

Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries  
Consolidated Financial Statements and Report of Independent Accounts  
2025 and 2024 Q2  
(Stock Code: 3357)

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**Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries**

**Consolidated Financial Statements and Independent Auditors' Report for 2025 and 2024**  
**Q2**

**Table of Contents**

|        | Item  | Page    |
|--------|---|---------|
| I.     | Cover   | 1       |
| II.    | Table of Contents   | 2       |
| III.   | CPA Review Report   | 3 ~ 5   |
| IV.    | Consolidated Balance Sheets   | 6 ~ 7   |
| V.     | Consolidated Statement of Comprehensive Income  | 8 ~ 9   |
| VI.    | Consolidated Statement of Changes in Equity   | 10      |
| VII.   | Consolidated Cash Flow Statement  | 11 ~ 12 |
| VIII.  | Notes to Consolidated Financial Statements  | 13 ~ 60 |
| (I)    | Company History and Business Scope  | 13      |
| (II)   | Approval Date and Procedure of the Financial Statements                                       | 13      |
| (III)  | Application of New Standards, Amendments and Interpretations                                  | 13 ~ 14 |
| (IV)   | Summary of Significant Accounting Policies  | 14 ~ 17 |
| (V)    | Significant Accounting Judgments, Estimates, and Major Sources of Uncertainty for Assumptions | 17      |
| (VI)   | Description of Significant Accounts   | 17 ~ 44 |
| (VII)  | Related Party Transactions  | 44 ~ 47 |
| (VIII) | Pledged Assets  | 47      |
| (IX)   | Significant Commitments or Contingencies  | 47      |
| (X)    | Significant Disaster Losses   | 47      |
| (XI)   | Significant Subsequent Events   | 47      |
| (XII)  | Others  | 47 ~ 59 |
| (XIII) | Additional Disclosures  | 59      |
| (XIV)  | Segment Information   | 60      |

## Independent Auditors' Review Report

(114) Caishenbaozi No. 25001278

To Tai-Tech Advanced Electronics Co., Ltd.,

### Introduction

We have audited the consolidated balance sheets of Tai-Tech Advanced Electronics Co., Ltd. and its subsidiaries as of June 30, 2025 and 2024; the consolidated statements of comprehensive income for the three-month periods ended June 30, 2025 and 2024, and for the six-month periods ended June 30, 2025 and 2024; as well as the consolidated statements of changes in equity, consolidated statements of cash flows, and notes to the consolidated financial statements (including a summary of significant accounting policies) for the six-month periods then ended. 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” approved and promulgated into effect by the Financial Supervisory Commission (FSC). Our responsibility is to express a conclusion on the consolidated financial statements based on our review.

### Scope of Review

Except those stated in the Basis for Qualified Conclusion paragraph, we conducted our reviews in accordance with 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 6(5) to the consolidated financial statements, the financial statements of investee companies accounted for under the equity method and included in the consolidated financial statements have not been reviewed by other auditors (see Other Matters paragraph). As of June 30, 2025 and 2024, the carrying amounts of these equity-method investments, calculated based on the Group's shareholding, were NT\$743,395 thousand and NT\$17,250 thousand, representing 6% and 0% of the Group's total consolidated assets, respectively. The Group's share of profit or loss from these investees recognized in the consolidated financial statements was a gain of NT\$30,448 thousand and a loss of NT\$656 thousand for the three months ended June 30, 2025 and 2024, respectively, and a gain of NT\$39,293 thousand and a loss of NT\$1,115 thousand for the six months ended June 30, 2025 and 2024, respectively, representing 10%, 0%, 7%, and 0% of the consolidated profit or loss of the Group for those periods.

## Qualified Conclusion

Based on our review and the review reports of other auditors (see Other Matters paragraph), except for the possible adjustments to the consolidated financial statements resulting from the equity-method investees whose financial statements and the related disclosures in Note 13 to the consolidated financial statements were reviewed by other auditors as described in the Basis for Qualified Conclusion paragraph, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements are not prepared, in all material respects, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, Interim Financial Reporting, as endorsed and promulgated by the Financial Supervisory Commission, so as to present fairly the consolidated financial position of Tai-Tech Advanced Electronics Co., Ltd. and its subsidiaries as of June 30, 2025 and 2024, and their consolidated financial performance for the three-month periods ended June 30, 2025 and 2024, and for the six-month periods ended June 30, 2025 and 2024, as well as their consolidated cash flows for the six-month periods ended June 30, 2025 and 2024.

## Other Matters - Other Auditors' Review Report Adopted

The financial statements of investees accounted for using the equity method and recognized in Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries' consolidated financial statements were not reviewed by us but by other auditors. Therefore, the monetary amount included in our review report on the said consolidated financial statements and related to such investees was by reference to other auditors' review reports containing a qualified conclusion. As of June 30, 2025 and 2024, the investments accounted for using the equity method in the aforementioned companies amounted to NT\$1,629,524 thousand and NT\$1,575,646 thousand, representing 13% and 14% of the consolidated total assets of Northwest Taiching Technology Co., Ltd. and its subsidiaries, respectively. The comprehensive income (loss) recognized from these companies for the three months ended June 30, 2025 and 2024 and for the six months ended June 30, 2025 and 2024 was NT\$(14,818) thousand, NT\$108,929 thousand, NT\$21,775 thousand, and NT\$169,789 thousand, respectively, representing 5%, 61%, (45%), and 27% of the consolidated comprehensive income (loss) of the Group, respectively.

PricewaterhouseCoopers Taiwan

Wei-hao Wu  
Certified Public Accountant (CPA)  
Ya-Hui Cheng

Financial Supervisory Commission

Official Approval Letter No.: Jin Guan Zheng Shen Zi No. 1080323093

Former Financial Supervisory Commission and Securities and Futures Bureau of the Executive Yuan

Official Approval Letter No.: Jin Guan Zheng Liu Zi No. 0960072936

August 11, 2025

Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries  
Consolidated Balance Sheets  
June 30, 2025 and December 31, June 30, 2024

Unit: NT\$ thousand

|                           | Assets  | Note             | June 30, 2025        |            | December 31, 2024    |            | June 30, 2024        |            |
|---------------------------|---|------------------|----------------------|------------|----------------------|------------|----------------------|------------|
|                           |   |                  | Amount               | %          | Amount               | %          | Amount               | %          |
| <b>Current assets</b>     |   |                  |                      |            |                      |            |                      |            |
| 1100                      | Cash and cash equivalents   | 6 (1)            | \$ 1,670,585         | 13         | \$ 1,780,997         | 15         | \$ 1,949,107         | 17         |
| 1150                      | Notes receivable, net   | 6 (2)            | 53,359               | -          | 36,806               | -          | 49,053               | -          |
| 1170                      | Accounts receivable, net  | 6 (2)            | 1,961,771            | 16         | 1,996,348            | 16         | 1,847,720            | 16         |
| 1180                      | Accounts receivable from related parties, net                                   | 6 (2) and 7      | 134,635              | 1          | 129,489              | 1          | 143,142              | 1          |
| 1200                      | Other receivables   |                  | 82,623               | 1          | 33,711               | -          | 33,182               | -          |
| 1210                      | Other receivables - related parties   | 7                | 87,049               | 1          | 140                  | -          | 57,669               | 1          |
| 1220                      | Current income tax assets   | 6 (26)           | 355                  | -          | 2                    | -          | 696                  | -          |
| 130X                      | Inventory   | 6 (3)            | 981,245              | 8          | 896,450              | 8          | 856,061              | 8          |
| 1410                      | Pre-payments  | 6 (14)           | 99,163               | 1          | 104,091              | 1          | 112,937              | 1          |
| 1470                      | Other current assets  |                  | 17,799               | -          | 3,811                | -          | 642                  | -          |
| 11XX                      | <b>Total current assets</b>   |                  | <u>5,088,584</u>     | <u>41</u>  | <u>4,981,845</u>     | <u>41</u>  | <u>5,050,209</u>     | <u>44</u>  |
| <b>Non-current assets</b> |   |                  |                      |            |                      |            |                      |            |
| 1510                      | Financial assets at fair value through profit or loss - non-current             | 6 (12)           |                      |            | 110                  | -          | 770                  | -          |
| 1517                      | Financial assets at fair value through other comprehensive income - non-current | 6 (4) and 12 (3) |                      |            | 620,580              | 5          | 567,634              | 5          |
| 1550                      | Investment accounted for using the equity method                                | 6 (5)            |                      |            | 2,358,651            | 19         | 2,178,533            | 18         |
| 1600                      | Property, plant and equipment   | 6 (6) (9) and 8  | 4,012,929            | 33         | 4,358,293            | 35         | 4,048,512            | 35         |
| 1755                      | Right-of-use assets   | 6 (7) and 7      | 30,526               | -          | 34,809               | -          | 36,877               | -          |
| 1780                      | Intangible assets   |                  | 63,094               | 1          | 54,094               | -          | 51,253               | -          |
| 1840                      | Deferred income tax assets  | 6 (26)           | 3,119                | -          | 3,237                | -          | 27,817               | -          |
| 1900                      | Other non-current assets  | 6 (8)            | 89,753               | 1          | 71,613               | 1          | 174,621              | 2          |
| 15XX                      | <b>Total non-current assets</b>   |                  | <u>7,178,762</u>     | <u>59</u>  | <u>7,268,983</u>     | <u>59</u>  | <u>6,447,163</u>     | <u>56</u>  |
| 1XXX                      | <b>Total assets</b>   |                  | <u>\$ 12,267,346</u> | <u>100</u> | <u>\$ 12,250,828</u> | <u>100</u> | <u>\$ 11,497,372</u> | <u>100</u> |

(Continued)

Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries  
Consolidated Balance Sheets  
June 30, 2025 and December 31, June 30, 2024

Unit: NT\$ thousand

| Liabilities and equity  | Note         | June 30, 2025        |            | December 31, 2024    |            | June 30, 2024        |            |
|---|--------------|----------------------|------------|----------------------|------------|----------------------|------------|
|   |              | Amount               | %          | Amount               | %          | Amount               | %          |
| <b>Current liabilities</b>  |              |                      |            |                      |            |                      |            |
| 2100 Short-term borrowings  | 6 (10)       | \$ 620,000           | 5          | \$ 330,000           | 3          | \$ 150,000           | 1          |
| 2150 Notes payable  |              | 14,204               | -          | 16,011               | -          | 24,628               | -          |
| 2170 Accounts payable   |              | 856,914              | 7          | 806,684              | 7          | 900,422              | 8          |
| 2180 Accounts payable - related parties                               | 7            | 2,502                | -          | 2,622                | -          | 1,669                | -          |
| 2200 Other payables   | 6 (11) and 7 | 658,383              | 5          | 587,956              | 5          | 590,085              | 5          |
| 2230 Current income tax liabilities                                   | 6 (26)       | 60,790               | 1          | 35,275               | -          | 49,231               | 1          |
| 2250 Liability reserve - current                                      |              | 4,893                | -          | 4,492                | -          | 3,604                | -          |
| 2280 Lease liabilities - current                                      | 7            | 2,243                | -          | 2,311                | -          | 3,094                | -          |
| 2320 Current portion of long-term borrowings                          | 6 (13)       | 326,232              | 3          | 243,158              | 2          | 106,139              | 1          |
| <b>21XX Total current liabilities</b>                                 |              | <b>2,546,161</b>     | <b>21</b>  | <b>2,028,509</b>     | <b>17</b>  | <b>1,828,872</b>     | <b>16</b>  |
| <b>Non-current liabilities</b>  |              |                      |            |                      |            |                      |            |
| 2530 Corporate bonds payable  | 6 (12)       | 1,075,453            | 9          | 1,066,426            | 9          | 1,057,475            | 9          |
| 2540 Long-term borrowings   | 6 (13)       | 1,296,208            | 10         | 1,266,554            | 10         | 1,417,440            | 12         |
| 2570 Deferred income tax liabilities                                  | 6 (26)       | 243,102              | 2          | 267,624              | 2          | 269,274              | 3          |
| 2580 Lease liabilities - non-current                                  | 7            | 4,269                | -          | 5,376                | -          | 6,512                | -          |
| 2640 Net defined benefit liabilities— non-current                     | 6 (14)       | 1,623                | -          | 1,415                | -          | 1,237                | -          |
| 2670 Other non-current liabilities - others                           |              | 5,950                | -          | 7,207                | -          | 9,335                | -          |
| <b>25XX Total non-current liabilities</b>                             |              | <b>2,626,605</b>     | <b>21</b>  | <b>2,614,602</b>     | <b>21</b>  | <b>2,761,273</b>     | <b>24</b>  |
| <b>2XXX Total liabilities</b>   |              | <b>5,172,766</b>     | <b>42</b>  | <b>4,643,111</b>     | <b>38</b>  | <b>4,590,145</b>     | <b>40</b>  |
| <b>Equity attributable to shareholders of the parent</b>              |              |                      |            |                      |            |                      |            |
| Share capital   | 6 (15)       |                      |            |                      |            |                      |            |
| 3110 Common shares  |              | 1,020,349            | 8          | 1,020,349            | 8          | 1,020,349            | 9          |
| Capital surplus   | 6 (16)       |                      |            |                      |            |                      |            |
| 3200 Capital surplus  |              | 1,854,278            | 15         | 1,854,376            | 15         | 1,854,375            | 15         |
| Retained earnings   | 6 (17)       |                      |            |                      |            |                      |            |
| 3310 Legal reserve  |              | 811,142              | 7          | 720,465              | 6          | 720,465              | 6          |
| 3320 Special reserve  |              | 76,642               | 1          | 76,642               | 1          | 76,642               | 1          |
| 3350 Unappropriated earnings  |              | 3,231,059            | 26         | 3,312,481            | 27         | 2,749,215            | 24         |
| Other equity  | 6 (18)       |                      |            |                      |            |                      |            |
| 3400 Other equity   |              | ( 85,199 )           | ( 1 )      | 496,692              | 4          | 424,656              | 4          |
| <b>31XX Equity attributable to shareholders of the parent - Total</b> |              | <b>6,908,271</b>     | <b>56</b>  | <b>7,481,005</b>     | <b>61</b>  | <b>6,845,702</b>     | <b>59</b>  |
| <b>36XX Non-controlling interests</b>                                 |              | <b>186,309</b>       | <b>2</b>   | <b>126,712</b>       | <b>1</b>   | <b>61,525</b>        | <b>1</b>   |
| <b>3XXX Total equity</b>  |              | <b>7,094,580</b>     | <b>58</b>  | <b>7,607,717</b>     | <b>62</b>  | <b>6,907,227</b>     | <b>60</b>  |
| Significant Commitments or Contingencies                              | 9            |                      |            |                      |            |                      |            |
| <b>3X2X Total liabilities and equity</b>                              |              | <b>\$ 12,267,346</b> | <b>100</b> | <b>\$ 12,250,828</b> | <b>100</b> | <b>\$ 11,497,372</b> | <b>100</b> |

The accompanying notes are an integral part of the consolidated financial statements; please refer to them altogether.

**Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries**  
**Consolidated Statement of Comprehensive Income**  
**January 1 to June 30, 2025 and 2024**

Unit: NT\$ thousand  
(Except Earnings Per Share)

| Item | Note   | April 1 to June 30,<br>2025 |               | April 1 to June 30,<br>2024 |               | January 1 to June 30,<br>2025 |               | January 1 to June<br>30, 2024 |               |        |
|------|--|-----------------------------|---------------|-----------------------------|---------------|-------------------------------|---------------|-------------------------------|---------------|--------|
|      |  | Amount                      | %             | Amount                      | %             | Amount                        | %             | Amount                        | %             |        |
| 4000 | Operating revenue  | 6 (19) and 7                | \$ 1,610,520  | 100                         | \$ 1,369,214  | 100                           | \$ 3,169,946  | 100                           | \$ 2,540,947  | 100    |
| 5000 | Operating costs  | 6 (3)                       |               |                             | (24)          |                               |               |                               |               |        |
|      |  | (25) and 7                  | ( 1,213,736 ) | ( 76 )                      | ( 1,042,343 ) | ( 76 )                        | ( 2,373,820 ) | ( 75 )                        | ( 1,949,666 ) | ( 77 ) |
| 5900 | Gross profit   |                             | 396,784       | 24                          | 326,871       | 24                            | 796,126       | 25                            | 591,281       | 23     |
| 5910 | Unrealized gains from<br>sale  |                             | -             | -                           | -             | -                             | ( 1,598 )     | -                             | -             | -      |
| 5950 | Gross profit, net  |                             | 396,784       | 24                          | 326,871       | 24                            | 794,528       | 25                            | 591,281       | 23     |
|      | Operating expenses   | 6 (24)                      |               |                             |               |                               |               |                               |               |        |
|      |  | (25) and 7                  |               |                             |               |                               |               |                               |               |        |
| 6100 | Selling and marketing<br>expenses  |                             | ( 104,994 )   | ( 7 )                       | ( 88,036 )    | ( 7 )                         | ( 201,789 )   | ( 6 )                         | ( 167,569 )   | ( 6 )  |
| 6200 | General and<br>administrative<br>expenses  |                             | ( 87,319 )    | ( 5 )                       | ( 43,286 )    | ( 3 )                         | ( 155,626 )   | ( 5 )                         | ( 93,357 )    | ( 4 )  |
| 6300 | Research and<br>development expenses   |                             | ( 51,927 )    | ( 3 )                       | ( 50,509 )    | ( 4 )                         | ( 99,935 )    | ( 3 )                         | ( 93,633 )    | ( 4 )  |
| 6450 | Expected credit<br>impairment gain   | 12 (2)                      | -             | -                           | -             | -                             | -             | -                             | -             | -      |
| 6000 | Total operating<br>expenses  |                             | ( 244,240 )   | ( 15 )                      | ( 181,831 )   | ( 14 )                        | ( 457,350 )   | ( 14 )                        | ( 354,559 )   | ( 14 ) |
| 6900 | Operating gains  |                             | 152,544       | 9                           | 145,040       | 10                            | 337,178       | 11                            | 236,722       | 9      |
|      | Non-operating income and<br>expenses   |                             |               |                             |               |                               |               |                               |               |        |
| 7100 | Interest income  | 6 (20)                      | 10,225        | 1                           | 12,297        | 1                             | 18,230        | 1                             | 22,369        | 1      |
| 7010 | Other income   | 6 (21)                      | 321,451       | 20                          | 40,255        | 3                             | 329,067       | 10                            | 50,192        | 2      |
| 7020 | Other gains and losses   | 6 (9) (22)                  | ( 179,737 )   | ( 11 )                      | 22,021        | 2                             | ( 158,590 )   | ( 5 )                         | 65,559        | 3      |
| 7050 | Financial costs  | 6 (10) (13)<br>(23)         | ( 13,276 )    | ( 1 )                       | ( 10,334 )    | ( 1 )                         | ( 25,062 )    | ( 1 )                         | ( 20,005 )    | ( 1 )  |
| 7060 | Share of profit (loss) of<br>associates and joint<br>ventures accounted for<br>using equity method | 6 (5)                       |               |                             |               |                               |               |                               |               |        |
|      |  |                             | 52,851        | 3                           | 30,228        | 2                             | 92,907        | 3                             | 50,230        | 2      |
| 7000 | Total non-operating<br>incomes and<br>expenses   |                             | 191,514       | 12                          | 94,467        | 7                             | 256,552       | 8                             | 168,345       | 7      |
| 7900 | <b>Income before income tax</b>  |                             | 344,058       | 21                          | 239,507       | 17                            | 593,730       | 19                            | 405,067       | 16     |
| 7950 | Income tax expenses  | 6 (26)                      | ( 28,655 )    | ( 2 )                       | ( 40,845 )    | ( 3 )                         | ( 55,126 )    | ( 2 )                         | ( 61,726 )    | ( 2 )  |
| 8200 | <b>Net profit (loss) for<br/>current period</b>  |                             | \$ 315,403    | 19                          | \$ 198,662    | 14                            | \$ 538,604    | 17                            | \$ 343,341    | 14     |

(Continued)

**Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries**  
**Consolidated Statement of Comprehensive Income**  
**January 1 to June 30, 2025 and 2024**

Unit: NT\$ thousand  
(Except Earnings Per Share)

| Item  | Note   | April 1 to June 30,<br>2025 |    | April 1 to June 30,<br>2024                                   |    | January 1 to June 30,<br>2025 |    | January 1 to June 30,<br>2024 |    |
|---|--------|-----------------------------|----|---|----|-------------------------------|----|-------------------------------|----|
|   |        | Amount                      | %  | Amount  | %  | Amount                        | %  | Amount                        | %  |
| <b>Other comprehensive<br/>income/(loss) for the year,<br/>net of income tax</b>  |        |                             |    |   |    |                               |    |                               |    |
| <b>Components of other<br/>comprehensive income<br/>that will not be<br/>reclassified to profit or<br/>loss</b>   | 6 (18) |                             |    |   |    |                               |    |                               |    |
| 8316 Unrealized gain (loss) on<br>investments in equity<br>instruments at fair<br>value through other<br>comprehensive income   | 6 (4)  |                             |    |   |    |                               |    |                               |    |
|   |        | \$ 23,205                   | 2  | ( \$ 140,141 ) ( 10 ) ( \$ 23,201 ) ( 1 ) ( \$ 37,465 ) ( 1 ) |    |                               |    |                               |    |
| 8320 Share of profit (loss) of<br>associates and joint<br>ventures accounted for<br>using equity method -<br>Components of other<br>comprehensive income<br>that will not be<br>reclassified to profit or<br>loss |        |                             |    |   |    |                               |    |                               |    |
|   |        | 47,531                      | 3  | 72,125  | 5  | 40,703                        | 1  | 88,360                        | 3  |
| 8310 Total components of<br>other comprehensive<br>income that will not be<br>reclassified to profit or<br>loss   |        |                             |    |   |    |                               |    |                               |    |
|   |        | 70,736                      | 5  | ( 68,016 ) ( 5 )  |    | 17,502                        | -  | 50,895                        | 2  |
| <b>Items that may be<br/>reclassified<br/>subsequently to profit<br/>or loss</b>  | 6 (18) |                             |    |   |    |                               |    |                               |    |
| 8361 Exchange differences on<br>translating the<br>financial statements of<br>foreign operations  |        |                             |    |   |    |                               |    |                               |    |
|   |        | ( 605,461 ) ( 38 )          |    | 42,733  | 3  | ( 531,247 ) ( 17 )            |    | 205,527                       | 8  |
| 8370 Share of profit (loss) of<br>associates and joint<br>ventures accounted for<br>using equity method -<br>Components of other<br>comprehensive income<br>that might be<br>reclassified to profit or<br>loss    |        |                             |    |   |    |                               |    |                               |    |
|   |        | ( 82,371 ) ( 5 )            |    | 5,999   | 1  | ( 73,421 ) ( 2 )              |    | 30,185                        | 1  |
| 8360 Total of items that may<br>be reclassified<br>subsequently to profit<br>or loss  |        |                             |    |   |    |                               |    |                               |    |
|   |        | ( 687,832 ) ( 43 )          |    | 48,732  | 4  | ( 604,668 ) ( 19 )            |    | 235,712                       | 9  |
| 8300 <b>Other comprehensive<br/>income/(loss) for the year,<br/>net of income tax</b>   |        |                             |    |   |    |                               |    |                               |    |
| 8500 <b>Total comprehensive<br/>income (loss) for the<br/>current period</b>  |        |                             |    |   |    |                               |    |                               |    |
| 8610 Net income attributable to:<br>shareholders of the parent  |        |                             |    |   |    |                               |    |                               |    |
|   |        | \$ 317,397                  | 19 | \$ 198,761  | 14 | \$ 542,263                    | 17 | \$ 343,498                    | 14 |
| 8620 Non-controlling interests  |        |                             |    |   |    |                               |    |                               |    |
|   |        | ( \$ 1,994 )                | -  | ( \$ 99 )   | -  | ( \$ 3,659 )                  | -  | ( \$ 157 )                    | -  |
| 8710 Total comprehensive income<br>(loss) attributable to:<br>shareholders of the parent  |        |                             |    |   |    |                               |    |                               |    |
|   |        | ( \$ 286,056 ) ( 18 )       |    | \$ 179,139  | 13 | ( \$ 33,819 ) ( 2 )           |    | \$ 629,105                    | 25 |
| 8720 Non-controlling interests  |        |                             |    |   |    |                               |    |                               |    |
|   |        | ( \$ 15,637 ) ( 1 )         |    | \$ 239  | -  | ( \$ 14,743 )                 | -  | \$ 843                        | -  |
| <b>EARNINGS PER SHARE</b>   | 6 (27) |                             |    |   |    |                               |    |                               |    |
| 9750 Basic earnings per share<br>attributable to<br>shareholders of the<br>parent company   |        |                             |    |   |    |                               |    |                               |    |
|   |        | \$ 3.11                     |    | \$ 1.95   |    | \$ 5.31                       |    | \$ 3.37                       |    |
| 9850 Diluted earnings per share<br>attributable to<br>shareholders of the<br>parent company   |        |                             |    |   |    |                               |    |                               |    |
|   |        | \$ 2.86                     |    | \$ 1.82   |    | \$ 4.89                       |    | \$ 3.15                       |    |

The accompanying notes are an integral part of the consolidated financial statements; please refer to them altogether.

**Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries**  
**Consolidated Statement of Changes in Equity**  
January 1 to June 30, 2025 and 2024

Unit: NT\$ thousand

| Note  | Equity attributable to shareholders of the parent |                 |               |                   |                         |  |   |                   |                           |                  |                     |
|---|---|-----------------|---------------|-------------------|-------------------------|--|---|-------------------|---------------------------|------------------|---------------------|
|   | Retained earnings                                 |                 |               |                   |                         | Other equity   |   |                   |                           |                  |                     |
|   | Common shares                                     | Capital surplus | Legal reserve | Special reserve   | Unappropriated earnings | Exchange differences on translating the financial statements of foreign operations | Unrealized gain/(loss) on financial assets at fair value through other comprehensive income | Total             | Non-controlling interests | Total equity     |                     |
| <b>January 1 to June 30, 2024</b>   |   |                 |               |                   |                         |  |   |                   |                           |                  |                     |
| Balance as of January 1, 2024   | \$ 1,020,340                                      | \$ 1,854,279    | \$ 657,300    | \$ 76,642         | \$ 2,928,035            | (\$ 217,641 )  | \$ 356,690  | \$ 6,675,645      | \$ 60,682                 | \$ 6,736,327     |                     |
| Net profit (loss) for current period  | -   | -               | -             | -                 | 343,498                 | -  | -   | 343,498           | ( 157 )                   | 343,341          |                     |
| Other comprehensive income for the year   | 6 (18)  | -               | -             | -                 | -                       | 234,712  | 50,895  | 285,607           | 1,000                     | 286,607          |                     |
| Total comprehensive income (loss) for the current period  |   | -               | -             | -                 | 343,498                 | 234,712  | 50,895  | 629,105           | 843                       | 629,948          |                     |
| Appropriation and distribution of earnings:   | 6 (17)  |                 |               |                   |                         |  |   |                   |                           |                  |                     |
| Legal reserve   | -   | -               | 63,165        | -                 | ( 63,165 )              | -  | -   | -                 | -                         | -                |                     |
| Cash dividends  | -   | -               | -             | -                 | ( 459,153 )             | -  | -   | ( 459,153 )       | -                         | ( 459,153 )      |                     |
| Changes in associates and joint ventures accounted for using the equity method  | -   | 9               | -             | -                 | -                       | -  | -   | -                 | 9                         | 9                |                     |
| Convertible corporate bond conversion   | 6 (12)  | 9               | 87            | \$ 720,465        | \$ 76,642               | \$ 2,749,215   | \$ 17,071   | \$ 407,585        | 96                        | 96               |                     |
| Balance as of June 30, 2024   |   | \$ 1,020,349    | \$ 1,854,375  | <u>\$ 720,465</u> | <u>\$ 76,642</u>        | <u>\$ 2,749,215</u>  | <u>\$ 17,071</u>  | <u>\$ 407,585</u> | <u>\$ 6,845,702</u>       | <u>\$ 61,525</u> | <u>\$ 6,907,227</u> |
| <b>January 1 to June 30, 2025</b>   |   |                 |               |                   |                         |  |   |                   |                           |                  |                     |
| Balance as of January 1, 2025   | \$ 1,020,349                                      | \$ 1,854,376    | \$ 720,465    | \$ 76,642         | \$ 3,312,481            | \$ 35,333  | \$ 461,359  | \$ 7,481,005      | \$ 126,712                | \$ 7,607,717     |                     |
| Net profit (loss) for current period  | -   | -               | -             | -                 | 542,263                 | -  | -   | 542,263           | ( 3,659 )                 | 538,604          |                     |
| Other comprehensive income for the year   | 6 (18)  | -               | -             | -                 | -                       | ( 593,584 )  | 17,502  | ( 576,082 )       | ( 11,084 )                | ( 587,166 )      |                     |
| Total comprehensive income (loss) for the current period  |   | -               | -             | -                 | 542,263                 | ( 593,584 )  | 17,502  | ( 33,819 )        | ( 14,743 )                | ( 48,562 )       |                     |
| Appropriation and distribution of earnings:   | 6 (17)  |                 |               |                   |                         |  |   |                   |                           |                  |                     |
| Legal reserve   | -   | -               | 90,677        | -                 | ( 90,677 )              | -  | -   | -                 | -                         | -                |                     |
| Cash dividends  | -   | -               | -             | -                 | ( 510,174 )             | -  | -   | ( 510,174 )       | -                         | ( 510,174 )      |                     |
| Investments accounted for using the equity method that are not subscribed in proportion to their ownership percentage | -   | ( 778 )         | -             | -                 | ( 36,289 )              | ( 879 )  | ( 4,930 )   | ( 42,876 )        | -                         | ( 42,876 )       |                     |
| Changes in associates and joint ventures accounted for using the equity method  | -   | 680             | -             | -                 | 13,455                  | -  | -   | -                 | 14,135                    | -                | 14,135              |
| Increase in non-controlling interests   | -   | -               | -             | -                 | -                       | -  | -   | -                 | 74,340                    | -                | 74,340              |
| Balance as of June 30, 2025   | \$ 1,020,349                                      | \$ 1,854,278    | \$ 811,142    | \$ 76,642         | \$ 3,231,059            | ( \$ 559,130 )   | \$ 473,931  | \$ 6,908,271      | \$ 186,309                | \$ 7,094,580     |                     |

The accompanying notes are an integral part of the consolidated financial statements; please refer to them altogether.

**Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries**  
**Consolidated Cash Flow Statement**  
**January 1 to June 30, 2025 and 2024**

Unit: NT\$ thousand

|   | Note   | January 1 to June 30,<br>2025 | January 1 to June 30,<br>2024 |
|---|--------|-------------------------------|-------------------------------|
| <b>Cash flow from operating activities</b>  |        |                               |                               |
| Income before income tax  |        | \$ 593,730                    | \$ 405,067                    |
| Adjustments   |        |                               |                               |
| Adjustments for income and expenses   |        |                               |                               |
| Depreciation expenses (including right-of-use assets)                             | 6 (24) | 260,513                       | 269,869                       |
| Amortization  | 6 (24) | 5,539                         | 3,884                         |
| Net gain on financial assets and liabilities at fair value through profit or loss | 6 (22) | 660                           | ( 1,430 )                     |
| Loss (gain) on disposal of property, plant and equipment                          | 6 (22) | 10,508                        | ( 20 )                        |
| Impairment loss recognized on property, plant, and equipment                      | 6 (22) | 91,037                        | -                             |
| Unrealized gains from sale  |        | 1,598                         | -                             |
| Interest income   | 6 (20) | ( 18,230 )                    | ( 22,369 )                    |
| Dividends income  | 6 (21) | ( 7,210 )                     | ( 22,375 )                    |
| Bargain purchase gains  | 6 (21) | ( 300,122 )                   | -                             |
| Interest expenses   | 6 (23) | 25,062                        | 20,005                        |
| Share of profit of associates accounted for using equity method                   | 6 (5)  | ( 92,907 )                    | ( 50,230 )                    |
| Disposal of investment gains  | 6 (22) | ( 5,809 )                     | -                             |
| Changes in operating assets and liabilities                                       |        |                               |                               |
| Changes in operating assets   |        |                               |                               |
| Notes receivable  |        | ( 16,553 )                    | 791                           |
| Accounts Receivable   |        | 34,645                        | ( 383,630 )                   |
| Accounts receivable due from related parties                                      |        | ( 5,146 )                     | ( 48,292 )                    |
| Other receivables   |        | ( 48,912 )                    | ( 18,370 )                    |
| Other receivables - related parties   |        | 137                           | ( 169 )                       |
| Inventory   |        | ( 84,795 )                    | ( 87,938 )                    |
| Pre-payments  |        | 4,928                         | ( 70,305 )                    |
| Other current assets  |        | ( 13,988 )                    | ( 375 )                       |
| Changes in operating liabilities, net   |        |                               |                               |
| Notes payable   |        | ( 862 )                       | 4,510                         |
| Accounts payable  |        | 50,230                        | ( 349,887 )                   |
| Accounts payables to related parties  |        | ( 120 )                       | ( 1,442 )                     |
| Other payables  |        | 57,298                        | 33,962                        |
| Liability reserve - current   |        | 401                           | ( 674 )                       |
| Net defined benefit liabilities   |        | 208                           | 184                           |
| Other noncurrent liabilities  |        | ( 1,666 )                     | ( 679 )                       |
| Cash generated from operating activities  |        | 540,174                       | 379,861                       |
| Interest paid   |        | ( 16,035 )                    | ( 11,128 )                    |
| Income taxes paid   |        | ( 28,140 )                    | ( 56,114 )                    |
| Net cash inflow from operating activities   |        | <u>495,999</u>                | <u>312,619</u>                |

(Continued)

Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries  
Consolidated Cash Flow Statement  
January 1 to June 30, 2025 and 2024

Unit: NT\$ thousand

|  | Note   | January 1 to June<br>30, 2025 | January 1 to June<br>30, 2024 |
|--|--------|-------------------------------|-------------------------------|
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                                      |        |                               |                               |
| <b>Interests received</b>  |        |                               |                               |
| Interests received   |        | \$ 18,230                     | \$ 22,369                     |
| Dividends received   |        | 7,210                         | 21,745                        |
| Acquisition of financial assets at fair value through other comprehensive income |        | ( 81,887 )                    | -                             |
| Decrease in financial assets at amortized cost                                   |        | -                             | 30,705                        |
| Acquisition of property, plant and equipment                                     | 6(29)  | ( 251,191 )                   | ( 212,107 )                   |
| Proceeds from disposal of property, plant and equipment                          |        | 7,336                         | 2,830                         |
| Acquisition of intangible assets   |        | ( 15,270 )                    | ( 4,876 )                     |
| Increase in refundable deposits  |        | ( 5,828 )                     | -                             |
| Increase in other non-current assets   |        | - (                           | 57,572 )                      |
| Cash dividend of long-term equity investment under equity method                 |        | 48,669                        | -                             |
| Net cash flows used in investing activities                                      |        | ( 272,731 )                   | ( 196,906 )                   |
| <b>Cash Flow from Financing Activities</b>                                       |        |                               |                               |
| Increase in short-term borrowings  |        | 1,620,000                     | 370,000                       |
| Decrease in short-term borrowings  |        | ( 1,330,000 )                 | ( 320,000 )                   |
| Increase in long-term borrowings   |        | 200,000                       | -                             |
| Repayment for long-term borrowings   |        | ( 87,272 )                    | ( 18,866 )                    |
| Increase in guarantee deposits   |        | 409                           | -                             |
| Repayment of the principal portion of lease liabilities                          | 6 (30) | ( 1,175 )                     | ( 2,223 )                     |
| Cash dividends appropriated  | 6 (17) | ( 510,174 )                   | ( 459,153 )                   |
| Increase in non-controlling interests  |        | 74,340                        | -                             |
| Net cash used in financing activities  |        | ( 33,872 )                    | ( 430,242 )                   |
| Exchange rate adjustments  |        | ( 299,808 )                   | 111,002                       |
| Decrease in cash and cash equivalents for the period                             |        | ( 110,412 )                   | ( 203,527 )                   |
| Cash and cash equivalents - beginning balance                                    |        | 1,780,997                     | 2,152,634                     |
| Cash and cash equivalents - ending balance                                       |        | <u><u>\$ 1,670,585</u></u>    | <u><u>\$ 1,949,107</u></u>    |

The accompanying notes are an integral part of the consolidated financial statements; please refer to them altogether.

**Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**2025 and 2024 Q2**

Unit: NT\$ thousand  
(unless otherwise specified)

**I. Company History and Business Scope**

Tai-Tech Advanced Electronics (hereinafter referred to as the “Company”) was incorporated on November 2, 1992. The Company and its subsidiaries (hereinafter collectively referred to as the “Group”) mainly engages in manufacturing and processing of electronic parts, magnet cores, multilayer wire-wound and other wire-wound products and acts as an agent for domestic and foreign companies in terms of quotation, bidding, distribution and import and export of the said products. The Company’s shares were listed on Taipei Exchange for trading on April 27, 2021.

**II. Approval Date and Procedure of the Financial Statements**

The Consolidated Financial Statements have passed the board of directors resolution and were published on August 11, 2025.

**III. Application of New Standards, Amendments and Interpretations**

**(I) The impact of the adoption of the new and revised International Financial Reporting Standards (IFRS) recognized and promulgated by the Financial Supervisory Commission (FSC)**

The following table sets forth the standards and interpretations for the new issues, amendments, and revisions of International Financial Reporting Standards (IFRS) approved and promulgated into effect by the FSC for application in 2025:

| New, Revised or Amended Standards and Interpretations  | Effective date announced by IASB |
|--|----------------------------------|
| Amendments to IAS 21 “Lack of Exchangeability”   | January 1, 2025                  |
| The Group has assessed the aforementioned standards and interpretations and concluded that they do not have significant effects on the Group’s financial position and financial performance. |                                  |

**(II) Effects of Not Adopting the Newly Issued or Amended IFRSs Endorsed by the FSC**

The following table sets forth the standards and interpretations for the new issues, amendments, and revisions of International Financial Reporting Standards (IFRS) recognized by the FSC for application in 2026:

| New, Revised or Amended Standards and Interpretations   | Effective date announced by IASB |
|---|----------------------------------|
| Amendments to IFRS No. 9 and IFRS No. 7 ““Amendments to the Classification and Measurement of Financial Instruments”” | January 1, 2026                  |
| Amendments to IFRS 9 and IFRS 7 “Contracts for Renewable Electricity”   | January 1, 2026                  |
| IFRS 17 “Insurance Contracts”   | January 1, 2023                  |
| Amendments to IFRS 17 “Insurance Contracts”   | January 1, 2023                  |
| Amendment to IFRS 17 Initial application of IFRS 17 and IFRS 9 — Comparative information                              | January 1, 2023                  |
| Annual Improvements to IFRS Accounting Standards—Volume 11  | January 1, 2026                  |

Except for the following, the Group has assessed the aforementioned standards and interpretations and concluded that they do not have significant effects on the Group's financial position and financial performance:

Amendments to IFRS No. 9 and IFRS No. 7 "Amendments to the Classification and Measurement of Financial Instruments" updated the fair value of the equity instruments designated through other comprehensive income (FVOCI) through an irrevocable election should be disclosed for each type of equity instrument, and there is no need to disclose the fair value information for each underlying subject. In addition, the amount of fair value gain or loss recognized in other comprehensive income shall be disclosed. The amount of fair value gain or loss on the investment derecognized during the reporting period shall be presented separately, and accumulated gains and losses from investments that are derecognized during the reporting period and transferred to equity during the reporting period.

**(III) Effects of the IFRSs issued by IASB but not yet endorsed by the FSC**

New standards, interpretations, and amendments to the IFRSs issued by IASB but not yet endorsed by the FSC are as follows:

| New, Revised or Amended Standards and Interpretations  | Effective date announced by IASB |
|--|----------------------------------|
| Amendments to IFRS 10 and IAS 28 - "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture" | Yet to be decided by IASB        |
| IFRS 18 "Presentation and Disclosures in Financial Statements"   | January 1, 2027                  |
| IFRS 19 "Subsidiaries without Public Accountability: Disclosures"  | January 1, 2027                  |

Except for the following, the Group has assessed the aforementioned standards and interpretations and concluded that they do not have significant effects on the Group's financial position and financial performance.

IFRS 18 "Presentation and Disclosures in Financial Statements"

IFRS 18 "Financial Statement Presentation and Disclosure" replaces IAS No. 1 and updates the structure of the comprehensive income statement, adds the disclosure of management performance measurement, and strengthens the application in the summary of the main financial statements and notes and segmentation.

**IV. Summary of Significant Accounting Policies**

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented unless otherwise stated.

**(I) Statement of Compliance**

1. These consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" as approved and promulgated into effect by the FSC.
2. The consolidated financial statements should be read in conjunction with the 2024 consolidated financial statements.

**(II) Preparation Basis**

1. Except for the following significant accounts, the consolidated financial statements have been prepared under the historical cost convention:
  - (1) Financial assets measured at fair value through profit or loss (including derivatives).
  - (2) Financial assets at fair value through other comprehensive income.
  - (3) Defined benefit liabilities recognized based on the net amount of pension fund assets

less present value of defined benefit obligation.

2. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the FSC (collectively referred to hereinafter as the “IFRSs”) requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

**(III) Consolidation Basis**

1. Principles for preparing the consolidated financial statements

The preparation principles of the consolidated financial statements are the same as those in the 2024 consolidated financial statements.

2. Subsidiaries included in the consolidated financial statements:

| Name of Investor                | Subsidiary name                                   | Business nature   | Shareholding percentage |                   |               |         |
|---------------------------------|---|---|-------------------------|-------------------|---------------|---------|
|                                 |   |   | June 30, 2025           | December 31, 2024 | June 30, 2024 | Remarks |
| The Company                     | NORTH STAR INTERNATIONAL LTD LIMITED              | Invested business   | 100%                    | 100%              | 100%          |         |
| The Company                     | BEST BLISS INVESTMENTS LIMITED                    | Invested business   | 100%                    | 100%              | 100%          |         |
| The Company                     | TECHWORLD ELECTRONICS SINGAPORE PTE.              | Reinvestm ent and trading-related business                | 60%                     | 60%               | 60%           |         |
| The Company                     | JDX Technology Co.,Ltd.                           | Sale of electronic component s                            | 83.33%                  | 83.33%            | -             | Note 1  |
| BEST BLISS INVESTMENT S LIMITED | TAI-TECH Advanced Electronics (Kunshan) Co., Ltd. | Production, processing and sale of electronic component s | 100%                    | 100%              | 100%          |         |
| BEST BLISS INVESTMENT S LIMITED | FIXED ROCK HOLDING LTD.                           | Invested business   | 100%                    | 100%              | 100%          |         |
| BEST BLISS INVESTMENT S LIMITED | TAIPAQ Electronic Components (Si-Hong) Co., Ltd.  | Production, processing and sale of electronic component s | 26.60%                  | 26.60%            | 26.60%        |         |

| Name of Investor  | Subsidiary name                                    | Business nature   | Shareholding percentage |                   |               | Remarks |
|---|--|---|-------------------------|-------------------|---------------|---------|
|   |  |   | June 30, 2025           | December 31, 2024 | June 30, 2024 |         |
| FIXED ROCK HOLDING LTD.                                 | TAIPAQ Electronic Components (Si-Hong) Co., Ltd.   | Production, processing and sale of electronic component s | 73.40%                  | 73.40%            | 73.40%        |         |
| TECHWORLD ELECTRONIC S SINGAPORE (M) SDN. BHD. PTE.LTD. | TECHWORLD ELECTRONICS                              | Production, processing and sale of electronic component s | 100%                    | 100%              | 100%          |         |
| TAIPAQ Electronic Components (Si-Hong) Co., Ltd.        | TAI-TECH Advanced Electronics (Shenzhen) Co., Ltd. | Sale of electronic component s                            | 100%                    | 100%              | 100%          |         |
| TAIPAQ Electronic Components (Si-Hong) Co., Ltd.        | TAIPAQ Electronic Components (Shenzhen) Co., Ltd.  | Sale of electronic component s                            | 66.70%                  | -                 | -             | Note 2  |

Note 1: In November 2024, the Group acquired additional shares in the company, thereby gaining control over the company and making it a new consolidated entity. Please refer to Note 6(28) for details on business combination.

Note 2: In June 2025, the Group acquired additional shares in the company, thereby gaining control over the company and making it a new consolidated entity. Please refer to Note 6(28) for details on business combination.

3. Subsidiaries not included in the consolidated financial statements

None.

4. Adjustments for subsidiaries with different accounting periods

None.

5. Major restrictions

None.

6. Subsidiaries with significant non-controlling interest for the Group

None.

#### (IV) Employee Benefits

Pension - defined benefit plan

The pension cost of interim period is calculated based on the pension cost actuarially determined according to the end date of the previous fiscal year for the period from the beginning of the year to the end of the period. In case where there is any material market fluctuation or material reduction, repayment or other material one-time events after the end date, adjustments are made and relevant information is disclosed according to the aforementioned policy.

(V) Income tax

The tax expense of interim period is calculated based on the estimated annual average effective tax rate applied to the income before tax up to the interim period and relevant information is disclosed according to the aforementioned policy.

