

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
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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

			June 30, 2025		December 31, 2024		June 30, 2024	
Assets		Note	Amount	%	Amount	%	Amount	%
Current assets								
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	Total current assets		5,088,584	41	4,981,845	41	5,050,209	44
Non-current assets								
1510	Financial assets at fair value through profit or loss - non-current	6 (12)	110	-	770	-	2,310	-
1517	Financial assets at fair value through other comprehensive income - non-current	6 (4) and 12 (3)	620,580	5	567,634	5	523,885	5
1550	Investment accounted for using the equity method	6 (5)	2,358,651	19	2,178,533	18	1,581,888	14
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	Total non-current assets		7,178,762	59	7,268,983	59	6,447,163	56
1XXX	Total assets		\$ 12,267,346	100	\$ 12,250,828	100	\$ 11,497,372	100

(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	%
Current liabilities								
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
21XX	Total current liabilities		<u>2,546,161</u>	<u>21</u>	<u>2,028,509</u>	<u>17</u>	<u>1,828,872</u>	<u>16</u>
Non-current liabilities								
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	-
25XX	Total non-current liabilities		<u>2,626,605</u>	<u>21</u>	<u>2,614,602</u>	<u>21</u>	<u>2,761,273</u>	<u>24</u>
2XXX	Total liabilities		<u>5,172,766</u>	<u>42</u>	<u>4,643,111</u>	<u>38</u>	<u>4,590,145</u>	<u>40</u>
Equity attributable to shareholders of the parent								
	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
31XX	Equity attributable to shareholders of the parent - Total		<u>6,908,271</u>	<u>56</u>	<u>7,481,005</u>	<u>61</u>	<u>6,845,702</u>	<u>59</u>
36XX	Non-controlling interests		<u>186,309</u>	<u>2</u>	<u>126,712</u>	<u>1</u>	<u>61,525</u>	<u>1</u>
3XXX	Total equity		<u>7,094,580</u>	<u>58</u>	<u>7,607,717</u>	<u>62</u>	<u>6,907,227</u>	<u>60</u>
	Significant Commitments or Contingencies	9						
3X2X	Total liabilities and equity		<u>\$ 12,267,346</u>	<u>100</u>	<u>\$ 12,250,828</u>	<u>100</u>	<u>\$ 11,497,372</u>	<u>100</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
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, 2025		April 1 to June 30, 2024		January 1 to June 30, 2025		January 1 to June 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		<u>396,784</u>	<u>24</u>	<u>326,871</u>	<u>24</u>	<u>796,126</u>	<u>25</u>	<u>591,281</u>	<u>23</u>
5910 Unrealized gains from sale		-	-	-	-	(1,598)	-	-	-
5950 Gross profit, net		<u>396,784</u>	<u>24</u>	<u>326,871</u>	<u>24</u>	<u>794,528</u>	<u>25</u>	<u>591,281</u>	<u>23</u>
Operating expenses	6 (24) (25) and 7								
6100 Selling and marketing expenses		(104,994)	(7)	(88,036)	(7)	(201,789)	(6)	(167,569)	(6)
6200 General and administrative expenses		(87,319)	(5)	(43,286)	(3)	(155,626)	(5)	(93,357)	(4)
6300 Research and development expenses		(51,927)	(3)	(50,509)	(4)	(99,935)	(3)	(93,633)	(4)
6450 Expected credit impairment gain	12 (2)	-	-	-	-	-	-	-	-
6000 Total operating expenses		(<u>244,240</u>)	(<u>15</u>)	(<u>181,831</u>)	(<u>14</u>)	(<u>457,350</u>)	(<u>14</u>)	(<u>354,559</u>)	(<u>14</u>)
6900 Operating gains		<u>152,544</u>	<u>9</u>	<u>145,040</u>	<u>10</u>	<u>337,178</u>	<u>11</u>	<u>236,722</u>	<u>9</u>
Non-operating income and 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) (23)	(13,276)	(1)	(10,334)	(1)	(25,062)	(1)	(20,005)	(1)
7060 Share of profit (loss) of associates and joint ventures accounted for using equity method	6 (5)	<u>52,851</u>	<u>3</u>	<u>30,228</u>	<u>2</u>	<u>92,907</u>	<u>3</u>	<u>50,230</u>	<u>2</u>
7000 Total non-operating incomes and expenses		<u>191,514</u>	<u>12</u>	<u>94,467</u>	<u>7</u>	<u>256,552</u>	<u>8</u>	<u>168,345</u>	<u>7</u>
7900 Income before income tax		<u>344,058</u>	<u>21</u>	<u>239,507</u>	<u>17</u>	<u>593,730</u>	<u>19</u>	<u>405,067</u>	<u>16</u>
7950 Income tax expenses	6 (26)	(<u>28,655</u>)	(<u>2</u>)	(<u>40,845</u>)	(<u>3</u>)	(<u>55,126</u>)	(<u>2</u>)	(<u>61,726</u>)	(<u>2</u>)
8200 Net profit (loss) for current period		<u><u>\$ 315,403</u></u>	<u><u>19</u></u>	<u><u>\$ 198,662</u></u>	<u><u>14</u></u>	<u><u>\$ 538,604</u></u>	<u><u>17</u></u>	<u><u>\$ 343,341</u></u>	<u><u>14</u></u>

