, 2025, the exposures of the Pillar Two income tax had no significant impact on the Group's income tax. The Group is continuing to assess the impact of the Pillar Two income tax legislation on its future financial performance.

## 27. EARNINGS PER SHARE

	<b>Net profit Attributable to Owners of the Company</b>	<b>Number of Shares (In Thousands)</b>	<b>Earnings Per Share (NTD)</b>
<u>For the three months ended March 31, 2025</u>			
Basic earnings per share			
Profit attributable to owners of the Company	\$ 367,574	392,065	<u>\$ 0.94</u>
Effect of potentially dilutive ordinary shares			
Compensation of employees	-	1,052	
Convertible bonds	<u>10,827</u>	<u>13,720</u>	
Diluted earnings per share			
Profit for the year attributable to owners of the Company plus effect of potentially dilutive ordinary shares	<u>\$ 378,401</u>	<u>406,837</u>	<u>\$ 0.93</u>
	<b>Net profit Attributable to Owners of the Company</b>	<b>Number of Shares (In Thousands)</b>	<b>Earnings Per Share (NTD)</b>
<u>For the three months ended March 31, 2024</u>			
Basic earnings per share			
Profit for the year attributable to owners of the Company	\$ 519,702	392,065	<u>\$ 1.33</u>
Effect of potentially dilutive ordinary shares			
Compensation of employees	-	1,458	
Convertible bonds	<u>10,677</u>	<u>13,720</u>	
Diluted earnings per share			
Profit for the year attributable to owners of the Company plus effect of potentially dilutive ordinary shares	<u>\$ 530,379</u>	<u>407,243</u>	<u>\$ 1.30</u>

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

## 28. GOVERNMENT GRANTS

As of March 31, 2025, the Group received a preferential interest rate loan of \$1,799,000 thousand from the government's "Action Plan for Welcoming Overseas Taiwanese Businesses to Return to Invest in Taiwan". The amount was used in capital expenditure and operating turnover. The loan was expected to be repaid in installments between 2022 and 2030, using the prevailing market interest rate at an equivalent loan rate of 1.35%-1.6%. The difference between the proceeds and the fair value of the loan was the benefit derived from the preferential interest rate loan and has been recognized as deferred revenue. If the Group fails to meet the key points in the agreement during the loan period and the National Development Fund terminates the grant, the Group shall pay the original interest rate plus the annual interest rate.

## 29. ACQUISITION OF A GROUP OF ASSETS THAT DOES NOT CONSTITUTE A BUSINESS

In order to expand its business, SPIA acquired certain assets of Foundation Fitness, LLC and its associates for a consideration of US\$20,100 thousand in September 2024. In accordance with IFRS 3, the Group evaluated and concluded that the acquisition of group of assets did not constitute a business; therefore, the share purchase transaction is accounted for as acquisition of a group of assets.

The information relating to the assets acquired and the relevant net cash outflow on the date of acquisition:

### a. Assets acquired

Current assets	
Inventories	\$ 28,231
Non - current assets	
Property, plant and equipment	16,491
Intangible assets	<u>591,463</u>
	<u>\$ 636,185</u>

### b. Net cash outflow on the acquisition of group of assets.

Cash consideration paid	<u>\$ 636,185</u>
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## 30. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to shareholders through the optimization of the debt and equity balance.

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

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

## 31. FINANCIAL INSTRUMENTS

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

The management of Group considers that the carrying amounts of financial assets and liabilities not measured at fair value approximate their fair values or the fair values cannot be reliable estimated.

b. Fair value of financial instruments that are measured at fair value on a recurring basis

1) Fair value hierarchy

	Level 1	Level 2	Level 3	Total
<u>March 31, 2025</u>				
Financial assets at FVTPL				
Foreign exchange forward contracts	\$ -	\$ 100	\$ -	\$ 100
Financial assets at FVTOCI				
Domestic unlisted company	\$ -	\$ -	\$ 28,495	\$ 28,495
Domestic listed company	1,175	-	-	1,175
	<u>\$ 1,175</u>	<u>\$ -</u>	<u>\$ 28,495</u>	<u>\$ 29,670</u>
Financial liabilities at FVTPL				
Cross currency swap contracts	\$ -	\$ 90,387	\$ -	\$ 90,387
Redemption right and put option of domestic convertible bonds	-	-	37,600	37,600
Foreign exchange forward contracts	-	5,084	-	5,084
	<u>\$ -</u>	<u>\$ 95,471</u>	<u>\$ 37,600</u>	<u>\$ 133,071</u>
<u>December 31, 2024</u>				
Financial assets at FVTPL				
Foreign exchange forward contracts	\$ -	\$ 50	\$ -	\$ 50
Financial assets at FVTOCI				
Domestic unlisted company	\$ -	\$ -	\$ 28,752	\$ 28,752
Domestic listed company	1,253	-	-	1,253
	<u>\$ 1,253</u>	<u>\$ -</u>	<u>\$ 28,752</u>	<u>\$ 30,005</u>
Financial liabilities at FVTPL				
Redemption right and put option of domestic convertible bonds	\$ -	\$ -	\$ 46,400	\$ 46,400
Foreign exchange forward contracts	-	3,045	-	3,045
	<u>\$ -</u>	<u>\$ 3,045</u>	<u>\$ 46,400</u>	<u>\$ 49,445</u>
<u>March 31, 2024</u>				
Financial assets at FVTOCI				
Foreign unlisted company	\$ -	\$ -	\$ 29,520	\$ 29,520
Domestic unlisted company	-	-	29,301	29,301
Domestic listed company	1,478	-	-	1,478
	<u>\$ 1,478</u>	<u>\$ -</u>	<u>\$ 58,821</u>	<u>\$ 60,299</u>
Financial liabilities at FVTPL				
Foreign exchange swap contracts	\$ -	\$ 29,233	\$ -	\$ 29,233
Redemption right and put option of domestic convertible bonds	-	-	16,000	16,000
Foreign exchange forward contracts	-	7,901	-	7,901
	<u>\$ -</u>	<u>\$ 37,134</u>	<u>\$ 16,000</u>	<u>\$ 53,134</u>

There was no transfer between Levels 1 and 2 for the three months ended March 31, 2025 and 2024.

