

Stock Code: 6261

YoungTek Electronics Corp. and Its Subsidiaries

Consolidated Financial Statements and Independent Auditor's Report

Nine months ended September 30, 2025 and 2024

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Notice to Reader

For the convenience of readers, this report has been translated into English from the original Chinese version. The English version has not been audited or reviewed by independent auditors. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

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Independent Auditors' Report

To: YoungTek Electronics Corp.

Preface

We have completed our review of the consolidated balance sheets of YoungTek Electronics Corp. and its subsidiaries as of September 30, 2025 and 2024, the consolidated statements of comprehensive income for the three months ended September 30, 2025 and 2024 and for the nine months ended September 30, 2025 and 2024, the consolidated statements of changes in equity and cash flows for the nine months ended September 30, 2025 and 2024, and notes to the consolidated financial statements, including a summary of significant accounting policies. According to the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Accounting Standard 34 Interim Financial Reporting endorsed and issued into effect by the Financial Supervisory Commission, it is the responsibility of management to prepare and fairly present the consolidated financial statements. The accountant's responsibility is to express a conclusion on the consolidated financial statements based on the review.

Scope

Except for the matters described in the Basis for Qualified Conclusion section, the accountant conducted the review in accordance with Standards on Review Engagements No. 2410 Review of Financial Information. The procedures performed in reviewing the consolidated financial statements include inquiries (primarily with personnel responsible for financial and accounting matters), analytical procedures, and other review procedures. The scope of a review is substantially less than that of an audit and consequently, the accountant may not become aware of all significant matters that might be identified in an audit. Accordingly, the accountant does not express an audit opinion.

Basis for Qualified Conclusion

As described in Note 13 to the consolidated financial statements, the financial statements of certain non-significant subsidiaries included in the aforementioned consolidated financial statements for the same period have not been reviewed by accountants. Their total assets as of September 30, 2025 and 2024 were NT\$602,499 thousand and NT\$1,582,324 thousand, representing 7.51% and 19.29% of the consolidated total assets respectively. Total liabilities were NT\$60,083 thousand and NT\$151,808 thousand, representing 4.26% and 10.51% of the consolidated total liabilities respectively. Their total comprehensive income for the three months ended September 30, 2025 and 2024, and for the nine months ended September 30, 2025 and 2024 were NT\$15,296 thousand and NT\$(43,564) thousand, NT\$(31,537) thousand and NT\$(98,760) thousand representing 6.38%, (73.99)%, (13.98)%, and (27.51)% of the consolidated total comprehensive income, respectively. Furthermore, as described in Note 14 to the consolidated financial statements, the investment balances accounted for using the equity method for the nine months ended September 30, 2025 and 2024 were NT\$321,736 thousand and NT\$161,938 thousand respectively, and their share of profit or loss for the three

months ended September 30, 2025 and 2024 and for the nine months ended September 30, 2025 and 2024 were NT\$7,873 thousand and NT\$(4,016) thousand and (736) thousand, and (9,121) thousand, respectively, which were all recognized and disclosed based on the unreviewed financial statements of the invested companies for the same period. In addition, the relevant information on the reinvested enterprises as described in Note 36 to the consolidated financial statements related to the aforementioned subsidiaries and investees was also not reviewed by the accountant

Qualified Conclusion

Based on our review, except for the possible effects of such adjustments, if any, as might have been determined to be necessary had the financial statements of certain non-significant subsidiaries and invested companies been reviewed by accountants as described in the Basis for Qualified Conclusion paragraph, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of YoungTek Electronics Corp. and its subsidiaries for the nine months ended September 30, 2025 and 2024, and their consolidated financial performance and cash flows for the three months ended September 30, 2025 and 2024, and for the the nine months ended September 30, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 Interim Financial Reporting endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Deloitte & Touche