(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, 2025		April 1 to June 30, 2024		January 1 to June 30, 2025		January 1 to June 30, 2024	
		Amount	%	Amount	%	Amount	%	Amount	%
Other comprehensive income/(loss) for the year, net of income tax									
Components of other comprehensive income that will not be reclassified to profit or loss	6 (18)								
8316 Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	6 (4)	\$ 23,205	2	(\$ 140,141)	(10)	(\$ 23,201)	(1)	(\$ 37,465)	(1)
8320 Share of profit (loss) of associates and joint ventures accounted for using equity method - Components of other comprehensive income that will not be reclassified to profit or loss		47,531	3	72,125	5	40,703	1	88,360	3
8310 Total components of other comprehensive income that will not be reclassified to profit or loss		70,736	5	(68,016)	(5)	17,502	-	50,895	2
Items that may be reclassified subsequently to profit or loss	6 (18)								
8361 Exchange differences on translating the financial statements of foreign operations		(605,461)	(38)	42,733	3	(531,247)	(17)	205,527	8
8370 Share of profit (loss) of associates and joint ventures accounted for using equity method - Components of other comprehensive income that might be reclassified to profit or loss		(82,371)	(5)	5,999	1	(73,421)	(2)	30,185	1
8360 Total of items that may be reclassified subsequently to profit or loss		(687,832)	(43)	48,732	4	(604,668)	(19)	235,712	9
8300 Other comprehensive income/(loss) for the year, net of income tax		(\$ 617,096)	(38)	(\$ 19,284)	(1)	(\$ 587,166)	(19)	\$ 286,607	11
8500 Total comprehensive income (loss) for the current period		(\$ 301,693)	(19)	\$ 179,378	13	(\$ 48,562)	(2)	\$ 629,948	25
Net income attributable to:									
8610 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)	-
Total comprehensive income (loss) attributable to:									
8710 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	-
EARNINGS PER SHARE	6 (27)								
9750 Basic earnings per share attributable to shareholders of the parent company		\$ 3.11		\$ 1.95		\$ 5.31		\$ 3.37	
9850 Diluted earnings per share attributable to shareholders of the 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

		Equity attributable to shareholders of the parent								
		Retained earnings					Other equity			
Note	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
January 1 to June 30, 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
	-	-	-	-	343,498	-	-	343,498	(157)	343,341
Other comprehensive income for the year	-	-	-	-	-	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:										
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	9	87	-	-	-	-	-	96	-	96
Balance as of June 30, 2024	\$ 1,020,349	\$ 1,854,375	\$ 720,465	\$ 76,642	\$ 2,749,215	\$ 17,071	\$ 407,585	\$ 6,845,702	\$ 61,525	\$ 6,907,227
January 1 to June 30, 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	-	-	-	-	-	(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:										
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, 2025	January 1 to June 30, 2024
<u>Cash flow from operating activities</u>			
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		495,999	312,619