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

Equity investments classified as financial assets at FVTOCI

	<b>Three Months Ended March 31, 2025</b>	<b>Three Months Ended March 31, 2024</b>
Balance at January 1	\$ 28,752	\$ 58,804
Recognized in other comprehensive income	( 257 )	( 444 )
Effects of foreign currency exchange differences	-	461
Balance at March 31	<u>\$ 28,495</u>	<u>\$ 58,821</u>

Derivative investments classified as financial liabilities at FVTPL

	<b>Three Months Ended March 31, 2025</b>	<b>Three Months Ended March 31, 2024</b>
Balance at January 1	\$ 46,400	\$ 33,200
Recognized in profit or loss (Net loss on fair value changes of financial liabilities at fair value through profit or loss)	( 8,800 )	( 17,200 )
Balance at March 31	<u>\$ 37,600</u>	<u>\$ 16,000</u>

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

<u>Financial Instruments</u>	<u>Valuation Techniques and Inputs</u>
Cross currency swap contracts, foreign exchange forward contracts and foreign exchange swap contracts	Discounted cash flows. Future cash flows are estimated based on observable forward exchange rates at the end of the reporting period and contract exchange rates, discounted at a rate that reflects the credit risk of various counterparties.

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

<u>Financial Instruments</u>	<u>Valuation Techniques and Inputs</u>
Equity investments of domestic unlisted company and foreign unlisted company	Calculated by reference to the net book value of the company based on its financial information, calculating the present value of profit and loss that is expected to be derived from holding such investment.
Redemption right and put option of convertible bonds	Binomial tree pricing model of convertible bonds. Pricing is based on the volatility of conversion price, risk-free interest rate, risk discount rate and number of years to maturity.

c. Categories of financial instruments

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
<u>Financial assets</u>			
Financial assets at FVTPL	\$ 100	\$ 50	\$ -
Financial assets at amortized cost (1)	32,060,922	29,151,626	30,306,111
Financial assets at FVTOCI	29,670	30,005	60,299
<u>Financial liabilities</u>			
Financial liabilities at FVTPL	133,071	49,445	53,134
Financial liabilities at amortized cost (2)	30,240,668	31,280,847	34,730,580

- 1) The balances included financial assets at amortized cost, which comprise cash and cash equivalents, financial assets at amortized cost, notes receivable, accounts receivable and other receivables.
- 2) The balances included financial liabilities at amortized cost, which comprise short-term bank loans, notes payable, accounts payable, other payables, bonds payable and long-term bank loans (including the current portion).

d. Financial risk management objectives and policies

The Group's major financial instruments included cash and cash equivalents, financial assets at amortized cost, equity investments, accounts receivable, payables, bonds payable, bank loans and lease liabilities. The Group's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, and monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk.

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

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group entered into a variety of derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk, including foreign exchange forward contracts to hedge the exchange rate risk arising from the export.

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

a) Foreign currency risk

The Group has foreign currency denominated sales and purchases, which exposes the Group to foreign currency risk. Exchange rate exposures are managed within approved policy parameters utilizing foreign exchange forward contracts.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) and those derivatives exposed to foreign currency risk at the end of the reporting period are set out in Note 35.

#### Sensitivity analysis

The Group is mainly exposed to the USD, EUR, JPY and RMB.

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

Currency	Currency Impact	
	Three Months Ended March 31	
	2025	2024
USD	\$ 32,367	\$ 78,660
EUR	19,630	66,174
JPY	2,464	1,316
RMB	2,892	5,683

This was mainly attributable to the exposures of outstanding receivables and payables in USD, EUR, JPY and RMB that were not hedged at the end of the reporting period.

The Company's sensitivity to foreign currency exchange decreased during the current year mainly due to the disposal of USD and EUR denominated bank deposits and account receivables that resulted in lower sensitivity.

#### b) Interest rate risk

The Group's interest rate risk mainly arises from fixed and floating interest rate bank deposits, cash equivalents, bonds payable, bank loans and lease liabilities, which generate interest rate exposure.

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

	March 31, 2025	December 31, 2024	March 31, 2024
Fair value interest rate risk			
Financial assets	\$ 4,700,733	\$ 8,803,907	\$ 1,256,946
Financial liabilities	13,160,139	17,928,652	14,579,037
Cash flow interest rate risk			
Financial assets	12,941,931	9,376,185	16,873,038
Financial liabilities	8,610,756	4,682,899	12,772,192

### Sensitivity analysis

The sensitivity analysis is determined based on the Group's exposure to interest rate risk for both derivative and non-derivative instruments at the end of the reporting period. A 1 basis point increase or decrease is used when reporting interest rate risk internally to key management and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 1 basis point higher/lower and all other variables were held constant, the Group's pre-tax profit for the three months ended March 31, 2025 and 2024 would increase/decrease by \$2,707 thousand and \$2,563 thousand, respectively.

The Group's sensitivity to interest rates increased during the current year mainly due to the decrease in floating rate bank loans.

### 2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in financial loss to the Group. As at the end of the reporting period, the Group's maximum exposure to credit risk, which would cause a financial loss to the Group due to the failure of the counterparty to discharge its obligation, could be equal to the carrying amount of the respective recognized financial assets as stated in the balance sheets.

The Group's concentration of credit risk of 41%, 41% and 33% of total accounts receivable as of March 31, 2025, December 31, 2024 and March 31, 2024, respectively, was attributable to the Group's two largest customers.

### 3) Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants. The Group relies on bank borrowings as a significant source of liquidity. As of March 31, 2025, December 31, 2024 and March 31, 2024, the Group had available unutilized bank loan facilities of \$46,849,307 thousand, \$46,329,339 thousand and \$52,541,457 thousand, respectively.

The following liquidity and interest risk rate table shows the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed-upon repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities from the earliest dates on which the Group can be required to pay. The table includes both interest and principal cash flows.

	<b>Less Than 1 Year</b>	<b>1-2 Years</b>	<b>Over 2 Years</b>
<u>March 31, 2025</u>			
Non-derivative financial liabilities			
Non-interest bearing liabilities	\$ 10,305,030	\$ -	\$ -
Lease liabilities	658,604	345,720	987,139
Variable interest rate liabilities	5,517,253	2,630,575	462,928
Fixed interest rate liabilities	<u>11,324,882</u>	<u>-</u>	<u>-</u>
	<u>\$ 27,805,769</u>	<u>\$ 2,976,295</u>	<u>\$ 1,450,067</u>

(Continued)

	<b>Less Than 1 Year</b>	<b>1-2 Years</b>	<b>Over 2 Years</b>
<u>December 31, 2024</u>			
Non-derivative financial liabilities			
Non-interest bearing liabilities	\$ 10,478,349	\$ -	\$ -
Lease liabilities	639,570	393,822	1,042,454
Variable interest rate liabilities	1,660,029	2,535,976	486,894
Fixed interest rate liabilities	<u>16,119,599</u>	<u>-</u>	<u>-</u>
	<u>\$ 28,897,547</u>	<u>\$ 2,929,798</u>	<u>\$ 1,529,348</u>

