

ABC Taiwan Electronics
Corporation and Subsidiaries
Consolidated Financial
Statements and Independent
Auditors' Review Report
Quarter 3, 2025 and 2024

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Independent Auditors' Review Report

To: ABC Taiwan Electronics Corp

Introduction

We have audited the accompanying Consolidated Balance Sheet of ABC Taiwan Electronics Corp and subsidiaries for September 30, 2025 and 2024, and the consolidated statements of comprehensive income for July 1 to September 30 of 2025 and 2024, and January 1 to September 30 of 2025 and 2024, changes in equity and cash flows for January 1 to September 30 of 2025 and 2024, and the notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the Consolidated Financial Statements according to the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Accounting Standard 34 Interim Financial Reporting (IAS 34) endorsed and issued into effect by the Financial Supervisory Commission (FSC). The Independent Auditors are responsible to form a conclusion on the consolidated Financial Statements based on the review outcomes.

Scope

The review work is performed by independent auditors in accordance with the International Standard on Review Engagements (ISRE) 2410 "Review of Interim Financial Information." The procedures for the review of the Consolidated Financial Statements include inquiries (mainly inquiries with the personnel of finance and accounting), analytical procedures and other review procedures. The scope of the review work is distinctly smaller than the scope of the audit work. Hence, the independent auditors were unable to express an audit opinion as it was not possible to detect all of the material matters identified by the audit work.

Conclusion

Based on the review, nothing has come to the attention of the certified public accountant that causes the certified public accountant 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 No. 34 "Interim Financial Reporting" as endorsed and issued into effect by the Financial Supervisory Commission, and do not present fairly the consolidated financial position of ABC Taiwan Electronics Corporation and subsidiaries as of September 30, 2025 and 2024, the consolidated financial performance as of July 1 to September 30 of 2025 and 2024, and the consolidated financial performance and consolidated cash flow from January 1 to September 30 of 2025 and 2024.

Deloitte & Touche
CPA Wen, Chih-Yuan

CPA Yeh, Tung-Hui

Approval reference number of the FSC
Jin-Guan-Zheng-Shen-Zi No. 1130349292

Approval reference number of the FSC
Jin-Guan-Zheng-Shen-Zi No. 0980032818

November 10, 2025

ABC Taiwan Electronics Corporation and Subsidiaries
Consolidated Statements Of Balance Sheet
September 30, 2025, and December 31 and September 30 of 2024

Unit: NTD thousand

Code	Assets	September 30, 2025		December 31, 2024		September 30, 2024		Code	Liabilities and equity	September 30, 2025		December 31, 2024		September 30, 2024	
		Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%
	Current assets								Current liabilities						
1100	Cash and cash equivalents (Note VI)	\$ 639,717	22	\$ 745,011	24	\$ 714,920	22	2100	Short-term borrowings (Note XVI, XXVIII)	\$ 260,000	9	\$ 190,000	6	\$ 220,000	7
1110	Financial assets measured at fair value through profit or loss - current (Note VII)	22,310	1	23,170	1	23,314	1	2110	Short-term notes payable (Note XVI)	-	-	29,964	1	59,925	2
1170	Notes and accounts receivable, net (Note IX)	202,756	7	162,947	5	195,047	6	2170	Notes and accounts payable	284,778	9	259,666	9	272,557	8
								2206	Employees' compensation and remuneration of directors payable (Note XXI)	3,404	-	1,445	-	-	-
1180	Accounts receivable - related parties (Notes IX and XXVII)	180,158	6	107,910	4	147,263	5	2219	Other payables (Note XVII)	100,391	3	98,968	3	122,440	4
1200	Other receivables	74,902	2	28,700	1	28,992	1	2230	Current income tax liabilities	14,509	1	1,824	-	3,400	-
1220	Current income tax assets	4,914	-	10,416	-	12,174	-	2280	Lease liabilities - current (Note XIII)	1,862	-	1,275	-	434	-
130X	Inventories (Note X)	247,842	8	260,743	8	251,534	8	2322	Long-term loans with maturity within one year (Notes XVI and XXVIII)	197,341	6	257,191	8	279,846	9
1410	Prepayments	29,084	1	32,442	1	35,230	1	2399	Other current liabilities (Notes XVII and XX)	4,165	-	2,842	-	2,490	-
1470	Other current assets (Note XV)	4	-	112	-	4	-	21XX	Total of current liabilities	866,450	28	843,175	27	961,092	30
11XX	Total current assets	1,401,687	46	1,371,451	44	1,405,778	44								
	Non-current assets								Non-current liabilities						
1517	Financial assets at fair value through other comprehensive income - Non-current (Note VIII)	42,445	1	34,285	1	38,586	1	2540	Long-term loans (Notes XVI and XXVIII)	627,110	21	628,769	20	569,193	18
1600	Property, plant and equipment (Notes XII, XXVIII)	1,484,697	49	1,584,523	51	1,619,309	51	2570	Deferred income tax liabilities (Note XXII)	67,344	2	81,224	3	79,840	3
1755	Right-of-use assets (Note XIII)	7,564	-	6,699	-	5,476	-	2580	Lease liabilities - non-current (Note XIII)	1,145	-	488	-	-	-
1780	Intangible assets (Note XIV)	43,962	2	50,170	2	52,124	2	2630	Long-term deferred revenue (Note XXIV)	4,921	-	6,212	-	6,632	-
1915	Prepayment for equipment purchase	60,808	2	43,694	2	50,504	2	2670	Other non-current liabilities (Notes XVII)	838	-	2,136	-	2,342	-
1975	Net defined benefit assets - non-current (Note XVIII)	10,934	-	10,928	-	6,515	-	25XX	Total non-current liabilities	701,358	23	718,829	23	658,007	21
1990	Other non-current assets (Note XV)	4,815	-	5,069	-	5,152	-								
15XX	Total non-current assets	1,655,225	54	1,735,368	56	1,777,666	56	2XXX	Total liabilities	1,567,808	51	1,562,004	50	1,619,099	52
									Equity attributable to shareholders of the Company (Note XIX)						
									Share capital						
								3110	Common stock share capital	1,050,006	35	1,050,006	34	1,050,006	33
								3200	Additional paid-in capital	181,063	6	181,063	6	181,063	6
									Retained earnings						
								3310	Legal reserve	153,658	5	159,922	5	152,922	5
								3320	Special reserves	86,236	3	152,144	5	152,144	5
								3350	Undistributed earnings	136,074	4	94,917	3	79,508	2
								3300	Total retained earnings	375,968	12	399,983	13	384,574	12
								3400	Other equity items	(117,933)	(4)	(86,237)	(3)	(51,298)	(2)
								31XX	Total equity attributable to the Company's owners	1,489,104	49	1,544,815	50	1,564,345	49
1XXX	Total assets	\$3,056,912	100	\$3,106,819	100	\$3,183,444	100		Total liabilities and equity	\$3,056,912	100	\$3,106,819	100	\$3,183,444	100

The accompanying notes form part of the Consolidated Financial Statements.

Chairman: Joseph M. E. Hsu

Managerial Officer: Francis Fan

Accounting supervisor: Ya-Yun Cheng

ABC Taiwan Electronics Corporation and Subsidiaries

Consolidated Statements Of Comprehensive Income

July 1 to September 30 of 2025 and 2024, and January 1 to September 30 of 2025 and 2024

Unit: NTD thousand, except that net profit (loss) per share in NTD

Code		July 1 to September 30, 2025		July 1 to September 30, 2024		January 1 to September 30, 2025		January 1 to September 30, 2024	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	Net operating revenue (Notes XX and XXVII)	\$ 551,156	100	\$ 523,441	100	\$ 1,528,605	100	\$ 1,423,429	100
5000	Operating cost (Notes X and XXI)	<u>393,455</u>	<u>71</u>	<u>391,887</u>	<u>75</u>	<u>1,145,828</u>	<u>75</u>	<u>1,111,316</u>	<u>78</u>
5900	Gross profit	<u>157,701</u>	<u>29</u>	<u>131,554</u>	<u>25</u>	<u>382,777</u>	<u>25</u>	<u>312,113</u>	<u>22</u>
	Operating expenses (Notes XXI and XXVII)								
6100	Sales and marketing expenses	18,779	3	20,545	4	55,048	3	55,673	4
6200	Management expenses	61,169	11	64,268	12	185,818	12	190,761	14
6300	R&D expenses	26,041	5	28,583	6	74,932	5	86,509	6
6450	ECL impairment loss (reversal of gain)	(<u>151</u>)	<u>-</u>	<u>844</u>	<u>-</u>	(<u>1,112</u>)	<u>-</u>	<u>1,953</u>	<u>-</u>
6000	Total operating expenses	<u>105,838</u>	<u>19</u>	<u>114,240</u>	<u>22</u>	<u>314,686</u>	<u>20</u>	<u>334,896</u>	<u>24</u>
6900	Net operating profit (loss)	<u>51,863</u>	<u>10</u>	<u>17,314</u>	<u>3</u>	<u>68,091</u>	<u>5</u>	(<u>22,783</u>)	(<u>2</u>)
	Non-operating income and expenses								
7100	Interest revenue (Note XXI)	397	-	1,111	-	2,054	-	5,499	1
7010	Other income (Notes XXI, XXIV, and XXVII)	1,514	-	1,325	-	2,428	-	2,023	-
7020	Other gains and losses (Notes VII, XXI and XXVII)	15,778	3	(19,609)	(3)	(14,765)	(1)	28,772	2
7050	Financial costs (Note XXI)	(<u>4,964</u>)	(<u>1</u>)	(<u>4,746</u>)	(<u>1</u>)	(<u>14,577</u>)	(<u>1</u>)	(<u>14,328</u>)	(<u>1</u>)
7000	Total non-operating income and expenses	<u>12,725</u>	<u>2</u>	(<u>21,919</u>)	(<u>4</u>)	(<u>24,860</u>)	(<u>2</u>)	<u>21,966</u>	<u>2</u>
7900	Pre-tax (loss)profit	64,588	12	(4,605)	(1)	43,231	3	(817)	-
7950	Income tax expenses (Note XXII)	(<u>31,639</u>)	(<u>6</u>)	(<u>1,597</u>)	<u>-</u>	(<u>30,496</u>)	(<u>2</u>)	(<u>7,236</u>)	<u>-</u>
8200	Net (loss)income	<u>32,949</u>	<u>6</u>	(<u>6,202</u>)	(<u>1</u>)	<u>12,735</u>	<u>1</u>	(<u>8,053</u>)	<u>-</u>
	Other comprehensive income								
8310	Items not reclassified to profit or loss:								
8316	Unrealized gains (losses) from investments in equity instruments at fair value through other comprehensive income (Note XIX)	12,501	2	(5,547)	(1)	8,160	1	(603)	-
8360	Items that may be reclassified subsequently as profit or loss:								
8361	Exchange difference on translation of financial statements of foreign operations (Note XIX)	<u>46,675</u>	<u>9</u>	<u>67,725</u>	<u>13</u>	(<u>39,856</u>)	(<u>3</u>)	<u>101,450</u>	<u>7</u>
8300	Total other comprehensive income	<u>59,176</u>	<u>11</u>	<u>62,178</u>	<u>12</u>	(<u>31,696</u>)	(<u>2</u>)	<u>100,847</u>	<u>7</u>
8500	Total comprehensive (loss)income	<u>\$ 92,125</u>	<u>17</u>	<u>\$ 55,976</u>	<u>11</u>	(<u>\$ 18,961</u>)	(<u>1</u>)	<u>\$ 92,794</u>	<u>7</u>
	Net (loss)profit per share (Note XXIII)								
9750	Basic	<u>\$ 0.31</u>		(<u>\$ 0.06</u>)		<u>\$ 0.12</u>		(<u>\$ 0.08</u>)	
9850	Diluted	<u>\$ 0.31</u>				<u>\$ 0.12</u>			

The accompanying notes form part of the Consolidated Financial Statements.