(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 30, 2025	January 1 to June 30, 2024
<u>CASH FLOWS FROM INVESTING</u>			
<u>ACTIVITIES</u>			
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)
<u>Cash Flow from Financing Activities</u>			
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>\$ 1,670,585</u>	<u>\$ 1,949,107</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			Remarks
			June 30, 2025	December 31, 2024	June 30, 2024	
The Company	NORTH STAR INTERNATIONAL LIMITED	Invested business	100%	100%	100%	
The Company	BEST BLISS INVESTMENTS LIMITED	Invested business	100%	100%	100%	
The Company	TECHWORLD ELECTRONICS SINGAPORE PTE.	Reinvestment and trading-related business	60%	60%	60%	
The Company	JDX Technology Co.,Ltd.	Sale of electronic components	83.33%	83.33%	-	Note 1
BEST BLISS INVESTMENT S LIMITED	TAI-TECH Advanced Electronics (Kunshan) Co., Ltd.	Production, processing and sale of electronic components	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 components	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 components	73.40%	73.40%	73.40%	
TECHWORLD ELECTRONICS SINGAPORE PTE.LTD.	TECHWORLD ELECTRONICS (M) SDN. BHD.	Production, processing and sale of electronic components	100%	100%	100%	
TAIPAQ Electronic Components (Si-Hong) Co., Ltd.	TAI-TECH Advanced Electronics (Shenzhen) Co., Ltd.	Sale of electronic components	100%	100%	100%	
TAIPAQ Electronic Components (Si-Hong) Co., Ltd.	TAIPAQ Electronic Components (Shenzhen) Co., Ltd.	Sale of electronic components	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	<u>\$ 1,670,585</u>	<u>\$ 1,780,997</u>	<u>\$ 1,949,107</u>

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	<u>\$ 53,359</u>	<u>\$ 36,806</u>	<u>\$ 49,053</u>
Accounts Receivable	\$ 1,963,158	\$ 1,997,803	\$ 1,849,174
Less: Allowance for losses	(1,387)	(1,455)	(1,454)
	<u>\$ 1,961,771</u>	<u>\$ 1,996,348</u>	<u>\$ 1,847,720</u>
Accounts receivable due from related parties	\$ 134,724	\$ 129,578	\$ 143,231
Less: Allowance for losses	(89)	(89)	(89)
	<u>\$ 134,635</u>	<u>\$ 129,489</u>	<u>\$ 143,142</u>

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 inventory 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
Total	<u>\$ 1,043,845</u>	<u>(\$ 62,600)</u>	<u>\$ 981,245</u>

December 31, 2024			
	Cost	Allowance for inventory 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
Total	<u>\$ 957,236</u>	<u>(\$ 60,786)</u>	<u>\$ 896,450</u>

June 30, 2024			
	Cost	Allowance for inventory 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
Total	<u>\$ 922,460</u>	<u>(\$ 66,399)</u>	<u>\$ 856,061</u>

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

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
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>
	<u>January 1 to June 30, 2025</u>	<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

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
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:

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
<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, 2025	January 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	(\$ 23,201)	(\$ 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

	June 30, 2025	December 31, 2024	June 30, 2024
Associate:			
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% (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		
	June 30, 2025	December 31, 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

- 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.
- 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.
- 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.
- 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.