V. Significant Accounting Judgments, Estimates, and Major Sources of Uncertainty for Assumptions

There is no significant change in the current period. Please refer to Note 5 of the 2024 consolidated financial statements.

VI. Description of Significant Accounts

(I) Cash and cash equivalents

|  | June 30, 2025 | December 31, 2024 | June 30, 2024 |
|--|---------------|-------------------|---------------|
| Cash on hand and revolving funds           | \$ 697        | \$ 2,593          | \$ 1,775      |
| Checking deposits and demand deposits      | 1,031,964     | 1,127,595         | 1,080,683     |
| Time deposits                              | 637,924       | 650,809           | 834,199       |
| Commercial paper with repurchase agreement | -             | -                 | 32,450        |
| Total                                      | \$ 1,670,585  | \$ 1,780,997      | \$ 1,949,107  |

1. Since the Group corresponds with multiple financial institutions with good credit quality to diversify credit risks, the risk of default is expected to be low.
2. The Group did not pledge any cash and cash equivalents as collaterals.

(II) Notes and accounts receivable

|  | June 30, 2025                 | December 31, 2024                      | June 30, 2024 |
|--|-------------------------------|--|---------------|
| Notes receivable                             | \$ 53,359                     | \$ 36,806                              | \$ 49,053     |
| Accounts Receivable                          | \$ 1,963,158                  | \$ 1,997,803                           | \$ 1,849,174  |
| Less: Allowance for losses                   | ( 1,387 ) ( 1,455 ) ( 1,454 ) | \$ 1,961,771 \$ 1,996,348 \$ 1,847,720 |               |
| Accounts receivable due from related parties | \$ 134,724                    | \$ 129,578                             | \$ 143,231    |
| Less: Allowance for losses                   | ( 89 ) ( 89 ) ( 89 )          | \$ 134,635 \$ 129,489 \$ 143,142       |               |

1. The aging analysis of accounts receivable and notes receivable is as follows:

|                | June 30, 2025       |                  | December 31, 2024   |                  | June 30, 2024       |                  |
|----------------|---------------------|------------------|---------------------|------------------|---------------------|------------------|
|                | Accounts Receivable | Notes receivable | Accounts Receivable | Notes receivable | Accounts Receivable | Notes receivable |
| Not yet due    | \$ 2,071,427        | \$ 53,359        | \$ 2,125,571        | \$ 36,806        | \$ 1,984,835        | \$ 49,053        |
| Within 30 days | 26,449              | -                | 1,810               | -                | 7,564               | -                |
| 31~90 days     | 6                   | -                | -                   | -                | 6                   | -                |
|                | <u>\$ 2,097,882</u> | <u>\$ 53,359</u> | <u>\$ 2,127,381</u> | <u>\$ 36,806</u> | <u>\$ 1,992,405</u> | <u>\$ 49,053</u> |

The above aging analysis is based on the number of days past due.

2. The balances of accounts receivable and notes receivable as of June 30, 2025, December 31, 2024, and June 30, 2024 were all derived from contracts with customers. In addition, the balance of accounts receivable arising from customer contracts as of January 1, 2024 was NT\$1,610,327.
3. Without taking into account any collateral or other credit enhancements held, the Group's

maximum exposure to credit risk for notes receivable as of June 30, 2025, December 31, 2024, and June 30, 2024 was NT\$53,359, NT\$36,806, and NT\$49,053, respectively; the maximum exposure to credit risk for accounts receivable as of the same dates was NT\$2,096,406, NT\$2,125,837, and NT\$1,990,862, respectively.

4. Credit risks associated with accounts receivable and notes receivable are stated in Note 12(2).

**(III) Inventory**

|                   | June 30, 2025       |   |                   |
|-------------------|---------------------|---|-------------------|
|                   | Cost                | Allowance for<br>inventory<br>valuation | Carrying amount   |
| Raw materials     | \$ 227,220          | ( \$ 11,079 )                           | \$ 216,141        |
| Supplies          | 28,924              | ( 3,195 )                               | 25,729            |
| Work in process   | 298,804             | ( 23,040 )                              | 275,764           |
| Finished products | 435,111             | ( 23,017 )                              | 412,094           |
| Goods             | 53,786              | ( 2,269 )                               | 51,517            |
| <b>Total</b>      | <b>\$ 1,043,845</b> | <b>( \$ 62,600 )</b>                    | <b>\$ 981,245</b> |

  

|                   | December 31, 2024 |   |                   |
|-------------------|-------------------|---|-------------------|
|                   | Cost              | Allowance for<br>inventory<br>valuation | Carrying amount   |
| Raw materials     | \$ 211,787        | ( \$ 10,272 )                           | \$ 201,515        |
| Supplies          | 22,947            | ( 2,585 )                               | 20,362            |
| Work in process   | 334,976           | ( 22,582 )                              | 312,394           |
| Finished products | 355,674           | ( 23,031 )                              | 332,643           |
| Goods             | 31,852            | ( 2,316 )                               | 29,536            |
| <b>Total</b>      | <b>\$ 957,236</b> | <b>( \$ 60,786 )</b>                    | <b>\$ 896,450</b> |

  

|                   | June 30, 2024     |   |                   |
|-------------------|-------------------|---|-------------------|
|                   | Cost              | Allowance for<br>inventory<br>valuation | Carrying amount   |
| Raw materials     | \$ 195,436        | ( \$ 11,633 )                           | \$ 183,803        |
| Supplies          | 25,326            | ( 2,846 )                               | 22,480            |
| Work in process   | 346,464           | ( 23,728 )                              | 322,736           |
| Finished products | 325,384           | ( 24,670 )                              | 300,714           |
| Goods             | 29,850            | ( 3,522 )                               | 26,328            |
| <b>Total</b>      | <b>\$ 922,460</b> | <b>( \$ 66,399 )</b>                    | <b>\$ 856,061</b> |

1. The inventory costs recognized as expenses by the Group in this period:

|   | April 1 to June 30, 2025              | April 1 to June 30, 2024              |
|---|---------------------------------------|---------------------------------------|
| Cost of inventory sold                      | \$ 1,158,087                          | \$ 1,000,543                          |
| Inventory falling price loss                | 7,599                                 | 818                                   |
| Others                                      | 48,050                                | 40,982                                |
|   | <u>\$ 1,213,736</u>                   | <u>\$ 1,042,343</u>                   |
|   | <br><u>January 1 to June 30, 2025</u> | <br><u>January 1 to June 30, 2024</u> |
| Cost of inventory sold                      | \$ 2,265,946                          | \$ 1,862,181                          |
| Inventory valuation decline (reversal gain) | 6,254                                 | ( 5,115 )                             |
| Others                                      | 101,620                               | 92,600                                |
|   | <u>\$ 2,373,820</u>                   | <u>\$ 1,949,666</u>                   |

From January 1 to June 30, 2024, as the Group continued to eliminate inventories, the net realizable value of inventories increased.

2. The Group did not pledge any inventory as collaterals.

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

|   | June 30, 2025     | December 31, 2024 | June 30, 2024     |
|---|-------------------|-------------------|-------------------|
| Equity instruments  |                   |                   |                   |
| Shares listed on the stock exchange or the OTC market                                 | \$ 55,157         | \$ 55,157         | \$ 35,914         |
| Shares not traded on the stock exchange, the OTC market, or the emerging stock market | 286,546           | 210,399           | 172,467           |
|   | 341,703           | 265,556           | 208,381           |
| Adjustments for change in value   | 278,877           | 302,078           | 315,504           |
| Total   | <u>\$ 620,580</u> | <u>\$ 567,634</u> | <u>\$ 523,885</u> |

1. The Group has elected to classify its strategic equity investments as financial assets measured at fair value through other comprehensive income. The fair values of such investments were NT\$620,580, NT\$567,634, and NT\$523,885 as of June 30, 2025, December 31, 2024, and June 30, 2024, respectively.
2. For the purposes of adjusting its position in strategic investments, in 2024, the Group disposed of its unlisted, TPEx-listed, and emerging stock market-listed share investments, whose fair value was NT\$179,806, for NT\$158,609.
3. The detailed breakdown of financial assets measured at fair value through other comprehensive income is as follows:

|   | April 1 to June 30, 2025 | April 1 to June 30, 2024 |
|---|--------------------------|--------------------------|
| <u>Equity instruments measured at fair value through other comprehensive income</u> |                          |                          |
| Changes in fair value recognized in other comprehensive income                      | \$ 23,205                | ( \$ 140,141 )           |
| Dividend income recognized in profit or loss held at end of year                    | <u>\$ 7,210</u>          | <u>\$ 22,375</u>         |

|   | January 1 to June 30,<br>2025 | January 1 to June 30,<br>2024 |
|---|-------------------------------|-------------------------------|
| <u>Equity instruments measured at fair value through other comprehensive income</u> |                               |                               |
| Changes in fair value recognized in other comprehensive income                      | ( \$ 23,201 )                 | ( \$ 37,465 )                 |
| Dividend income recognized in profit or loss held at end of year                    | \$ 7,210                      | \$ 22,375                     |

- Without considering the collaterals or other credit enhancements held, the amounts most representative of the credit risk exposed to the Group's financial assets at fair value through other comprehensive income as of June 30, 2025, December 31, 2024 and June 30, 2024 were NT\$620,580, NT\$567,634 and NT\$523,885, respectively.
- The Group did not pledge any financial assets at fair value through other comprehensive income as collaterals.

**(V) Investment Accounted for Using the Equity Method**

|                                   | December 31,        |                     |                     |
|-----------------------------------|---------------------|---------------------|---------------------|
|                                   | June 30, 2025       | 2024                | June 30, 2024       |
| <b>Associate:</b>                 |                     |                     |                     |
| APAQ Technology Co., Ltd.         | \$ 1,629,524        | \$ 1,717,727        | \$ 1,575,646        |
| SUPERWORLD HOLDINGS (S) PTE. LTD. | 729,127             | 460,806             | -                   |
| JDX Technology Co., Ltd.          | -                   | -                   | 6,242               |
|                                   | <u>\$ 2,358,651</u> | <u>\$ 2,178,533</u> | <u>\$ 1,581,888</u> |

- Below is the information about the Group's significant associates:

| Provider                  | Main business premises | June 30, 2025    | December 31, 2024 | June 30, 2024 | Nature of relationship | Measuring method |
|---------------------------|------------------------|------------------|-------------------|---------------|------------------------|------------------|
| APAQ Technology Co., Ltd. | Taiwan                 | 27.19%<br>(Note) | 28.10%            | 28.10%        | Business strategy      | Equity method    |

(Note) Due to the issuance of new restricted employee shares by APAQ Technology Co., Ltd., the Company's shareholding ratio decreased to 27.19%.

- The summarized financial information of the major associates of the Company is as follows:

Balance sheet

|   | APAQ Technology Co., Ltd. and Subsidiaries |                     |                     |
|---|--|---------------------|---------------------|
|   | December 31,                               | 2024                | June 30, 2024       |
|   | June 30, 2025                              | 2024                | June 30, 2024       |
| Current assets  | \$ 4,150,263                               | \$ 4,079,702        | \$ 3,671,970        |
| Non-current assets  | 3,082,783                                  | 2,793,049           | 2,505,759           |
| Current liabilities   | ( 3,210,547 )                              | ( 2,627,835 )       | ( 2,350,538 )       |
| Non-current liabilities   | ( 155,750 )                                | ( 206,156 )         | ( 306,235 )         |
| Non-controlling interests   | ( 108,567 )                                | ( 118,286 )         | ( 132,607 )         |
| Fair value adjustment of other intangible and tangible net assets | 409,519                                    | 436,014             | 462,512             |
| Adjusted total net assets   | <u>\$ 4,167,701</u>                        | <u>\$ 4,356,488</u> | <u>\$ 3,850,861</u> |
| Share of net total assets of associates                           | \$ 1,133,198                               | \$ 1,224,173        | \$ 1,082,092        |
| Goodwill  | 523,825                                    | 523,825             | 523,825             |
| Others  | ( 27,499 )                                 | ( 30,271 )          | ( 30,271 )          |
| Carrying amount of associate                                      | <u>\$ 1,629,524</u>                        | <u>\$ 1,717,727</u> | <u>\$ 1,575,646</u> |

## Statement of comprehensive income

|  | APAQ Technology Co., Ltd. and Subsidiaries |                          |
|--|--|--------------------------|
|  | April 1 to June 30, 2025                   | April 1 to June 30, 2024 |
| Revenue  | \$ 1,137,616                               | \$ 818,100               |
| Profit from continuing operations                        | \$ 79,948                                  | \$ 100,152               |
| Other comprehensive income (net amount after tax)        | ( 128,212 )                                | 322,671                  |
| Total comprehensive income (loss) for the current period | ( \$ 48,264 )                              | \$ 422,823               |
| Dividends received from associates                       | \$ 87,046                                  | \$ 57,500                |

|  | APAQ Technology Co., Ltd. and Subsidiaries |                            |
|--|--|----------------------------|
|  | January 1 to June 30, 2025                 | January 1 to June 30, 2024 |
| Revenue  | \$ 2,042,635                               | \$ 1,539,466               |
| Profit from continuing operations                        | \$ 208,601                                 | \$ 238,143                 |
| Other comprehensive income (net amount after tax)        | ( 120,059 )                                | 429,832                    |
| Total comprehensive income (loss) for the current period | \$ 88,542                                  | \$ 667,975                 |
| Dividends received from associates                       | \$ 87,046                                  | \$ 57,500                  |

3. The major associate of the Group, APAQ Technology Co., Ltd., is quoted in the open market. Its fair value as of June 30, 2025, December 31, 2024, and June 30, 2024 was NT\$2,800,000, NT\$3,712,500, and NT\$4,062,500, respectively.
4. For the three months ended June 30, 2025 and 2024 and for the six months ended June 30, 2025 and 2024, the Group recognized investment income from APAQ Technology under the equity method of NT\$20,042, NT\$30,805, NT\$54,345, and NT\$51,244, respectively, based on financial statements reviewed by other auditors with qualified conclusions.
5. The Group holds 27.19% of the total number of voting shares of APAQ Technology Co., Ltd., making the Group the single largest shareholder. Since the quantities and dispersion of voting shares held by others were not widely dispersed and the governance body of the Group varies from that of the above companies, the Group is unable to direct the relevant activities of the above companies, hence no control over it. The Group believes it has only significant influence over the above companies and therefore recognizes APAQ Technology Co., Ltd. as its associate.
6. As of March 31, 2024, the Group held 26.67% of the voting rights in APAQ Technology Co., Ltd., making it the single largest shareholder. However, considering the proportion and distribution of voting rights held by other shareholders—who are not highly dispersed—and the fact that the Group does not share key management personnel with APAQ Technology, the Group is not able to direct the relevant activities of APAQ Technology and therefore does not have control. The Group believes it has only significant influence over the above companies and therefore recognizes APAQ Technology Co., Ltd. as its associate. In November 2024, the Group acquired additional shares in Unique One Technology Co., Ltd., thereby gaining control over the company and making it a new consolidated entity. Please refer to Note 6(28) for details on business combination.

7. The carrying amount and share of operating results of associates not individually material to the Group are summarized as follows: As of June 30, 2025 and 2024, the total carrying amounts of these associates were NT\$729,127 thousand and NT\$6,242 thousand, respectively.

|  | <u>April 1 to June 30, 2025</u> | <u>April 1 to June 30, 2024</u>   |
|--|---------------------------------|-----------------------------------|
| Profit (loss) from continuing operations                 | \$ 32,772                       | ( \$ 577 )                        |
| Other comprehensive income (net amount after tax)        | -                               | -                                 |
| Total comprehensive income (loss) for the current period | <u>\$ 32,772</u>                | <u>( \$ 577 )</u>                 |
|  |                                 | <u>January 1 to June 30, 2024</u> |
| Profit (loss) from continuing operations                 | \$ 41,235                       | ( \$ 1,014 )                      |
| Other comprehensive income (net amount after tax)        | -                               | -                                 |
| Total comprehensive income (loss) for the current period | <u>\$ 41,235</u>                | <u>( \$ 1,014 )</u>               |

8. The Group originally held a 10% equity interest in SUPERWORLD HOLDINGS (S) PTE. LTD., which was classified as a financial asset measured at fair value through other comprehensive income. In October 2024, the Group paid NT\$261,360 to acquire 2,700 thousand shares, increasing its shareholding to 23.5%, and accordingly applied the equity method of accounting. The purchase price allocation report has been completed, and a bargain purchase gain of NT\$300,122 was recognized and recorded under other income. Please refer to Note 6(21).

9. For the investments under equity method mentioned above, some of the financial statements are prepared by the investees during the same period but not reviewed by the CPAs. As of June 30, 2025 and 2024, the carrying amount of this investment was NT\$743,395 and NT\$17,250, respectively. The Group's share of profit (loss) of associates and joint ventures recognized under the equity method for the three months ended June 30, 2025 and 2024 and for the six months ended June 30, 2025 and 2024 was a profit of NT\$30,448, a loss of NT\$656, a profit of NT\$39,293, and a loss of NT\$1,115, respectively.

(VI) Property, Plant, and Equipment

2025

|   |                   |                                |                     |                        |                             |                     |                    |                   |                     | Unfinished<br>construction<br>and<br>equipment<br>pending<br>acceptance |  |
|---|-------------------|--------------------------------|---------------------|------------------------|-----------------------------|---------------------|--------------------|-------------------|---------------------|---|--|
|   | Land              | Buildings<br>and<br>structures | Machinery           | Utilities<br>equipment | Transportation<br>equipment | Office<br>equipment | Other<br>equipment |                   |                     | Total   |  |
| January 1                                     |                   |                                |                     |                        |                             |                     |                    |                   |                     |   |  |
| Cost  | \$ 984,225        | \$ 736,083                     | \$ 5,894,662        | \$ 25,054              | \$ 11,487                   | \$ 62,686           | \$ 412,722         | \$ 100,647        | \$ 8,227,566        |   |  |
| Accumulated<br>depreciation and<br>impairment | -                 | ( 317,118)                     | ( 3,218,526)        | ( 19,248)              | ( 10,132)                   | ( 46,419)           | ( 257,830)         | -                 | ( 3,869,273)        |   |  |
|   | <u>\$ 984,225</u> | <u>\$ 418,965</u>              | <u>\$ 2,676,136</u> | <u>\$ 5,806</u>        | <u>\$ 1,355</u>             | <u>\$ 16,267</u>    | <u>\$ 154,892</u>  | <u>\$ 100,647</u> | <u>\$ 4,358,293</u> |   |  |
| January 1                                     | \$ 984,225        | \$ 418,965                     | \$ 2,676,136        | \$ 5,806               | \$ 1,355                    | \$ 16,267           | \$ 154,892         | \$ 100,647        | \$ 4,358,293        |   |  |
| Addition                                      | 240               | -                              | 53,497              | -                      | 35                          | 6,869               | 44,718             | 145,704           | 251,063             |   |  |
| Disposal                                      | -                 | -                              | ( 27,874)           | -                      | -                           | -                   | -                  | ( 418)            | ( 28,292)           |   |  |
| Reclassification                              | -                 | -                              | 83,762              | -                      | 6,087                       | 3,935               | 15,493             | ( 109,277)        | -                   |   |  |
| Depreciation<br>expenses                      | -                 | ( 17,254)                      | ( 204,352)          | ( 509)                 | ( 803)                      | ( 3,447)            | ( 32,620)          | -                 | ( 258,985)          |   |  |
| Impairment                                    | -                 | ( 31,629)                      | ( 57,004)           | ( 32)                  | -                           | -                   | ( 2,372)           | -                 | ( 91,037)           |   |  |
| Net exchange<br>differences                   | ( 1,983)          | ( 23,598)                      | ( 127,665)          | -                      | ( 135)                      | ( 909)              | ( 10,208)          | ( 53,615)         | ( 218,113)          |   |  |
| June 30                                       | <u>\$ 982,482</u> | <u>\$ 346,484</u>              | <u>\$ 2,396,500</u> | <u>\$ 5,265</u>        | <u>\$ 6,539</u>             | <u>\$ 22,715</u>    | <u>\$ 169,903</u>  | <u>\$ 83,041</u>  | <u>\$ 4,012,929</u> |   |  |
| June 30                                       |                   |                                |                     |                        |                             |                     |                    |                   |                     |   |  |
| Cost  | \$ 982,482        | \$ 649,802                     | \$ 5,473,525        | \$ 24,836              | \$ 16,748                   | \$ 69,698           | \$ 431,545         | \$ 83,041         | \$ 7,731,677        |   |  |
| Accumulated<br>depreciation and<br>impairment | -                 | ( 303,318)                     | ( 3,077,025)        | ( 19,571)              | ( 10,209)                   | ( 46,983)           | ( 261,642)         | -                 | ( 3,718,748)        |   |  |
|   | <u>\$ 982,482</u> | <u>\$ 346,484</u>              | <u>\$ 2,396,500</u> | <u>\$ 5,265</u>        | <u>\$ 6,539</u>             | <u>\$ 22,715</u>    | <u>\$ 169,903</u>  | <u>\$ 83,041</u>  | <u>\$ 4,012,929</u> |   |  |

| 2024  |            |                                |              |                        |                             |                     |                    |           |   |  |
|---|------------|--------------------------------|--------------|------------------------|-----------------------------|---------------------|--------------------|-----------|---|--|
|   |            |                                |              |                        |                             |                     |                    |           | Unfinished<br>construction<br>and<br>equipment<br>pending<br>acceptance |  |
|   | Land       | Buildings<br>and<br>structures | Machinery    | Utilities<br>equipment | Transportation<br>equipment | Office<br>equipment | Other<br>equipment |           | Total   |  |
| January 1                                     |            |                                |              |                        |                             |                     |                    |           |   |  |
| Cost  | \$ 777,560 | \$ 590,845                     | \$ 5,644,458 | \$ 25,018              | \$ 11,611                   | \$ 58,766           | \$ 342,246         | \$ 25,212 | \$ 7,475,716  |  |
| Accumulated<br>depreciation and<br>impairment | -          | ( 280,130)                     | ( 2,815,129) | ( 18,182)              | ( 9,476)                    | ( 40,125)           | ( 212,180)         | -         | ( 3,375,222)  |  |
|   | \$ 777,560 | \$ 310,715                     | \$ 2,829,329 | \$ 6,836               | \$ 2,135                    | \$ 18,641           | \$ 130,066         | \$ 25,212 | \$ 4,100,494  |  |
| January 1                                     | \$ 777,560 | \$ 310,715                     | \$ 2,829,329 | \$ 6,836               | \$ 2,135                    | \$ 18,641           | \$ 130,066         | \$ 25,212 | \$ 4,100,494  |  |
| Addition                                      | -          | -                              | 15,403       | -                      | 171                         | 2,340               | 32,369             | 67,170    | 117,453   |  |
| Disposal                                      | -          | -                              | -            | -                      | ( 35)                       | -                   | -                  | -         | ( 35)   |  |
| Reclassification                              | -          | -                              | 53,967       | -                      | -                           | 580                 | 4,044              | ( 58,591) | -   |  |
| Depreciation<br>expenses                      | -          | ( 15,388)                      | ( 217,018)   | ( 517)                 | ( 495)                      | ( 3,556)            | ( 30,296)          | -         | ( 267,270)  |  |
| Net exchange<br>differences                   | -          | 10,685                         | 84,176       | -                      | 21                          | 355                 | 2,142              | 491       | 97,870  |  |
| June 30                                       | \$ 777,560 | \$ 306,012                     | \$ 2,765,857 | \$ 6,319               | \$ 1,797                    | \$ 18,360           | \$ 138,325         | \$ 34,282 | \$ 4,048,512  |  |
| June 30                                       |            |                                |              |                        |                             |                     |                    |           |   |  |
| Cost  | \$ 777,560 | \$ 610,553                     | \$ 5,847,955 | \$ 25,053              | \$ 11,482                   | \$ 61,723           | \$ 374,165         | \$ 34,282 | \$ 7,742,773  |  |
| Accumulated<br>depreciation and<br>impairment | -          | ( 304,541)                     | ( 3,082,098) | ( 18,734)              | ( 9,685)                    | ( 43,363)           | ( 235,840)         | -         | ( 3,694,261)  |  |
|   | \$ 777,560 | \$ 306,012                     | \$ 2,765,857 | \$ 6,319               | \$ 1,797                    | \$ 18,360           | \$ 138,325         | \$ 34,282 | \$ 4,048,512  |  |

1. The capitalized amounts of interest from January 1 to June 30, 2025 and 2024 were both NT\$0.
2. The Group's significant components of buildings and structures, including buildings and engineering systems, are depreciated over 20~50 years and 8~20 years, respectively.
3. For information on pledged property, plant and equipment, refer to Note 8.