	<b>Less Than 1 Year</b>	<b>1-2 Years</b>	<b>Over 2 Years</b>
<u>March 31, 2024</u>			
Non-derivative Financial Liabilities			
Non-interest bearing	\$ 9,118,722	\$ -	\$ -
Lease liabilities	613,309	330,611	891,654
Variable interest rate liabilities	9,487,619	1,376,240	1,908,333
Fixed interest rate liabilities	<u>9,014,842</u>	<u>3,824,824</u>	<u>-</u>
	<u>\$ 28,234,492</u>	<u>\$ 5,531,675</u>	<u>\$ 2,799,987</u> (Concluded)

### 32. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Group have been eliminated on consolidation and are not disclosed in this note. Besides information disclosed in the other notes, details of transactions between the Group and other related parties were as follows:

a. Related party name and category

<u>Related Party Name</u>	<u>Related Party Category</u>
Microprogram	Associate
Microprogram Information (Kunshan) Co., Ltd.	Associate
Willbe Co., Ltd. (“Willbe”) (Note)	Associate
Cycling Life-style Foundation	Other
Appa (Kunshan) Co., Ltd.	Other

Note: Formerly known as Meiki Gaint Co., Ltd. changed its name to Willbe in 2024.

b. Sales revenue

<u>Related Party Category</u>	<u>Three Months Ended March 31</u>	
	<u>2025</u>	<u>2024</u>
Associates	\$ 7,562	\$ 2,422
Others	<u>2,407</u>	<u>1,607</u>
	<u>\$ 9,969</u>	<u>\$ 4,029</u>

The products sold to related parties are own branding products, etc. The Group determines the price by type of products sold. The pricing strategy also differs from that for original equipment manufacturing products.

c. Purchases of goods

<b>Related Party Category</b>	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Associates	\$ 19,518	\$ 92,055
Others	<u>126</u>	<u>177</u>
	<u>\$ 19,644</u>	<u>\$ 92,232</u>

The prices of the purchases from related parties are based on the specific diversity of products and related market trends.

d. Operating costs

<b>Related Party Category</b>	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Associates	<u>\$ 46,574</u>	<u>\$ 59,693</u>

e. Operating expense

<b>Related Party Category</b>	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Others	<u>\$ 688</u>	<u>\$ 724</u>

f. Other income

<b>Related Party Category</b>	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Associates	<u>\$ -</u>	<u>\$ 2,676</u>

g. Receivables from related parties

<b>Financial Statement Account</b>	<b>Related Party Category</b>	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Accounts receivable	Associates	\$ 4,205	\$ 11,423	\$ -
	Others	<u>2,497</u>	<u>7</u>	<u>23</u>
		<u>\$ 6,702</u>	<u>\$ 11,430</u>	<u>\$ 23</u>
Other receivables	Associates	<u>\$ 5,835</u>	<u>\$ 5,299</u>	<u>\$ 3,758</u>

h. Payables to related parties

<b>Financial Statement Account</b>	<b>Related Party Category</b>	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Accounts payable	Associates	<u>\$ 22,308</u>	<u>\$ 57,380</u>	<u>\$ 115,057</u>
Other payables	Associates	\$ 78,710	\$ 75,591	\$ 78,383
	Others	<u>49</u>	<u>71</u>	<u>62</u>
		<u>\$ 78,759</u>	<u>\$ 75,662</u>	<u>\$ 78,445</u>

i. Remuneration of key management

	<b>Three Months Ended March 31</b>	
	<b>2025</b>	<b>2024</b>
Short-term employee benefits	\$ 51,927	\$ 55,875
Post-employment benefits	<u>303</u>	<u>386</u>
	<u>\$ 52,230</u>	<u>\$ 56,261</u>

The remunerations of directors and key executives, as determined by the remuneration committee, are based on the individual performance and market trends.

### 33. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

- a. The following assets were provided as collateral for performance guarantees of the Group, etc.:

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Financial assets at amortized cost	<u>\$ 2,535</u>	<u>\$ 6,572</u>	<u>\$ 13,125</u>

### 34. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

- a. Unrecognized commitments were as follows:

	<b>March 31, 2025</b>	<b>December 31, 2024</b>	<b>March 31, 2024</b>
Acquisitions of property, plant and equipment	<u>\$ 307,849</u>	<u>\$ 457,540</u>	<u>\$ 400,618</u>

- b. The contract period of the existing product liability insurance policy (the “policy”) of the Company is from August 1, 2024 to August 1, 2025. The policy covers all products manufactured by the Company that are sold all over the world. The maximum indemnity for claims arising from one originating cause is US\$10,000 thousand.
- c. YouBike signed several contracts to provide public bicycle rental services with the Department of Transportation under each city/county Government. The contract duration is from November 2017 to February 2031, and a total performance guarantee of \$555,200 thousand was provided.

### 35. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

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

	March 31, 2025			December 31, 2024		
	Foreign Currency	Exchange Rate	New Taiwan Dollar	Foreign Currency	Exchange Rate	New Taiwan Dollar
<u>Financial assets</u>						
Monetary items						
USD	\$ 160,999	33.182	\$ 5,342,269	\$ 175,367	32.780	\$ 5,748,530
EUR	63,362	35.923	2,276,153	39,602	34.126	1,351,458
JPY	1,762,893	0.2224	392,067	1,743,599	0.2098	365,807
RMB	87,325	4.5714	399,198	200,775	4.4790	899,271
<u>Financial liabilities</u>						
Monetary items						
USD	63,454	33.182	2,105,531	69,241	32.780	2,269,720
EUR	8,716	35.923	313,105	20,852	34.126	711,595
JPY	654,803	0.2224	145,628	866,847	0.2098	181,865
RMB	24,062	4.5714	109,997	28,598	4.4790	128,090

	March 31, 2024		
	Foreign Currency	Exchange Rate	New Taiwan Dollar
<u>Financial assets</u>			
Monetary items			
USD	\$ 281,610	31.990	\$ 9,008,704
EUR	201,090	34.406	6,918,703
JPY	1,398,477	0.2111	295,218
RMB	157,878	4.4021	694,995
<u>Financial liabilities</u>			
Monetary items			
USD	35,721	31.990	1,142,715
EUR	8,758	34.406	301,328
JPY	775,044	0.2111	163,612
RMB	28,771	4.4021	126,653

For the periods ended March 31, 2025 and 2024, realized and unrealized foreign exchange gain/loss were \$156,657 thousand and \$211,781 thousand, respectively. It is impractical to disclose foreign exchange gains (losses) on each significant foreign currency as there were many foreign currency transactions and the Group entities had different functional currencies.