Chairman: Joseph M. E. Hsu

Managerial Officer: Francis Fan

Accounting supervisor: Ya-Yun Cheng

ABC Taiwan Electronics Corporation and Subsidiaries
Consolidated Statements Of Changes In Equity
January 1 to September 30, 2025 and 2024

Unit: NTD thousand, unless stated otherwise

		Equity attributable to the Company's shareholders						Other equity		Total equity
		Share capital		Additional paid-in capital	Retained earnings		Undistributed earnings	Exchange differences on the translation of financial statements of foreign operations	Unrealized (loss) gain on equity instruments at fair value through other comprehensive incomes	
Code		Shares (in thousand)	Amount		Legal reserve	Special reserves				
A1	Balance as of January 1, 2024	105,001	\$ 1,050,006	\$ 181,063	\$ 148,446	\$ 128,123	\$ 139,158	(\$ 178,536)	\$ 26,391	\$ 1,494,651
B1	Distribution of earnings for 2023									
B1	Legal reserve	-	-	-	4,476	-	(4,476)	-	-	-
B3	Special reserves	-	-	-	-	24,021	(24,021)	-	-	-
B5	Cash dividend to shareholders	-	-	-	-	-	(23,100)	-	-	(23,100)
D1	Net loss for the period from January 1 to September 30, 2024	-	-	-	-	-	(8,053)	-	-	(8,053)
D3	Other comprehensive income (loss) for the three months period ended September 30, 2024	-	-	-	-	-	-	101,450	(603)	100,847
D5	Total comprehensive income (loss) for the three months period ended September 30, 2024	-	-	-	-	-	(8,053)	101,450	(603)	92,794
Z1	Balance as of September 30, 2024	105,001	\$ 1,050,006	\$ 181,063	\$ 152,922	\$ 152,144	\$ 79,508	(\$ 77,086)	\$ 25,788	\$ 1,564,345
A1	Balance as of January 1, 2025	105,001	\$ 1,050,006	\$ 181,063	\$ 152,922	\$ 152,144	\$ 94,917	(\$ 107,724)	\$ 21,487	\$ 1,544,815
B1	Distribution of earnings for 2024									
B1	Legal reserve	-	-	-	736	-	(736)	-	-	-
B17	Special reserves	-	-	-	-	(65,908)	65,908	-	-	-
B5	Cash dividend to shareholders	-	-	-	-	-	(36,750)	-	-	(36,750)
D1	Net income for the period from January 1 to September 30, 2025	-	-	-	-	-	12,735	-	-	12,735
D3	Other comprehensive income (loss) for the three months period ended September 30, 2025	-	-	-	-	-	-	(39,856)	8,160	(31,696)
D5	Total comprehensive income (loss) for the three months period ended September 30, 2025	-	-	-	-	-	12,735	(39,856)	8,160	(18,961)
Z1	Balance as of September 30, 2025	105,001	\$ 1,050,006	\$ 181,063	\$ 153,658	\$ 86,236	\$ 136,074	(\$ 147,580)	\$ 29,647	\$ 1,489,104

The accompanying notes form part of the Consolidated Financial Statements.

Chairman: Joseph M. E. Hsu

Manager: Fan, Liang-Fang

Accounting Officer: Cheng, Ya-Yun

ABC Taiwan Electronics Corporation and Subsidiaries

Consolidated Statements Of Cash Flows

January 1 to September 30, 2025 and 2024

Unit: NTD thousand

Code		January 1 to September 30, 2025	January 1 to September 30, 2024
	Cash flow from operating activities		
A10000	Pre-tax (loss)profit for the current period	\$ 43,231	(\$ 817)
A20010	Income/expenses that do not affect cash flow:		
A20100	Depreciation expense	120,826	127,609
A20200	Amortized expenses	12,044	13,290
A20300	ECL impairment loss (reversal of gain)	(1,112)	1,953
A20400	Net gains on financial assets measured at fair value through profit or loss	(215)	(287)
A20900	Financial cost	14,577	14,328
A21200	Income from interest	(2,054)	(5,499)
A21300	Dividend income	(1,131)	(969)
A22500	Net profit from disposal of property, plant and equipment	(876)	(35,471)
A23700	Inventory devaluation loss	4,455	27,541
A24100	Net loss on foreign currency exchange	16,467	40,361
A24600	Loss from lease modification	-	13,266
A29900	Government subsidies income	(1,015)	(1,054)
A30000	Net changes in operating assets and liabilities		
A31130	Notes and accounts receivable	(49,207)	(53,577)
A31160	Accounts receivable - related parties	(72,248)	(37,892)
A31180	Other receivables	(46,197)	(711)
A31200	Inventory	7,877	(8,202)
A31230	Prepayments	3,358	(5,093)
A31240	Other current assets	108	867
A31990	Other assets	13	62
A32130	Notes and accounts payable	33,747	59,857
A32180	Other payables	3,245	4,121
A32200	Liability reserve	(70)	66
A32230	Other current liabilities	1,323	418
A32240	Net defined benefit assets	(6)	70
A32990	Employees' compensation and remuneration of directors payable	1,959	(11,285)
A33000	Cash inflow from operations	89,099	142,952
A33100	Interest received	2,054	5,499
A33300	Interest paid	(14,725)	(14,328)
A33500	Income tax paid	(26,850)	(44,388)
AAAA	Net cash inflow from operating activities	49,578	89,735

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<u>Code</u>		<u>January 1 to September 30, 2025</u>	<u>January 1 to September 30, 2024</u>
	Cash flows from investing activities		
B02700	Acquisition of property, plant and equipment	(\$ 74,605)	(\$ 151,581)
B02800	Proceeds from disposal of property, plant and equipment	36,036	47,527
B03800	Decrease in refundable deposits	241	589
B04500	Acquisition of intangible assets	(5,836)	(34,101)
B07100	Increase in prepaid equipment purchase	(17,114)	-
B07200	Decrease in prepaid equipment purchase	-	36,970
B07600	Dividends received	<u>1,131</u>	<u>969</u>
BBBB	Net cash outflow from investing activities	(<u>60,147</u>)	(<u>99,627</u>)
	Cash flow from financing activities		
C00100	Increase in short-term borrowings	890,000	1,160,000
C00200	Decrease in short-term borrowings	(820,000)	(1,170,000)
C00500	Decrease in short-term notes payable	(29,964)	(2)
C01600	Proceeds from long-term debt	100,000	223,346
C01700	Repayments of long-term debt	(161,509)	(254,711)
C04020	Repayment of lease liability principal	(1,542)	(972)
C04500	Distribution of cash dividends	(<u>36,750</u>)	(<u>23,100</u>)
CCCC	Net cash outflow from financing activities	(<u>59,765</u>)	(<u>65,439</u>)
DDDD	Effect of exchange rate fluctuations on cash and cash equivalents	(<u>34,960</u>)	<u>2,896</u>
EEEE	Net decrease of cash and cash equivalents for the current period	(105,294)	(72,435)
E00100	Cash and cash equivalents, beginning of the year	<u>745,011</u>	<u>787,355</u>
E00200	Cash and cash equivalents, end of the year	<u>\$ 639,717</u>	<u>\$ 714,920</u>

The accompanying notes form part of the Consolidated Financial Statements.

Chairman: Joseph M. E. Hsu Managerial Officer: Francis Fan Accounting supervisor: Ya-Yun Cheng

ABC Taiwan Electronics Corporation and Subsidiaries

Notes to Consolidated Financial Statements

January 1 to September 30, 2025 and 2024

(Amounts in NTD thousand unless stated otherwise)

I. Company history

ABC Taiwan Electronics Corp (hereinafter referred to as "ABC Taiwan") was approved for establishment by the Ministry of Economic Affairs (MOEA) on May 25, 1979. Its principal business is providing chip inductors, power inductors, filter inductive components, transformers, micro-porous ceramic (MPC) heat sinks, various precision metal stamping parts, LED lighting fixtures, and other related products and their raw materials that are used in various electronic products, communication electronic products, computer and peripheral equipment, industrial electronic equipment, automotive electronic equipment and other circuits, various product molds and production equipment, their manufacturing, processing and trading, as well as the import and export business for each of the aforementioned items.

The ABC Taiwan's shares have been listed for trading on the Taipei Exchange since December 2, 2004.

The Consolidated Financial Statements of ABC Taiwan are presented in the Company's functional currency, the New Taiwan dollar.

II. Financial Statement Approval Date and Procedures

The Consolidated Financial Statements were approved by the Board of Directors on November 10, 2025.

III. Application of new and revised standards and interpretation

- (I) Initial adoption of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the "IFRSs") that have been endorsed and issued into effect by the Financial Supervisory Commission (FSC).

Amendments to IAS 21 "Lack of Exchangeability"

The application of amendments to IAS 21 "Lack of Exchangeability" will not result in significant changes to the accounting policies of the Company and entities controlled by the Company (hereinafter referred to as "the consolidated companies").

(II) FSC-endorsed IFRSs applicable from 2026 onwards

<u>New / Revised / Amended Standards and Interpretation</u>	<u>Effective date issued by the International Accounting Standards Board (IASB)</u>
IFRS 9 and IFRS 7 Amendments "Classification and Measurement of Financial Instruments"	January 1, 2026
IFRS 9 and IFRS 7 Amendments "Contracts with Natural Dependency on Electricity"	January 1, 2026
"IFRS Annual Improvements - Volume 11"	January 1, 2026
IFRS 17 "Insurance Contracts"(As amended in 2020 and 2021)	January 1, 2023
<u>Amendments to IFRS 9 and IFRS 7 "Classification and Measurement of Financial Instruments"</u>	

1. Amendments to Application Guidance on Classification of Financial Assets

The amendments primarily modify the classification requirements for financial assets, including:

- (1) For financial assets that contain a contingent feature that could change the timing or amount of contractual cash flows, and where the nature of the contingency is not directly related to changes in basic lending risks and costs (such as whether a borrower achieves specific carbon emission reductions), such financial assets still have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding when both of the following conditions are met:
 - The contractual cash flows in all possible scenarios (before or after the contingency occurs) are solely payments of principal and interest on the principal amount outstanding; and
 - The contractual cash flows in all possible scenarios do not differ significantly from the cash flows of a financial instrument with identical contractual terms but without the contingent feature.
- (2) Clarification that financial assets with non-recourse features refer to those where the entity's contractual right to receive cash flows is ultimately limited only to the cash flows generated by specific assets.
- (3) Explanation that contractually linked instruments establish multiple tranches of securities through a waterfall payment structure to establish payment priorities among financial asset holders, thereby concentrating credit risk and causing disproportionate allocation of cash shortfalls from the underlying pool across different tranches.

2. Amendments to Application Guidance on Derecognition of Financial Liabilities

The amendment primarily explains that when an entity uses an electronic payment system to settle financial liabilities in cash, if the following conditions are met, the entity may elect to derecognize the financial liability before the settlement date:

- The entity does not have the practical ability to withdraw, stop, or cancel the payment instruction;
- The entity does not have the practical ability to access the cash that will be used for settlement as a result of the payment instruction; and
- The settlement risk associated with the electronic payment system is not significant.

As of the date these consolidated financial statements were authorized for issuance, the consolidated companies are still evaluating the impact of this amendment on financial position and financial performance.

- (III) IFRSs issued by the International Accounting Standards Board (IASB) but not yet endorsed and issued into effect by the FSC

<u>New / Revised / Amended Standards and Interpretation</u>	<u>Effective date announced by IASB (Note 1)</u>
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027 (Note 2)
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027

Note 1 : Unless stated otherwise, the above New / Revised / Amended Standards and Interpretation are effective for annual periods beginning on or after their respective effective dates.

Note 2 : On September 25, 2025, the Financial Supervisory Commission (FSC) announced that enterprises in Taiwan shall apply IFRS 18 starting from January 1, 2028. Early adoption is permitted once IFRS 18 has been endorsed by the FSC.

IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 will replace IAS 1 "Presentation of Financial Statements" and the main changes include:

- Items of income and expense are required to be classified into categories including operating, investing, financing, income tax, and discontinued operations in the statement of profit or loss.
- The income statement should present subtotals and totals for operating profit or loss, profit or loss before financing and income tax, and profit or loss.