(VII) Lease Transactions - Lessee

1. The underlying assets of the Group's lease include land use right, buildings and multi-function peripherals. The lease duration usually lasts 3 to 50 years. Lease contracts are agreed upon individually and contain different terms and conditions. Except for land use right, leased assets shall not be used as collaterals and are not restricted in any way.
2. The lease term of the buildings and warehouses leased by the Group is less than 12 months. The low-value underlying asset of the Group's lease are photocopiers.
3. The information on the carrying amount of the right-of-use asset and the recognized depreciation expense is as follows:

|                          | June 30, 2025    | December 31, 2024 | June 30, 2024    |
|--------------------------|------------------|-------------------|------------------|
|                          | Carrying amount  | Carrying amount   | Carrying amount  |
| Right-of-use land        | \$ 24,014        | \$ 27,122         | \$ 27,439        |
| Buildings                | 5,911            | 6,924             | 7,938            |
| Transportation equipment | -                | -                 | 503              |
| Machinery and equipment  | 601              | 763               | 997              |
|                          | <u>\$ 30,526</u> | <u>\$ 34,809</u>  | <u>\$ 36,877</u> |

  

|                          | April 1 to June 30, 2025 | April 1 to June 30, 2024 |
|--------------------------|--------------------------|--------------------------|
|                          | Depreciation expenses    | Depreciation expenses    |
| Right-of-use land        | \$ 170                   | \$ 181                   |
| Buildings                | 507                      | 507                      |
| Transportation equipment | -                        | 378                      |
| Machinery and equipment  | 75                       | 89                       |
|                          | <u>\$ 752</u>            | <u>\$ 1,155</u>          |

  

|                          | January 1 to June 30, 2025 | January 1 to June 30, 2024 |
|--------------------------|----------------------------|----------------------------|
|                          | Depreciation expenses      | Depreciation expenses      |
| Right-of-use land        | \$ 353                     | \$ 358                     |
| Buildings                | 1,013                      | 1,255                      |
| Transportation equipment | -                          | 808                        |
| Machinery and equipment  | 162                        | 178                        |
|                          | <u>\$ 1,528</u>            | <u>\$ 2,599</u>            |

4. Profit or loss items in relation to lease contracts are as follows:

|   | April 1 to June 30, 2025          | April 1 to June 30, 2024          |
|---|-----------------------------------|-----------------------------------|
| <u>Items that affect profit or loss</u>             |                                   |                                   |
| Expenses attributable to short-term lease contracts | \$ 5,588                          | \$ 5,105                          |
| Expenses attributable to low-value assets           | 36                                | 24                                |
|   | <u>January 1 to June 30, 2025</u> | <u>January 1 to June 30, 2024</u> |
| <u>Items that affect profit or loss</u>             |                                   |                                   |
| Expenses attributable to short-term lease contracts | \$ 10,941                         | \$ 10,209                         |
| Expenses attributable to low-value assets           | 64                                | 46                                |

5. For the three months ended June 30, 2025 and 2024 and for the six months ended June 30, 2025 and 2024, the Group's additions to right-of-use assets amounted to NT\$0, NT\$561, NT\$0, and NT\$561, respectively.
6. For the three months ended June 30, 2025 and 2024 and for the six months ended June 30, 2025 and 2024, the Group's total cash outflows for leases were NT\$6,206, NT\$6,103, NT\$12,180, and NT\$12,478, respectively.

**(VIII) Other non-current assets**

|   | June 30, 2025    | December 31,<br>2024 | June 30, 2024     |
|---|------------------|----------------------|-------------------|
| Refundable deposits                             | \$ 13,386        | \$ 7,558             | \$ 3,153          |
| Pre-payments for construction and equipment     | 76,367           | 64,055               | 114,423           |
| Pre-paid investment                             | -                | -                    | 57,045            |
| Uncollectible overdue receivables               | 1,252            | 1,252                | 1,252             |
| Allowance for uncollectible-overdue receivables | ( 1,252 )        | ( 1,252 )            | ( 1,252 )         |
|   | <u>\$ 89,753</u> | <u>\$ 71,613</u>     | <u>\$ 174,621</u> |

**(IX) Impairment of Non-Financial Assets (None for the six months ended June 30, 2024)**

1. The impairment losses recognized by the Group for the six months ended June 30, 2025 were as follows:

|  | April 1 to June 30, 2025                          |   |
|--|---|---|
|  | Recognized in<br>current period<br>profit or loss | Recognized in<br>other<br>comprehensive<br>income (OCI) |
| Impairment loss – machinery and equipment etc. | \$ 91,037   | \$ -  |
| January 1 to June 30, 2025                     |   |   |
|  | Recognized in<br>current period<br>profit or loss | Recognized in<br>other<br>comprehensive<br>income (OCI) |
| Impairment loss – machinery and equipment etc. | \$ 91,037   | \$ -  |

3. In line with adjustments to its production and procurement strategies, the Group recognized an impairment loss of NT\$91,037 on property, plant and equipment, with the carrying amounts written down to their respective recoverable amounts.

**(X) Short-term loans**

| Nature of borrowings | June 30, 2025            | Interest rate range | Collaterals                     |
|----------------------|--------------------------|---------------------|---------------------------------|
| Bank loan            |                          |                     |                                 |
| Credit loan          | \$ 420,000               | 1.85%~1.86%         | -                               |
| Secured loan         | <u>200,000</u>           | 1.82%               | Land, buildings, and structures |
|                      | <u><u>\$ 620,000</u></u> |                     |                                 |
|                      |                          |                     |                                 |
| Nature of borrowings | December 31, 2024        | Interest rate range | Collaterals                     |
| Bank loan            |                          |                     |                                 |
| Credit loan          | \$ 230,000               | 1.80%~1.98%         | -                               |
| Secured loan         | <u>100,000</u>           | 1.89%               | Land, buildings, and structures |
|                      | <u><u>\$ 330,000</u></u> |                     |                                 |
|                      |                          |                     |                                 |
| Nature of borrowings | June 30, 2024            | Interest rate range | Collaterals                     |
| Bank loan            |                          |                     |                                 |
| Credit loan          | <u>\$ 150,000</u>        | 1.75%~1.76%         | -                               |

For the three months ended June 30, 2025 and 2024 and the six months ended June 30, 2025 and 2024, interest expenses arising from short-term borrowings and recognized in profit or loss amounted to NT\$3,602, NT\$546, NT\$5,613, and NT\$764, respectively.

**(XI) Other Payables**

|  | June 30, 2025            | December 31, 2024        | June 30, 2024            |
|--|--------------------------|--------------------------|--------------------------|
|  |                          |                          |                          |
| Salary and bonus payables  | \$ 162,657               | \$ 185,838               | \$ 140,860               |
| Social benefits liabilities payable  | 104,301                  | 93,789                   | 98,463                   |
| Employee compensation and directors' and supervisors' remuneration payable | 110,983                  | 64,538                   | 82,564                   |
| Construction and equipment payable   | 61,774                   | 48,645                   | 63,873                   |
| Others   | <u>218,668</u>           | <u>195,146</u>           | <u>204,325</u>           |
|  | <u><u>\$ 658,383</u></u> | <u><u>\$ 587,956</u></u> | <u><u>\$ 590,085</u></u> |

**(XII) Corporate bonds payable**

|  | June 30, 2025              | December 31, 2024          | June 30, 2024              |
|--|----------------------------|----------------------------|----------------------------|
|  |                            |                            |                            |
| Corporate bonds payable  | \$ 1,099,900               | \$ 1,099,900               | \$ 1,099,900               |
| Less: Discount of corporate bond payable   | ( 24,447 )                 | ( 33,474 )                 | ( 42,425 )                 |
|  | <u>1,075,453</u>           | <u>1,066,426</u>           | <u>1,057,475</u>           |
| Less: Corporate bonds maturing within one year or one operating cycle or repurchase rights exercised | <u>-</u>                   | <u>-</u>                   | <u>-</u>                   |
|  | <u><u>\$ 1,075,453</u></u> | <u><u>\$ 1,066,426</u></u> | <u><u>\$ 1,057,475</u></u> |

1. Domestic convertible bonds issued by the Company

The conditions for the Company's issuance of the 1st domestic unsecured convertible corporate bonds are as follows

- (1) The Company was approved by the competent authority to issue the first domestic unsecured convertible corporate bonds. The total amount to be issued is NT\$1,100,000, the coupon rate of 0%, the issuance period of 3 years, and the circulation period from October 31, 2023 to October 31, 2026. The convertible bonds are repaid in cash in one lump sum at the bond face value upon maturity. The convertible bonds were listed for trading on the Taipei Exchange on October 31, 2023.
- (2) The period from the day following the expiration of three months after the date of issuance to the maturity date of the convertible corporate bond holders, except (1) the period of suspension of the common stock transfer according to law; (2) The period from the 15 business days before the book closure date for cash dividends or the book closure date to the base date of distribution of rights; (3) The base date of capital reduction for capital reduction is scheduled to expire on the day before the trading day before the capital reduction; (4) For a change in the denomination of shares, the Company may inform Taiwan Depository & Clearing Corporation through to request the Company's stock agent to convert the bonds into shares of the Company's common stock in accordance with the Regulations, the rights and obligations of the common shares after conversion are the same as the common shares issued originally.
- (3) The conversion price of these convertible corporate bonds is set according to the pricing model stipulated in the conversion regulations. The subsequent conversion price will be adjusted in accordance with the pricing model stipulated in the conversion plan in the event of an increase in the number of shares of common stock issued (or private placement) of securities with conversion or subscription rights to common shares at a capital reduction lower than the prevailing conversion or subscription price per share, and capital reduction not due to cancellation of treasury shares. The pricing model shall be adjusted in accordance with the conversion regulations.

On March 29, 2025, the Company adjusted the conversion price to NT\$108.9 in accordance with the Conversion Regulations.

- (4) When the Company's common shares have closed at a price 30% or more above the prevailing conversion price for 30 consecutive business days, starting from the day following three months after the issuance of the convertible bonds until 40 days before the end of the issuance period, the Company may, within 30 business days, send a registered "Notice of Recovery of Bonds" (effective after 30 days) to the bondholders and request the Taipei Exchange to make a public announcement. All bonds shall be redeemed in cash at face value within 5 business days after the recovery date.
- (5) In accordance with the conversion regulations, all the convertible corporate bonds recovered (including repurchased from the Taipei Exchange), repaid or converted by the Company shall be cancelled and may not be re-sold or re-issued, and the conversion rights attached shall also be extinguished.
2. When issuing the convertible bonds, the Group separated the equity conversion option and each component of liability in accordance with IAS No. 32 "Financial Instruments: Presentation," and accounted for NT\$55,190 as "Capital surplus - stock options." In addition, the embedded repurchase options were not closely related to the economic characteristics and risks of the debt instrument of the host contract in accordance with IFRS 9 "Financial Instruments," so they were separated and accounted for in the net amount of "Financial assets measured at fair value through profit or loss." After the separation, the effective interest rate of the main contract debt was 1.7%.
3. As of June 30, 2025, the bonds with a face value of NT\$100 had been converted into 881 ordinary shares.

**(XIII) Long-term Borrowings**

| Nature of borrowings                          | Loan period and means of repayment   | Interest rate range | Collaterals                     | June 30, 2025 |
|---|--|---------------------|---------------------------------|---------------|
| Secured loan                                  | Principal and interest are paid from August 2021 to August 2036.   | 1.75%               | Land, buildings, and structures | \$ 421,356    |
| Credit loan                                   | The period from April 2022 to March 2025 is the grace period, and interest is paid monthly.<br>Principal and interest are paid from April 2025 to March 2029.        | 1.28%               | -                               | 212,334       |
| Secured loan                                  | The period from April 2022 to March 2025 is the grace period, and interest is paid monthly.<br>Principal and interest are paid from April 2025 to March 2029.        | 1.23%~1.28%         | Machinery                       | 345,000       |
| Credit loan                                   | The period from March 2023 to March 2026 is the grace period, and interest is paid monthly.<br>Principal and interest are paid from April 2026 to February 2030.     | 1.28%               | -                               | 220,000       |
| Credit loan                                   | The period from April 2022 to March 2025 is the grace period, and interest is paid monthly.<br>Principal and interest are paid from April 2025 to March 2027.        | 1.23%               | -                               | 218,750       |
| Credit loan                                   | The period from November 2024 to October 2025 is the grace period, and interest is paid monthly. Principal and interest are paid from November 2025 to October 2029. | 2.22%               | -                               | 5,000         |
| Secured loan                                  | The revolving credit is due and payable monthly before June 2027.  | 1.84%               | Land, buildings, and structures | 200,000       |
| Less: Current portion of long-term borrowings |  |                     |                                 | 1,622,440     |
|   |  |                     |                                 | ( 326,232 )   |
|   |  |                     |                                 | \$ 1,296,208  |

| Nature of borrowings                          | Loan period and means of repayment   | Interest rate range | Collaterals                     | December 31, 2024 |
|---|--|---------------------|---------------------------------|-------------------|
| Secured loan                                  | Principal and interest are paid from August 2021 to August 2036.   | 1.75%               | Land, buildings, and structures | \$ 440,222        |
| Credit loan                                   | The period from April 2022 to March 2025 is the grace period, and interest is paid monthly.<br>Principal and interest are paid from April 2025 to March 2029.        | 1.28%               | -                               | 226,490           |
| Secured loan                                  | The period from April 2022 to March 2025 is the grace period, and interest is paid monthly.<br>Principal and interest are paid from April 2025 to March 2029.        | 1.23%~1.28%         | Machinery                       | 368,000           |
| Credit loan                                   | The period from March 2023 to March 2026 is the grace period, and interest is paid monthly.<br>Principal and interest are paid from April 2026 to February 2030.     | 1.28%               | -                               | 220,000           |
| Credit loan                                   | The period from April 2022 to March 2025 is the grace period, and interest is paid monthly.<br>Principal and interest are paid from April 2025 to March 2027.        | 1.23%               | -                               | 250,000           |
| Credit loan                                   | The period from November 2024 to October 2025 is the grace period, and interest is paid monthly. Principal and interest are paid from November 2025 to October 2029. | 2.22%               | -                               | 5,000             |
| Less: Current portion of long-term borrowings |  |                     |                                 | ( \$ 243,158 )    |
|   |  |                     |                                 | \$ 1,266,554      |

| Nature of borrowings                          | Loan period and means of repayment   | Interest rate range | Collaterals                     | June 30, 2024       |
|---|--|---------------------|---------------------------------|---------------------|
| Secured loan                                  | Principal and interest are paid from August 2021 to August 2036.   | 1.75%               | Land, buildings, and structures | \$ 459,089          |
| Credit loan                                   | The period from April 2022 to March 2025 is the grace period, and interest is paid monthly.<br>Principal and interest are paid from April 2025 to March 2029.    | 1.28%               | -                               | 226,490             |
| Secured loan                                  | The period from April 2022 to March 2025 is the grace period, and interest is paid monthly.<br>Principal and interest are paid from April 2025 to March 2029.    | 1.23%~1.28%         | Machinery                       | 368,000             |
| Credit loan                                   | The period from March 2023 to March 2026 is the grace period, and interest is paid monthly.<br>Principal and interest are paid from April 2026 to February 2030. | 1.28%               | -                               | 220,000             |
| Credit loan                                   | The period from April 2022 to March 2025 is the grace period, and interest is paid monthly.<br>Principal and interest are paid from April 2025 to March 2027.    | 1.23%               | -                               | <u>250,000</u>      |
| Less: Current portion of long-term borrowings |  |                     |                                 | 1,523,579           |
|   |  |                     |                                 | ( <u>106,139</u> )  |
|   |  |                     |                                 | \$ <u>1,417,440</u> |

Long-term borrowings interest recognized in profit or loss amounted to NT\$5,152, NT\$5,333, NT\$10,422, and NT\$10,281 for the three months and six months ending June 30, 2025 and 2024, respectively.

#### (XIV) Pensions

1. (1) By adhering to the requirements set forth in the “Labor Standards Act,” the Company has established its own defined retirement benefits plan, which is applicable both to the service years of all regular employees rendered before the enforcement of the “Labor Pension Act” on July 1, 2005, and to the service years of all employees who elected to continue applying the Labor Standards Act after the implementation of the “Labor Pension Act.” Pensions for employees qualified for retirement are calculated based on their servicing years and their average salaries of the 6 months prior to their retirement. Two bases are given for each full year of service rendered within 15 years. But for the rest of the years over 15 years, one base is given for each full year of service rendered. The total number of bases shall be no more than 45. The Company contributes monthly an amount equal to 3% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, under the name of the Independent Retirement Fund Committee. In addition, the Company estimates the balance of the said designated pension account before the end of year. If the balance is not sufficient to cover the amount to be paid to all employees - calculated in the manner specified above - who will qualify the retirement conditions next year, a lump-sum deposit should be made before March-end of the following year to cover the difference. In accordance with the Labor Standards Act and the Labor Pension Act, the Company has already settled the length of services for some employees choosing the old pension scheme in 2022.

- (2) The Company is obligated to pay retirement pensions to the directors and chairman of the board who were employees, which is calculated at 6% of the monthly salary according to the "Directors' Salary and Remuneration Measures."
- (3) For the three months ended June 30, 2025 and 2024 and the six months ended June 30, 2025 and 2024, the pension costs recognized in accordance with the aforementioned pension plan amounted to NT\$752, NT\$66, NT\$878, and NT\$183, respectively.

2. (1) On July 1, 2005, the Company established its own pension regulations applicable to Taiwanese nationals in accordance with the "Labor Pension Act." For employees of the Company or domestic subsidiaries who elected to apply the "Labor Pension Act," the Company makes a contribution equal to 6% of the monthly salary to their individual retirement account with the Bureau of Labor Insurance. Employee pensions may be paid in monthly installments or in lump-sum payment based the accumulated amount in the employee's individual retirement account.

- (2) TAI-TECH Advanced Electronics (Kunshan) Co., Ltd., TAIPAQ Electronic Components (Si-Hong) Co., Ltd., and TAIPAQ Electronic Components (Shenzhen) Co., Ltd. make monthly contributions to the pension insurance scheme in accordance with the regulations of the People's Republic of China. The contribution is calculated as a fixed percentage of the total monthly salaries of local employees. For the six months ended June 30, 2025 and 2024, the contribution rates ranged from 16% to 17%. The pension for employees is managed independently by the government. Except for making monthly contribution, the Group has no further obligation.
- (3) Techworld Electronics (m) Sdn. Bhd has established a defined contribution plan in accordance with local laws, and contributes to the public fund account on a monthly basis in accordance with the statutory percentage.
- (4) For 2025 and from April 1 to June 30, 2024 as well as for 2025 and from January 1 to June 30, 2024, the pension costs recognized in the manner specified above were NT\$21,529, NT\$18,184, NT\$40,880, and NT\$34,634, respectively.

**(XV) Share Capital**

As of 2025 and June 30, 2024, the Company had an authorized capital equal to NT\$3,000,000 (with NT\$20,000 retained for issuance of employee stock option certificates), a paid-in capital equal to NT\$1,020,349 and a share face value equal to NT\$10. All proceeds for share subscription were collected in full.

**(XVI) Capital Surplus**

- 1. Under the Company Act, capital surplus arising from shares issued at premium or from donation may be used for offsetting deficit. Furthermore, if the Company has no accumulated loss, capital surplus may be used for issuing new shares or distributing cash in proportion to shareholders' original shareholding percentage.

According to the Securities and Exchange Act, when the above-mentioned capital surplus is used for capitalization, the total amount every year shall not exceed 10% of the paid-in capital. The Company may use capital surplus to offset loss only when the amount of reserves is insufficient to offset the loss.