### 36. SEPARATELY DISCLOSED ITEMS

- a. Information about significant transactions and b. investees:
  - 1) Financing provided to others. (Table 1)
  - 2) Endorsements/guarantees provided. (Table 2)
  - 3) Marketable securities held (excluding investments in subsidiaries and associates). (Table 3)
  - 4) Total purchases from or sales to related parties amounting to at least \$100 million or 20% of the paid-in capital. (Table 4)
  - 5) Receivables from related parties amounting to at least \$100 million or 20% of the paid-in capital. (Table 5)
  - 6) Intercompany relationships and significant intercompany transactions. (Table 6)
- b. Information on investees. (Table 7)
- c. Information on investments in mainland China
  - 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, investment income or loss, the ending balance of carrying amount of the investment, repatriations of investment income, and limits on the amount of investment in the mainland China area. (Table 8)
  - 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses:
    - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period. (Table 4)
    - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period. (Table 4)
    - c) The amount of property transactions and the amount of the resultant gains or losses. (None)
    - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes. (None)
    - e) The highest balance, the ending balance, the interest rate range, and total current period interest with respect to financing of funds. (Table 1)
    - f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services. (None)

### 37. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. The Group's reportable segments, bicycle, materials and others, on March 31<sup>st</sup> of 2025 and 2024 are as follows:

	Segment Revenue		Segment Profit	
	Three Months Ended March 31 2025	2024	2025	2024
Bicycle	\$ 15,012,013	\$ 14,163,038	\$ 343,789	\$ 261,650
Materials	984,611	1,087,713	( 11,057)	159,928
Others	854,322	812,406	92,265	121,497
Total for continuing operations	<u>\$ 16,850,946</u>	<u>\$ 16,063,157</u>	424,997	543,075
Finance costs			( 228,782)	( 260,567)
Share of profit of associates accounted for using the equity method			1,010	10,900
Interest income			95,504	199,938
Other income			130,501	155,930
Other gains and losses			66,560	173,150
Profit before income tax (continuing operations)			<u>\$ 489,790</u>	<u>\$ 822,426</u>

Segment profit represents the profit before tax earned by each segment excluding finance costs, share of profit of associates accounted for using the equity method, interest income, other income, other gains and losses and income tax expense. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

## GIANT MANUFACTURING CO., LTD. AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS  
FOR THE THREE MONTHS ENDED MARCH 31, 2025  
(In Thousands of New Taiwan Dollars and Foreign Currencies)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Borrowing Amount (Note 1)	Interest Rate	Nature of Financing (Note 2)	Business Transaction Amounts	Reasons for Short-term Financing	Loss Allowance	Collateral		Financing Limit for Each Borrower (Notes 3 and 4)	Aggregate Financing Limits (Notes 4 and 5)
													Item	Value		
0	Giant	Giant Europe	Loans receivable - related parties	Yes	\$ 1,436,920 ( EUR 40,000 )	\$ 1,436,920 ( EUR 40,000 )	\$ 1,436,920 ( EUR 40,000 )	3.21%	2	\$ -	Operating Capital	\$ -	-	\$ -	\$ 3,473,380	\$ 13,893,519
		AIPS	Loans receivable - related parties	Yes	200,000	200,000	200,000	1.65%	2	-	Operating Capital	-	-	-	3,473,380	13,893,519
1	D. Mag	Light Metal Haian	Loans receivable - related parties	Yes	685,710 ( RMB 150,000 )	685,710 ( RMB 150,000 )	442,054 ( RMB 96,700 )	2.35%	2	-	Operating Capital	-	-	-	1,161,370	1,161,370
2	Gaiwin	Giant Vietnam Mfg.	Loans receivable - related parties	Yes	282,047 ( USD 8,500 )	199,092 ( USD 6,000 )	199,092 ( USD 6,000 )	5.90%	2	-	Operating Capital	-	-	-	2,514,610	2,514,610
		Giant Mexico	Loans receivable - related parties	Yes	663,640 ( USD 20,000 )	663,640 ( USD 20,000 )	331,820 ( USD 10,000 )	5.50%	2	-	Operating Capital	-	-	-	2,514,610	2,514,610
		SPIA	Loans receivable - related parties	Yes	829,550 ( USD 25,000 )	829,550 ( USD 25,000 )	414,775 ( USD 12,500 )	5.80%- 6.28%	2	-	Operating Capital	-	-	-	2,514,610	2,514,610
3	Quanzhou YouBike	Putian YouBike	Loans receivable - related parties	Yes	64,000 ( RMB 14,000 )	64,000 ( RMB 14,000 )	50,285 ( RMB 11,000 )	2.79%	2	-	Operating Capital	-	-	-	1,161,370	1,161,370
4	Giant Europe	SPIA	Loans receivable - related parties	Yes	165,910 ( USD 5,000 )	165,910 ( USD 5,000 )	-	6.31%	2	-	Operating Capital	-	-	-	1,161,370	1,161,370
5	Golden Rich	Light Metal Malaysia	Loans receivable - related parties	Yes	9,874 ( RMB 2,160 )	9,874 ( RMB 2,160 )	9,874 ( RMB 2,160 )	2.85%	2	-	Operating Capital	-	-	-	1,161,370	1,161,370
6	Giant Holding	Giant Tianjin	Loans receivable - related parties	Yes	457,140 ( RMB 100,000 )	457,140 ( RMB 100,000 )	457,140 ( RMB 100,000 )	2.40%	2	-	Operating Capital	-	-	-	1,142,850	1,142,850
7	Giant Chengdu	Giant Tianjin	Loans receivable - related parties	Yes	228,570 ( RMB 50,000 )	228,570 ( RMB 50,000 )	228,570 ( RMB 50,000 )	2.40%	2	-	Operating Capital	-	-	-	1,161,370	1,161,370

Note 1: Significant intercompany accounts and transactions have been eliminated.

Note 2: The nature of financing provided could be  
1) business relationship,  
2) short-term financial assistance.

Note 3: The financing limit for each borrower is up to 10% of the net asset value of Giant.

Note 4: 1) Giant China, Giant Electric Vehicle and Giant Holding: Up to RMB 0.46 billion, RMB 0.3 billion and RMB 0.25 billion, respectively, for the financing limit for each borrower and the aggregate financing limit.  
2) YouBike: Up to 10% and 40% of its net asset value in the most recent financial statements as the financing limit for each borrower and the aggregate financing limit, respectively.  
3) Gaiwin: Up to EUR 70 million for the financing limit for each borrower and the aggregate financing limit.  
4) The other subsidiaries: Up to USD35,000 thousand for the financing limit for each borrower and the aggregate financing limit.