	April 1 to June 30, 2025	April 1 to June 30, 2024
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>
	January 1 to June 30, 2025	January 1 to June 30, 2024
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 construction and equipment pending acceptance	
	Land	Buildings and structures	Machinery	Utilities equipment	Transportation equipment	Office equipment	Other 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 depreciation and 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 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 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 depreciation and 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>

	Land	Buildings and structures	Machinery	Utilities equipment	Transportation equipment	Office equipment	Other equipment	Unfinished construction and equipment pending acceptance	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 depreciation and impairment	-	(280,130)	(2,815,129)	(18,182)	(9,476)	(40,125)	(212,180)	-	(3,375,222)
	<u>\$ 777,560</u>	<u>\$ 310,715</u>	<u>\$ 2,829,329</u>	<u>\$ 6,836</u>	<u>\$ 2,135</u>	<u>\$ 18,641</u>	<u>\$ 130,066</u>	<u>\$ 25,212</u>	<u>\$ 4,100,494</u>
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 expenses	-	(15,388)	(217,018)	(517)	(495)	(3,556)	(30,296)	-	(267,270)
Net exchange differences	-	10,685	84,176	-	21	355	2,142	491	97,870
June 30	<u>\$ 777,560</u>	<u>\$ 306,012</u>	<u>\$ 2,765,857</u>	<u>\$ 6,319</u>	<u>\$ 1,797</u>	<u>\$ 18,360</u>	<u>\$ 138,325</u>	<u>\$ 34,282</u>	<u>\$ 4,048,512</u>
June 30									
Cost	\$ 777,560	\$ 610,553	\$ 5,847,955	\$ 25,053	\$ 11,482	\$ 61,723	\$ 374,165	\$ 34,282	\$ 7,742,773
Accumulated depreciation and impairment	-	(304,541)	(3,082,098)	(18,734)	(9,685)	(43,363)	(235,840)	-	(3,694,261)
	<u>\$ 777,560</u>	<u>\$ 306,012</u>	<u>\$ 2,765,857</u>	<u>\$ 6,319</u>	<u>\$ 1,797</u>	<u>\$ 18,360</u>	<u>\$ 138,325</u>	<u>\$ 34,282</u>	<u>\$ 4,048,512</u>

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

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	200,000	1.82%	Land, buildings, and structures
	<u>\$ 620,000</u>		
	December 31,		
	2024		
Bank loan			
Credit loan	\$ 230,000	1.80%~1.98%	-
Secured loan	100,000	1.89%	Land, buildings, and structures
	<u>\$ 330,000</u>		
	June 30, 2024		
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	218,668	195,146	204,325
	<u>\$ 658,383</u>	<u>\$ 587,956</u>	<u>\$ 590,085</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>\$ 1,075,453</u>	<u>\$ 1,066,426</u>	<u>\$ 1,057,475</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. 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. 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. 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. 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
				1,622,440
Less: Current portion of long-term borrowings				(326,232)
				<u>\$ 1,296,208</u>

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. 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. 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. 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. 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
				<u>1,509,712</u>
Less: Current portion of long-term borrowings				(<u>243,158</u>)
				<u>\$ 1,266,554</u>

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. 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. 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. 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. Principal and interest are paid from April 2025 to March 2027.	1.23%	-	<u>250,000</u>
				1,523,579
Less: Current portion of long-term borrowings				(<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) 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 s	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 s	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

1. 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 (losses)	Foreign currency translation	Total
January 1	\$ 461,359	\$ 35,333	\$ 496,692
Valuation of financial assets at fair value through other comprehensive income:			
- Group	(23,201)	-	(23,201)
- Associates	40,703	-	40,703
Investments accounted for using the equity method that are not subscribed in proportion to their 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 (losses)	Foreign currency 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	<u>\$ 1,610,520</u>	<u>\$ 1,369,214</u>

	January 1 to June 30, 2025	January 1 to June 30, 2024
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>

	January 1 to June 30, 2025	January 1 to June 30, 2024
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>
	January 1 to June 30, 2025	January 1 to June 30, 2024
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>
	January 1 to June 30, 2025	January 1 to June 30, 2024
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

	April 1 to June 30, 2025	April 1 to June 30, 2024
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)
	(\$ 179,737)	\$ 22,021
	January 1 to June 30, 2025	January 1 to June 30, 2024
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)
	(\$ 158,590)	\$ 65,559