- Guidance is provided to strengthen aggregation and disaggregation requirements: The Group must identify assets, liabilities, equity, income, expenses, and cash flows arising from individual transactions or other events, and classify and aggregate them based on common characteristics, ensuring that each line item presented in the primary financial statements has at least one similar characteristic. Items with dissimilar characteristics should be disaggregated in the primary financial statements and notes. The Group should label items as "other" only when it is unable to find a more informative label.

- Enhanced disclosure of management-defined performance measures: When the Group communicates publicly outside the financial statements and communicates management's view of a specific aspect of the company's overall financial performance to financial statement users, it should disclose information about management-defined performance measures in a single note to the financial statements. This includes a description of the measure, how it is calculated, its reconciliation to subtotals or totals specified in IFRS accounting standards, and the income tax and non-controlling interest effects of reconciling items.

In addition to the impact referred to above, the Group will continue to evaluate other impacts of amendments of each standard and interpretations on the financial position and financial performance as of the release date of these Consolidated Financial Statements, and will disclose the relevant impact when the evaluation is completed.

IV. Summary of significant accounting policies

(I) Statement of Compliance

The consolidated financial statements are prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 Interim Financial Reporting as endorsed and issued into effect by the FSC. The consolidated financial statements do not include all IFRSs information disclosures required for the full annual financial report.

(II) Basis of preparation

The Consolidated Financial Statements have been prepared on the historical cost basis except for the financial instruments measured at fair value and the net defined liabilities (assets) recognized at the present value of the defined benefit obligation less the fair value of plan assets.

The measurement of fair value is divided into Level 1 to Level 3 according to the observable degree and importance of the relevant input value:

1. Level 1 input value: Refers to the quotation (unadjusted) of the same asset or liability in an active market on the measurement date.
2. Level 2 input value: Refers to inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

3. Level 3 input value: Refers to unobservable inputs for the asset or liability.

(III) Basis for consolidation

The Consolidated Financial Statements include ABC Taiwan Electronics and the financial statements of its controlling entities (subsidiaries). Adjustments have been made to the financial statements of the subsidiaries to enable consistency in the accounting policies of the parent company and the subsidiaries. All of the transactions, account balances, income and expense losses between the entities were eliminated during the preparation of the consolidated financial statements.

Please refer to Notes XI and XXX (II) for the statements, shareholding and operation items of the subsidiaries.

(IV) Other significant accounting policies

Please refer to the 2024 significant accounting policies compilation and explanation in addition to the below explanation.

1. Defined benefit - Benefits after retirement

The pension cost in the interim period adopts the pension cost rate determined by actuarial calculation at the end of the previous year. The period from the beginning to the end of the current year is taken as the basis for calculation. Adjustments are made based on the major market fluctuations and major plan revisions, liquidations or other one time matters.

2. Income tax expenses

Income tax expenses are the aggregate of the income taxes and deferred taxes during the period. Income tax for the interim period is evaluated using the fiscal year as the basis. Calculations for income before tax of the midterm period are made taking the applicable tax rates of the expected total annual earnings.

V. Major Sources of Uncertainty over Significant Accounting Judgments, Assumptions, and Estimation

With regard to the adoption of accounting policies by the consolidated company, management must make judgments, estimates and assumptions based on historical experience and other relevant factors if relevant information is not readily available from other sources. The actual outcome may be different from the estimates.

When developing significant accounting estimates, the consolidated companies incorporate the potential impact of U.S. reciprocal tariff measures into considerations of significant estimates related to cash flow projections, growth rates, discount rates, profitability, and other relevant factors. Management will continue to review estimates and underlying assumptions.

Significant accounting judgments, estimates and assumptions adopted by these consolidated financial statements mainly derive from similar sources to that of the 2024 consolidated financial statements.

VI. Cash and cash equivalents

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Bank checks and demand deposits	\$ 607,869	\$ 711,468	\$ 639,653
Cash on hand and petty cash	1,403	758	890
Equivalent cash			
Bank time deposits with original maturity date within 3 months	30,445	32,785	74,377
	<u>\$ 639,717</u>	<u>\$ 745,011</u>	<u>\$ 714,920</u>

The market interest rate intervals of bank deposits on the balance sheet date were as follows:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Deposits in banks	0.005%~4.25%	0.001%~4.30%	0.001%~5.36%

VII. Financial instruments measured at fair value through profit or loss

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
<u>Financial assets - Current</u>			
Mandatorily measured at fair value through profit or loss			
Financial products	\$ 22,310	\$ 23,170	\$ 23,314

VIII. Financial assets at fair value through other comprehensive income

Investment in equity instruments

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
<u>Non-current</u>			
Domestic investment			
TWSE/TPEX listed stock	\$ 42,445	\$ 34,285	\$ 38,586

The Group invested in the common shares of the domestic companies in line with its mid and long-term investment strategic objective with the anticipation of return from long-term investment. The Group's management does not recognize the short-term fair value volatility of such investments as profit or loss aligned with the abovementioned long-term investment planning. Therefore, management decided to designate such investments measured at fair value through other comprehensive incomes.

IX. Notes and accounts receivable, net amount

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
<u>Notes and accounts receivable</u>			
Measured at amortized cost			
Total book value	\$ 208,027	\$ 169,453	\$ 202,927
Less: Allowance for losses	(5,271)	(6,506)	(7,880)
	<u>\$ 202,756</u>	<u>\$ 162,947</u>	<u>\$ 195,047</u>
<u>Accounts receivable - related parties</u>			
Measured at amortized cost			
Total book value	\$ 180,158	\$ 107,910	\$ 147,263
Less: Allowance for losses	-	-	-
	<u>\$ 180,158</u>	<u>\$ 107,910</u>	<u>\$ 147,263</u>

Accounts receivable at amortized cost

The average credit period for the Group's sales of goods on a monthly basis is 30 to 150 days, and the accounts receivable do not accrue interest. To mitigate the credit risk, the Group's management has designated a team responsible for determining the line of credit cap, loan approval and adopting other adequate monitoring procedures, through which to ascertain if adequate action has been taken on recalling overdue receivables. Meanwhile, the Group reviews the recoverable amount of each receivable on the balance sheet date to recognize appropriate impairment loss for the unrecoverable receivables. Hence, the Group's management believes that the Group's credit risks have been significantly reduced.

The Group adopts the simplified method in IFRS 9 to recognize the allowance for loss of the accounts receivable according to the expected credit losses throughout the duration. Expected credit losses throughout the duration are calculated using Provision Matrix, which considers the historical default records and current financial status, industry economic conditions. As indicated by the Group's historical experience in credit loss, the loss patterns among varied customer bases show no significant difference at all. In the preparation matrix, therefore, the customer bases were not further classified. Instead, we fixed the anticipated rate of credit loss only based on the number of days overdue in the accounts receivable.

If there is evidence that the counterparty is facing serious financial difficulties and the Group cannot reasonably expect the recoverable amount back, the Group will directly write off the relevant accounts receivable, but will continue its recourses, and the amount recovered will be recognized in profit or loss.

The Group uses a provision matrix to measure the allowance for losses of receivables as follows:

September 30, 2025

	Not overdue	Past Due by 1 ~ 60 Days	Past Due 61 ~ 90 Days	Past Due 91 ~ 120 Days	Overdue over 120 days	Total
Total book value	\$ 201,861	\$ 780	\$ 86	\$ 346	\$ 4,954	\$ 208,027
Loss allowance (expected credit losses throughout the duration)	-	(39)	-	(278)	(4,954)	(5,271)
Cost after amortization	<u>\$ 201,861</u>	<u>\$ 741</u>	<u>\$ 86</u>	<u>\$ 68</u>	<u>\$ -</u>	<u>\$ 202,756</u>

December 31, 2024

	Not overdue	Past Due by 1 ~ 60 Days	Past Due 61 ~ 90 Days	Past Due 91 ~ 120 Days	Overdue over 120 days	Total
Total book value	\$ 160,967	\$ 2,089	\$ 263	\$ 20	\$ 6,114	\$ 169,453
Loss allowance (expected credit losses throughout the duration)	-	(363)	(9)	(20)	(6,114)	(6,506)
Cost after amortization	<u>\$ 160,967</u>	<u>\$ 1,726</u>	<u>\$ 254</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 162,947</u>

September 30, 2024

	Not overdue	Past Due by 1 ~ 60 Days	Past Due 61 ~ 90 Days	Past Due 91 ~ 120 Days	Overdue over 120 days	Total
Total book value	\$ 190,620	\$ 4,129	\$ 738	\$ 1,937	\$ 5,503	\$ 202,927
Loss allowance (expected credit losses throughout the duration)	-	(163)	(277)	(1,937)	(5,503)	(7,880)
Cost after amortization	\$ 190,620	\$ 3,966	\$ 461	\$ -	\$ -	\$ 195,047

Accounts receivable - related parties are non-overdue accounts.

The information about changes in the allowance for loss on accounts receivable is as follows:

	January 1 to September 30, 2025	January 1 to September 30, 2024
Balance at the beginning of the period	\$ 6,506	\$ 5,681
Less: Impairment loss provided (reversed) in current period	(1,112)	1,953
Foreign currency exchange difference	(123)	246
Balance at end of period	\$ 5,271	\$ 7,880

X. Inventories

	September 30, 2025	December 31, 2024	September 30, 2024
Commodities	\$ 2,375	\$ 1,656	\$ 1,939
Finished goods	130,870	147,803	135,625
Work-in-progress	3,163	3,706	4,821
Raw materials and supplies	111,434	107,578	109,149
	\$ 247,842	\$ 260,743	\$ 251,534

The nature of the cost of goods sold is as follows:

	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Cost of inventories sold	\$ 407,854	\$ 390,133	\$ 1,141,373	\$ 1,083,775
Inventory devaluation loss	(14,399)	1,754	4,455	27,541
	\$ 393,455	\$ 391,887	\$ 1,145,828	\$ 1,111,316

XI. Subsidiaries

(I) Subsidiaries listed in the consolidated financial statements

The entities included in the preparation of this consolidated financial statements:

Name of investment company	Name of subsidiary	Type of business	Shareholding ratio			Explanation
			September 30, 2025	December 31, 2024	September 30, 2024	
The Company	ATEC HOLDING COMPANY (AHC)	Reinvestment of the holding company in Mainland China	100%	100%	100%	Subsidiaries
	ABC AMERICA ELECTRONICS CORP. (AAE)	Trading of electronic components	100%	100%	100%	Subsidiaries
AHC	ATEC UNIVERSAL COMPANY (AUC)	Reinvestment of the holding company in Mainland China	100%	100%	100%	Second-tier subsidiary
	A-TEC INTERNATIONAL COMPANY (AIC)	Reinvestment of the holding company in Mainland China	100%	100%	100%	Second-tier subsidiary
	AOBA TECHNOLOGY (M) SDN. BHD. (AOBA)	Manufacture, processing, and sale of electronic machine components, etc.	100%	100%	100%	Second-tier subsidiary
AUC	Guangzhou ABC Electronics Corp. (Guangzhou ABC Company)	Manufacture, processing, and sale of electronic machine components, etc.	100%	100%	100%	Third-tier subsidiary
AIC	ABC Electronics (Shanghai) Corp. (ABC (Shanghai) Company)	Manufacture, processing, and sale of electronic machine components, etc.	100%	100%	100%	Third-tier subsidiary
	Shanghai Qianchi Electronics Trading Company Ltd. (Shanghai Qianchi Company)(Note)	Sale of electronic machine components, etc.	100%	-	-	Third-tier subsidiary

Note : In May 2025, the Group established Shanghai Qianchi Company through AIC.

For the subsidiaries listed in the consolidated financial statements for the period between January 1 to September 30, 2025 and 2024, the financial statements of important subsidiaries have been reviewed by independent auditors with exception of insignificant subsidiary AAE. The management of the Group thinks that the financial statements of AAE that are not reviewed by the independent auditors will not result in material impact.