Note 5: The aggregate financing limit is up to 40% of the net asset value of Giant.

## GIANT MANUFACTURING CO., LTD. AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED  
FOR THE THREE MONTHS ENDED MARCH 31, 2025  
(In Thousands of New Taiwan Dollars and Foreign Currencies)

No. (Note 1)	Endorser/Guarantor	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Given to Each Party (Note 2)	Maximum Amount Endorsed/ Guaranteed During the Period (Note 3)	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collaterals	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements	Aggregate Endorsement/ Guarantee Limit (Note 3)	Endorsement/ Guarantee Given by Parent to Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries to Parent	Endorsement/ Guarantee Given to Companies in Mainland China
		Name	Relationship										
0	Giant	Giant Hungary Mfg.	(Note 1)	\$ 8,683,449	\$ 2,191,303 (EUR 61,000)	\$ 2,191,303 (EUR 61,000)	\$ 1,996,639 (EUR 55,581)	\$ -	6.31%	\$ 17,366,899	Y	N	N
		Giant Vietnam Mfg.	(Note 1)	8,683,449	995,460 (USD 30,000)	331,820 (USD 10,000)	97,500 (USD 2,938)	-	0.96%	17,366,899	Y	N	N
1	Giant China	Giant Holding	(Note 1)	1,161,370	4,827 (RMB 1,056)	4,827 (RMB 1,056)	4,827 (RMB 1,056)	-	0.15%	1,161,370	N	N	Y

Note 1: Refer to Note 12.

Note 2: Up to 25% of the net asset value of Giant, and up to USD35,000 thousand of other subsidiaries.

Note 3: Up to 50% (excluding 50%) of the net asset value of Giant, and up to USD35,000 thousand of other subsidiaries.

**GIANT MANUFACTURING CO., LTD. AND SUBSIDIARIES**

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

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	March 31, 2025				Note
				Shares	Carrying Value	Percentage of Ownership (%)	Fair Value	
Giant	KMC (Kuei Meng) International Inc.	-	Financial assets at FVTOCI - non-current	10,484	\$ 1,175	-	\$ 1,175	
	Research Innovation Capital Corporation.	-	Financial assets at FVTOCI - non-current	6,000,000	28,495	-	28,495	

## GIANT MANUFACTURING CO., LTD. AND SUBSIDIARIES

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

Purchaser or Seller	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes and Accounts Receivable (Payable)		Note
			Purchase or Sale	Amount	% to Total	Collection Terms	Unit Price	Collection Terms	Ending Balance (Note 3)	% to Total	
Giant	YouBike	(Note 1)	Sales	(\$ 123,887)	( 3 )	T/T 30 days	(Note 2)	—	\$ 35,892	1	
	Giant China	(Note 1)	Sales	( 111,129)	( 3 )	T/T 90 days	(Note 2)	—	103,336	3	
	Giant Kunshan	(Note 1)	Sales	( 270,478)	( 8 )	T/T 90 days	(Note 2)	—	276,031	9	
	Giant Tianjin	(Note 1)	Sales	( 108,716)	( 3 )	T/T 90 days	(Note 2)	—	110,665	4	
	Giant Europe Mfg.	(Note 1)	Sales	( 483,975)	( 14 )	T/T 90 days	(Note 2)	—	483,735	16	
	Giant Hungary Mfg.	(Note 1)	Sales	( 126,988)	( 4 )	T/T 120 days	(Note 2)	—	159,970	5	
	Giant Europe	(Note 1)	Sales	( 279,508)	( 8 )	T/T 60 days	(Note 2)	—	158,171	5	
	Giant Benelux	(Note 1)	Sales	( 205,089)	( 6 )	T/T 60 days	(Note 2)	—	154,024	5	
	Giant UK	(Note 1)	Sales	( 264,127)	( 7 )	T/T 60 days	(Note 2)	—	157,300	5	
	Giant USA	(Note 1)	Sales	( 122,769)	( 3 )	T/T 90 days	(Note 2)	—	124,241	4	
Giant Tianjin	Giant Chengdu	(Note 1)	Sales	( 122,738)	( 7 )	T/T 90 days	(Note 2)	—	108,508	36	
Giant Electric Vehicle	Giant	(Note 1)	Sales	( 150,790)	( 19 )	T/T 60 days	(Note 2)	—	141,807	26	
Giant Kunshan	Giant Tianjin	(Note 1)	Sales	( 387,767)	( 17 )	T/T 60 days	(Note 2)	—	257,725	30	
Giant China	Giant Tianjin	(Note 1)	Sales	( 208,155)	( 8 )	T/T 60 days	(Note 2)	—	207,876	7	
Giant Europe Mfg.	Giant Europe	(Note 1)	Sales	( 384,491)	( 16 )	T/T 30 days	(Note 2)	—	179,788	8	
Giant Hungary Mfg.	Giant Benelux	(Note 1)	Sales	( 107,713)	( 8 )	T/T 30 days	(Note 2)	—	50,734	4	
	Giant Europe	(Note 1)	Sales	( 100,252)	( 7 )	T/T 30 days	(Note 2)	—	55,200	4	
Giant Europe	Giant Benelux	(Note 1)	Sales	( 227,936)	( 15 )	T/T 30 days	(Note 2)	—	105,892	6	
	Giant France	(Note 1)	Sales	( 438,812)	( 29 )	T/T 30 days	(Note 2)	—	694,041	38	
	Giant Germany	(Note 1)	Sales	( 417,786)	( 27 )	T/T 30 days	(Note 2)	—	753,025	41	
	Giant Italy	(Note 1)	Sales	( 152,763)	( 10 )	T/T 30 days	(Note 2)	—	281,970	16	
D. Mag	Giant Kunshan	(Note 1)	Sales	( 187,751)	( 13 )	T/T 30 days	(Note 2)	—	187,639	12	
	Light Metal Haian	(Note 1)	Sales	( 117,996)	( 8 )	T/T 120 days	(Note 2)	—	244,545	16	
Light Metal Haian	D. Mag	(Note 1)	Sales	( 122,477)	( 86 )	T/T 30 days	(Note 2)	—	40,486	65	

Note 1: Refer to Note 12.

Note 2: The Company decided the price and gross profit ratio by type of products sold and market acceptance.

Note 3: Significant intercompany accounts and transactions have been eliminated.