(XXIII) Financial Costs

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

(XXIV) Additional Information on the Nature of Expenses

April 1 to June 30, 2025			
	Attributable to operating costs	Attributable to operating expenses	Total
Employee benefits expense	\$ 236,924	\$ 120,371	\$ 357,295
Depreciation expenses of property, 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 operating costs	Attributable to operating expenses	Total
Employee benefits expense	\$ 226,581	\$ 95,161	\$ 321,742
Depreciation expenses of property, 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 operating costs	Attributable to operating expenses	Total
Employee benefits expense	\$ 462,197	\$ 225,832	\$ 688,029
Depreciation expenses of property, 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 operating costs	Attributable to operating expenses	Total
Employee benefits expense	\$ 423,968	\$ 180,641	\$ 604,609
Depreciation expenses of property, 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 operating costs	Attributable to 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
	<u>\$ 236,924</u>	<u>\$ 120,371</u>	<u>\$ 357,295</u>

April 1 to June 30, 2024			
	Attributable to operating costs	Attributable to 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
	<u>\$ 226,581</u>	<u>\$ 95,161</u>	<u>\$ 321,742</u>

January 1 to June 30, 2025			
	Attributable to operating costs	Attributable to 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
	<u>\$ 462,197</u>	<u>\$ 225,832</u>	<u>\$ 688,029</u>

January 1 to June 30, 2024			
	Attributable to operating costs	Attributable to 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
	<u>\$ 423,968</u>	<u>\$ 180,641</u>	<u>\$ 604,609</u>

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:

	April 1 to June 30, 2025	April 1 to June 30, 2024
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	28,655	40,845
Deferred income tax:		
Deferred income tax on temporary differences originated and reversed		
Income tax expenses	\$ 28,655	\$ 40,845
	January 1 to June 30, 2025	January 1 to June 30, 2024
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	55,126	61,726
Deferred income tax:		
Deferred income tax on temporary differences originated and reversed		
Income tax expenses	\$ 55,126	\$ 61,726

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

January 1 to June 30, 2025			
	Post-tax amount	Weighted average number of outstanding shares (thousand shares)	EARNINGS PER SHARE (NT\$)
<u>Basic earnings per share</u>			
Profit attributable to shareholders of common shares of the parent	\$ 542,263	102,035	\$ 5.31
<u>Diluted earnings per share</u>			
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
January 1 to June 30, 2024			
	Post-tax amount	Weighted average number of outstanding shares (thousand shares)	EARNINGS PER SHARE (NT\$)
<u>Basic earnings per share</u>			
Profit attributable to shareholders of common shares of the parent	\$ 343,498	102,034	\$ 3.37
<u>Diluted earnings per share</u>			
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	\$ 251,191	\$ 212,107

(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	\$ 620,000	\$ 1,622,440	\$ 6,512	\$ 1,075,453	\$ 3,324,405

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

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 (Note 4)
TAI-TECH ADVANCED ELECTRONICS (S) PTE LTD	Other related parties and associates (Note 4)
Superworld Electronics Co., Ltd.	Other related parties and associates (Notes 1 and 4)
Superworld Electronics Co., Ltd. (Dongguan)	Other related parties and associates (Notes 2 and 4)
SFI Electronics Technology Inc.	Other related party
Chanchang Technology (Shenzhen) Co., Ltd.	Other related party
JDX Technology Co., Ltd.	Associates (Note 3)
APAQ Technology Co., Ltd.	Associate
Jui-hsia Tai	Immediate family member of the major management
Chang-i Hsieh	Immediate family member of the 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

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

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Purchase of goods:		
Associate	\$ 1,248	\$ -
Other related party	526	1,511
Total	<u>\$ 1,774</u>	<u>\$ 1,511</u>
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
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