2. The capital reserve is detailed as follows:

|   | 2025                       |  |                                    |                        |                  |                     |
|---|----------------------------|--|------------------------------------|------------------------|------------------|---------------------|
|   | Additional paid-in capital | Changes in ownership interests in subsidiaries | Changes in net equity of associate | Net assets from merger | Stock options    | Total               |
| January 1   | \$ 1,784,014               | \$ 12,353                                      | \$ 778                             | \$ 2,046               | \$ 55,185        | \$ 1,854,376        |
| Investments accounted for using the equity method that are not subscribed in proportion to their ownership percentage | -                          | -  | ( 778 )                            | -                      | -                | ( 778 )             |
| Changes in associates and joint ventures accounted for using the equity method  | -                          | -  | 680                                | -                      | -                | 680                 |
| June 30   | <u>\$ 1,784,014</u>        | <u>\$ 12,353</u>                               | <u>\$ 680</u>                      | <u>\$ 2,046</u>        | <u>\$ 55,185</u> | <u>\$ 1,854,278</u> |

  

|  | 2024                       |  |                                    |                        |                  |                     |
|--|----------------------------|--|------------------------------------|------------------------|------------------|---------------------|
|  | Additional paid-in capital | Changes in ownership interests in subsidiaries | Changes in net equity of associate | Net assets from merger | Stock options    | Total               |
| January 1  | \$ 1,783,921               | \$ 12,353                                      | \$ 769                             | \$ 2,046               | \$ 55,190        | \$ 1,854,279        |
| Convertible corporate bond conversion  | 92                         | -  | -                                  | -                      | ( 5 )            | 87                  |
| Changes in associates and joint ventures accounted for using the equity method | -                          | -  | 9                                  | -                      | -                | 9                   |
| June 30  | <u>\$ 1,784,013</u>        | <u>\$ 12,353</u>                               | <u>\$ 778</u>                      | <u>\$ 2,046</u>        | <u>\$ 55,185</u> | <u>\$ 1,854,375</u> |

(XVII) Retained Earnings

- According to the Company's Articles of Incorporation, if the Company has any earnings in the final account, they should be used to pay off all the taxes and duties, as well as to compensate prior deficits. The remaining amount, if any, should be appropriated in the following order of presentation: 10% as legal reserve until it reaches the Company's paid-in capital; set aside or reverse a certain amount as or of special reserve according to operating needs or laws or regulations; the remainder plus unappropriated earnings from prior years may be used to appropriate dividends or bonuses to shareholders after an earnings appropriation proposal is drafted by the Board of Directors and resolved in favor by the shareholders meeting. As required by Article 240 of the Company Act, if approved by a majority vote at a Board of Directors' meeting attended by two thirds of directors, the Board of Directors may appropriate dividends or bonuses in cash with its existing legal reserve or capital surplus, and shall report to the shareholder's meeting. In such case, the requirements regarding resolution made by shareholders' meeting set out in the Company's Articles of Incorporation do not apply.

2. The Company's dividend policy determination factors include the industry's environment and the Company's growth stage, future capital needs, financial structure, capital budget, shareholders' interests, balanced dividends, and long-term financial planning. Each year shall remain within the range available for distribution. If the business development is in the active expansion stage, the profitability is expected to grow, and the stock dividend distribution will not significantly dilute the Company's profitability. The Board of Directors shall draft a distribution proposal according to law and report it to the shareholders' meeting. No less than 30% of annual earnings are appropriated to shareholders. Shareholder's bonuses may be appropriated in cash or in shares, provided, however, that the appropriation in cash shall not be less than 10% of the total appropriated amount.
3. Except being used to make up previous deficits or appropriate shares or cash to shareholders in proportion to their shareholding percentage, the legal reserve shall not be used. However, the amount of legal reserves used to appropriate new shares or cash shall be limited to the portion exceeding 25% of the paid-in capital.
4. (1) According to law, the Company may appropriate earnings only after it has provided special reserve under the debit balance of other equity on the balance sheet date. If subsequently the debit balance of other equity is reversed, the reversed amount may be used as appropriable earnings.  
(2) As for the special reserves provided upon initial application of IFRSs to satisfy the requirements specified in the official letter Jin-Guan-Zheng-Fa-Zi No. 1090150022 dated March 31, 2021, the Company may reverse them to the extent of their original provision ratio if subsequently the Company intends to use, dispose of or reclassify related assets. If the said related assets are investment property relating to land, such assets are reversed upon disposal or reclassification; if the said related assets are investment property other than land, such assets are reversed gradually over the use period.
5. On February 26, 2024, the Board of Directors passed a resolution to distribute an ordinary dividends of NT\$459,153 (NT\$4.5 per share) according to the 2023 surplus.
6. On February 24, 2025, the Board of Directors passed a resolution to distribute an ordinary dividends of NT\$510,174 (NT\$5 per share) according to the 2024 surplus.

**(XVIII) Other Equity**

|  | 2025                         |                                    |                      |
|--|------------------------------|------------------------------------|----------------------|
|  | Unrealized gains<br>(losses) | Foreign<br>currency<br>translation | Total                |
| January 1  | \$ 461,359                   | \$ 35,333                          | \$ 496,692           |
| Valuation of financial assets at fair<br>value through other comprehensive<br>income:  |                              |                                    |                      |
| - Group  | ( 23,201 )                   | - ( 23,201 )                       | 23,201               |
| - Associates   | 40,703                       | -                                  | 40,703               |
| Investments accounted for using the<br>equity method that are not<br>subscribed in proportion to their<br>ownership percentage | ( 4,930 ) ( 879 )            | ( 5,809 )                          |                      |
| Exchange differences: - Group  |                              |                                    |                      |
| - Group  | - ( 520,163 )                | ( 520,163 )                        |                      |
| - Associates   | - ( 73,421 )                 | ( 73,421 )                         |                      |
| June 30  | <u>\$ 473,931</u>            | <u>( \$ 559,130 )</u>              | <u>( \$ 85,199 )</u> |

|   | 2024                         |                                    |                   |
|---|------------------------------|------------------------------------|-------------------|
|   | Unrealized gains<br>(losses) | Foreign<br>currency<br>translation | Total             |
| January 1   | \$ 356,690                   | ( \$ 217,641 )                     | \$ 139,049        |
| Valuation of financial assets at fair value through other comprehensive income: |                              |                                    |                   |
| - Group   | ( 37,465 )                   | -                                  | ( 37,465 )        |
| -Affiliated companies   | 88,360                       | -                                  | 88,360            |
| Exchange differences: - Group   |                              |                                    |                   |
| - Group   | -                            | 204,527                            | 204,527           |
| -Affiliated companies   | -                            | 30,185                             | 30,185            |
| June 30   | <u>\$ 407,585</u>            | <u>\$ 17,071</u>                   | <u>\$ 424,656</u> |

**(XIX) Operating Revenue**

|                                     | April 1 to June 30, 2025          | April 1 to June 30, 2024          |
|-------------------------------------|-----------------------------------|-----------------------------------|
| Revenue from contracts with clients | \$ 1,610,520                      | \$ 1,369,214                      |
|                                     | <u>January 1 to June 30, 2025</u> | <u>January 1 to June 30, 2024</u> |
| Revenue from contracts with clients | <u>\$ 3,169,946</u>               | <u>\$ 2,540,947</u>               |

The Group's revenue derived from transfer of goods at a particular point of time are classified into the following categories:

|                     | April 1 to June 30, 2025          | April 1 to June 30, 2024          |
|---------------------|-----------------------------------|-----------------------------------|
| Wire-wound          | \$ 1,283,908                      | \$ 1,097,304                      |
| Multilayer products | 307,687                           | 265,931                           |
| Others              | 18,925                            | 5,979                             |
| Total               | <u>\$ 1,610,520</u>               | <u>\$ 1,369,214</u>               |
|                     | <u>January 1 to June 30, 2025</u> | <u>January 1 to June 30, 2024</u> |
| Wire-wound          | \$ 2,540,461                      | \$ 2,010,257                      |
| Multilayer products | 586,660                           | 515,026                           |
| Others              | 42,825                            | 15,664                            |
| Total               | <u>\$ 3,169,946</u>               | <u>\$ 2,540,947</u>               |

**(XX) Interest Income**

|  | April 1 to June 30, 2025          | April 1 to June 30, 2024          |
|--|-----------------------------------|-----------------------------------|
| Interest on bank deposits  | \$ 10,224                         | \$ 12,287                         |
| Interest income from financial assets measured at amortized cost | -                                 | 3                                 |
| Other interest income  | 1                                 | 7                                 |
|  | <u>\$ 10,225</u>                  | <u>\$ 12,297</u>                  |
|  | <u>January 1 to June 30, 2025</u> | <u>January 1 to June 30, 2024</u> |
| Interest on bank deposits  | \$ 18,229                         | \$ 22,117                         |
| Interest income from financial assets measured at amortized cost | -                                 | 238                               |
| Other interest income  | 1                                 | 14                                |
|  | <u>\$ 18,230</u>                  | <u>\$ 22,369</u>                  |

**(XXI) Other Income**

|                        | April 1 to June 30, 2025          | April 1 to June 30, 2024          |
|------------------------|-----------------------------------|-----------------------------------|
| Rental income          | \$ 86                             | \$ 15,950                         |
| Dividends income       | 7,210                             | 22,375                            |
| Bargain purchase gains | 300,122                           | -                                 |
| Subsidies income       | 13,349                            | 631                               |
| Miscellaneous income   | 684                               | 1,299                             |
|                        | <u>\$ 321,451</u>                 | <u>\$ 40,255</u>                  |
|                        | <u>January 1 to June 30, 2025</u> | <u>January 1 to June 30, 2024</u> |
| Rental income          | \$ 308                            | \$ 18,666                         |
| Dividends income       | 7,210                             | 22,375                            |
| Bargain purchase gains | 300,122                           | -                                 |
| Subsidies income       | 16,288                            | 6,029                             |
| Miscellaneous income   | 5,139                             | 3,122                             |
|                        | <u>\$ 329,067</u>                 | <u>\$ 50,192</u>                  |

1. The Group recognized government grants primarily because its qualified for the grants awarded to entice investment in the industries within Si-Hong Economic Development Zone.
2. For details regarding the bargain purchase gain, please refer to Note 6(5)8.

**(XXII) Other Gains and Losses**

|   | <u>April 1 to June 30, 2025</u>   | <u>April 1 to June 30, 2024</u>   |
|---|-----------------------------------|-----------------------------------|
| Loss (gain) on disposal of property, plant and equipment                          | ( \$ 12,910 )                     | \$ 14                             |
| Exchange gains (losses), net  | ( 74,404 )                        | 20,398                            |
| Net loss (gain) of financial assets measured at fair value through profit or loss | ( 220 )                           | 1,760                             |
| Impairment loss recognized on property, plant, and equipment                      | ( 91,037 )                        | -                                 |
| Miscellaneous expenses  | ( 1,166 )                         | ( 151 )                           |
|   | <u>( \$ 179,737 )</u>             | <u>\$ 22,021</u>                  |
|   | <u>January 1 to June 30, 2025</u> | <u>January 1 to June 30, 2024</u> |
| Loss (gain) on disposal of property, plant and equipment                          | ( \$ 10,508 )                     | \$ 20                             |
| Disposal of investment gains  | 5,809                             | -                                 |
| Exchange gains (losses), net  | ( 60,712 )                        | 64,264                            |
| Net loss (gain) of financial assets measured at fair value through profit or loss | ( 660 )                           | 1,430                             |
| Impairment loss recognized on property, plant, and equipment                      | ( 91,037 )                        | -                                 |
| Miscellaneous expenses  | ( 1,482 )                         | ( 155 )                           |
|   | <u>( \$ 158,590 )</u>             | <u>\$ 65,559</u>                  |

**(XXIII) Financial Costs**

|   | <u>April 1 to June 30, 2025</u>   | <u>April 1 to June 30, 2024</u>   |
|---|-----------------------------------|-----------------------------------|
| Interest expenses                           | \$ 8,754                          | \$ 5,879                          |
| Interest expense of corporate bonds payable | 4,522                             | 4,448                             |
| Other interest expenses                     | -                                 | 7                                 |
|   | <u>\$ 13,276</u>                  | <u>\$ 10,334</u>                  |
|   | <u>January 1 to June 30, 2025</u> | <u>January 1 to June 30, 2024</u> |
| Interest expenses                           | \$ 16,035                         | \$ 11,045                         |
| Interest expense of corporate bonds payable | 9,027                             | 8,877                             |
| Other interest expenses                     | -                                 | 83                                |
|   | <u>\$ 25,062</u>                  | <u>\$ 20,005</u>                  |

**(XXIV) Additional Information on the Nature of Expenses**

|   | April 1 to June 30, 2025           |                                       |            |
|---|------------------------------------|---------------------------------------|------------|
|   | Attributable to<br>operating costs | Attributable to<br>operating expenses | Total      |
| Employee benefits expense                                 | \$ 236,924                         | \$ 120,371                            | \$ 357,295 |
| Depreciation expenses of property,<br>plant and equipment | 109,382                            | 14,011                                | 123,393    |
| Depreciation of right-of-use assets                       | 21                                 | 731                                   | 752        |
| Amortization expenses                                     | 1,365                              | 1,538                                 | 2,903      |
|   | April 1 to June 30, 2024           |                                       |            |
|   | Attributable to<br>operating costs | Attributable to<br>operating expenses | Total      |
| Employee benefits expense                                 | \$ 226,581                         | \$ 95,161                             | \$ 321,742 |
| Depreciation expenses of property,<br>plant and equipment | 114,251                            | 20,185                                | 134,436    |
| Depreciation of right-of-use assets                       | 26                                 | 1,129                                 | 1,155      |
| Amortization expenses                                     | 1,105                              | 904                                   | 2,009      |
|   | January 1 to June 30, 2025         |                                       |            |
|   | Attributable to<br>operating costs | Attributable to<br>operating expenses | Total      |
| Employee benefits expense                                 | \$ 462,197                         | \$ 225,832                            | \$ 688,029 |
| Depreciation expenses of property,<br>plant and equipment | 230,406                            | 28,579                                | 258,985    |
| Depreciation of right-of-use assets                       | 46                                 | 1,482                                 | 1,528      |
| Amortization expenses                                     | 2,726                              | 2,813                                 | 5,539      |
|   | January 1 to June 30, 2024         |                                       |            |
|   | Attributable to<br>operating costs | Attributable to<br>operating expenses | Total      |
| Employee benefits expense                                 | \$ 423,968                         | \$ 180,641                            | \$ 604,609 |
| Depreciation expenses of property,<br>plant and equipment | 234,344                            | 32,926                                | 267,270    |
| Depreciation of right-of-use assets                       | 294                                | 2,305                                 | 2,599      |
| Amortization expenses                                     | 2,161                              | 1,723                                 | 3,884      |

**(XXV) Employee Benefits Expenses**

|                                    | April 1 to June 30, 2025           |                                       |                   |
|------------------------------------|------------------------------------|---------------------------------------|-------------------|
|                                    | Attributable to<br>operating costs | Attributable to<br>operating expenses | Total             |
| Salary and wages                   | \$ 202,630                         | \$ 102,177                            | \$ 304,807        |
| Labor and health insurance expense | 5,056                              | 4,634                                 | 9,690             |
| Pension expense                    | 15,105                             | 7,176                                 | 22,281            |
| Other personnel expense            | 14,133                             | 6,384                                 | 20,517            |
|                                    | <b>\$ 236,924</b>                  | <b>\$ 120,371</b>                     | <b>\$ 357,295</b> |

|                                    | April 1 to June 30, 2024           |                                       |                   |
|------------------------------------|------------------------------------|---------------------------------------|-------------------|
|                                    | Attributable to<br>operating costs | Attributable to<br>operating expenses | Total             |
| Salary and wages                   | \$ 194,553                         | \$ 81,653                             | \$ 276,206        |
| Labor and health insurance expense | 5,177                              | 3,741                                 | 8,918             |
| Pension expense                    | 14,004                             | 4,951                                 | 18,955            |
| Other personnel expense            | 12,847                             | 4,816                                 | 17,663            |
|                                    | <b>\$ 226,581</b>                  | <b>\$ 95,161</b>                      | <b>\$ 321,742</b> |

  

|                                    | January 1 to June 30, 2025         |                                       |                   |
|------------------------------------|------------------------------------|---------------------------------------|-------------------|
|                                    | Attributable to<br>operating costs | Attributable to<br>operating expenses | Total             |
| Salary and wages                   | \$ 392,393                         | \$ 192,665                            | \$ 585,058        |
| Labor and health insurance expense | 10,800                             | 9,934                                 | 20,734            |
| Pension expense                    | 29,996                             | 11,762                                | 41,758            |
| Other personnel expense            | 29,008                             | 11,471                                | 40,479            |
|                                    | <b>\$ 462,197</b>                  | <b>\$ 225,832</b>                     | <b>\$ 688,029</b> |

  

|                                    | January 1 to June 30, 2024         |                                       |                   |
|------------------------------------|------------------------------------|---------------------------------------|-------------------|
|                                    | Attributable to<br>operating costs | Attributable to<br>operating expenses | Total             |
| Salary and wages                   | \$ 360,931                         | \$ 154,460                            | \$ 515,391        |
| Labor and health insurance expense | 10,731                             | 8,049                                 | 18,780            |
| Pension expense                    | 26,454                             | 9,068                                 | 35,522            |
| Other personnel expense            | 25,852                             | 9,064                                 | 34,916            |
|                                    | <b>\$ 423,968</b>                  | <b>\$ 180,641</b>                     | <b>\$ 604,609</b> |

1. Where the Company has a profit for a fiscal year, it shall appropriate not less than 6% as the remuneration of employees, and no less than 20% of the aforementioned employee remuneration shall be allocated as remuneration for rank and file employees, and the board of directors shall reach resolution of the distribution in stock or cash. The distribution subject may include employees of subordinate companies satisfying certain criteria. The Company may appropriate an amount not higher than 2% of the aforementioned profit as the remuneration of directors and supervisors through resolution of a board of directors' meeting.
2. For the periods from April 1 to June 30, 2025 and 2024 and from January 1 to June 30, 2025 and 2024, the Company accrued employee compensation of NT\$21,617, NT\$14,494, NT\$37,156, and NT\$24,703, respectively, and directors' remuneration of NT\$5,404, NT\$3,623, NT\$9,289, and NT\$6,175, respectively. These amounts were recorded under salary expenses.

The employee compensation and directors' and supervisors' remuneration for January 1 to June 30, 2025 and 2024 were estimated at 6% and 1.5%, respectively, of the earnings at the end of the period.

The amount of the accrued employee compensation and directors' remuneration for 2024 as had been resolved by the Board of Directors was the same as the amount recognized in the financial statements for 2024.

The amounts of employee compensation and directors' and supervisors' remuneration approved by the Board of Directors and resolved by the shareholders' meeting can be found on the Market Observation Post System of TWSE.

(XXVI) Income Tax

1. Income tax expense

(1) Income tax components:

|  | <u>April 1 to June 30, 2025</u>   | <u>April 1 to June 30, 2024</u>   |
|--|-----------------------------------|-----------------------------------|
| Current tax:   |                                   |                                   |
| Tax attributable to taxable income of the period                     | \$ 27,540                         | \$ 32,253                         |
| Additional levy on unappropriated earnings                           | 15,296                            | 2,307                             |
| Underestimate (overestimate) of income tax of the previous period    | ( 14,181 )                        | 6,285                             |
| Total current tax  | <u>28,655</u>                     | <u>40,845</u>                     |
| Deferred income tax:   |                                   |                                   |
| Deferred income tax on temporary differences originated and reversed |                                   |                                   |
| Income tax expenses  | <u>\$ 28,655</u>                  | <u>\$ 40,845</u>                  |
|  | <u>January 1 to June 30, 2025</u> | <u>January 1 to June 30, 2024</u> |
| Current tax:   |                                   |                                   |
| Tax attributable to taxable income of the period                     | \$ 51,949                         | \$ 51,503                         |
| Additional levy on unappropriated earnings                           | 15,296                            | 2,307                             |
| Underestimate (overestimate) of income tax of the previous period    | ( 12,119 )                        | 7,916                             |
| Total current tax  | <u>55,126</u>                     | <u>61,726</u>                     |
| Deferred income tax:   |                                   |                                   |
| Deferred income tax on temporary differences originated and reversed |                                   |                                   |
| Income tax expenses  | <u>\$ 55,126</u>                  | <u>\$ 61,726</u>                  |

(2) Income tax associates with other comprehensive income: None.

(3) Income tax directly debited or credited in equity: None.

2. The Company's income tax up to 2022 has been approved by the tax authority.

(XXVII) Earnings Per Share

|  | April 1 to June 30, 2025 |  |                                 |
|--|--------------------------|--|---------------------------------|
|  | Post-tax amount          | Weighted average<br>number of<br>outstanding shares<br>(thousand shares) | EARNINGS PER<br>SHARE<br>(NT\$) |
| <b><u>Basic earnings per share</u></b>   |                          |  |                                 |
| Profit attributable to shareholders of<br>common shares of the parent  | \$ 317,397               | 102,035  | \$ 3.11                         |
| <b><u>Diluted earnings per share</u></b>   |                          |  |                                 |
| Profit attributable to shareholders of<br>common shares of the parent  | \$ 317,397               | 102,035  |                                 |
| Dilutive effects of the potential<br>common shares   |                          |  |                                 |
| Employee compensation  | -                        | 391  |                                 |
| Convertible corporate bonds  | 4,523                    | 10,100   |                                 |
| Net Profit of the Current Parent<br>Company Shareholders<br>and the Impact of Potential<br>Ordinary Shares       | \$ 321,920               | 112,526  | \$ 2.86                         |
| <br><b>April 1 to June 30, 2024</b>  |                          |  |                                 |
|  | Post-tax amount          | Weighted average<br>number of<br>outstanding shares<br>(thousand shares) | EARNINGS PER<br>SHARE<br>(NT\$) |
| <b><u>Basic earnings per share</u></b>   |                          |  |                                 |
| Profit attributable to shareholders of<br>common shares of the parent  | \$ 198,761               | 102,034  | \$ 1.95                         |
| <b><u>Diluted earnings per share</u></b>   |                          |  |                                 |
| Profit attributable to shareholders of<br>common shares of the parent  | \$ 198,761               | 102,034  |                                 |
| Dilutive effects of the potential<br>common shares   |                          |  |                                 |
| Employee compensation  | -                        | 176  |                                 |
| Convertible corporate bonds  | 4,448                    | 9,692  |                                 |
| Profit attributable to shareholders of<br>common shares of the parent plus<br>effects of potential common shares | \$ 203,209               | 111,902  | \$ 1.82                         |

|  | January 1 to June 30, 2025 |  |                                 |
|--|----------------------------|--|---------------------------------|
|  | Post-tax amount            | Weighted average<br>number of<br>outstanding shares<br>(thousand shares) | EARNINGS PER<br>SHARE<br>(NT\$) |
| <b>Basic earnings per share</b>  |                            |  |                                 |
| Profit attributable to shareholders of common shares of the parent   | \$ 542,263                 | 102,035  | \$ 5.31                         |
| <b>Diluted earnings per share</b>  |                            |  |                                 |
| Profit attributable to shareholders of common shares of the parent   | \$ 542,263                 | 102,035  |                                 |
| Dilutive effects of the potential common shares  |                            |  |                                 |
| Employee compensation  | -                          | 530  |                                 |
| Convertible corporate bonds  | 9,027                      | 10,100   |                                 |
| Profit attributable to shareholders of common shares of the parent plus effects of potential common shares | \$ 551,290                 | 112,665  | \$ 4.89                         |
| <br>January 1 to June 30, 2024   |                            |  |                                 |
|  | Post-tax amount            | Weighted average<br>number of<br>outstanding shares<br>(thousand shares) | EARNINGS PER<br>SHARE<br>(NT\$) |
| <b>Basic earnings per share</b>  |                            |  |                                 |
| Profit attributable to shareholders of common shares of the parent   | \$ 343,498                 | 102,034  | \$ 3.37                         |
| <b>Diluted earnings per share</b>  |                            |  |                                 |
| Profit attributable to shareholders of common shares of the parent   | \$ 343,498                 | 102,034  |                                 |
| Dilutive effects of the potential common shares  |                            |  |                                 |
| Employee compensation  | -                          | 295  |                                 |
| Convertible corporate bonds  | 8,877                      | 9,692  |                                 |
| Profit attributable to shareholders of common shares of the parent plus effects of potential common shares | \$ 352,375                 | 112,021  | \$ 3.15                         |

#### (XXVIII) Business Combinations

1. The Group acquired 56.66% of the shares in Unique One Technology Co., Ltd. on November 1, 2024 with cash of NT\$5,347, and gained control over the company. The relevant equity has been fully settled, and the transaction price has been fully paid.
2. On June 27, 2025, the Group acquired a 66.70% equity interest in TAIPAQ Electronic Components (Shenzhen) Co., Ltd. for total consideration of RMB 6,670 thousand in cash, thereby obtaining control over the company. The equity acquisition has been completed.
3. The Group has held a 26.67% equity in Unique One Technology Co., Ltd. before the business combination, and recorded a loss of NT\$2,985 on the remeasurement of fair value.
4. Since the Group acquired and merged Unique One Technology Co., Ltd on November 1, 2024, the operating revenue contributed by Unique One Technology Co., Ltd was NT\$5,116, and the net loss before tax was NT\$725. If it is assumed that Unique One Technology Co., Ltd. had been included in the consolidated entities from January 1, 2024, the Group's operating revenue and net income before tax would have been NT\$5,537,638 and NT\$844,760, respectively.