XII. Property, plant and equipment

	September 30, 2025				December 31, 2024			September 30, 2024	
Own use	\$ 1,484,697				\$ 1,584,523			\$ 1,619,309	
	Land	Housing and construction	Machinery and equipment	Research and development equipment	Transportation equipment	Income-producing equipment	Miscellaneous equipment	Real estate under construction	Total
Cost									
Balance as of January 1, 2025	\$ 351,512	\$ 652,752	\$ 1,169,488	\$ 332,835	\$ 12,171	\$ 24,180	\$ 84,556	\$ 5,231	\$ 2,632,725
Increase	-	3,969	35,608	13,708	479	958	18,195	889	73,806
Disposal	-	-	(117,711)	-	(743)	-	(3,171)	-	(121,625)
Reclassification	-	296	-	-	-	-	-	(296)	-
Net exchange difference	(716)	(8,750)	(39,281)	-	(166)	(749)	(2,306)	(236)	(52,204)
Balance as of September 30, 2025	<u>\$ 350,796</u>	<u>\$ 648,267</u>	<u>\$ 1,048,104</u>	<u>\$ 346,543</u>	<u>\$ 11,741</u>	<u>\$ 24,389</u>	<u>\$ 97,274</u>	<u>\$ 5,588</u>	<u>\$ 2,532,702</u>
Accumulated depreciation									
Balance as of January 1, 2025	\$ -	\$ 182,506	\$ 698,608	\$ 97,559	\$ 6,616	\$ 17,973	\$ 44,940	\$ -	\$ 1,048,202
Depreciation expense	-	13,614	69,819	25,024	983	1,722	7,973	-	119,135
Disposal	-	-	(82,983)	-	(743)	-	(2,739)	-	(86,465)
Net exchange difference	-	(5,896)	(24,688)	-	(120)	(562)	(1,601)	-	(32,867)
Balance as of September 30, 2025	<u>\$ -</u>	<u>\$ 190,224</u>	<u>\$ 660,756</u>	<u>\$ 122,583</u>	<u>\$ 6,736</u>	<u>\$ 19,133</u>	<u>\$ 48,573</u>	<u>\$ -</u>	<u>\$ 1,048,005</u>
Net amount as of September 30, 2025	<u>\$ 350,796</u>	<u>\$ 458,043</u>	<u>\$ 387,348</u>	<u>\$ 223,960</u>	<u>\$ 5,005</u>	<u>\$ 5,256</u>	<u>\$ 48,701</u>	<u>\$ 5,588</u>	<u>\$ 1,484,697</u>
Net amount as of December 31, 2024 and January 1, 2025	<u>\$ 351,512</u>	<u>\$ 470,246</u>	<u>\$ 470,880</u>	<u>\$ 235,276</u>	<u>\$ 5,555</u>	<u>\$ 6,207</u>	<u>\$ 39,616</u>	<u>\$ 5,231</u>	<u>\$ 1,584,523</u>
Cost									
Balance as of January 1, 2024	\$ 346,725	\$ 455,851	\$ 1,086,931	\$ 252,350	\$ 10,216	\$ 22,654	\$ 82,278	\$ 178,480	\$ 2,435,485
Increase	-	3,315	29,442	79,156	2,757	306	5,567	16,333	136,876
Disposal	-	(15,293)	(19,115)	-	(1,168)	(40)	(638)	-	(36,254)
Reclassification	-	175,164	1,779	-	-	-	-	(175,164)	1,779
Net exchange difference	7,384	26,147	87,700	-	588	1,606	2,013	157	125,595
Balance as of September 30, 2024	<u>\$ 354,109</u>	<u>\$ 645,184</u>	<u>\$ 1,186,737</u>	<u>\$ 331,506</u>	<u>\$ 12,393</u>	<u>\$ 24,526</u>	<u>\$ 89,220</u>	<u>\$ 19,806</u>	<u>\$ 2,663,481</u>
Accumulated depreciation									
Balance as of January 1, 2024	\$ -	\$ 166,930	\$ 583,813	\$ 65,787	\$ 6,416	\$ 13,355	\$ 38,316	\$ -	\$ 874,617
Depreciation expense	-	14,217	76,537	23,594	774	2,977	8,398	-	126,497
Disposal	-	(7,547)	(15,055)	-	(1,080)	(40)	(476)	-	(24,198)
Reclassification	-	-	1,779	-	-	-	-	-	1,779
Net exchange difference	-	7,670	55,078	-	260	1,180	1,289	-	65,477
Balance as of September 30, 2024	<u>\$ -</u>	<u>\$ 181,270</u>	<u>\$ 702,152</u>	<u>\$ 89,381</u>	<u>\$ 6,370</u>	<u>\$ 17,472</u>	<u>\$ 47,527</u>	<u>\$ -</u>	<u>\$ 1,044,172</u>
Net amount as of September 30, 2024	<u>\$ 354,109</u>	<u>\$ 463,914</u>	<u>\$ 484,585</u>	<u>\$ 242,125</u>	<u>\$ 6,023</u>	<u>\$ 7,054</u>	<u>\$ 41,693</u>	<u>\$ 19,806</u>	<u>\$ 1,619,309</u>

Unrecognized or reversed impairment losses for January 1 to September 30, 2025 and 2024

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

Housing and construction	
Plant and main building	3 to 50 years
Engineering system	2 to 20 years
Machinery and equipment	2 to 10 years
Research and development equipment	2 to 15 years
Transportation equipment	4 to 10 years
Income-producing equipment	1 to 10 years
Miscellaneous equipment	2 to 20 years

Please refer to Note XXVIII for the amount of property, plant and equipment pledged as collateral for borrowings.

XIII. Lease agreement

(I) Right-of-use assets

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Book value of right-of-use assets			
Land	\$ 4,593	\$ 4,957	\$ 5,055
Building	1,911	1,667	308
Transportation equipment	<u>1,060</u>	<u>75</u>	<u>113</u>
	<u>\$ 7,564</u>	<u>\$ 6,699</u>	<u>\$ 5,476</u>
	<u>July 1 to</u>	<u>July 1 to</u>	<u>January 1 to</u>
	<u>September 30, 2025</u>	<u>September 30, 2024</u>	<u>September 30, 2025</u>
Increase in right-of-use assets			<u>\$ 2,806</u>
Depreciation expense for right-of-use assets			<u>\$ -</u>
Land	\$ 44	\$ 49	\$ 136
Building	408	232	1,193
Transportation equipment	<u>112</u>	<u>37</u>	<u>362</u>
	<u>\$ 564</u>	<u>\$ 318</u>	<u>\$ 1,112</u>

In September 30, 2024, the Group early terminated certain land lease agreements, derecognizing right-of-use assets amounting to NT\$14,948 thousand, and recognized a lease termination loss of NT\$13,266 thousand and foreign currency exchange loss of NT\$1,682 thousand.

Other than the early terminations, additions, and recognition of depreciation expenses listed above, the Group's right-of-use assets did not experience significant subleasing or impairment situations during the periods from January 1 to September 30, 2025 and 2024.

(II) Lease liabilities

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Book value of lease liabilities			
Current	<u>\$ 1,862</u>	<u>\$ 1,275</u>	<u>\$ 434</u>
Non-current	<u>\$ 1,145</u>	<u>\$ 488</u>	<u>\$ -</u>

The range of the discount rate for lease liabilities is as follows:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Building	5%	5%	5%
Transportation equipment	2.07%~2.10%	1.56%	1.56%

(III) Important lease activities and terms

The lands and buildings that the consolidated company leases are used as factories and employee dormitories with a lease period of 1~2 years. At the end of the lease period, there were no preferential purchase rights for the lands and buildings leased by the consolidated company.

(IV) Other lease information

	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Expenses of short-term leases	\$ 531	\$ 763	\$ 1,626	\$ 2,048
Expenses for lease of low-value assets	\$ 148	\$ 236	\$ 556	\$ 674
Total cash (outflow) for leases			(\$ 3,803)	(\$ 3,718)

The Group chooses to apply the exemption to the recognition of office equipment that meets the criteria of short-term lease and low-value asset lease, and does not recognize the relevant right-of-use assets and lease liabilities for these leases.

XIV. Intangible assets

	Computer software	Technology authorization	Technology	Customer relationship	Trademark rights	Goodwill	Total
<u>Cost</u>							
Balance as of January 1, 2025	\$ 37,279	\$ 6,864	\$ 10,825	\$ 23,873	\$ -	\$ 5,340	\$ 84,181
Increase	2,244	3,592	-	-	-	-	5,836
Disposal	(4,880)	(3,320)	-	-	-	-	(8,200)
Balance as of September 30, 2025	\$ 34,643	\$ 7,136	\$ 10,825	\$ 23,873	\$ -	\$ 5,340	\$ 81,817
<u>Accumulated amortization</u>							
Balance as of January 1, 2025	\$ 6,785	\$ 3,681	\$ 7,345	\$ 16,200	\$ -	\$ -	\$ 34,011
Amortized expenses	6,246	2,081	1,160	2,557	-	-	12,044
Disposal	(4,880)	(3,320)	-	-	-	-	(8,200)
Balance as of September 30, 2025	\$ 8,151	\$ 2,442	\$ 8,505	\$ 18,757	\$ -	\$ -	\$ 37,855
Net amount as of September 30, 2025	\$ 26,492	\$ 4,694	\$ 2,320	\$ 5,116	\$ -	\$ 5,340	\$ 43,962
Net amount as of December 31, 2024 and January 1, 2025	\$ 30,494	\$ 3,183	\$ 3,480	\$ 7,673	\$ -	\$ 5,340	\$ 50,170
<u>Cost</u>							
Balance as of January 1, 2024	\$ 11,982	\$ 7,422	\$ 19,800	\$ 28,809	\$ 3,372	\$ 5,340	\$ 76,725
Increase	32,777	1,324	-	-	-	-	34,101
Disposal	(8,147)	(1,082)	(8,975)	(4,936)	(3,372)	-	(26,512)
Balance as of September 30, 2024	\$ 36,612	\$ 7,664	\$ 10,825	\$ 23,873	\$ -	\$ 5,340	\$ 84,314
<u>Accumulated amortization</u>							
Balance as of January 1, 2024	\$ 6,787	\$ 2,775	\$ 14,774	\$ 17,725	\$ 3,351	\$ -	\$ 45,412
Amortized expenses	7,451	2,100	1,160	2,558	21	-	13,290
Disposal	(8,147)	(1,082)	(8,975)	(4,936)	(3,372)	-	(26,512)
Balance as of September 30, 2024	\$ 6,091	\$ 3,793	\$ 6,959	\$ 15,347	\$ -	\$ -	\$ 32,190
Net amount as of September 30, 2024	\$ 30,521	\$ 3,871	\$ 3,866	\$ 8,526	\$ -	\$ 5,340	\$ 52,124

The above intangible assets with limited durability are amortized on a straight-line basis based on the following durability years:

Computer software	1 to 10 years
Technology authorization	2 to 5 years
Technology	7 years
Customer relationship	7 years
Trademark rights	10 years

XV. Other assets

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Current</u>			
Retained tax credit	\$ 4	\$ 104	\$ 4
Others	<u>-</u>	<u>8</u>	<u>-</u>
	<u>\$ 4</u>	<u>\$ 112</u>	<u>\$ 4</u>
<u>Non-current</u>			
Refundable deposits	\$ 2,067	\$ 2,308	\$ 2,377
Others	<u>2,748</u>	<u>2,761</u>	<u>2,775</u>
	<u>\$ 4,815</u>	<u>\$ 5,069</u>	<u>\$ 5,152</u>

XVI. Borrowings

(I) Short-term borrowings

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Unsecured borrowings</u>			
- Borrowings of working capital fund	<u>\$ 260,000</u>	<u>\$ 190,000</u>	<u>\$ 220,000</u>

The interest rates of working capital borrowings as of September 30, 2025 and December 31 and September 30, 2024 were 1.85%~1.90%, 1.87%~1.925% and 1.87%~1.925%, respectively.