	<u>April 1 to June 30, 2025</u>	<u>April 1 to June 30, 2024</u>
Associate	\$ 3	\$ -
Other related party	-	3
	<u>\$ 3</u>	<u>\$ 3</u>
	<u>January 1 to June 30, 2025</u>	<u>January 1 to June 30, 2024</u>
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	<u>\$ 160,227</u>	<u>\$ 153,270</u>	<u>\$ 185,128</u>
Computer software	<u>\$ 17,419</u>	<u>\$ 13,452</u>	<u>\$ 5,716</u>

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, 2024	June 30, 2024
<u>Financial Assets</u>			
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>
	June 30, 2025	December 31, 2024	June 30, 2024
<u>Financial Liabilities</u>			
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)	<u>\$ 6,512</u>	<u>\$ 7,687</u>	<u>\$ 9,606</u>

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 (in thousands)	Exchange rate	Carrying amount (NTD/ RMB)
(Foreign currency: functional currency)			
<u>Financial Assets</u>			
<u>Monetary items</u>			
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
<u>Non-monetary items</u>			
USD:NTD	19,209	29.30	562,823
<u>Financial Liabilities</u>			
<u>Monetary items</u>			
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 (in thousands)		Exchange rate	Carrying amount (NTD/ RMB)
(Foreign currency: functional currency)				
<u>Financial Assets</u>				
<u>Monetary items</u>				
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
<u>Non-monetary items</u>				
USD:NTD		14,053	32.79	460,806
<u>Financial Liabilities</u>				
<u>Monetary items</u>				
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 (in thousands)		Exchange rate	Carrying amount (NTD/ RMB)
(Foreign currency: functional currency)				
<u>Financial Assets</u>				
<u>Monetary items</u>				
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
<u>Financial Liabilities</u>				
<u>Monetary items</u>				
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 (NTD/ RMB)	Effects on other comprehensive income (OCI)
(Foreign currency: functional currency)				
<u>Financial Assets</u>				
<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	-
<u>Financial Liabilities</u>				
<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 (NTD/ RMB)	Effects on other comprehensive income (OCI)
(Foreign currency: functional currency)				
<u>Financial Assets</u>				
<u>Monetary items</u>				
USD:NTD	1%	\$	12,616	\$ -
RMB : NTD	1%		3,095	-
USD : RMB	1%		2,655	-
<u>Financial Liabilities</u>				
<u>Monetary items</u>				
USD:NTD	1%		7,084	-
RMB : NTD	1%		53	-
USD : RMB	1%		392	-

Price risk

- A. 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.
- B. 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 decrease or increase 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
<u>June 30, 2025</u>						
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
<u>December 31, 2024</u>						
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
<u>June 30, 2024</u>						
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	Uncollectible overdue receivables	Total
January 1	\$ 1,544	\$ -	\$ 1,252	\$ 2,796
Exchange rate effects	(68)	-	-	(68)
June 30	\$ 1,476	\$ -	\$ 1,252	\$ 2,728
2024				
	Accounts Receivable	Notes receivable	Uncollectible overdue receivables	Total
January 1	\$ 1,511	\$ -	\$ 1,252	\$ 2,763
Exchange rate effects	32	-	-	32
June 30	\$ 1,543	\$ -	\$ 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 year	1~2 years	2~5 years	Over than 5 years
Short-term borrowings	\$ 620,000	\$ -	\$ -	\$ -
Notes payable	14,204	-	-	-
Accounts payable (including related party)	859,416	-	-	-
Other payables (including those due to related party)	658,383	-	-	-
Lease liabilities (including the portion with maturity in one year)	2,243	2,184	2,085	-
Corporate bonds payable	-	1,099,900	-	-
Long-term borrowings (including the portion with maturity in one year)	345,141	551,065	546,953	245,414

Non-derivative financial liabilities:

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

year)

Non-derivative financial liabilities:

June 30, 2024	Less than 1 year	1~2 years	2~5 years	Over than 5 years
Short-term borrowings	\$ 150,000	\$ -	\$ -	\$ -
Notes payable	24,628	-	-	-
Accounts payable (including related party)	902,091	-	-	-
Other payables (including those due to related party)	590,085	-	-	-
Lease liabilities (including the portion with maturity in one year)	3,094	2,243	4,269	-
Corporate bonds payable	-	-	1,099,900	-
Long-term borrowings (including the portion with maturity in one 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				
	Carrying amount	Fair value per unit		
		Level 1	Level 2	Level 3
Financial liabilities:				
Corporate bonds payable	\$ 1,075,453	\$ -	\$ 1,165,344	\$ -
December 31, 2024				
	Carrying amount	Fair value per unit		
		Level 1	Level 2	Level 3
Financial liabilities:				
Corporate bonds payable	\$ 1,066,426	\$ -	\$ 1,289,633	\$ -
June 30, 2024				
	Carrying amount	Fair value per unit		
		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
Assets				
<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	Level 1	Level 2	Level 3	Total
Assets				
<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
Assets				
<u>Recurring fair value</u>				
Equity-based securities at fair value through other comprehensive income:	\$ 220,089	\$ -	\$ 303,796	\$ 523,885
Derivatives				
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 Closing price
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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)
Purchase of current period	81,887	-
Exchange rate effects	(5,740)	2,634
June 30	\$ 333,268	\$ 303,796

- 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 June 30, 2025	Valuation technique	Significant unobservable inputs	Interval (weighted average)	Relationship between inputs and fair value
Non-derivative equity instruments:					
Unlisted shares		Public company comparables	Discount for lack of marketability	20%	The higher the discount for lack of marketability, the lower the fair value
TWSE/TPEX- listed companies' privately placed shares	\$ 313,288	Market approach	Discount for lack of marketability	N/A	The higher the discount for lack of marketability, the lower the fair value
	\$ 19,980				
	Fair value at December 31, 2024	Valuation technique	Significant unobservable inputs	Interval (weighted average)	Relationship between inputs and fair value
Non-derivative equity instruments:					
Unlisted shares		Public company comparables	Discount for lack of marketability	20%	The higher the discount for lack of marketability, the lower the fair value
TWSE/TPEX- listed companies' privately placed shares	\$ 253,517	Market approach	Discount for lack of marketability	N/A	The higher the discount for lack of marketability, the lower the fair value
	\$ 24,720				
	Fair value at June 30, 2024	Valuation technique	Significant unobservable inputs	Interval (weighted average)	Relationship between inputs and fair value
Non-derivative equity instruments:					
Unlisted shares	\$ 303,796	Public company comparables	Discount for lack of marketability	15%~20% (18.33%)	The higher the discount for lack of marketability, the lower the fair value

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

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

June 30, 2024						
	Inputs	Changes	Recognized in P/L		Recognized in other comprehensive income (OCI)	
			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
													Name	Value			
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)		Remarks
			Purchase (sale)	Amount	Percentage of total purchase (sale)	Payment terms	Unit price	Payment terms	Balance	Percentage of total bills and accounts receivable (payable)	
Tai-Tech Advanced Electronics Co., Ltd.	TAIPAQ Electronic Components (Si-Hong) Co., Ltd.	Parent-subsidary	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-subsidary	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-subsidary	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 recognized	Transaction party name	Relationship	Balance of accounts receivables due from related party		Turnover rate	Overdue amount of accounts receivable from related party		Amounts received from related parties in subsequent period	Amount of allowance for losses
						Amount	Treatment method		
Tai-Tech Advanced Electronics Co., Ltd.	TAIPAQ Electronic Components (Si-Hong) Co., Ltd.	Parent-subsidiary	Accounts Receivable	\$ 169,122	2.72	\$ -	-	\$ 32,219	\$ -
TAIPAQ Electronic Components (Si-Hong) Co., Ltd.	Tai-Tech Advanced Electronics Co., Ltd.	Parent-subsidiary	Accounts 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. (Note 1)	Name of transaction party	Transaction party	Relationship with transaction party (Note 2)	Transaction details			Percentage of consolidated total revenue 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.	JDX 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.