5. Since June 7, 2025, when TAIPAQ Electronic Components (Shenzhen) Co., Ltd. was included in the consolidated financial statements, it has contributed operating revenue of NT\$0 and a pre-tax net loss of NT\$227 thousand. If TAIPAQ Electronic Components (Shenzhen) Co., Ltd. had been included in the consolidated entities from January 1, 2025, the Group's operating revenue and income before tax would have amounted to NT\$3,169,946 thousand and NT\$593,730 thousand, respectively.

**(XXIX) Additional Information on Cash Flows**

Investing activities partially involving cash payments:

|   | January 1 to June 30, 2025 | January 1 to June 30, 2024 |
|---|----------------------------|----------------------------|
| Acquisition of property, plant, and equipment                           | \$ 251,063                 | \$ 117,453                 |
| Plus: Construction and equipment payable at the beginning of the period | 48,645                     | 61,211                     |
| Notes payable at the beginning of the period                            | 4,879                      | 5,564                      |
| Prepayments for construction and equipment - ending                     | 76,367                     | 114,423                    |
| Less: Construction and equipment payable at the end of the period       | ( 61,774 )                 | ( 63,873 )                 |
| Notes payable at the end of the period                                  | ( 3,934 )                  | ( 8,222 )                  |
| Prepayments for construction and equipment - opening                    | ( 64,055 )                 | ( 14,449 )                 |
| Cash paid in the period   | <u>\$ 251,191</u>          | <u>\$ 212,107</u>          |

**(XXX) Changes in Liabilities Arising from Financing Activities**

|  | 2025                  |                      |                   |                         |                     | Liabilities arising from financing activities - Total |
|--|-----------------------|----------------------|-------------------|-------------------------|---------------------|---|
|  | Short-term borrowings | Long-term borrowings | Lease liabilities | Corporate bonds payable |                     |   |
| January 1  | \$ 330,000            | \$ 1,509,712         | \$ 7,687          | \$ 1,066,426            | \$ 2,913,825        |   |
| Changes from financing cash flows                        | 290,000               | 112,728              | ( 1,175 )         |                         |                     | 401,553   |
| Effects of exchange rate changes                         | -                     | -                    | -                 |                         |                     | -   |
| Changes in amortized interest of corporate bonds payable | -                     | -                    | -                 |                         | 9,027               | 9,027   |
| Other non-cash changes                                   | -                     | -                    | -                 |                         |                     | -   |
| June 30  | <u>\$ 620,000</u>     | <u>\$ 1,622,440</u>  | <u>\$ 6,512</u>   | <u>\$ 1,075,453</u>     | <u>\$ 3,324,405</u> |   |

2024

|  | Short-term<br>borrowings | Long-term<br>borrowings | Lease<br>liabilities | Corporate<br>bonds payable | Liabilities<br>arising from<br>financing<br>activities -<br>Total |
|--|--------------------------|-------------------------|----------------------|----------------------------|---|
| January 1  | \$ 100,000               | \$ 1,542,445            | \$ 11,267            | \$ 1,048,695               | \$ 2,702,407  |
| Changes from<br>financing cash<br>flows                              | 50,000 (                 | 18,866 ) (              | 2,223 )              | -                          | 28,911  |
| Effects of<br>exchange rate<br>changes                               | -                        | -                       | 1                    | -                          | 1   |
| Changes in<br>amortized<br>interest of<br>corporate<br>bonds payable | -                        | -                       | -                    | 8,877                      | 8,877   |
| Other non-cash<br>changes  | -                        | -                       | 561                  | ( 97 )                     | 464   |
| June 30  | <u>\$ 150,000</u>        | <u>\$ 1,523,579</u>     | <u>\$ 9,606</u>      | <u>\$ 1,057,475</u>        | <u>\$ 2,740,660</u>   |

## VII. Related Party Transactions

### (I) Name and Relationship of Related Party

| Name of related party                               | Relationship with the Group                             |
|---|---|
| SUPERWORLD ELECTRONICS (S) PTE LTD.                 | Other related parties and associates<br>(Note 4)        |
| TAI-TECH ADVANCED ELECTRONICS (S) PTE LTD           | Other related parties and associates<br>(Note 4)        |
| Superworld Electronics Co., Ltd.                    | Other related parties and associates<br>(Notes 1 and 4) |
| Superworld Electronics Co., Ltd. (Dongguan)         | Other related parties and associates<br>(Notes 2 and 4) |
| SFI Electronics Technology Inc.                     | Other related party                                     |
| Chanchang Technology (Shenzhen) Co., Ltd.           | Other related party                                     |
| JD Technology Co., Ltd.                             | Associates (Note 3)                                     |
| APAQ Technology Co., Ltd.                           | Associate   |
| Jui-hsia Tai  | Immediate family member of the<br>major management      |
| Chang-i Hsieh                                       | Immediate family member of the<br>major management      |
| Chairman, Supervisor, President, and Vice President | Major management of the Group                           |

Note 1: In December 2024, Chenghan Technology Co., Ltd. was renamed Superworld Electronics Co., Ltd.

Note 2: In July 2024, Dongguan Chenghan Electronics Co., Ltd. was renamed Superworld Electronics Co., Ltd. (Dongguan).

Note 3: The company has been merged into the Group since November 2024. Please refer to Note 4(3)2 for details.

Note 4: Since October 2024, the company's relations with the Group have been changed from the category of other related parties to that of associates.

**(II) Significant Transactions with Related Party**

**1. Operating revenue**

|                     | April 1 to June 30, 2025   | April 1 to June 30, 2024   |
|---------------------|----------------------------|----------------------------|
| Sale of goods:      |                            |                            |
| Associate           | \$ 107,359                 | \$ 7                       |
| Other related party | -                          | 109,674                    |
| Total               | <u>\$ 107,359</u>          | <u>\$ 109,681</u>          |
|                     | January 1 to June 30, 2025 | January 1 to June 30, 2024 |
| Sale of goods:      |                            |                            |
| Associate           | \$ 195,330                 | \$ 11                      |
| Other related party | -                          | 192,889                    |
| Total               | <u>\$ 195,330</u>          | <u>\$ 192,900</u>          |

The price of goods sold to related party by the Group is the same as that for an arm's length transaction; the payment terms also approximate those for ordinarily clients.

**2. Purchase**

|                     | April 1 to June 30, 2025   | April 1 to June 30, 2024   |
|---------------------|----------------------------|----------------------------|
| Purchase of goods:  |                            |                            |
| Associate           | \$ 1,248                   | \$ -                       |
| Other related party | 526                        | 1,511                      |
| Total               | <u>\$ 1,774</u>            | <u>\$ 1,511</u>            |
|                     | January 1 to June 30, 2025 | January 1 to June 30, 2024 |
| Purchase of goods:  |                            |                            |
| Associate           | \$ 3,792                   | \$ -                       |
| Other related party | 1,704                      | 4,577                      |
| Total               | <u>\$ 5,496</u>            | <u>\$ 4,577</u>            |

The price of goods purchased from related party by the Group is the same as that for an arm's length transaction; the payment terms also approximate those for ordinarily suppliers.

**3. Freight expenses and miscellaneous expenses**

|                     | April 1 to June 30, 2025   | April 1 to June 30, 2024   |
|---------------------|----------------------------|----------------------------|
| Associate           | \$ 3                       | \$ -                       |
| Other related party | -                          | 3                          |
|                     | <u>\$ 3</u>                | <u>\$ 3</u>                |
|                     | January 1 to June 30, 2025 | January 1 to June 30, 2024 |
| Associate           | \$ 6                       | \$ -                       |
| Other related party | -                          | 4                          |
|                     | <u>\$ 6</u>                | <u>\$ 4</u>                |

4. Lease transactions - lessee

(1) The Group leased buildings from the immediate family members of the major management, with the lease term due between 2023 and 2028 and the rental paid on a monthly basis.

(2) Lease liabilities

Balance at the end of the period:

|               | June 30, 2025   | December 31, 2024 | June 30, 2024   |
|---------------|-----------------|-------------------|-----------------|
| Jui-hsia Tai  | \$ 3,528        | \$ 4,133          | \$ 4,839        |
| Chang-i Hsieh | 2,383           | 2,791             | 3,268           |
|               | <u>\$ 5,911</u> | <u>\$ 6,924</u>   | <u>\$ 8,107</u> |

(3) Rental expense

|                     | April 1 to June 30, 2025   | April 1 to June 30, 2024   |
|---------------------|----------------------------|----------------------------|
| Associate           | \$ 41                      | \$ -                       |
| Other related party | -                          | 44                         |
|                     | <u>\$ 41</u>               | <u>\$ 44</u>               |
|                     | January 1 to June 30, 2025 | January 1 to June 30, 2024 |
| Associate           | \$ 85                      | \$ -                       |
| Other related party | -                          | 87                         |
|                     | <u>\$ 85</u>               | <u>\$ 87</u>               |

5. Accounts receivables due from related party

|                      | June 30, 2025     | December 31, 2024 | June 30, 2024     |
|----------------------|-------------------|-------------------|-------------------|
| Accounts receivable: |                   |                   |                   |
| Associate            | \$ 134,635        | \$ 129,489        | \$ 143,131        |
| Other related party  | -                 | -                 | 11                |
| Sub-total            | <u>\$ 134,635</u> | <u>\$ 129,489</u> | <u>\$ 143,142</u> |
| Other receivables:   |                   |                   |                   |
| Associate            | 3                 | 140               | -                 |
| APAQ Technology      | 87,046            | -                 | 57,500            |
| Other related party  | -                 | -                 | 169               |
| Sub-total            | <u>87,049</u>     | <u>140</u>        | <u>57,669</u>     |
| Total                | <u>\$ 221,684</u> | <u>\$ 129,629</u> | <u>\$ 200,811</u> |

6. Accounts payables due to related party

|                     | June 30, 2025   | December 31, 2024 | June 30, 2024   |
|---------------------|-----------------|-------------------|-----------------|
| Accounts payable:   |                 |                   |                 |
| Associate           | \$ 1,914        | \$ 2,361          | \$ -            |
| Other related party | 588             | 261               | 1,669           |
| Sub-total           | <u>2,502</u>    | <u>2,622</u>      | <u>1,669</u>    |
| Other payables:     |                 |                   |                 |
| Associate           | 56              | 628               | -               |
| Other related party | -               | -                 | 332             |
| Total               | <u>\$ 2,558</u> | <u>\$ 3,250</u>   | <u>\$ 2,001</u> |

### (III) Remuneration to Major Management

|                              | April 1 to June 30, 2025   | April 1 to June 30, 2024   |
|------------------------------|----------------------------|----------------------------|
| Short-term employee benefits | \$ 27,209                  | \$ 19,728                  |
| Post-retirement benefits     | 457                        | 426                        |
| Total                        | <u>\$ 27,666</u>           | <u>\$ 20,154</u>           |
|                              | January 1 to June 30, 2025 | January 1 to June 30, 2024 |
| Short-term employee benefits | \$ 49,687                  | \$ 39,211                  |
| Post-retirement benefits     | 922                        | 865                        |
| Total                        | <u>\$ 50,609</u>           | <u>\$ 40,076</u>           |

### VIII. Pledged Assets

The Group's assets pledged as collateral are as follows:

| Type of asset                 | June 30, 2025 | December 31, 2024 | June 30, 2024 | Purpose of collateral          |
|-------------------------------|---------------|-------------------|---------------|--------------------------------|
| Property, plant and equipment |               |                   |               |                                |
| - Land                        | \$ 936,425    | \$ 766,893        | \$ 766,893    | Short and long-term borrowings |
| - Houses and buildings        | 82,260        | 40,716            | 57,823        | Short and long-term borrowings |
| - Machinery and equipment     | 325,321       | 349,638           | 379,846       | Long-term borrowings           |

### IX. Significant Commitments or Contingencies

#### (I) Contingency

None.

#### (II) Commitments

Capital expenditures committed but not yet incurred

|                               | June 30, 2025 | December 31, |               |
|-------------------------------|---------------|--------------|---------------|
|                               |               | 2024         | June 30, 2024 |
| Property, plant and equipment | \$ 160,227    | \$ 153,270   | \$ 185,128    |
| Computer software             | \$ 17,419     | \$ 13,452    | \$ 5,716      |

### X. Significant Disaster Losses

None.

### XI. Significant Subsequent Events

None.

### XII. Others

#### (I) Capital Management

The purposes of the Group's capital management are to ensure that the Group continues as a going concern, to maintain an optimum capital structure to lower financing costs and to provide returns of investment to shareholders. For the purpose of maintaining an optimal capital structure, the Group may adjust the amount of dividends paid to shareholders or may issue new shares.

## (II) Financial Instrument

### 1. Type of financial instrument

|   | June 30, 2025       | December 31,<br>2024 | June 30, 2024       |
|---|---------------------|----------------------|---------------------|
| <b>Financial Assets</b>   |                     |                      |                     |
| Financial assets at fair value through profit or loss   |                     |                      |                     |
| Financial assets at fair value through profit or loss   | \$ 110              | \$ 770               | \$ 2,310            |
| Financial assets at fair value through other comprehensive income – equity instrument investments (designated at FVOCI) | \$ 620,580          | \$ 567,634           | \$ 523,885          |
| Cash and cash equivalents of financial assets at amortized cost   | \$ 1,670,585        | \$ 1,780,997         | \$ 1,949,107        |
| Notes receivable, net   | 53,359              | 36,806               | 49,053              |
| Accounts receivable, net (including those due from related party)   | 2,096,406           | 2,125,837            | 1,990,862           |
| Other receivables (including those due from related party)  | 169,672             | 33,851               | 90,851              |
| Refundable deposits   |                     |                      |                     |
| (Other non-current assets recognized)   | 13,386              | 7,558                | 3,153               |
|   | <u>\$ 4,003,408</u> | <u>\$ 3,985,049</u>  | <u>\$ 4,083,026</u> |
| <b>Financial Liabilities</b>  |                     |                      |                     |
| Financial liabilities measured at amortized cost  |                     |                      |                     |
| Short-term borrowings   | \$ 620,000          | \$ 330,000           | \$ 150,000          |
| Notes payable   | 14,204              | 16,011               | 24,628              |
| Accounts payable (including related party)  | 859,416             | 809,306              | 902,091             |
| Other payables (including those due to related party)   | 658,383             | 587,956              | 590,085             |
| Corporate bonds payable (including those due within one year or one operating cycle)                                    | 1,075,453           | 1,066,426            | 1,057,475           |
| Long-term borrowings (including the portion with maturity in one year)  | 1,622,440           | 1,509,712            | 1,523,579           |
| Deposits received   |                     |                      |                     |
| (Other non-current liabilities recognized)  | 1,009               | 600                  | 1,640               |
|   | <u>\$ 4,850,905</u> | <u>\$ 4,320,011</u>  | <u>\$ 4,249,498</u> |
| Lease liabilities (including those due within one year)   | \$ 6,512            | \$ 7,687             | \$ 9,606            |

## 2. Risk management policy

- (1) The Group's daily operations are affected by various financial risks, e.g., market risk (including exchange rate risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's risk management policy focuses on the unpredictable market events in order to minimize their potentially adverse impacts on the Group's financial position and financial performance.
- (2) The Group's key financial activities are reviewed by the Board of Directors against relevant regulations and its internal control systems. The Company strictly abides by relevant financial operating procedures during the implementation of financial plans.

## 3. Nature and degree of significant financial risks

- (1) Market risk

### Foreign exchange risks

- A. The Group operates internationally and so is subject to the exchange rate risk of different currencies, particularly the USD and RMB. Relevant exchange rate risk arises from future business transactions and the recognized assets and liabilities. In addition, the conversion from RMB to other currencies is subject to the foreign currency exchange control regulations imposed by China.
- B. The Group's management has formulated relevant policy to require entities within the Group to manage the foreign exchange risks associated with their functional currency. Foreign exchange risk arises when future business transactions or recognized assets or liabilities are denominated in a currency other than the entity's functional currency.
- C. Since the Group engages in business involving multiple functional currencies (e.g. the Company's functional currency is NTD while some subsidiaries' functional currencies are either USD or RMB), the Group is subject to fluctuation in foreign exchange rates. Foreign-currency-denominated assets and liabilities having significant impacts if foreign exchange rates change are as follows:

|  | June 30, 2025                      |               |                               |
|--|------------------------------------|---------------|-------------------------------|
|  | Foreign currency<br>(in thousands) | Exchange rate | Carrying amount<br>(NTD/ RMB) |
| <b>(Foreign currency:<br/>functional currency)</b> |                                    |               |                               |
| <b>Financial Assets</b>                            |                                    |               |                               |
| <b>Monetary items</b>                              |                                    |               |                               |
| USD:NTD  | \$ 51,325                          | 29.30         | \$ 1,503,823                  |
| RMB : NTD  | 62,440                             | 4.09          | 255,380                       |
| USD : RMB  | 53,300                             | 7.16          | 381,628                       |
| USD: MYR   | 5,577                              | 4.38          | 24,427                        |
| <b>Non-monetary items</b>                          |                                    |               |                               |
| USD:NTD  | 19,209                             | 29.30         | 562,823                       |
| <b>Financial Liabilities</b>                       |                                    |               |                               |
| <b>Monetary items</b>                              |                                    |               |                               |
| USD:NTD  | \$ 40,193                          | 29.30         | \$ 1,177,655                  |
| RMB : NTD  | 3,510                              | 4.09          | 14,356                        |
| USD : RMB  | 8,870                              | 7.16          | 63,509                        |
| USD: MYR   | 5,300                              | 4.38          | 23,214                        |

| December 31, 2024 |                                    |               |                               |  |  |
|-------------------|------------------------------------|---------------|-------------------------------|--|--|
|                   | Foreign currency<br>(in thousands) | Exchange rate | Carrying amount<br>(NTD/ RMB) |  |  |

**(Foreign currency:  
functional currency)**

Financial Assets

Monetary items

|           |           |       |              |
|-----------|-----------|-------|--------------|
| USD:NTD   | \$ 40,043 | 32.79 | \$ 1,313,010 |
| RMB : NTD | 45,713    | 4.56  | 208,451      |
| USD : RMB | 40,370    | 7.19  | 290,260      |

Non-monetary items

|         |        |       |         |
|---------|--------|-------|---------|
| USD:NTD | 14,053 | 32.79 | 460,806 |
|---------|--------|-------|---------|

Financial Liabilities

Monetary items

|           |           |       |            |
|-----------|-----------|-------|------------|
| USD:NTD   | \$ 30,302 | 32.79 | \$ 993,603 |
| RMB : NTD | 4,037     | 4.56  | 18,409     |
| USD : RMB | 6,192     | 7.19  | 44,520     |

June 30, 2024

|  | Foreign currency<br>(in thousands) | Exchange rate | Carrying amount<br>(NTD/ RMB) |
|--|------------------------------------|---------------|-------------------------------|
|--|------------------------------------|---------------|-------------------------------|

**(Foreign currency:  
functional currency)**

Financial Assets

Monetary items

|           |           |       |              |
|-----------|-----------|-------|--------------|
| USD:NTD   | \$ 38,879 | 32.45 | \$ 1,261,624 |
| RMB : NTD | 68,011    | 4.55  | 309,450      |
| USD : RMB | 37,240    | 7.13  | 265,521      |

Financial Liabilities

Monetary items

|           |           |       |            |
|-----------|-----------|-------|------------|
| USD:NTD   | \$ 21,831 | 32.45 | \$ 708,416 |
| RMB : NTD | 1,172     | 4.55  | 5,333      |
| USD : RMB | 5,504     | 7.13  | 39,244     |

D. The Group's monetary items were significantly affected by exchange rate fluctuations. The aggregate amounts of exchange gains and losses (including realized and unrealized) recognized for the three months ended June 30, 2025 and 2024 and for the six months ended June 30, 2025 and 2024 were a loss of NT\$74,404, a gain of NT\$20,398, a loss of NT\$60,712, and a gain of NT\$64,264, respectively. Since the Group's transactions involve multiple currencies that have significant foreign exchange impacts, they are disclosed as a whole.