(II) Short-term notes payable

	September 30, 2025	December 31, 2024	September 30, 2024
Commercial paper payable	<u>\$ -</u>	<u>\$ 29,964</u>	<u>\$ 59,925</u>

Outstanding short-term notes payable are as follows:

September 30, 2025 : None

December 31, 2024

Guarantee/ Acceptance Agency	Par value	Discount amount	Book value	Interest rate range	Name of collateral	Book value of collateral
<u>Commercial paper payable</u>						
China Bills Finance Corporation (CBF)	<u>\$ 30,000</u>	<u>\$ 36</u>	<u>\$ 29,964</u>	1.988%	Unsecured	<u>\$ -</u>

September 30, 2024

Guarantee/ Acceptance Agency	Par value	Discount amount	Book value	Interest rate range	Name of collateral	Book value of collateral
<u>Commercial paper payable</u>						
Mega Bank	<u>\$ 30,000</u>	<u>\$ 36</u>	<u>\$ 29,964</u>	1.978%	Unsecured	<u>\$ -</u>
China Bills Finance Corporation (CBF)	<u>\$ 30,000</u>	<u>\$ 39</u>	<u>\$ 29,961</u>	1.978%	Unsecured	<u>\$ -</u>

(III) Long-term borrowings

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Secured borrowings (Note XXVIII)</u>			
Mid and long-term bank borrowings (1)	\$ 244,204	\$ 277,006	\$ 287,928
<u>Unsecured borrowings</u>			
Mid and long-term bank borrowings (2)	<u>580,247</u>	<u>608,954</u>	<u>561,111</u>
Sub-total	<u>824,451</u>	<u>885,960</u>	<u>849,039</u>
Due within one year	(<u>197,341</u>)	(<u>257,191</u>)	(<u>279,846</u>)
	<u>\$ 627,110</u>	<u>\$ 628,769</u>	<u>\$ 569,193</u>

1. Bank loans as of September 30, 2025, December 31, 2024, and September 30, 2024 carried interest rates of 0.635%~2.14%.
2. Bank credit loans as of September 30, 2025, December 31, 2024, and September 30, 2024 carried interest rates of 0.635%~2.196%, 0.635%~2.1947%, and 0.635%~2.2649%, respectively.

Long-term bank borrowings

The Group has made commitments for some of its long-term borrowings and so must maintain the financial ratio and regulations in its end-of-year consolidated financial statements each year for the duration of the credit extension, as shown below:

Starting from the date of the fund transfer, the annual consolidated financial statements shall be reviewed at the end of July each year. Among these, (1) the financial liabilities must not be over 100%, and (2) the minimum net worth shall be NT\$1,200,000 thousand. If this standard is not met the first time for any of the items, a review will be made for the next half of the annual report. If the standard is still not met, an interest rate of 0.25% will be added to the originally approved interest rate. The originally approved interest rate can be resumed once the standard has been met during the next review. If the standard is not met for two consecutive annual consolidated financial statements, the bank will deem all or part of the interest of the credit amount used as matured.

Each of the financial rates in the consolidated financial statements of the Group for September 30, 2025 and December 31 and September 30, 2024 satisfies the limitations of the aforementioned financial rates.

XVII. Other liabilities

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
<u>Current</u>			
Other payables			
Salary	\$ 26,990	\$ 20,998	\$ 26,358
Bonus	19,991	21,957	27,638
Payable leave benefit	7,238	7,308	7,323
Provision for equipment	2,735	3,534	11,242
Freight and import/export expenses	2,514	2,550	2,237
Labor service expenses	2,046	2,529	2,115
Commission	800	843	834
Others	38,077	39,249	44,693
	<u>\$ 100,391</u>	<u>\$ 98,968</u>	<u>\$ 122,440</u>
	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
<u>Current</u>			
Other liabilities			
Contract liabilities	\$ 2,335	\$ 917	\$ 454
Collection of funds on behalf of others	1,830	1,810	1,843
Others	-	115	193
	<u>\$ 4,165</u>	<u>\$ 2,842</u>	<u>\$ 2,490</u>
<u>Non-current</u>			
Other liabilities			
Deferred credits	<u>\$ 838</u>	<u>\$ 2,136</u>	<u>\$ 2,342</u>

XVIII. Retirement benefit plan

The related pension fees of the defined benefit plan recognized for July 1 to September 30, 2025 and 2024, and January 1 to September 30, 2025 and 2024 are calculated based on the pension cost rate determined by actuarial calculation for December 31, 2024 and 2023. The amounts are NTD259 thousand and NTD323 thousand and NTD786 thousand and NTD1,196 thousand, respectively.

XIX. Equity

(I) Share capital

	September 30, 2025	December 31, 2024	September 30, 2024
Authorized shares (in thousand)	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>
Authorized shares	<u>\$ 1,500,000</u>	<u>\$ 1,500,000</u>	<u>\$ 1,500,000</u>
Issued and paid shares (in thousand)	<u>105,001</u>	<u>105,001</u>	<u>105,001</u>
Issued capital stock	<u>\$ 1,050,006</u>	<u>\$ 1,050,006</u>	<u>\$ 1,050,006</u>

The shares issued were common shares with a par value of NT\$10 per share, and each share was entitled to one voting right and the right to receive dividends.

(II) Additional paid-in capital

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Can be used to offset losses, distribute cash, or capitalize on shares (Note)</u>			
Premium from stock issuance	\$ 169,469	\$ 169,469	\$ 169,469
Transaction of treasury stock	10,819	10,819	10,819
The difference between the equity actually acquired or disposed of and the book value	<u>775</u>	<u>775</u>	<u>775</u>
	<u>\$ 181,063</u>	<u>\$ 181,063</u>	<u>\$ 181,063</u>

Note: Such capital surplus may be used to offset a deficit, or, when the Company has no deficit, to distribute cash or stock capital, provided that the capital reserve shall be no more than a certain percentage of the Company's share capital each year.

(III) Retained earnings and dividend policy

According to the earnings distribution policy of the Company, any earnings at the end of the year are subject to tax, and reimbursement of accumulated losses according to laws, followed by 10% of the earnings as legal reserve, and the remainder as provision or reverse of special reserves. If there are earnings remaining, together with the undistributed earnings, the board of directors is to draft a motion for earnings distribution and submit to the shareholders' meeting for resolution and distribution of dividends to shareholders. Please refer to Note XXI (VII) regarding the policy for remuneration to the employees and the directors as stipulated in the Company's Articles of Incorporation.

Furthermore, in accordance with the Company's Articles of Incorporation, the Company's dividend policy takes into consideration current and future development plans, investment environment, capital requirements, domestic and international competitive conditions, and

shareholders' interests. The Company shall distribute no less than 20% of distributable earnings as dividends to shareholders annually; however, when accumulated distributable earnings are less than 2% of paid-in capital, distribution may be waived. When distributing dividends to shareholders, distribution may be made in cash or stock, with cash dividends comprising no less than 10% of total dividends.

Appropriation of legal reserve shall be made until the balance is equivalent to the amount of the Company's share capital. Legal reserve may be used to offset a deficit. If the Company has no deficit, the portion of legal reserve that exceeds 25% of the share capital may be capitalized or distributed in cash.

The Company held shareholders' annual general meetings on June 5, 2025 and June 3, 2024. Earnings distribution proposals for 2024 and 2023 have been resolved and passed as follows:

	2024	2023
Legal reserve	\$ <u>736</u>	\$ <u>4,476</u>
Provision (reverse) of special reserves	(\$ <u>65,908</u>)	\$ <u>24,021</u>
Cash dividends	\$ <u>36,750</u>	\$ <u>23,100</u>
Cash dividend per share (NTD)	\$ 0.35	\$ 0.22

(IV) Special reserves

	January 1 to September 30, 2025	January 1 to September 30, 2024
Balance at the beginning of the period	\$ 152,144	\$ 128,123
Provision (reverse) of special reserves	(<u>65,908</u>)	<u>24,021</u>
Balance at end of period	\$ <u>86,236</u>	\$ <u>152,144</u>

Of which, NT\$39,767 thousand came from the recognition of the accumulated translation adjustments presented to the Company into retained earnings upon initial adoption of the IFRSs.

(V) Other equity items

1. Exchange differences on the translation of financial statements of foreign operations

	January 1 to September 30, 2025	January 1 to September 30, 2024
Balance at the beginning of the period	(\$ 107,724)	(\$ 178,536)
Exchange differences arising from the translation of the net assets of foreign operations	(<u>39,856</u>)	<u>101,450</u>
Balance at end of period	(\$ <u>147,580</u>)	(\$ <u>77,086</u>)

2. Unrealized gain or loss on financial assets at fair value through other comprehensive income

	January 1 to September 30, 2025	January 1 to September 30, 2024
Balance at the beginning of the period	\$ 21,487	\$ 26,391
Incurred in the current period		
Unrealized gain or loss		
Equity instruments	8,160	(603)
Balance at end of period	<u>\$ 29,647</u>	<u>\$ 25,788</u>

XX. Income

(I) Revenue from contracts

	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Revenue from contracts with customers				
Revenue from sale of goods	<u>\$ 551,156</u>	<u>\$ 523,441</u>	<u>\$ 1,528,605</u>	<u>\$ 1,423,429</u>

(II) Balance of contract

	September 30, 2025	December 31, 2024	September 30, 2025	January 1, 2024
Contract liabilities				
Revenue from sale of goods	<u>\$ 2,335</u>	<u>\$ 917</u>	<u>\$ 454</u>	<u>\$ 349</u>

(III) Breakdown of revenue from contracts with customers

	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
<u>Main regional markets</u>				
USA	\$ 262,470	\$ 239,558	\$ 741,583	\$ 638,338
Germany	104,359	103,548	278,676	283,095
China	81,355	69,528	214,850	189,535
Taiwan	29,739	26,087	68,940	69,751
Others	<u>73,233</u>	<u>84,720</u>	<u>224,556</u>	<u>242,710</u>
	<u>\$ 551,156</u>	<u>\$ 523,441</u>	<u>\$ 1,528,605</u>	<u>\$ 1,423,429</u>

XXI. Net income and other comprehensive income

(I) Income from interest

	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Income from interest				
Deposits in banks	<u>\$ 397</u>	<u>\$ 1,111</u>	<u>\$ 2,054</u>	<u>\$ 5,499</u>

(II) Other income

	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Deferred government subsidies income	\$ 328	\$ 356	\$ 1,015	\$ 1,054
Rental income	55	-	282	-
Dividend income				
Financial assets at fair value through other comprehensive profit or loss	<u>1,131</u>	<u>969</u>	<u>1,131</u>	<u>969</u>
	<u>\$ 1,514</u>	<u>\$ 1,325</u>	<u>\$ 2,428</u>	<u>\$ 2,023</u>

(III) Other gains and losses

	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Net (loss)gains on foreign exchange	\$ 18,900	(\$ 19,958)	(\$ 11,913)	\$ 8,695
Net gains on financial assets measured at fair value through profit or loss	65	93	215	287
Net profit from disposal of property, plant and equipment	481	-	876	35,471
Loss from lease modification	-	(114)	-	(13,266)
Others	(3,668)	370	(3,943)	(2,415)
	<u>\$ 15,778</u>	<u>(\$ 19,609)</u>	<u>(\$ 14,765)</u>	<u>\$ 28,772</u>

(IV) Financial cost

	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Interest of bank loans	\$ 4,935	\$ 4,741	\$ 14,498	\$ 14,304
Interest on lease liabilities	29	5	79	24
	<u>\$ 4,964</u>	<u>\$ 4,746</u>	<u>\$ 14,577</u>	<u>\$ 14,328</u>

(V) Depreciation and amortization

	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Depreciation expense summarized by function				
Operating cost	\$ 25,229	\$ 28,502	\$ 78,561	\$ 87,915
Operating expenses	14,116	14,225	42,265	39,694
	<u>\$ 39,345</u>	<u>\$ 42,727</u>	<u>\$ 120,826</u>	<u>\$ 127,609</u>
Amortization expense summarized by function				
Operating cost	\$ 95	\$ 99	\$ 298	\$ 305
Operating expenses	3,789	4,231	11,746	12,985
	<u>\$ 3,884</u>	<u>\$ 4,330</u>	<u>\$ 12,044</u>	<u>\$ 13,290</u>