## GIANT MANUFACTURING CO., LTD. AND SUBSIDIARIES

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

Company Name	Related Party	Relationship	Financial Statement Account & Ending Balance		Turnover Rate	Overdue		Amount Received in Subsequent Period	Loss Allowance	
						Amount	Action Taken			
Giant	Giant China	(Note 1)	Accounts receivable - related parties	\$ 103,336	4	\$ -	—	\$ 28,502	\$ -	
			Other receivables - related parties	1,705	-	-	—	18	-	
	Giant Kunshan	(Note 1)	Accounts receivable - related parties	276,031	3	-	—	90,035	-	
			Other receivables - related parties	23,173	-	924	—	1,425	-	
	Giant Tianjin	(Note 1)	Accounts receivable - related parties	110,665	2	-	—	11,386	-	
			Other receivables - related parties	18,907	-	-	—	7	-	
	Giant USA	(Note 1)	Accounts receivable - related parties	124,241	5	-	—	32,981	-	
			Other receivables - related parties	856	-	-	—	5	-	
	Giant Europe Mfg.	(Note 1)	Accounts receivable - related parties	483,735	5	-	—	139,879	-	
			Other receivables - related parties	169	-	-	—	107	-	
	Giant Hungary Mfg.	(Note 1)	Accounts receivable - related parties	159,970	4	-	—	33,024	-	
			Other receivables - related parties	3,980	-	-	—	448	-	
	Giant Benelux	(Note 1)	Accounts receivable - related parties	154,024	3	-	—	44,422	-	
			Other receivables - related parties	25	-	-	—	5	-	
	Giant UK	(Note 1)	Accounts receivable - related parties	157,300	7	-	—	110,799	-	
			Other receivables - related parties	11	-	-	—	11	-	
	Giant Europe	(Note 1)	Accounts receivable - related parties	158,171	3	-	—	99,986	-	
			Other receivables - related parties	83,954	-	-	—	128	-	
			Loans receivable-related parties	1,436,920	-	-	—	-	-	
	AIPS	(Note 1)	Loans receivable-related parties	200,000	-	-	—	-	-	
Other receivables - related parties			666	-	4	—	666	-		
Loans receivable-related parties			457,140	-	-	—	-	-		
Giant Holding	Giant Tianjin	(Note 1)	Loans receivable-related parties	457,140	-	-	-	-		
Giant Electric Vehicle	Giant	(Note 1)	Accounts receivable - related parties	141,807	3	-	—	54,909	-	
			Other receivables - related parties	4,912	-	-	—	-	-	
Giant Tianjin	Giant Chengdu	(Note 1)	Accounts receivables - related parties	108,508	5	-	—	30,265	-	
Gaiwin	Giant Europe	(Note 1)	Accounts receivable - related parties	543,286	-	498,382	—	158,550	-	
			Other receivables - related parties	2,806	-	-	—	-	-	
	Giant Vietnam Mfg.	(Note 1)	Loans receivable-related parties	331,820	-	-	—	-	-	
			Loans receivable-related parties	199,092	-	-	—	-	-	
			Loans receivable-related parties	414,775	-	-	—	-	-	
	Giant Europe Mfg.	Giant Europe	(Note 1)	Accounts receivable - related parties	179,788	9	-	—	-	-
				Other receivables - related parties	593	-	-	—	-	-
Giant Kunshan	Giant Tianjin	(Note 1)	Accounts receivable - related parties	257,725	6	-	—	118,674	-	
			Other receivables - related parties	1,414	-	-	—	-	-	

(Continued)

Company Name	Related Party	Relationship	Financial Statement Account & Ending Balance		Turnover Rate	Overdue		Amount Received in Subsequent Period	Loss Allowance
						Amount	Action Taken		
Giant Chengdu	Giant Tianjin	(Note 1)	Accounts receivable - related parties	\$ 256	6	\$ -	—	\$ 66	\$ -
			Loans receivable-related parties	228,570	-	-	—	228,570	-
Giant China	Giant Tianjin	(Note 1)	Accounts receivable - related parties	207,876	5	-	—	67,959	-
			Other receivables - related parties	1,664	-	-	—	35	-
Giant Europe	Giant Benelux	(Note 1)	Accounts receivable - related parties	105,892	12	-	—	105,892	-
			Other receivables - related parties	12,134	-	-	—	11,960	-
	Giant France	(Note 1)	Accounts receivable - related parties	694,041	2	486,991	—	143,306	-
			Other receivables - related parties	179,591	-	160,857	—	37,082	-
	Giant Germany	(Note 1)	Accounts receivable - related parties	753,025	2	516,290	—	161,580	-
			Other receivables - related parties	213,965	-	224,720	—	45,911	-
	Giant Italy	(Note 1)	Accounts receivable - related parties	281,970	3	198,024	—	66,393	-
			Other receivables - related parties	129,433	-	87,977	—	30,477	-
	Giant UK	(Note 1)	Accounts receivable - related parties	86,159	7	46,376	—	-	-
			Other receivables - related parties	35,235	-	9,736	—	-	-
D. Mag	Giant Kunshan	(Note 1)	Note receivable - related parties	109,612	-	-	—	109,612	-
			Accounts receivable - related parties	78,027	9	-	—	-	2,413
	Giant Tianjin	(Note 1)	Note receivable - related parties	70,503	-	-	—	70,503	-
			Accounts receivable - related parties	54,954	11	-	—	-	1,700
	Light Metal Haian	(Note 1)	Accounts receivable - related parties	244,545	2	-	—	54,493	-
Loans receivable-related parties			442,054	-	-	—	-	-	

(Concluded)

Note 1: Refer to Note 12.

Note 2: Significant intercompany accounts and transactions have been eliminated.

**GIANT MANUFACTURING CO., LTD. AND SUBSIDIARIES**

**INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT TRANSACTIONS  
FOR THE THREE MONTHS ENDED MARCH 31, 2025  
(In Thousands of New Taiwan Dollars)**

No.	Company Name	Counterparty	Relationship (Note 1)	Transaction Details			% to Consolidated Sales or Total Assets
				Financial Statement Account	Amount (Note 2)	Transaction Terms	
0	Giant	Giant Europe	1	Sales	(\$ 279,508)	T/T 60 days	2
			1	Loan receivable – related parties	1,436,920	(Note 3)	2
		Giant Europe Mfg.	1	Sales	( 483,975)	T/T 90 days	3
		Giant Kunshan	1	Sales	( 270,478)	T/T 90 days	2
		Giant Benelux	1	Sales	( 205,089)	T/T 60 days	1
		Giant UK	1	Sales	( 264,127)	T/T 60 days	2
1	Giant Kunshan	Giant Tianjin	3	Sales	( 387,767)	T/T 60 days	2
2	Giant China	Giant Tianjin	3	Sales	( 208,155)	T/T 60 days	1
3	Giant Europe Mfg.	Giant Europe	3	Sales	( 384,491)	T/T 30 days	2
4	Giant Europe	Giant Benelux	3	Sales	( 227,936)	T/T 30 days	1
		Giant France	3	Sales	( 438,812)	T/T 30 days	3
		Giant Germany	3	Sales	( 417,786)	T/T 30 days	2
5	D. Mag	Giant Kunshan	3	Sales	( 187,751)	T/T 30 days	1

Note 1: Relationship of counterparty:  
 (1) parent company to subsidiary;  
 (2) subsidiary to parent company;  
 (3) subsidiary to subsidiary.