E. Foreign exchange risks arising from significant exchange rate changes that the Group is exposed to were as follows:

| January 1 to June 30, 2025                         |    |                              |   |   |
|--|----|------------------------------|---|---|
| Sensitivity Analysis                               |    |                              |   |   |
| Fluctuation  |    | Effects on P/L<br>(NTD/ RMB) | Effects on other<br>comprehensive<br>income (OCI) |   |
| <b>(Foreign currency:<br/>functional currency)</b> |    |                              |   |   |
| <b>Financial Assets</b>                            |    |                              |   |   |
| <u>Monetary items</u>                              |    |                              |   |   |
| USD:NTD  | 1% | \$ 15,038                    | \$ -  | - |
| RMB : NTD  | 1% | 2,554                        | -   | - |
| USD : RMB  | 1% | 3,816                        | -   | - |
| USD: MYR   | 1% | 244                          | -   | - |
| <u>Non-monetary items</u>                          |    |                              |   |   |
| USD:NTD  | 1% | 5,628                        | -   | - |
| <b>Financial Liabilities</b>                       |    |                              |   |   |
| <u>Monetary items</u>                              |    |                              |   |   |
| USD:NTD  | 1% | 11,777                       | -   | - |
| RMB : NTD  | 1% | 144                          | -   | - |
| USD : RMB  | 1% | 635                          | -   | - |
| USD: MYR   | 1% | 232                          | -   | - |
| January 1 to June 30, 2024                         |    |                              |   |   |
| Sensitivity Analysis                               |    |                              |   |   |
| Fluctuation  |    | Effects on P/L<br>(NTD/ RMB) | Effects on other<br>comprehensive<br>income (OCI) |   |
| <b>(Foreign currency:<br/>functional currency)</b> |    |                              |   |   |
| <b>Financial Assets</b>                            |    |                              |   |   |
| <u>Monetary items</u>                              |    |                              |   |   |
| USD:NTD  | 1% | \$ 12,616                    | \$ -  | - |
| RMB : NTD  | 1% | 3,095                        | -   | - |
| USD : RMB  | 1% | 2,655                        | -   | - |
| <b>Financial Liabilities</b>                       |    |                              |   |   |
| <u>Monetary items</u>                              |    |                              |   |   |
| USD:NTD  | 1% | 7,084                        | -   | - |
| RMB : NTD  | 1% | 53                           | -   | - |
| USD : RMB  | 1% | 392                          | -   | - |

#### Price risk

- Since the Group's investment is classified as financial assets measured at fair value through profit or loss and financial assets measured at fair value other comprehensive income on the consolidated balance sheets, the Group is exposed to the risk of price changes in financial assets of equity instrument.
- The Group mainly invests in equity instruments issued by a domestic or foreign company. The price of such equity instruments can be affected by changes in future value of their investment targets. If the price of these equity instruments increases or decreases by 1%, and all other factors remain unchanged. In that case, the gains or losses on other comprehensive profit and loss classified as equity investments

measured at fair value from January 1 to June 30, 2025 and 2024 through other comprehensive income would increase or decrease by NT\$6,206 and NT\$5,239, respectively.

#### Cash flow and fair value interest rate risk

- A. The Group's interest rate risks mainly come from short- and long-term borrowings issued at floating interest rates. Such exposure also means the Group is exposed to cash flow interest rate risks, though a portion of risks have been offset by the Group's holding of cash bearing a floating interest rate. For January 1 to June 30, 2025 and 2024, the Group's borrowings bearing a floating interest rate are denominated in NTD and USD.
- B. When the borrowing interest rate of NTD and USD increases or decreases by 1%, held other variables constant, the Company's net income after tax for 2025 and from January 1 to June 30, 2024 would also decreases or increases by NT\$8,970 and NT\$6,694, respectively, mainly due to changes in interest expense caused by borrowings bearing a floating interest rate.

#### (2) Credit risk

- A. Credit risk refers to the risk of financial loss to the Group arising from default by clients, or by counter-parties of financial instruments on the contract obligations. Credit risk of the Group mainly comes from accounts receivable, notes receivable and the contractual cash flows of financial assets measured at amortized cost that are prone to default by counter-parties.
- B. The Group establishes a framework for managing credit risks from a group's perspective. As the internal credit approval policy stipulates, an operating entity within the Group shall manage and analyze the credit risk of a new client before proposing terms and conditions pertaining to payments and delivery of goods. Internal risk control is achieved by evaluating a client's credit quality against the client's financial position, credit records and other factors. The limit on individual risk is set by the management by referring to internal or external ratings. The status of utilization of credit lines is regularly monitored.
- C. The Group applies the presumption of IFRS 9 and deems that the credit risk of a financial assets has significantly increased after initial recognition when the receivables obliged by the contractual terms are 30-days past due.
- D. The Group's credit risk management procedures deem a default occurred when a counterparty is significantly delinquent on repayments.
- E. After the recourse procedures, the Group writes off financial assets that could not be reasonably expected to be recovered. Nonetheless, the Group will continue the recourse legal procedures to secure its right to the debt. The Group's debts that had been written off but are continuously pursued were \$0 on June 30, 2025, December 31, 2024, and June 30, 2024.
- F. The Group classifies accounts receivable due from clients by the characteristics of their ratings, and adopts the simplified approach that measures expected credit losses based on the preparation matrix.
- G. By taking into account the forward-looking consideration that economic indicators hold, the Group adjusts the expected credit loss rate that was established based on historical or present information, so as to estimate the allowance for accounts receivable, notes receivable, and uncollectible overdue receivables. The preparation matrices as of June 30, 2025, December 31, 2024, and June 30, 2024 were as follows:

|                                 | Individual disclosure | Not yet due  | Within 30 days past due | 31-90 days past due | 91-180 days past due      | Total        |
|---------------------------------|-----------------------|--------------|-------------------------|---------------------|---------------------------|--------------|
| <b><u>June 30, 2025</u></b>     |                       |              |                         |                     |                           |              |
| Expected loss (%)               | 100.00%               | 0.00%        | 0.00%                   | 0.00%               | 100.00%                   |              |
| Total carrying amount           | \$ 1,252              | \$ 2,124,786 | \$ 26,449               | \$ 6                | \$ -                      | \$ 2,152,493 |
| Loss allowance                  | \$ 1,252              | \$ 922       | \$ 548                  | \$ 6                | \$ -                      | \$ 2,728     |
|                                 | Individual disclosure | Not yet due  | Within 30 days past due | 31-90 days past due | Over 91-180 days past due | Total        |
| <b><u>December 31, 2024</u></b> |                       |              |                         |                     |                           |              |
| Expected loss (%)               | 100.00%               | 0.00%        | 0.00%                   | 0.00%               | 100.00%                   |              |
| Total carrying amount           | \$ 1,252              | \$ 2,162,377 | \$ 1,810                | \$ -                | \$ -                      | \$ 2,165,439 |
| Loss allowance                  | \$ 1,252              | \$ 942       | \$ 602                  | \$ -                | \$ -                      | \$ 2,796     |
|                                 | Individual disclosure | Not yet due  | Within 30 days past due | 31-90 days past due | 91-180 days past due      | Total        |
| <b><u>June 30, 2024</u></b>     |                       |              |                         |                     |                           |              |
| Expected loss (%)               | 100.00%               | 0.07%        | 5.44%                   | 6.94%               | 100.00%                   |              |
| Total carrying amount           | \$ 1,252              | \$ 2,033,888 | \$ 7,564                | \$ 6                | \$ -                      | \$ 2,042,710 |
| Loss allowance                  | \$ 1,252              | \$ 942       | \$ 595                  | \$ 6                | \$ -                      | \$ 2,795     |

H. Changes in the loss allowances provided for accounts receivable using the simplified approach are as follows:

| 2025                  |                     |                  |                     |               |          |
|-----------------------|---------------------|------------------|---------------------|---------------|----------|
|                       | Accounts Receivable | Notes receivable | overdue receivables | Uncollectible | Total    |
| January 1             | \$ 1,544            | \$ -             | \$ 1,252            | \$ 1,252      | \$ 2,796 |
| Exchange rate effects | ( 68 )              | -                | -                   | ( 68 )        |          |
| June 30               | \$ 1,476            | \$ -             | \$ 1,252            | \$ 1,252      | \$ 2,728 |

  

| 2024                  |                     |                  |                     |               |          |
|-----------------------|---------------------|------------------|---------------------|---------------|----------|
|                       | Accounts Receivable | Notes receivable | overdue receivables | Uncollectible | Total    |
| January 1             | \$ 1,511            | \$ -             | \$ 1,252            | \$ 1,252      | \$ 2,763 |
| Exchange rate effects | 32                  | -                | -                   | -             | 32       |
| June 30               | \$ 1,543            | \$ -             | \$ 1,252            | \$ 1,252      | \$ 2,795 |

### (3) Liquidity risk

A. Cash flows forecast is done by each operating entity; the Administration Department of the Group is responsible only for summarizing the results. Administration Department of the Group monitors the forecast of the Group's liquidity needs to ensure that it has sufficient funds to meet operating needs and maintain sufficient unused loan commitments so that it won't default on any borrowing limits or terms. Such a forecast takes into account the Group's debt financing plan, compliance with provisions of debt instruments, fulfillment of the financial ratio targets on the balance sheet and conformity with external regulatory requirements, such as foreign exchange control.

B. The table below listed the Group's non-derivative financial liabilities by maturity date. They were analyzed for the residual duration between the balance sheet date and the maturity date. The table below disclosed the contractual cash flows not discounted.

Non-derivative financial liabilities:

| June 30, 2025   | Less than 1<br>year | 1~2 years | 2~5 years | Over than 5<br>years |
|---|---------------------|-----------|-----------|----------------------|
| Short-term<br>borrowings  | \$ 620,000          | \$ -      | \$ -      | \$ -                 |
| Notes payable   | 14,204              | -         | -         | -                    |
| Accounts payable<br>(including related<br>party)                                      | 859,416             | -         | -         | -                    |
| Other payables<br>(including those<br>due to related<br>party)                        | 658,383             | -         | -         | -                    |
| Lease liabilities<br>(including the<br>portion with<br>maturity in one<br>year)       | 2,243               | 2,184     | 2,085     | -                    |
| Corporate bonds<br>payable  | -                   | 1,099,900 | -         | -                    |
| Long-term<br>borrowings<br>(including the<br>portion with<br>maturity in one<br>year) | 345,141             | 551,065   | 546,953   | 245,414              |

Non-derivative financial liabilities:

| December 31, 2024   | Less than 1<br>year | 1~2 years | 2~5 years | Over than 5<br>years |
|---|---------------------|-----------|-----------|----------------------|
| Short-term<br>borrowings  | \$ 330,000          | \$ -      | \$ -      | \$ -                 |
| Notes payable   | 16,011              | -         | -         | -                    |
| Accounts payable<br>(including related<br>party)                                | 809,306             | -         | -         | -                    |
| Other payables<br>(including those<br>due to<br>related party)                  | 587,956             | -         | -         | -                    |
| Lease liabilities<br>(including the<br>portion with<br>maturity in one<br>year) | 2,311               | 2,205     | 3,171     | -                    |
| Corporate bonds<br>payable  | -                   | 1,099,900 | -         | -                    |
| Long-term<br>borrowings<br>(including the<br>portion with<br>maturity in one    | 263,158             | 370,617   | 675,900   | 275,787              |

year)  
**Non-derivative financial liabilities:**

| June 30, 2024   | Less than 1<br>year | 1~2 years | 2~5 years | Over than 5<br>years |
|---|---------------------|-----------|-----------|----------------------|
| Short-term<br>borrowings  | \$ 150,000          | \$ -      | \$ -      | \$ -                 |
| Notes payable   | 24,628              | -         | -         | -                    |
| Accounts payable<br>(including related<br>party)                                      | 902,091             | -         | -         | -                    |
| Other payables<br>(including those<br>due to related party)                           | 590,085             | -         | -         | -                    |
| Lease liabilities<br>(including the<br>portion with<br>maturity in one<br>year)       | 3,094               | 2,243     | 4,269     | -                    |
| Corporate bonds<br>payable  | -                   | -         | 1,099,900 | -                    |
| Long-term<br>borrowings<br>(including the<br>portion with<br>maturity in one<br>year) | 127,138             | 343,385   | 813,907   | 325,201              |

C. The Group does not expect a maturity analysis of which the cash flows timing would be significantly earlier or the actual amount would be significantly different.

**(III) Fair Value Information**

1. Below are the definitions assigned to each level of valuation technique used to measure the fair value of financial and non-financial assets.

Level 1      Quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed shares is included in Level 1.

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

Level 3:      Unobservable inputs for the asset or liability. The fair value of the Group's investment in non-active market is included in Level 3.

2. Financial instruments not measured at fair values

(1) Including cash and cash equivalents, financial assets measured at amortized cost, notes receivable, accounts receivables, other receivables, short-term borrowings, notes payable, accounts payable, other payable, lease liability and long-term borrowings (including the portion with maturity in one year), is the reasonable approximation of their fair value, except for those listed in the table below.

|                         |  | June 30, 2025       |         |              |
|-------------------------|--|---------------------|---------|--------------|
|                         |  | Fair value per unit |         |              |
|                         |  | Carrying amount     | Level 1 | Level 2      |
|                         |  |                     |         | Level 3      |
| Financial liabilities:  |  |                     |         |              |
| Corporate bonds payable |  | \$ 1,075,453        | \$ -    | \$ 1,165,344 |
|                         |  | December 31, 2024   |         |              |
|                         |  | Fair value per unit |         |              |
|                         |  | Carrying amount     | Level 1 | Level 2      |
|                         |  |                     |         | Level 3      |
| Financial liabilities:  |  |                     |         |              |
| Corporate bonds payable |  | \$ 1,066,426        | \$ -    | \$ 1,289,633 |
|                         |  | June 30, 2024       |         |              |
|                         |  | Fair value per unit |         |              |
|                         |  | Carrying amount     | Level 1 | Level 2      |
|                         |  |                     |         | Level 3      |
| Financial liabilities:  |  |                     |         |              |
| Corporate bonds payable |  | \$ 1,057,475        | \$ -    | \$ 1,428,770 |

(2) The techniques and assumptions used to measure fair value are stated as follows:

Corporate bonds payable are the corporate bonds issued by the Group. As their coupon rates are approximately equivalent to market rates, the most recent transaction prices and quotation data are used as the basis for assessing their fair value.

3. Financial and non-financial assets at fair value are classified by nature, characteristic, risk and fair value level, stated as follows:

(1) The Group classifies its assets and liabilities by their function; stated as follows:

| June 30, 2025   | Level 1    | Level 2 | Level 3    | Total      |
|---|------------|---------|------------|------------|
| <b>Assets</b>   |            |         |            |            |
| <u>Recurring fair value</u>   |            |         |            |            |
| Equity-based securities at fair value through other comprehensive income: | \$ 287,312 | \$ -    | \$ 333,268 | \$ 620,580 |
| Derivatives   |            |         |            |            |
| Right of redemption of convertible bonds                                  | \$ -       | \$ 110  | \$ -       | \$ 110     |
| December 31, 2024   |            |         |            |            |
| <b>Assets</b>   |            |         |            |            |
| <u>Recurring fair value</u>   |            |         |            |            |
| Equity-based securities at fair value through other comprehensive income: | \$ 289,397 | \$ -    | \$ 278,237 | \$ 567,634 |
| Derivatives   |            |         |            |            |
| Right of redemption of convertible bonds                                  | \$ -       | \$ 770  | \$ -       | \$ 770     |

| June 30, 2024   | Level 1    | Level 2  | Level 3    | Total      |
|---|------------|----------|------------|------------|
| <b>Assets</b>   |            |          |            |            |
| <u>Recurring fair value</u>   |            |          |            |            |
| Equity-based securities at fair value through other comprehensive income: | \$ 220,089 | \$ -     | \$ 303,796 | \$ 523,885 |
| <b>Derivatives</b>  |            |          |            |            |
| Right of redemption of convertible bonds                                  | \$ -       | \$ 2,310 | \$ -       | \$ 2,310   |

(2) The techniques and assumptions used to measure fair value are stated as follows:

A. Financial instruments of which the fair value is marked to market quotations (i.e., level 1 inputs) are stated as follows:

| Market quotation | Listed shares<br>Closing price |
|------------------|--------------------------------|
|------------------|--------------------------------|

B. Except for financial instruments with an active market, the fair value of other financial instruments is obtained either based on the valuation technique or by reference to the quotes from counter-parties. Fair value can be obtained by using a valuation technique that refers to the fair value of financial instruments having substantially the same terms and characteristics, or by using other valuation technique, e.g., the one that applies market information available on the consolidated balance sheets date to a pricing model for calculation. The redemption right of convertible bonds is typically evaluated using a binomial tree convertible bond valuation model.

C. Outputs from the valuation models are estimates and valuation techniques may not be able to reflect all relevant factors of the financial and non-financial instruments held by the Group. Therefore, when needed, estimates from the valuation model would be adjusted for additional parameters, e.g. model risk or liquidity risk.

- For January 1 to June 30, 2025 and 2024, there was no transfer between Level 1 and Level 2 fair value hierarchy.
- Changes in Level 6 fair value hierarchy are stated as follows for January 1 to June 30, 2025 and 2024:

|   | 2025                    | 2024                    |
|---|-------------------------|-------------------------|
|   | Equity-based securities | Equity-based securities |
| January 1   | \$ 278,237              | \$ 442,020              |
| Unrealized valuation gains and loss from equity instrument investments measured at fair value through other comprehensive income recognized in the profit or loss of other comprehensive income | ( 21,116 ) ( 140,858 )  | 81,887 -                |
| Purchase of current period  | ( 5,740 )               | 2,634                   |
| Exchange rate effects   | \$ 333,268              | \$ 303,796              |
| June 30   |                         |                         |

- For 2025 and from January 1 to June 30, 2024, there was no transfer into or out of Level 3.

7. The management department is responsible for the independent fair value verification of the Group's financial instruments to evaluate the fair value classified as Level 3. Independent source materials allow the evaluation results to closely reflect the market status. The source of the verification data must be independent, reliable, consistent with other resources, and implement any other necessary fair value adjustments to ensure that the valuation results are reasonable.

8. The quantitative information on, changes in, and sensitivity analysis of significant unobservable inputs used in Level 3 fair value measurement are stated as follows:

|  | Fair value at<br>June 30, 2025        | Valuation<br>technique           | Significant<br>unobservable<br>inputs    | Interval<br>(weighted<br>average) | Relationship between<br>inputs and fair value  |
|--|---------------------------------------|----------------------------------|--|-----------------------------------|--|
| Non-derivative equity instruments:                               |                                       |                                  |  |                                   |  |
| Unlisted<br>shares   |                                       | Public<br>company<br>comparables | Discount for<br>lack of<br>marketability | 20%<br>N/A                        | The higher the<br>discount for lack of<br>marketability, the<br>lower the fair value<br>The higher the<br>discount for lack of<br>marketability, the<br>lower the fair value |
| TWSE/TPEX-<br>listed<br>companies'<br>privately placed<br>shares | \$ 313,288                            | Market<br>approach               | Discount for<br>lack of<br>marketability |                                   |  |
| Non-derivative equity instruments:                               |                                       |                                  |  |                                   |  |
| Unlisted<br>shares   |                                       | Public<br>company<br>comparables | Discount for<br>lack of<br>marketability | 20%<br>N/A                        | The higher the<br>discount for lack of<br>marketability, the<br>lower the fair value<br>The higher the<br>discount for lack of<br>marketability, the<br>lower the fair value |
| TWSE/TPEX-<br>listed<br>companies'<br>privately placed<br>shares | \$ 19,980                             | Market<br>approach               | Discount for<br>lack of<br>marketability |                                   |  |
|  | Fair value at<br>December 31,<br>2024 | Valuation<br>technique           | Significant<br>unobservable<br>inputs    | Interval<br>(weighted<br>average) | Relationship between<br>inputs and fair value  |
| Non-derivative equity instruments:                               |                                       |                                  |  |                                   |  |
| Unlisted<br>shares   |                                       | Public<br>company<br>comparables | Discount for<br>lack of<br>marketability | 20%<br>N/A                        | The higher the<br>discount for lack of<br>marketability, the<br>lower the fair value<br>The higher the<br>discount for lack of<br>marketability, the<br>lower the fair value |
| TWSE/TPEX-<br>listed<br>companies'<br>privately placed<br>shares | \$ 253,517                            | Market<br>approach               | Discount for<br>lack of<br>marketability |                                   |  |
| Non-derivative equity instruments:                               |                                       |                                  |  |                                   |  |
| Unlisted<br>shares   |                                       | Public<br>company<br>comparables | Discount for<br>lack of<br>marketability | 15%~20%<br>(18.33%)               | The higher the<br>discount for lack of<br>marketability, the<br>lower the fair value   |
|  | Fair value at<br>June 30, 2024        | Valuation<br>technique           | Significant<br>unobservable<br>inputs    |                                   |  |

9. The Group elects to adopt valuation models and valuation parameters under prudential consideration. Nonetheless, this does not preclude the differences arising from adoption of different valuation models or parameters. If valuation parameters change, financial assets classified as Level 3 will have effects on other comprehensive income, stated as follows:

|                    | June 30, 2025 |         |                   |                     |  |                     |  |  |
|--------------------|---------------|---------|-------------------|---------------------|--|---------------------|--|--|
|                    |               |         | Recognized in P/L |                     | Recognized in other comprehensive income (OCI) |                     |  |  |
|                    | Inputs        | Changes | Favorable changes | Unfavorable changes | Favorable changes                              | Unfavorable changes |  |  |
| Financial Assets   |               |         |                   |                     |  |                     |  |  |
| Equity instruments | \$ 383,370    | ±1%     | \$ -              | \$ -                | \$ 2,505                                       | ( \$ 2,505 )        |  |  |

  

|                    | December 31, 2024 |         |                   |                     |  |                     |  |  |
|--------------------|-------------------|---------|-------------------|---------------------|--|---------------------|--|--|
|                    |                   |         | Recognized in P/L |                     | Recognized in other comprehensive income (OCI) |                     |  |  |
|                    | Inputs            | Changes | Favorable changes | Unfavorable changes | Favorable changes                              | Unfavorable changes |  |  |
| Financial Assets   |                   |         |                   |                     |  |                     |  |  |
| Equity instruments | \$ 323,520        | ±1%     | \$ -              | \$ -                | \$ 2,401                                       | ( \$ 2,401 )        |  |  |

  

|                    | June 30, 2024 |         |                   |                     |  |                     |  |  |
|--------------------|---------------|---------|-------------------|---------------------|--|---------------------|--|--|
|                    |               |         | Recognized in P/L |                     | Recognized in other comprehensive income (OCI) |                     |  |  |
|                    | Inputs        | Changes | Favorable changes | Unfavorable changes | Favorable changes                              | Unfavorable changes |  |  |
| Financial Assets   |               |         |                   |                     |  |                     |  |  |
| Equity instruments | \$ 361,179    | ±1%     | \$ -              | \$ -                | \$ 3,380                                       | ( \$ 3,380 )        |  |  |

### XIII. Additional Disclosures

#### (I) Information on Significant Transactions

1. **Loaning Funds to Others:** Refer to Table 1.
2. **Endorsement/Guarantees for Others:** None.
3. **Marketable Securities Held at Period-End (excluding investments in subsidiaries, associates, and joint ventures equity):** Please refer to Table 2.
4. **Transaction with Related Party That Reaches NT\$100 Million or 20% or More of Paid-in Capital:** Refer to Table 3.
5. **Receivables Due from Related Party That Reach NT\$100 Million or 20% or More of Paid-in Capital:** Refer to Table 4.
6. **Business Relationships and Significant Transactions Between Parent and Subsidiaries:** Please refer to Table 5.

(II) Information on Indirect Investment

Names and Location of Investees (Excluding Those in Mainland China): Refer to Table 6.

(III) Investment in Mainland China

1. Basic Information: Refer to Table 7.

2. Significant transactions that occurred directly or indirectly through third-region enterprises and investee companies and were reinvested in mainland China: refer to Table 5.