(VI) Employee benefit expenses

	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
<u>Benefits after retirement</u>				
Defined contribution plan	\$ 1,528	\$ 1,585	\$ 4,516	\$ 4,902
Defined benefit plan (Note XVIII)	259	323	786	1,196
	1,787	1,908	5,302	6,098
Other employee benefits	<u>111,291</u>	<u>110,927</u>	<u>335,221</u>	<u>333,127</u>
Total employee benefit expenses	<u>\$ 113,078</u>	<u>\$ 112,835</u>	<u>\$ 340,523</u>	<u>\$ 339,225</u>
Summarized by function				
Operating cost	\$ 61,797	\$ 60,188	\$ 187,115	\$ 180,983
Operating expenses	51,281	52,647	153,408	158,242
	<u>\$ 113,078</u>	<u>\$ 112,835</u>	<u>\$ 340,523</u>	<u>\$ 339,225</u>

(VII) Employees' compensation and directors' remuneration

According to the Company's Articles of Incorporation, the employees' and directors' remuneration are allocated based on 12%~16% and no more than 6% of the pre-tax income before deduction of the employees' and directors' remuneration, respectively. In accordance with the August 2024 amendments to the Securities and Exchange Act, the Company expects to amend its Articles of Incorporation at the 2025 shareholders' meeting to stipulate that no less than 30% of the employee compensation appropriated for the current year shall be distributed as compensation to entry level employees. For the period from January 1 to September 30, 2025, there was an operating loss; therefore, no employee compensation and directors' compensation were estimated. For the periods from July 1 to September 30, 2024 and from January 1 to September 30, 2024, employees' compensation and directors' remuneration were accrued at 12% and 3%, respectively, of the aforementioned profit before tax. The accrued amounts are as follows:

Amount

	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Compensation to employees	\$ 2,723	(\$ 78)	\$ 2,723	\$ -
Remuneration to directors	\$ 681	(\$ 20)	\$ 681	\$ -

If there is a change in the actual amount of remuneration after the Consolidated Financial Statements were authorized for issue, the difference is treated as a change in accounting estimate and adjusted into the books in the following year.

The remuneration to employees and directors for 2024 and 2023 were approved by the Board of Directors on March 10, 2025 and March 11, 2024, respectively, as follows:

	2024		2023	
	Cash	Shares of stock	Cash	Shares of stock
Compensation to employees	\$ 1,156	\$ -	\$ 8,630	\$ -
Remuneration to directors	289	-	2,655	-

There is no difference between the actual amounts of employees' remuneration and directors' remuneration paid for 2024 and 2023 and the amounts recognized in the Consolidated Financial Statements for 2024 and 2023.

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

(VIII) Net (loss) gain on foreign currency exchange

	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Total foreign exchange gains	\$ 17,840	\$ 5,709	\$ 54,204	\$ 36,233
Total loss on foreign currency exchange	1,060	(25,667)	(66,117)	(27,538)
Net (loss) gains on foreign currency exchange	\$ 18,900	(\$ 19,958)	(\$ 11,913)	\$ 8,695

XXII. Income tax

(I) Income tax recognized in profit or loss

The main components of income tax expense are as follows:

	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Income tax for the current period				
Incurred in the current period	\$ 13,098	\$ 6,341	\$ 25,276	\$ 13,304
Adjustments for previous year	<u>19,100</u>	<u>4</u>	<u>19,100</u>	<u>2,981</u>
	32,198	6,345	44,376	16,285
Deferred income tax				
Incurred in the current period	(<u>559</u>)	(<u>4,748</u>)	(<u>13,880</u>)	(<u>9,049</u>)
Income tax expenses recognized in profit or loss	<u>\$ 31,639</u>	<u>\$ 1,597</u>	<u>\$ 30,496</u>	<u>\$ 7,236</u>

(II) Authorization of income tax

The Company's profit-seeking enterprise income tax returns up to 2023 have been approved by the tax collection authority.

XXIII. Net income (loss) per share

Unit: NTD per share

	Before retrospective adjustment		After retrospective adjustment	
	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Basic net income (loss) per share	<u>\$ 0.31</u>	(<u>\$ 0.06</u>)	<u>\$ 0.12</u>	(<u>\$ 0.08</u>)
Diluted net income per share	<u>\$ 0.31</u>		<u>\$ 0.12</u>	

The net income(loss) and weighted average number of ordinary shares used to calculate net income(loss) per share are as follows:

Net income(loss)

	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Net income (loss) used in the calculation of basic and diluted net income(loss) per share	<u>\$ 32,949</u>	(<u>\$ 6,202</u>)	<u>\$ 12,735</u>	(<u>\$ 8,053</u>)

Number of shares

Unit: Thousand shares

	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Weighted average common stock shares used to calculate basic net income (loss) per share	105,001	105,001	105,001	105,001
Effect of potentially dilutive ordinary shares:				
Compensation to employees	<u>128</u>	<u>-</u>	<u>143</u>	<u>-</u>
Weighted average common stock shares used to calculate diluted net income per share	<u>105,129</u>	<u>105,001</u>	<u>105,144</u>	<u>105,001</u>

The Group can elect to distribute employees' compensation by stock or by cash. If compensation is in the form of shares, when calculating the diluted net income (loss) per share, the Company should presume that the entire amount of compensation will be settled in shares, and the resulting potential shares should be included in the weighted-average number of shares outstanding to be used in calculating diluted net income (loss) per share if the shares have a dilutive effect. The dilutive effects of the potential shares needs to be included in the calculation of diluted net income (loss) per share until the shareholders resolve the number of shares to be distributed to employees' in the following year.

XXIV. Government subsidies

Guangzhou ABC Company has acquired the "Special Fund for Advanced Manufacturing Development" government subsidy of RMB 2,315 thousand. It is recognized as deferred revenue. The deferred revenue is transferred to profit and loss within the limited durability of the related assets. As of September 30, 2025 and 2024, a total of RMB235 thousand and RMB238 thousand were recognized as subsidy income.

XXV. Capital risk management

The Group manages capital to ensure the Group's enterprises to maximize shareholder's returns by optimizing the balance of debt and equity under the precondition of continuing operation. The capital structure of the Group is composed of the Group's equity (i.e. share capital, additional paid-in capital, retained earnings, and other equity items).

XXVI. Financial Instruments

(I) Fair value information - Financial instruments that are not measured at fair value

The financial assets not at fair value and the book value of financial liabilities were considered by the Group's management to be close to their fair value and have no reliable, fair value measurement.

(II) Fair value - financial instruments at fair value on a recurring basis

1. Fair value hierarchy

September 30, 2025

	Class 1	Class 2	Class 3	Total
Financial assets measured at fair value through profit or loss				
Financial products	\$ -	\$ 22,310	\$ -	\$ 22,310
Financial assets at fair value through other comprehensive income				
TWSE(TPEX) domestic listed companies' stocks	\$ 42,445	\$ -	\$ -	\$ 42,445

December 31, 2024

	<u>Class 1</u>	<u>Class 2</u>	<u>Class 3</u>	<u>Total</u>
Financial assets measured at fair value through profit or loss				
Financial products	\$ <u>-</u>	\$ <u>23,170</u>	\$ <u>-</u>	\$ <u>23,170</u>
Financial assets at fair value through other comprehensive income				
TWSE(TPEX) domestic listed companies' stocks	\$ <u>34,285</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>34,285</u>

September 30, 2024

	<u>Class 1</u>	<u>Class 2</u>	<u>Class 3</u>	<u>Total</u>
Financial assets measured at fair value through profit or loss				
Financial products	\$ <u>-</u>	\$ <u>23,314</u>	\$ <u>-</u>	\$ <u>23,314</u>
Financial assets at fair value through other comprehensive income				
TWSE(TPEX) domestic listed companies' stocks	\$ <u>38,586</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>38,586</u>

There were no transfers between Class 1 and Class 2 fair value measurements in January 1 to September 30 of 2025 and 2024.

(III) Type of financial instrument

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
<u>Financial assets</u>			
Measured at fair value through profit or loss	\$ 22,310	\$ 23,170	\$ 23,314
Measured at fair value through other comprehensive income	42,445	34,285	38,586
Measured at amortized cost (Note 1)	1,099,600	1,046,876	1,088,599
<u>Financial liabilities</u>			
Measured at amortized cost (Note 2)	1,473,024	1,466,003	1,523,961

Note 1: The balance includes financial assets measured at amortized cost, such as cash and cash equivalents, notes and accounts receivable, accounts receivable - related parties, other receivables, and refundable deposits.

Note 2: The balance includes financial liabilities measured at amortized cost such as short-term borrowings, short-term notes payable, notes and accounts payable, other payables (excluding dividends payable), and long-term borrowings (including current portion of long-term borrowings).

(IV) Financial risk management objective and policies

The Group's primary financial instruments include equity investment, accounts receivable, accounts payable, borrowings, and lease liabilities. The Group's financial management department shall provide services to each business unit, to plan and coordinate operations in the domestic financial markets, and to monitor and manage the Group's operation-related financial risks through the internal risk report, with the risk exposure analyzed in accordance with the degree and breadth of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The financial management department is an independent organization dedicated exclusively to monitoring risks and implementing policies to mitigate risk exposure and it reports to ABC Taiwan's Board of Directors quarterly.

1. Market risk

The main financial risks for the Group's operating activities are the risk of changes in foreign currency exchange rates (see (1) below) and the risk of changes in interest rates (see (2) below).

The exposure of the market risk of the financial instruments of the Group and the management and measurement of such exposure risk remain unchanged.

(1) Currency risk

Part of the Group's cash inflows and outflows are denominated in foreign currencies, and therefore part of them have a natural hedging effect. The Group's management of currency risk is for hedging and not for profit seeking.

For the book values of monetary assets and monetary liabilities denominated in non-functional currencies of the Group as at the balance sheet date, please refer to Note XXIX for details.

Sensitivity analysis

The Group is mainly affected by fluctuations in the exchange rates of USD and CNY.

The following table details the consolidated company's sensitivity analysis when the New Taiwan dollar (functional currency) increases and decreases by 5% against each relevant foreign currency. The sensitivity analysis included only the outstanding foreign currency monetary items and foreign exchange forward contracts designated as cash flow hedges, and the conversion at the end of the period was adjusted based on a 5% change in exchange rates. The scope of sensitivity analysis includes cash and cash equivalents, accounts receivable (including related parties), other receivables, accounts payable, and other payables. The positive numbers in the table below indicate the amount by which the net profit (loss) before tax will increase (decrease) when NTD depreciates by

5% against the relevant foreign currencies. When NTD appreciates by 5% against the relevant foreign currencies, the effect on net profit before tax will be the negative number of the same amount.

	Effect of US Dollars		Effect of Renminbi	
	January 1 to September 30, 2025	January 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Income (loss)	\$ 20,298	\$ 23,388	(\$ 8,791)	(\$ 8,729)

The management believes that the sensitivity analysis cannot represent the inherent risk of exchange rate, as foreign currency risk exposure at the balance sheet date cannot reflect the risk exposure at mid-year.

(2) Interest rate risks

Because individual entities within the Group borrow funds at fixed and floating interest rates at the same time, interest rate risks can arise.

The book value of financial assets and liabilities of the Group with interest rate exposure on the balance sheet date is as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Fair value interest rate risk			
- Financial assets	\$ 30,445	\$ 32,785	\$ 74,377
- Financial liabilities	83,007	171,727	130,359
Cash flow interest rate risk			
- Financial assets	607,859	711,460	639,631
- Financial liabilities	1,004,451	935,960	999,039

Sensitivity analysis

The following sensitivity analysis are based on the interest rate risk exposure of the non-derivative instruments on the balance sheet date. The analysis of floating rate liabilities is based on the assumption that the amount of liabilities outstanding on the balance sheet date is outstanding throughout the reporting period.