Note 2: Significant intercompany accounts and transactions have been eliminated.

Note 3: Following the criteria in the contract.

## GIANT MANUFACTURING CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTEEES  
FOR THE THREE MONTHS ENDED MARCH 31, 2025  
(In Thousands of New Taiwan Dollars and Foreign Currencies)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of March 31, 2025			Net Income (Loss) of the Investee	Investment Gain (Loss)	Note	
				March 31, 2025	December 31, 2024	Shares	Percentage of Ownership	Carrying Value				
Giant	Growood	Singapore	Overseas reinvested holding company	USD 18,063	USD 18,063	26,619,300	100	\$ 4,841,838	\$ 229,235	\$ 284,808	Subsidiary	
	Gaiwin	Lelystad, Netherlands	Overseas reinvested holding company	USD 7,243	USD 7,243	502,661	100	9,923,993	( 221,519)	( 221,519)	Subsidiary	
	Darzins	British Virgin Islands	Overseas reinvested holding company	USD 14,889	USD 14,889	14,888,928	100	4,408,827	( 18,214)	( 14,416)	Subsidiary	
	Merdeka	British Virgin Islands	Overseas reinvested holding company	USD 6,000	USD 6,000	6,000,003	100	344,991	9,790	9,768	Subsidiary	
	Giant Sales	Taichung	Sales of bicycles and related products and bicycle rental services	\$ 140,000	\$ 140,000	14,000,000	100	626,766	46,239	46,239	Subsidiary	
	YouBike	Taichung	Public bicycle rental services	800,000	800,000	84,800,000	100	1,282,634	85,664	85,664	Subsidiary	
	AIPS	Taichung	Manufacturing and sales of sporting goods	500,000	500,000	50,000,000	100	78,325	332	( 98)	Subsidiary	
	Giant Vietnam Mfg.	Binh Duong Province, Vietnam	Manufacturing and sales of bicycles	USD 23,000	USD 23,000	-	100	490,973	( 17,789)	( 21,387)	Subsidiary	
	Giant Mexico	Mexico City, Mexico	Sales of bicycles and related products	MXN 1	MXN 1	-	-	-	( 35,939)	( 308)	Subsidiary	
	Giant SEA Bicycle	Binh Duong Province, Vietnam	Manufacturing and sales of bicycles	USD 15,000	USD 15,000	-	100	521,246	30,195	30,195	Subsidiary	
	Giant Thailand	Thailand	Sales of bicycles and related products	THB 5,000	THB 5,000	499,999	100	4,006	( 877)	( 877)	Subsidiary	
	Microprogram	Taichung	Research of computer hardware and software and sales of related products	244,352	244,352	8,886,000	18	182,984	7,668	1,361	Investments accounted for using the equity method	
	Growood	Giant Thailand	Thailand	Sales of bicycles and related products	THB -	THB -	1	-	-	( 877)	-	Subsidiary
	Giant Sales	Giant Adventure	Taichung	Undertaking domestic and international tourism trading businesses	10,000	10,000	1,000,000	100	85,964	7,852	(Note 1)	Indirectly owned subsidiary
Gaiwin	Giant Europe	Lelystad, Netherlands	Overseas reinvested holding company and sales of bicycles and related products	EUR 45,736	EUR 45,736	1,200	100	EUR 187,895	(EUR 1,393)	(Note 1)	Indirectly owned subsidiary	
Giant Europe	Giant USA	California, USA	Sales of bicycles and related products	USD 47,618	USD 47,618	200,000	100	EUR 36,186	(EUR 4,519)	(Note 1)	Indirectly owned subsidiary	
	Giant Japan	Kawasaki, Japan	Sales of bicycles and related products	JPY 200,000	JPY 200,000	4,000	100	EUR 11,385	EUR 345	(Note 1)	Indirectly owned subsidiary	
	Giant Australia	Victoria, Australia	Sales of bicycles and related products	AUD 500	AUD 500	500,000	100	EUR 23,291	EUR 122	(Note 1)	Indirectly owned subsidiary	
	Giant Canada	Vancouver, Canada	Sales of bicycles and related products	CAD 1,052	CAD 1,052	1,051,987	100	EUR 14,924	EUR 324	(Note 1)	Indirectly owned subsidiary	
	Giant Korea	Seoul, South Korea	Sales of bicycles and related products	KRW 734,000	KRW 734,000	146,800	100	EUR 3,836	EUR 42	(Note 1)	Indirectly owned subsidiary	
	Giant Mexico	Mexico, Mexico	Sales of bicycles and related products	MXN 70,059	MXN 70,059	-	100	EUR 1,185	(EUR 1,038)	(Note 1)	Indirectly owned subsidiary	
	SPIA	Delaware, USA	Sales of sporting goods	USD 500	USD 500	501	100	(EUR 1,819)	(EUR 798)	(Note 1)	Indirectly owned subsidiary	
	Giant Germany	Erkrath, Germany	Sales of bicycles and related products	EUR 3,472	EUR 3,472	-	100	EUR 9,293	(EUR 888)	(Note 1)	Indirectly owned subsidiary	
	Giant France	Aix en Provence, France	Sales of bicycles and related products	EUR 4,200	EUR 4,200	10,500	100	EUR 12,110	(EUR 401)	(Note 1)	Indirectly owned subsidiary	
	Giant UK	Leicester, United Kingdom	Sales of bicycles and related products	GBP 200	GBP 200	200,000	100	EUR 17,184	EUR 60	(Note 1)	Indirectly owned subsidiary	
	Giant Europe Mfg.	Lelystad, Netherlands	Manufacturing and sales of bicycles	EUR 227	EUR 227	5,000	100	EUR 66,024	EUR 2,553	(Note 1)	Indirectly owned subsidiary	
	Giant Polska	Warsaw, Poland	Sales of bicycles and related products	PLN 150	PLN 150	240	100	EUR 9,381	EUR 287	(Note 1)	Indirectly owned subsidiary	
	Giant Benelux	Lelystad, Netherlands	Sales of bicycles and related products	EUR 3,230	EUR 3,230	23,000	100	EUR 19,634	EUR 23	(Note 1)	Indirectly owned subsidiary	
	Giant Italy	Gallarate, Italy	Sales of bicycles and related products	EUR 200	EUR 200	-	100	(EUR 267)	(EUR 1,756)	(Note 1)	Indirectly owned subsidiary	
D. Mag	Giant Hungary Mfg.	Gyongyos, Hungary	Manufacturing and sales of bicycles	EUR 45,000	EUR 45,000	-	100	EUR 35,865	(EUR 1,323)	(Note 1)	Indirectly owned subsidiary	
	Golden Rich	Hong Kong	International trading	USD 100	USD 100	100,000	100	RMB 11,601	RMB 480	(Note 1)	Indirectly owned subsidiary	
	Light Metal Malaysia	Malaysia	Sales of medium and high-end aluminum wheel hub products	USD 100	USD 100	-	100	(RMB 2,223)	-	(Note 1)	Indirectly owned subsidiary	
	Innovation Tech	Innovation Tech	Investments	USD 44,000	USD 44,000	75,000,000	100	RMB 317,151	(RMB 1,001)	(Note 1)	Indirectly owned subsidiary	
Innovation Tech	D.MAG PRECISION	Binh Duong Province, Vietnam	Manufacturing and sales of wheel hub products	USD 7,000	USD 7,000	-	100	USD 6,723	(USD 54)	(Note 1)	Indirectly owned subsidiary	
	D.MAG LIGHT METAL	Binh Duong Province, Vietnam	Manufacturing and sales of aluminum, steel, and other metal application products	USD 37,000	USD 37,000	-	100	USD 36,633	(USD 4)	(Note 1)	Indirectly owned subsidiary	