**XIV. Segment Information**

(I) General Information

The Group engages in a single industry; the Group's Board of Directors evaluates the performance of, and allocates resources to, the Group as a whole. As such, the Group identifies itself to be a single reporting segment.

(II) Segment Information

Information on reportable segment provided to the main operating decision makers:

|   | January 1 to June 30, 2025 | January 1 to June 30, 2024 |
|---|----------------------------|----------------------------|
| Segment revenue   | \$ 3,169,946               | \$ 2,540,947               |
| Segment gross profit                                      | \$ 796,126                 | \$ 591,281                 |
| Segment profits or losses                                 | \$ 593,730                 | \$ 405,067                 |
| Discount and amortization (including right-of-use assets) | \$ 266,052                 | \$ 273,753                 |
| Income tax expenses                                       | \$ 55,126                  | \$ 61,726                  |
|   | June 30, 2025              | June 30, 2024              |
| Segment assets  | \$ 12,267,346              | \$ 11,497,372              |
| Segment liabilities                                       | \$ 5,172,766               | \$ 4,590,145               |

(III) Reconciliation of Segment Profit or Loss

Reconciliation is not required because the profit or loss information on the reporting segment that was provided to the main operating decision makers is consistent with that prepared and disclosed in the financial statements.

Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries  
 Loans of funds to others  
 January 1 to June 30, 2025

Table 1

Unit: NT\$ thousand  
 (unless otherwise specified)

| No. | Lending company                                  | Borrowing party                                  | Transaction item  | Whether or not a related party | Maximum balance amount | Ending balance | Amount actually drawn | Interest rate range | Nature of loaned funds    | Business dealing amount | Reason for necessary short-term financing | Amount of allowance for losses | Collaterals |      | Limit of loans to individual borrowers (Note) | Total limit of loans (Note) | Remarks |
|-----|--|--|-------------------|--------------------------------|------------------------|----------------|-----------------------|---------------------|---------------------------|-------------------------|---|--------------------------------|-------------|------|---|-----------------------------|---------|
|     |  |  |                   |                                |                        |                |                       |                     |                           |                         |   |                                |             |      |   |                             |         |
| 1   | FIXED ROCK HOLDING LTD.                          | TAIPAQ Electronic Components (Si-Hong) Co., Ltd. | Other receivables | Yes                            | \$ 99,615              | \$ 87,900      | \$ -                  | -                   | Short-term financing fund | \$ -                    | Business revolving fund                   | \$ -                           | \$ -        | \$ - | \$ 3,859,969                                  | \$ 3,859,969                |         |
| 1   | FIXED ROCK HOLDING LTD.                          | Tai-Tech Advanced Electronics Co., Ltd.          | Other receivables | Yes                            | \$ 49,808              | \$ 43,950      | \$ 43,950             | 1.23%               | Short-term financing fund | \$ -                    | Business revolving fund                   | \$ -                           | \$ -        | \$ - | \$ 3,859,969                                  | \$ 3,859,969                |         |
| 2   | NORTH STAR INTERNATIONAL LIMITED                 | Tai-Tech Advanced Electronics Co., Ltd.          | Other receivables | Yes                            | \$ 99,615              | \$ 87,900      | \$ 86,435             | 1.68%               | Short-term financing fund | \$ -                    | Business revolving fund                   | \$ -                           | \$ -        | \$ - | \$ 131,683                                    | \$ 131,683                  |         |
| 3   | BEST BLISS INVESTMENTS LIMITED                   | Tai-Tech Advanced Electronics Co., Ltd.          | Other receivables | Yes                            | \$ 99,615              | \$ 87,900      | \$ 23,440             | 1.23%               | Short-term financing fund | \$ -                    | Business revolving fund                   | \$ -                           | \$ -        | \$ - | \$ 6,671,716                                  | \$ 6,671,716                |         |
| 4   | TAIPAQ Electronic Components (Si-Hong) Co., Ltd. | Tai-Tech Advanced Electronics Co., Ltd.          | Other receivables | Yes                            | \$ 265,640             | \$ 234,400     | \$ -                  | -                   | Short-term financing fund | \$ -                    | Business revolving fund                   | \$ -                           | \$ -        | \$ - | \$ 5,165,887                                  | \$ 5,165,887                |         |

Note: The total amount of loaning of funds to others of the Company shall not exceed 40% of the net worth of the Company, and the amount of loaning of fund to an individual company or firm shall not exceed 20% of the net worth of the Company.

Loaning of funds between subsidiaries that are 100% directly and indirectly owned by the Company, or by foreign companies that are 100% directly and indirectly owned by the Group's parent company, to the Group's parent company shall be subject to the following limits: the total and individual loan amounts may not exceed 150% of the lender's net worth based on the most recent financial statements audited or reviewed by a CPA, or the most recent consolidated financial statements audited or reviewed by a CPA (whichever is more recent), and the loan term shall not exceed three years.

Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries  
 Holding of marketable securities at the end of the period (excluding investments in subsidiaries, associates, and joint ventures)  
 June 30, 2025

Table 2

Unit: NT\$ thousand  
 (unless otherwise specified)

| Holding company name                             | Marketable securities types and name | Relationship with issuer | Financial statement account  | End of period                   |                 |                          |                     |           |
|--|--------------------------------------|--------------------------|--|---------------------------------|-----------------|--------------------------|---------------------|-----------|
|  |                                      |                          |  | Number of shares (in thousands) | Carrying amount | Shareholdings Percentage | Fair value per unit | Remarks   |
| Stock:   |                                      |                          |  |                                 |                 |                          |                     |           |
| Tai-Tech Advanced Electronics Co., Ltd.          | All Ring Tech Co., Ltd.              | None                     | Financial assets at fair value through other comprehensive income acquired - non-current | 615                             | \$ 248,460      | 0.63%                    | \$ 248,460          | Unpledged |
| Tai-Tech Advanced Electronics Co., Ltd.          | SFI Electronics Technology Inc.      | Other related party      | Financial assets at fair value through other comprehensive income acquired - non-current | 5,320                           | \$ 85,869       | 11.64%                   | \$ 85,869           | Unpledged |
| Tai-Tech Advanced Electronics Co., Ltd.          | AZ Venture Investment II Limited     | None                     | Financial assets at fair value through other comprehensive income acquired - non-current | 3,000                           | \$ 31,110       | 12.50%                   | \$ 31,110           | Unpledged |
| TAIPAQ Electronic Components (Si-Hong) Co., Ltd. | Xiamen Eisend Electronics Co., Ltd   | None                     | Financial assets at fair value through other comprehensive income acquired - non-current | -                               | \$ 114,530      | 17.00%                   | \$ 114,530          | Unpledged |

Note 1: The Company's disclosure standard is NT\$30 million or more based on the principle of materiality.

Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries  
 Transaction with related party that reaches NT\$100 million or 20% or more of paid-in capital  
 January 1 to June 30, 2025

Table 3

Unit: NT\$ thousand  
 (unless otherwise specified)

| Purchaser/Seller                                  | Transaction party name                           | Relationship        | Transaction Details |               |                                     |               | Abnormal Transaction and Reason | Notes/Accounts receivable (payable) |               |         | Percentage of total bills and accounts receivable (payable) | Remarks |
|---|--|---------------------|---------------------|---------------|-------------------------------------|---------------|---------------------------------|-------------------------------------|---------------|---------|---|---------|
|   |  |                     | Purchase (sale)     | Amount        | Percentage of total purchase (sale) | Payment terms |                                 | Unit price                          | Payment terms | Balance |   |         |
| Tai-Tech Advanced Electronics Co., Ltd.           | TAIPAQ Electronic Components (Si-Hong) Co., Ltd. | Parent-subsidiary   | Sales               | ( 185,917 )   | 8%                                  | Note 1        | Note 1                          | -                                   | \$ 169,122    |         | 12.00   |         |
| Tai-Tech Advanced Electronics Co., Ltd.           | Superworld Electronics (S) Pte. Ltd.             | Other related party | Sales               | ( 141,843 )   | 6%                                  | Note 2        | Note 2                          | -                                   | 94,883        |         | 7.00  |         |
| TAI-TECH Advanced Electronics (Kunshan) Co., Ltd. | Tai-Tech Advanced Electronics Co., Ltd.          | Parent-subsidiary   | Sales               | ( 123,340 )   | 38%                                 | Note 1        | Note 1                          | -                                   | 78,694        |         | 34.00   |         |
| TAIPAQ Electronic Components (Si-Hong) Co., Ltd.  | Tai-Tech Advanced Electronics Co., Ltd.          | Parent-subsidiary   | Sales               | ( 1,223,253 ) | 54%                                 | Note 1        | Note 1                          | -                                   | 834,252       |         | 50.00   |         |

Note 1: Transaction price adopts the general rules for the payment receipt period agreed by both parties.

Note 2: Transaction price and the payment receipt period adopts the general rules.

Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries  
 Receivables due from related party that reach NT\$100 million or 20% or more of paid-in capital  
 June 30, 2025

Table 4

Unit: NT\$ thousand  
 (unless otherwise specified)

| Company of accounts receivable<br>recognized        | Transaction party name                              | Relationship          | Balance of accounts<br>receivables due from related<br>party |    |         | Turnover rate | Overdue amount of accounts<br>receivable from related party |        | Treatment<br>method | Amounts received<br>from related<br>parties in<br>subsequent period | \$      | 32,219 | \$ | - |
|---|---|-----------------------|--|----|---------|---------------|---|--------|---------------------|---|---------|--------|----|---|
|   |   |                       | Accounts<br>Receivable                                       | \$ | 169,122 |               | Amount  | Amount |                     |   |         |        |    |   |
| Tai-Tech Advanced Electronics<br>Co., Ltd.          | TAIPAQ Electronic Components<br>(Si-Hong) Co., Ltd. | Parent-<br>subsidiary | Accounts<br>Receivable                                       | \$ | 169,122 | 2.72          | \$  | -      | -                   | \$  | 32,219  | \$     | -  | - |
| TAIPAQ Electronic Components<br>(Si-Hong) Co., Ltd. | Tai-Tech Advanced Electronics Co., Ltd.             | Parent-<br>subsidiary | Accounts<br>Receivable                                       | \$ | 834,252 | 3.05          | -   | -      | -                   | \$  | 203,806 |        |    | - |

Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries  
 Significant inter-company transactions during the reporting periods  
 January 1 to June 30, 2025

Table 5

Unit: NT\$ thousand  
 (unless otherwise specified)

| No.<br>(Note 1) | Name of transaction party                         | Transaction party                                 | Relationship with<br>transaction party (Note 2) | Transaction details |           |                   | Percentage of consolidated total revenue<br>or total assets |
|-----------------|---|---|---|---------------------|-----------|-------------------|---|
|                 |   |   |   | Item                | Amount    | Transaction terms |   |
| 0               | Tai-Tech Advanced Electronics Co., Ltd.           | TAIPAQ Electronic Components (Si-Hong) Co., Ltd.  | 1   | Sales revenue       | 185,917   | Note 3            | 6%  |
| 0               | Tai-Tech Advanced Electronics Co., Ltd.           | TAIPAQ Electronic Components (Si-Hong) Co., Ltd.  | 1   | Accounts Receivable | 169,122   |                   | 1%  |
| 0               | Tai-Tech Advanced Electronics Co., Ltd.           | TAIPAQ Electronic Components (Si-Hong) Co., Ltd.  | 1   | Other receivables   | 99,103    |                   | 1%  |
| 0               | Tai-Tech Advanced Electronics Co., Ltd.           | TAIPAQ Electronic Components (Si-Hong) Co., Ltd.  | 1   | Sale of fixed Asset | 113,955   | Note 3            | 1%  |
| 0               | Tai-Tech Advanced Electronics Co., Ltd.           | TAIPAQ Electronic Components (Si-Hong) Co., Ltd.  | 1   | Accounts payable    | 834,252   |                   | 7%  |
| 0               | Tai-Tech Advanced Electronics Co., Ltd.           | TAIPAQ Electronic Components (Si-Hong) Co., Ltd.  | 1   | Purchase            | 1,223,253 | Note 3            | 39%   |
| 0               | Tai-Tech Advanced Electronics Co., Ltd.           | TAI-TECH Advanced Electronics (Kunshan) Co., Ltd. | 1   | Purchase            | 123,340   | Note 3            | 4%  |
| 0               | Tai-Tech Advanced Electronics Co., Ltd.           | TAI-TECH Advanced Electronics (Kunshan) Co., Ltd. | 1   | Accounts Receivable | 31,672    |                   | 0%  |
| 0               | Tai-Tech Advanced Electronics Co., Ltd.           | TAI-TECH Advanced Electronics (Kunshan) Co., Ltd. | 1   | Accounts payable    | 78,694    |                   | 1%  |
| 0               | Tai-Tech Advanced Electronics Co., Ltd.           | North Star International Limited                  | 1   | Other payables      | 86,435    |                   | 1%  |
| 0               | Tai-Tech Advanced Electronics Co., Ltd.           | Fixed Rock Holding Ltd.                           | 1   | Other payables      | 43,950    |                   | 0%  |
| 0               | Tai-Tech Advanced Electronics Co., Ltd.           | Techworld Electronics (M) Sdn. Bhd.               | 1   | Other receivables   | 67,747    |                   | 1%  |
| 0               | Tai-Tech Advanced Electronics Co., Ltd.           | Techworld Electronics (M) Sdn. Bhd.               | 1   | Sale of fixed Asset | 74,822    | Note 3            | 1%  |
| 0               | Tai-Tech Advanced Electronics Co., Ltd.           | JDX Technology Co., Ltd.                          | 1   | Sales revenue       | 53,844    | Note 3            | 2%  |
| 0               | Tai-Tech Advanced Electronics Co., Ltd.           | JDX Technology Co., Ltd.                          | 1   | Accounts Receivable | 56,140    |                   | 0%  |
| 1               | TAI-TECH Advanced Electronics (Kunshan) Co., Ltd. | TAIPAQ Electronic Components (Si-Hong) Co., Ltd.  | 2   | Sales revenue       | 42,592    | Note 3            | 1%  |
| 1               | TAI-TECH Advanced Electronics (Kunshan) Co., Ltd. | TAIPAQ Electronic Components (Si-Hong) Co., Ltd.  | 2   | Accounts Receivable | 32,919    |                   | 0%  |
| 1               | TAI-TECH Advanced Electronics (Kunshan) Co., Ltd. | TAIPAQ Electronic Components (Si-Hong) Co., Ltd.  | 2   | Purchase            | 31,373    | Note 3            | 1%  |
| 2               | TAIPAQ Electronic Components (Si-Hong) Co., Ltd.  | Techworld Electronics (M) Sdn. Bhd.               | 2   | Sale of fixed Asset | 96,276    | Note 3            | 1%  |
| 2               | TAIPAQ Electronic Components                      | Techworld Electronics (M) Sdn. Bhd.               | 2   | Other receivables   | 88,431    |                   | 1%  |

(Si-Hong) Co., Ltd.

Note 1: Information on business transactions between the parent company and subsidiaries should be indicated in the numbered column respectively, and the number should be filled in as follows:

- (1) Fill in "0" for parent company.
- (2) Subsidiaries are numbered sequentially from Arabic numeral 1 according to the company type.

Note 2: The relationship with the transaction party is categorized into the following three types. Please indicate the applicable type. (There is no need to duplicate disclosure for the same transaction between a parent and its subsidiary, or between subsidiaries.) For example, if the parent company has already disclosed a transaction with a subsidiary, the subsidiary does not need to disclose it again; Similarly, if one subsidiary has disclosed a transaction with another subsidiary, the latter does not need to disclose it again:

- (1) Parent company to subsidiary.
- (2) Subsidiary to subsidiary.

Note 3: Transaction price adopts the general rules for the payment receipt period agreed by both parties.

Note 4: The disclosure standard of the business relationship and important transactions between the parent and subsidiary companies for the three months ended June 30, 2025 is NT\$30 million or more.

Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries  
 Names and Location of Investees (Excluding those in Mainland China)  
 January 1 to June 30, 2025

Table 6

Unit: NT\$ thousand  
 (unless otherwise specified)

| Name of Investor                          | Name of Investee                          | Location       | Main business                     | Initial investment amount |                  | End of term holding |        |                 | Current profit/loss of investee | Current investment profit/loss recognized | Remarks |
|---|---|----------------|-----------------------------------|---------------------------|------------------|---------------------|--------|-----------------|---------------------------------|---|---------|
|   |   |                |                                   | End of current period     | End of last year | Number of shares    | ratio  | Carrying amount |                                 |   |         |
| Tai-Tech Advanced Electronics Co., Ltd.   | NORTH STAR INTERNATIONAL LIMITED          | Samoa          | Re-invested business              | \$ 3,459                  | \$ 3,459         | 100                 | 100%   | \$ 87,789       | \$ 621                          | \$ 621                                    |         |
| Tai-Tech Advanced Electronics Co., Ltd.   | BEST BLISS INVESTMENTS LIMITED            | Cayman Islands | Re-invested business              | 1,075,284                 | 1,075,284        | 34,250              | 100%   | 4,386,412       | 236,727                         | 232,881                                   |         |
| Tai-Tech Advanced Electronics Co., Ltd.   | TECHWORLD ELECTRONICS SINGAPORE PTE. LTD. | Singapore      | Reinvestment and trading business | 282,996                   | 191,931          | 9,000               | 60%    | 258,042         | (7,697 )                        | (4,618 )                                  |         |
| Tai-Tech Advanced Electronics Co., Ltd.   | APAQ Technology Co., Ltd.                 | Taiwan         | Electronic components             | 1,450,000                 | 1,450,000        | 25,000              | 27.19% | 1,629,524       | 222,727                         | 54,345                                    | Note 1  |
| Tai-Tech Advanced Electronics Co., Ltd.   | wdx Technology Co., Ltd.                  | Taiwan         | Electronic components             | 13,347                    | 13,347           | 2,500               | 83.33% | 4,734           | (3,030 )                        | (2,525 )                                  |         |
| Tai-Tech Advanced Electronics Co., Ltd.   | SUPERWORLD HOLDINGS (S) PTE. LTD.         | Singapore      | Re-invested business              | 261,360                   | 261,360          | 2,700               | 13.50% | 562,823         | 175,468                         | 22,147                                    | Note 2  |
| BEST BLISS INVESTMENTS LIMITED            | FIXED ROCK HOLDING LTD.                   | Seychelles     | Re-invested business              | 890,624                   | 890,624          | 26,450              | 100%   | 2,575,785       | 144,945                         | 144,945                                   |         |
| BEST BLISS INVESTMENTS LIMITED            | SUPERWORLD HOLDINGS (S) PTE. LTD.         | Singapore      | Re-invested business              | 21,156                    | 21,156           | 2,000               | 10%    | 166,304         | 175,468                         | 16,415                                    | Note 2  |
| TECHWORLD ELECTRONICS SINGAPORE PTE. LTD. | TECHWORLD ELECTRONICS (M) SDN. BHD.       | Malaysia       | Electronic components             | 435,378                   | 292,462          | 64,000              | 100%   | 416,534         | (7,640 )                        | (7,640 )                                  |         |

Note 1: Based on the review reports issued by other CPAs during the same period.

Note 2: Not reviewed.

Tai-Tech Advanced Electronics Co., Ltd. and Subsidiaries  
Information on Investments in Mainland China - Basic Information  
January 1 to June 30, 2025

Table 7

Unit: NT\$ thousand  
(unless otherwise specified)

| Name of investee in Mainland China                 | Main business  | Paid-in capital   | Investment method  | Accumulated outward remittance for investment from Taiwan at beginning of the current period | Outward remittance or repatriation for investment |              | Cumulative outward remittance of the investment amount from Taiwan in the period end (Note 8) | Current profit/loss of investee | Ownership percentage of direct or indirect investment | Current Investment profit/loss recognized (Note 4) | Carrying amount at end of the period (Note 4) | Accumulated repatriation of investment income as of end of current period | Remarks |
|--|--|---|--|--|---|--------------|---|---------------------------------|---|--|---|---|---------|
|  |  |   |  |  | Outward remittance                                | Repatriation |   |                                 |   |  |   |   |         |
| TAI-TECH Advanced Electronics (Kunshan) Co., Ltd.  | Production, processing and sale of electronic components   | 384,904   | Investment in Mainland China companies through a company invested and established in a third region (Note 1) | \$ 352,249   | \$ -  | \$ -         | \$ 352,249  | \$ 22,625                       | 100%  | \$ 22,625  | \$ 716,682                                    | \$ -  |         |
| TAIPAQ Electronic Components (Si-Hong) Co., Ltd.   | Production, processing and sale of electronic components   | 1,343,832   | Investment in Mainland China companies through a company invested and established in a third region (Note 2) | 600,232  | -   | -            | 600,232   | 196,490                         | 100%  | 196,490  | 3,443,924                                     | -   |         |
| TAI-TECH Advanced Electronics (Shenzhen) Co., Ltd. | Sales of electronic components   | -   | Investment through companies in mainland China (Note 3)  | -  | -   | -            | -   | -                               | -   | -  | -   | -   | Note 3  |
| TAIPAQ Electronic Components (Shenzhen) Co., Ltd.  | Sales of electronic components   | 36,837  | Investment through companies in mainland China   | -  | -   | -            | -   | (227 )                          | 66.70%  | (151 )   | 27,160  | -   |         |
| Provider   | Accumulated outward remittance for investment in China region at end of the period (Notes 5, 6, and 9) | Investment amount approved by Investment Commission, MOEA (Notes 7 and 9) | Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA                            |  |   |              |   |                                 |   |  |   |   |         |
| Tai-Tech Advanced Electronics Co., Ltd.            | \$ 1,412,662   | \$ 1,299,250  | \$ 4,256,748   |  |   |              |   |                                 |   |  |   |   |         |

Note 1: 100% invested by Best Bliss Investments Limited 100%.

Note 2: Best Bliss Investments Limited and Fixed Rock Holding Ltd. hold 26.60% and 73.40%, respectively.

Note 3: The company is 100% invested by TAIPAQ Electronic Components (Si-Hong) Co., Ltd, but there was no capital injection as of June 30, 2025.

Note 4: The financial statements audited by CPA retained by the parent company in Taiwan.

Note 5: The Company liquidated TAI-TECH Advanced Electronics (Dongguan) in 2015 and the accumulated investment loss amount is US\$1,513 thousand.

Note 6: NTD is calculated based on the historical exchange rate.

Note 7: NTD is calculated based on rate of the balance sheet date

Note 8: The amount invested with a third place's self-owned funds is not included.

Note 9: At the end of the period, the accumulated investment amount remitted from Taiwan to mainland China was US\$44,343 thousand, and the investment amount approved by the Investment Commission, MOEA, was US\$44,343 thousand.