If the interest rate decreased/increased by 0.1%, with all other variables remaining unchanged, the Group's net income before tax in January 1 to September 30 of 2025 and 2024, would increase/decrease by NTD297 thousand and NTD270 thousand, respectively, mainly due to the Group's variable interest rate/net asset interest rate exposure.

(3) Other price risk

The Group's exposure to the equity price risk is due to the investment in the TWSE/TPEX listed equity securities. The equity investment was not held for trading but was classified as a strategic investment. The Group does not trade such investments actively. The Group's equity price risk is mainly concentrated on equity instruments in the electronics industry, which are traded on Taiwan Stock Exchanges and TPEX.

Sensitivity analysis

The following sensitivity analysis is based on the equity price risk exposure at the balance sheet date.

If the equity price increased/decreased by 5%, other comprehensive income before tax in January 1 to September 30 of 2025 and 2024 would have increased/decreased by NTD2,122 thousand and NTD1,929 thousand, respectively, due to changes in the fair value of financial assets through other comprehensive income.

2. Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligation resulting in financial loss for the Group. As of the balance sheet date, the Group's maximum credit risk of financial losses may be caused by counterparties' failure to fulfill obligations. The risk exposure mainly comes from the book value of financial assets recognized in the Consolidated Statements Of Balance Sheets.

To mitigate the credit risk, the Group's management has designated a team responsible for determining the line of credit cap, loan approval and adopting other adequate monitoring procedures, through which to ascertain if adequate action has been taken on recalling overdue receivables. Meanwhile, the Group reviews the recoverable amount of each receivable on the balance sheet date to recognize appropriate impairment loss for the unrecoverable receivables. Hence, the Group's management believes that the Group's credit risks have been significantly reduced.

In addition, because the counterparty of the current fund is a reputable bank, the credit risk is limited.

The Group's credit risk is mainly concentrated in the top ten consolidated customers. As of September 30, 2025, December 31 and September 30 2024, the ratio of the total accounts receivable from the aforementioned customers was 77%, 67% and 74%, respectively.

3. Liquidity risk

The Group manages and maintains sufficient positions of cash and cash equivalents to pay for the Group's operations and mitigate the impact of fluctuating cash flows. The management of the Group supervises the utilization of the banking facilities and ensures compliance with the terms of the loan contract.

Bank borrowings were an important source of liquidity for the Group. For the bank financing facilities not drawn down by the Group, please refer to the description of (2) financing facilities below.

(1) Liquidity and interest rate risk tables for non-derivative financial liabilities

The remaining contractual maturity analysis of non-derivative financial liabilities was based on the earliest date at which the consolidated company might be required to repay and was compiled based on the undiscounted cash flows of financial liabilities (including principal and estimated interest). Therefore, the bank borrowings that the consolidated company could be demanded to repay immediately were listed in the earliest time period of the below table, regardless of the probability of the bank executing the right. Maturity analysis of other non-derivative financial liabilities was compiled based on the agreed repayment date.

September 30, 2025

	Weighted average effective interest rate (%)	Payment on demand or less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	More than 5 years
<u>Non-derivative financial liabilities</u>						
Non-interest bearing liabilities	-	\$ 174,270	\$ 157,474	\$ 36,397	\$ 12,298	\$ -
Floating interest rate instruments	0.64~2.20	183,814	63,818	142,326	564,844	88,372
Fixed interest rate instruments	1.865	80,124	-	-	-	-
Lease liabilities	2.07~5.00	190	367	1,378	1,162	-
		<u>\$ 438,398</u>	<u>\$ 221,659</u>	<u>\$ 180,101</u>	<u>\$ 578,304</u>	<u>\$ 88,372</u>

Further information on maturity analysis of the undiscounted total payments of lease liabilities is as follows:

	Less than 1 year	1 to 5 years	5 to 10 years	10 to 15 years	15 to 20 years	More than 20 years
Lease liabilities	<u>\$ 1,935</u>	<u>\$ 1,162</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

December 31, 2024

	Weighted average effective interest rate (%)	Payment on demand or less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	More than 5 years
<u>Non-derivative financial liabilities</u>						
Non-interest bearing liabilities	-	\$ 150,399	\$ 154,171	\$ 47,292	\$ -	\$ -
Floating interest rate instruments	0.64~2.19	13,357	85,567	220,918	540,963	120,093
Fixed interest rate instruments	1.87~1.99	80,220	90,282	-	-	-
Lease liabilities	1.56~5.00	143	273	909	496	-
		<u>\$ 244,119</u>	<u>\$ 330,293</u>	<u>\$ 269,119</u>	<u>\$ 541,459</u>	<u>\$ 120,093</u>

Further information on maturity analysis of the undiscounted total payments of lease liabilities is as follows:

	Less than 1 year	1 to 5 years	5 to 10 years	10 to 15 years	15 to 20 years	More than 20 years
Lease liabilities	<u>\$ 1,325</u>	<u>\$ 496</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

September 30, 2024

	Weighted average effective interest rate (%)	Payment on demand or less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	More than 5 years
<u>Non-derivative financial liabilities</u>						
Non-interest bearing liabilities	-	\$ 164,381	\$ 164,688	\$ 57,651	\$ -	\$ -
Floating interest rate instruments	0.64~2.26	33,878	178,773	229,299	460,028	141,834
Fixed interest rate instruments	1.93~1.98	130,112	-	-	-	-
Lease liabilities	1.56~5.00	85	120	234	-	-
		<u>\$ 328,456</u>	<u>\$ 343,581</u>	<u>\$ 287,184</u>	<u>\$ 460,028</u>	<u>\$ 141,834</u>

Further information on maturity analysis of the undiscounted total payments of lease liabilities is as follows:

	Less than 1 year	1 to 5 years	5 to 10 years	10 to 15 years	15 to 20 years	More than 20 years
Lease liabilities	<u>\$ 439</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(2) Financing amount

	September 30, 2025	December 31, 2024	September 30, 2024
The secured bank loan facility may be extended upon mutual consent of both parties.			
- Amount used	\$ 247,491	\$ 280,463	\$ 291,560
- Unutilized amount	<u>147,650</u>	<u>10,674</u>	<u>11,210</u>
	<u>\$ 395,141</u>	<u>\$ 291,137</u>	<u>\$ 302,770</u>
The unsecured bank loan facility may be extended upon mutual consent of both parties.			
- Amount used	\$ 840,247	\$ 828,954	\$ 841,111
- Unutilized amount	<u>372,350</u>	<u>394,657</u>	<u>328,819</u>
	<u>\$ 1,212,597</u>	<u>\$ 1,223,611</u>	<u>\$ 1,169,930</u>

XXVII. Related party transactions

All of the transactions, account balances, income and expense losses between the Company and subsidiaries (refer to as the related party) were eliminated. Thus, it is not disclosed in this Note. The transactions between the Group and other related party are as below.

(I) Names of related parties and their relationships

Name of Related Party	Relationship with the Group
Bourns, Inc.	Substantive related party

(II) Operating revenues

Account items	Category/name of related party	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Sales revenues	Substantive related party				
	Bourns, Inc.	<u>\$ 251,674</u>	<u>\$ 225,103</u>	<u>\$ 711,704</u>	<u>\$ 606,875</u>

The sales of goods between the Group and related parties are performed based on general transaction rules.

(III) Receivables from related parties (not including loans to the related party)

Account items	Category/name of related party	September 30, 2025	December 31, 2024	September 30, 2024
Accounts receivable - related parties	Substantive related party			
	Bourns, Inc.	<u>\$ 180,158</u>	<u>\$ 107,910</u>	<u>\$ 147,263</u>

No guarantee is collected for outstanding receivables from related parties. Receivables from related parties for January 1 to September 30, 2025 and 2024 are not yet listed as provision for allowance for losses. The collection period is open 60 to 120 days on a monthly basis.

(IV) Transactions with other related parties

Account items	Category/name of related party	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Other income	Substantive related party Bourns, Inc.	\$ -	\$ 83	\$ -	\$ 221
Other expenses	Substantive related party Bourns, Inc.	\$ -	\$ 6	\$ 1,139	\$ 2,007

(V) Remuneration to the management

	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Short-term employee benefits	\$ 7,691	\$ 8,699	\$ 23,686	\$ 26,745
Benefits after retirement	217	233	643	710
	<u>\$ 7,908</u>	<u>\$ 8,932</u>	<u>\$ 24,329</u>	<u>\$ 27,455</u>

The remuneration to directors and other key management personnel is determined by the Remuneration Committee in accordance with individual performance and market trends.

XXVIII. Assets pledged as collateral

In addition to those disclosed in other notes, the following assets have been provided as collateral for bankers' acceptances and long-term bank borrowings:

	September 30, 2025	December 31, 2024	September 30, 2024
Land	\$ 350,796	\$ 351,512	\$ 354,109
Housing and construction	384,509	392,628	400,311
	<u>\$ 735,305</u>	<u>\$ 744,140</u>	<u>\$ 754,420</u>

XXIX. Significant assets and liabilities denominated in foreign currencies

The following information is aggregated by foreign currencies other than the functional currency of each entity of the Group. The disclosed exchange rates refer to the exchange rates at which the foreign currencies were converted into functional currencies. Significant assets and liabilities denominated in foreign currencies are as follows:

September 30, 2025

	Foreign currency	Exchange rate	Book value
<u>Assets denominated in foreign currencies</u>			
<u>Monetary items</u>			
US Dollars	\$ 13,123	30.4450 (USD: NTD)	\$ 399,518
US Dollars	651	4.3696 (USD: MYR)	19,806
EUR	4,950	35.7700 (EUR: NTD)	177,075
EUR	309	5.1338 (EUR: MYR)	11,058
RMB	8,667	4.2630 (RMB: NTD)	36,948
NTD	12,348	0.1435 (NTD: MYR)	12,348

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Liabilities denominated in foreign currencies				
<u>Monetary items</u>				
RMB	\$	49,911	4.2630 (RMB: NTD)	\$ 212,773

December 31, 2024

	Foreign currency	Exchange rate	Book value
Assets denominated in foreign currencies			
<u>Monetary items</u>			
US Dollars	\$ 10,487	32.7850 (USD: NTD)	\$ 343,805
US Dollars	2,835	4.6402 (USD: MYR)	92,935
EUR	3,138	34.1400 (EUR: NTD)	107,143
RMB	13,482	4.4470 (RMB: NTD)	60,263
NTD	10,955	0.1415 (NTD: MYR)	10,955

Liabilities denominated in foreign currencies			
<u>Monetary items</u>			
US Dollars	317	32.7850 (USD: NTD)	10,380
RMB	35,325	4.4470 (RMB: NTD)	157,902

September 30, 2024

	Foreign currency	Exchange rate	Book value
Assets denominated in foreign currencies			
<u>Monetary items</u>			
US Dollars	\$ 12,767	31.6500 (USD: NTD)	\$ 404,088
US Dollars	2,836	4.2652 (USD: MYR)	89,764
EUR	3,907	35.3800 (EUR: NTD)	138,226
EUR	928	4.7679 (EUR: MYR)	32,832
RMB	2,769	4.5150 (RMB: NTD)	12,500
NTD	13,061	0.1348 (NTD: MYR)	13,061

Liabilities denominated in foreign currencies			
<u>Monetary items</u>			
US Dollars	353	31.6500 (USD: NTD)	11,174
US Dollars	382	4.2652 (USD: MYR)	12,091
RMB	41,435	4.5150 (RMB: NTD)	187,079

For July 1 to September 30, 2025 and 2024, and January 1 to September 30, 2025 and 2024, the Group's net (loss)profit on foreign currency exchanged (realized and unrealized) were NTD18,900 thousand, NTD(19,958) thousand, NTD(11,913) thousand and NTD8,695 thousand, respectively. It is impossible to disclose exchange gains and losses by different currencies based on the significant impacts due to the variety of functional currencies used by the Group.