Note 1: Not applicable.

Note 2: Significant intercompany accounts and transactions have been eliminated.

GIANT MANUFACTURING CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA  
FOR THE THREE MONTHS ENDED MARCH 31, 2025  
(In Thousands of New Taiwan Dollars and Foreign Currencies)

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital	Investment Type (e.g., Direct or Indirect)	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 (Loss) of the Investee	Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 5)	Carrying Value as of March 31, 2025	Accumulated Repatriation of Investment Income as of March 31, 2025
					Outflow	Inflow						
Giant Holding	Overseas reinvested holding company	RMB 577,569 (USD 88,500)	(Note 2)	\$ 2,681,933	\$ -	\$ -	\$ 2,681,933	\$ 29,883	100%	\$ 59,459	\$ 6,480,737	\$ 1,829,019
Giant Kunshan	Manufacturing and sales of bicycles and parts	RMB 236,288 (USD 35,000)	(Note 3)	(Note 3)	-	-	(Note 3)	26,800	100%	56,375	3,969,054	-
Giant Cycling	Lease of bicycles and promotion of outdoor activities	RMB 6,595 (USD 1,000)	(Note 3)	(Note 3)	-	-	(Note 3)	1	100%	1	3,392	-
Giant Jiangsu	Manufacturing and sales of bicycles and parts	RMB 331,779 (USD 52,500)	(Note 3)	(Note 3)	-	-	(Note 3)	7,409	100%	7,409	1,794,218	-
Willbe Co., Ltd.	Sales and maintenance services of electrical and mechanical equipment and related devices	RMB 3,200	(Note 3)	(Note 3)	-	-	(Note 3)	( 1,063 )	33%	( 351 )	12,267	-
Quanzhou YouBike	Undertaking China public bicycle rental services	RMB 50,000	(Note 5)	(Note 5)	-	-	(Note 5)	( 820 )	100%	( 820 )	123,956	-
Putian YouBike	Undertaking China public bicycle rental services	RMB 50,000	(Note 5)	(Note 5)	-	-	(Note 5)	( 30,729 )	100%	( 30,729 )	( 12,212 )	-
Giant China	Manufacturing and sales of bicycles and parts	RMB 273,040 (USD 37,500)	(Note 1)	489,599	-	-	489,599	188,899	100%	270,458	3,376,134	11,795,162
Giant Electric Vehicle	Manufacturing and sales of electric bicycles	RMB 40,465 (USD 5,000)	(Note 1)	(Note 1)	-	-	(Note 1)	42,034	100%	17,237	342,212	5,539,267
Giant Tianjin	Manufacturing and sales of bicycles and parts	RMB 89,614 (USD 12,000)	(Note 1)	(Note 1)	-	-	(Note 1)	24,581	100%	23,392	1,319,253	2,070,097
Giant Chengdu	Sales of bicycles and parts	RMB 49,663 (USD 6,000)	(Note 1)	199,182	-	-	199,182	10,026	100%	10,003	340,459	283,803
Jiangsu Giant	Undertaking China tourism businesses	RMB 5,000	(Note 4)	(Note 4)	-	-	(Note 4)	( 596 )	100%	( 596 )	7,933	-
D. Mag	Manufacturing and sales of new aluminum alloy products	RMB 360,000	(Note 6)	(Note 6)	-	-	(Note 6)	( 30,151 )	60%	( 14,411 )	4,588,916	-
Light Metal Haian	Manufacturing and sales of alloy materials, semi-solid aluminum, and superplastic aluminum	RMB 120,000	(Note 7)	(Note 7)	-	-	(Note 7)	( 49,804 )	60%	( 30,079 )	150,968	-

Accumulated Outward Remittance for Investment in Mainland China as of March 31, 2025	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
\$ 3,646,639	USD 178,000 and RMB 21,261	(Note 8)

Note 1: Reinvestment made in Mainland China made by the Company through the investor's investment company in a third area.

Note 2: Investee of Giant.

Note 3: Investee of Giant Holding.

Note 4: Investee of Giant China.

Note 5: Investee of Giant Kunshan.

Note 6: Investee of Giant Light Metal Technology (Kunshan) Co., Ltd. ("Giant Light Metal"), an investee of Darzins. Giant Light Metal merged in November 2020. After the merger, D. Mag was the surviving entity. Accumulated investment amount was \$275,925 thousand.

Note 7: Investee of D. Mag.

Note 8: According to the "Principles for Reviewing Investment or Technical Cooperation in the Mainland China" issued by the Investment Commission of the Ministry of Economic Affairs on August 29, 2008, the investment in mainland China has no maximum limitation since the Company acquired the approval from the Industrial Development Bureau regarding the Company's establishment of an operating headquarter in Taiwan.

Note 9: Significant intercompany accounts and transactions have been eliminated.