XXX. Disclosures in notes

(I) Information about significant transactions:

- Loans to others: None.
- Endorsements and guarantees for others:

Unit: NTD thousand, unless stated otherwise

No.	Endorser/ guarantor	Party being endorsed/ guaranteed	Relationship with the endorser/ guarantor	Limit on endorsements/ guarantees provided for a single party (Note)	Maximum outstanding balance for the period	Ending balance	Actual amount drawn down	Amount of endorsements / guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee to net asset value of the endorser/ guarantor(%)	Ceiling on total amount of endorsements/ guarantees provided (Note)	Endorsements / guarantees provided by parent company	Endorsements / guarantees provided by a subsidiary	Endorsements / guarantees provided to the party in Mainland China	Remarks
0	The Company	AOBA	Third-tier subsidiaries held 100% by the Company	\$ 372,276	\$ 137,655 (USD 4,500)	\$137,003	\$-	\$ -	9.20	\$ 744,552	Yes	-	-	-

Note: According to the company's "Endorsement and Guarantee Operating Procedures," the total amount of endorsements and guarantees shall not exceed 50% of the company's net worth, and the amount for any single guarantee recipient shall not exceed 25% of the company's net worth as stated in the most recent financial statements.

- Marketable securities held at the end of the period (excluding investment in subsidiaries, associates, and joint ventures):

Unit: NTD thousand, unless stated otherwise

Company held	Type of marketable securities	Name of marketable securities	Relationship with issuer of securities	Accounting titles in book	End of period				Remarks
					Number of shares	Book value	Percentage of Ownership (%)	Fair value/book value	
The Company	Shares of stock	PROSPERITY DIELECTRICS CO., LTD.	-	Financial assets at fair value through other comprehensive income	803,880	\$ 42,445	0.47	\$ 42,445 (Note)	-
ABC (Shanghai) Company	Financial products	Bank of Shanghai - Bank of Shanghai Winner RMB Financial Products	-	Financial assets measured at fair value through profit or loss	-	22,310	-	22,310	-

Note: Calculated based on the stock closing price on September 30, 2025.

- Amount on purchase from and sale to related parties reaching NT\$100 million or more than 20% of the Paid-in capital:

Unit: NTD thousand, unless stated otherwise

Purchasing (selling) company	Counterparty	Relationship	Status of transactions				Trading terms different from general trade and reasons		Notes and accounts receivable (payable)		Remarks
			Purchasing (selling) goods	Amount	Percentage of total purchase (sale)	Credit period	Unit price	Credit period	Balance	As a percentage of total notes and accounts receivable (payable)	
The Company	Guangzhou ABC Company	Third-tier subsidiaries held 100% by the Company	Purchase goods	\$ 803,000	79%	Monthly settlement of 60 days	Same as Note XXX(I) 6.	Same as Note XXX(I) 6.	(\$ 167,348)	(69%)	-
	Shanghai Qianchi Company	Third-tier subsidiaries held 100% by the Company	Purchase goods	102,307	10%	Monthly settlement of 60 days	Same as Note XXX(I) 6.	Same as Note XXX(I) 6.	(43,336)	(18%)	-
	Bourns, Inc.	Substantive related party of the Company	Sales of goods	711,704	52%	Monthly settlement of 60 days	Same as Note XXVII (II)	Same as Note XXVII (III)	180,158	56%	-

- Accounts receivable from related parties reaching NT\$ 100 million or more than 20% of the paid-in capital:

Unit: NTD thousand, unless stated otherwise

The company that accounts for the accounts receivable	Name of counterparty	Relationship	Balance for receivables from related parties	Turnover	Overdue accounts receivable from related parties		Subsequent recovery of receivables from related parties	Allowance for Doubtful Accounts
					Amount	Disposal method		
The Company	Bourns Inc	Substantive related party	\$ 180,158	6.59	\$ -	-	\$ 109,996	\$ -
Guangzhou ABC Company	The Company	Parent company	167,348 (Note)	7.02	-	-	87,274	-

Note: Eliminated in full in the consolidated financial statements.

- Others: The business relationship between the parent and the subsidiaries and between each subsidiary, and the circumstances and amounts of any significant transactions between them:

Unit: NTD thousand, unless stated otherwise

		Relationship with the counterparty (Note I)	Status of transaction			
Name	Counterparty		Accounting titles	Amount	Trading terms and conditions (Note II)	Percentage in consolidated total revenue or total assets
January 1 to September 30, 2025						
The Company	Guangzhou ABC Company	1	Purchases	\$ 803,000	-	53%
		1	Accounts payable to related parties	167,348	-	5%
	AOBA	1	Purchases	49,734	-	3%
			Accounts payable to related parties	12,348	-	-
	Shanghai Qianchi Company	1	Purchases	102,307	-	7%
1		Accounts payable to related parties	43,336	-	1%	
AIC	ABC (Shanghai) Company	3	Other receivables - related parties	21,315	-	1%
ABC (Shanghai) Company	Guangzhou ABC Company	3	Purchases	19,541	-	1%
		3	Sales	72,254	-	5%
	Shanghai Qianchi Company	3	Sales	10,391	-	1%

Note 1: 1 Refers to transactions by parent company to subsidiary.

3 Refers to transactions between subsidiaries.

Note 2: The sales and purchases of goods between the Company and related parties are performed based on general transaction rules and there are no other related product prices available for comparison. The payment period is from 30 to 60 days on a monthly basis while the collection period is from 60 to 120 days on a monthly basis. In order to cooperate with the operations of subsidiaries, the Company temporarily collects and pays accounts based on its funding status.

Note 3: The materiality threshold means that amounts less than NTD 10,000 thousand may be omitted from disclosure.

(II) Information about reinvestment business:

Unit: NTD thousand, unless stated otherwise

Name of investment company	Name of investee company	Location of the Company	Main business items	Initial investment amount		Held at the end of period			Gains (losses) on investees for the current period	Investment income (loss) recognized by the Company	Remarks
				End of current period	End of last year	Number of shares	Percentage (%)	Book value			
The Company	AHC	Mauritius	Reinvestment of the holding company in Mainland China	US\$ 33,004 Thousand (\$ 1,004,807)	USD 33,004 Thousand (\$1,082,036)	33,184,161	100	\$ 1,150,519	(\$ 54,861)	(\$ 56,106)	Subsidiary of the Company
	AAE	USA	Trading of electronic components	US\$ 105 Thousand (\$ 3,197)	USD 105 Thousand (\$ 3,442)	220,000	100	1,365	265	265	Subsidiary of the Company
AHC	AUC	Mauritius	Reinvestment of the holding company in Mainland China	US\$ 6,274 Thousand (\$ 191,012)	USD 6,274 Thousand (\$ 205,693)	6,274,457	100	496,460	(3,093)	(3,093)	Sub-subsidiaries of the Company
	AIC	Mauritius	Reinvestment of the holding company in Mainland China	US\$ 5,691 Thousand (\$ 173,262)	USD 5,691 Thousand (\$ 186,579)	5,110,938	100	264,852	10,361	10,361	Sub-subsidiaries of the Company
	AOBA	Malaysia	Manufacture, processing, and sale of electronic machine components, etc.	US\$ 21,078 Thousand (\$ 641,720)	USD 21,078 Thousand (\$ 691,042)	67,022,080	100	387,576	(61,759)	(61,759)	Sub-subsidiaries of the Company
AUC	Guangzhou ABC Company	Guangzhou City, China	Manufacture, processing, and sale of electronic machine components, etc.	US\$ 6,274 Thousand (\$ 191,012)	USD 6,274 Thousand (\$ 205,693)	-	100	496,460	(3,093)	(3,093)	Third-tier subsidiary of the Company
AIC	ABC (Shanghai) Company	Shanghai City, China	Manufacture, processing, and sale of electronic machine components, etc.	US\$ 5,691 Thousand (\$ 173,262)	USD 5,691 Thousand (\$ 186,579)	-	100	203,837	3,656	3,656	Third-tier subsidiary of the Company
	Shanghai Qianchi Company	Shanghai City, China	Sale of electronic machine components, etc.	US\$ 959 Thousand (\$ 29,197)	-	-	100	39,733	9,726	9,726	Third-tier subsidiary of the Company

(III) Investment in Mainland China:

- The name of the investee company in Mainland China, the main businesses and products, its paid-in capital, method of investment, information on inflow and outflow of capital, ownership percentage, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the Mainland China area.

Unit: NTD thousand, unless stated otherwise

Name of investees in Mainland China	Main business Items	Paid-in capital	Method of investment	Accumulated Investment Amount from Taiwan at Beginning of Period	Investment amount for outward remittance or recovered in the current period		Accumulated Investment Amount from Taiwan at End of Period	Gains (losses) on investees for the current period	The Company's shareholding percentage by direct or indirect investment (Note II)	Recognition of investment gain (loss) in the current period (Note II)	Book value of investments at end of period (Note II)	Investment income remitted back as of the current period
					Outward remittance	Withdraw						
Guangzhou ABC Company	Manufacture, processing, and sale of electronic machine components, etc.	US\$ 6,274 Thousand (\$ 191,012)	Note 1	US\$ 3,479 Thousand (\$ 105,918)	\$ -	\$ -	US\$ 3,479 Thousand (\$ 105,918)	(\$ 3,093)	100%	(\$ 3,093)	\$ 496,460	\$ -
ABC (Shanghai) Company	Manufacture, processing, and sale of electronic machine components, etc.	US\$ 5,691 Thousand (\$ 173,262)	Note 1	US\$ 5,691 Thousand (\$ 173,262)	-	-	US\$ 5,691 Thousand (\$ 173,262)	3,656	100%	3,656	203,837	US\$ 959 Thousand (\$ 29,197)
Shanghai Qianchi Company	Sale of electronic machine components, etc.	US\$ 959 Thousand (\$ 29,197)	Note 1	-	US\$ 959 Thousand (\$ 29,197)	-	US\$ 959 Thousand (\$ 29,197)	9,726	100%	9,726	39,733	-

Accumulated investment from Taiwan to Mainland China at end of period	Investment Amount Approved by Investment Commission, Ministry of Economic Affairs (MOEA), R.O.C.	Upper limits of investment to Mainland China as specified by the Investment Commission, MOEA, R.O.C.
US\$10,129 thousand (\$308,377)	US\$11,076 thousand (\$337,209)	\$893,462

Note 1: Investing in companies in Mainland China through companies invested and incorporated in a third region.

Note 2: Calculated based on the financial statements reviewed by the independent auditors of the parent company in Taiwan and the consolidated shareholding ratio.

Note 3: Figures in this table that involve foreign currencies are converted into NTD at the exchange rate on the date of the financial reporting.

- Any of the following significant transactions with investee companies in the Mainland Area, either directly or indirectly through a third area, and their prices, payment terms, and unrealized gains or losses: Please refer to Note XXX (I) 6.

XXXI. Departmental information

This information is provided to the chief operating decision-maker for the purpose of allocating resources to the departments and to measure performances with a focus on the type of product or labor work delivered or provided. Departments of the Group to be reported are as follows:

Inductor Business Unit

Other departments

(I) Department revenue and operating results

The revenue and operating results of the continuing business unit of the Group are based on the analysis for the departments to be reported as follows:

	Departmental revenue		Departmental profit and loss	
	January 1 to September 30, 2025	January 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Inductor Business Unit	\$ 1,505,646	\$ 1,386,718	\$ 382,143	\$ 311,694
Other departments	22,959	36,711	634	419
Total amount for continuing operations	<u>\$ 1,528,605</u>	<u>\$ 1,423,429</u>	382,777	312,113
Amount not yet amortized:				
Operating expenses			(314,686)	(334,896)
Non-operating income and expenses			(24,860)	21,966
Pre-tax profit (loss)			<u>\$ 43,231</u>	(\$ 817)

The revenues reported above are generated from external customer transactions. There have been no inter-department sales for January 1 to September 30, 2025 and 2024.

Departmental profit and loss refers to the profits made by each of the departments, not including operating expenses to be amortized and non-operating income and expenses. This measurement is provided to the chief operating decision-maker for the purpose of allocating resources to the departments and to measure performance.

(II) Departmental assets

The measurement of the Group assets have not been provided to the operating chief decision-maker. Hence, there is no disclosure of asset measurement amount.