CPA Ya-Yun Chang

CPA Mei-Chen Tsai

Financial Supervisory Commission
Approval Document Number

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November 12, 2025

Notice to Reader

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YOUNGTEK ELECTRONICS CORP. AND ITS SUBSIDIARIES

CONSOLIDATED BALANCE SHEET

September 30, 2025 and 2024, and December 31, 2024

																Unit: NT\$ thousands	
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 6)	\$1,182,753	15	\$2,398,287	28	\$2,397,824	29	2100	Short-term Borrowings (Notes 10, 20, and 33)	\$ 16,086	-	\$ 49,756	-	\$ -	-		
1120	Financial Assets Measured at Fair Value Through Other Comprehensive Income - Current (Note 8)	46,271	1	66,283	1	62,459	1	2120	Financial Liabilities Measured at Fair Value Through Profit or Loss - Current (Note 7)	-	-	88	-	2,987	-		
1170	Notes and Accounts Receivable (Notes 10, 26, and 33)	1,181,809	15	979,287	12	981,547	12	2130	Contract Liabilities - Current (Notes 26 and 32)	124,723	2	70,265	1	79,673	1		
1180	Notes and Accounts Receivable - Related Parties (Note 32)	95,944	1	96,048	1	99,172	1	2170	Notes and Accounts Payable (Note 21)	341,871	4	567,822	7	467,303	6		
1200	Other Receivables (Note 10)	19,866	-	19,218	-	16,891	-	2180	Accounts Payable - Related Parties (Note 32)	32	-	-	-	14	-		
1210	Other Receivables - Related Parties (Note 32)	58,899	1	25,540	-	-	-	2219	Other Payables (Notes 22 and 32)	499,977	6	479,679	6	360,020	4		
1460	Disposal groups held for sale (Note 12)	-	-	-	-	119,035	2	2230	Current Income Tax Liabilities (Notes 4 and 28)	160,924	2	166,280	2	141,480	2		
130X	Inventories (Note 11 and 30)	1,294,649	16	1,376,311	16	1,074,626	13	2250	Provisions for liabilities - Current (Note 23)	7,190	-	6,509	-	7,002	-		
1470	Other Current Assets (Note 19)	<u>283,276</u>	<u>3</u>	<u>248,533</u>	<u>3</u>	<u>228,356</u>	<u>3</u>	2260	Liabilities directly associated with disposal groups held for sale (Note 12)	-	-	-	-	151,256	2		
11XX	Total Current Assets	<u>4,163,467</u>	<u>52</u>	<u>5,209,507</u>	<u>61</u>	<u>4,979,910</u>	<u>61</u>	2280	Lease Liabilities - Current (Notes 16 and 32)	23,319	1	23,276	-	14,988	-		
	Non-Current Assets							2399	Other Current Liabilities (Note 22)	<u>7,686</u>	<u>-</u>	<u>7,315</u>	<u>-</u>	<u>7,002</u>	<u>-</u>		
1510	Financial Assets measured at Fair Value through Profit or Loss - Non-current (Note 7)	29,678	-	30,055	-	14,542	-	21XX	Total Current Liabilities	<u>1,181,808</u>	<u>15</u>	<u>1,370,990</u>	<u>16</u>	<u>1,231,725</u>	<u>15</u>		
1517	Financial Assets measured at Fair Value through Other Comprehensive Income - Non-current (Note 8)	375,197	5	399,136	5	382,051	5		Non-current Liabilities								
1535	Financial Assets measured at Amortized Cost - Non-Current (Notes 9 and 33)	22,304	-	22,237	-	22,237	-	2580	Lease Liabilities - Non-Current (Notes 16 and 32)	220,022	3	243,725	3	203,317	3		
1550	Investments Accounted for Using the Equity Method (Note 14)	321,736	4	154,702	2	161,938	2	2645	Guarantee Deposits Paid	<u>6,930</u>	<u>-</u>	<u>8,770</u>	<u>-</u>	<u>8,924</u>	<u>-</u>		
1600	Property, Plant, and Equipment (Notes 15, 30, 32, and 33)	2,557,060	32	2,161,564	25	2,026,224	25	25XX	Total Non-Current Liabilities	<u>226,952</u>	<u>3</u>	<u>252,495</u>	<u>3</u>	<u>212,241</u>	<u>3</u>		
1755	Right-of-use Assets (Note 16)	243,775	3	269,782	3	221,754	3	2XXX	Total Liabilities	<u>1,408,760</u>	<u>18</u>	<u>1,623,485</u>	<u>19</u>	<u>1,443,966</u>	<u>18</u>		
1760	Net Investment Properties (Notes 17 and 30)	-	-	1,558	-	1,590	-		Equity Attributable to Owners of the Company (Note 25)								
1780	Intangible Assets (Notes 18 and 30)	47,693	1	37,488	1	36,918	-		Share Capital								
1840	Deferred Tax Assets (Notes 4 and 28)	93,387	1	85,705	1	79,404	1	3110	Ordinary share	<u>1,284,980</u>	<u>16</u>	<u>1,284,980</u>	<u>15</u>	<u>1,284,980</u>	<u>16</u>		
1915	Prepayments for Equipment	103,578	1	96,915	1	235,884	3	3200	Capital Reserve	<u>2,439,242</u>	<u>30</u>	<u>2,439,404</u>	<u>29</u>	<u>2,439,404</u>	<u>30</u>		
1975	Net Defined Benefit Assets (Notes 4 and 24)	60,946	1	51,310	1	35,847	-	3310	Retained Earnings								
1990	Other Non-current Assets (Notes 19 and 32)	<u>3,632</u>	<u>-</u>	<u>5,751</u>	<u>-</u>	<u>6,087</u>	<u>-</u>	3320	Legal Reserve	1,261,651	16	1,208,208	14	1,208,208	15		
15XX	Total Non-current Assets	<u>3,858,986</u>	<u>48</u>	<u>3,316,203</u>	<u>39</u>	<u>3,224,476</u>	<u>39</u>	3320	Special Reserve	28,548	-	17,785	-	17,785	-		
								3350	Unappropriated Earnings	<u>1,555,470</u>	<u>19</u>	<u>1,786,864</u>	<u>21</u>	<u>1,645,963</u>	<u>20</u>		
								3300	Total Retained Earnings	<u>2,845,669</u>	<u>35</u>	<u>3,012,857</u>	<u>35</u>	<u>2,871,956</u>	<u>35</u>		
								3400	Other Equity	(<u>106,321</u>)	(<u>1</u>)	(<u>28,548</u>)	-	(<u>34,382</u>)	(<u>1</u>)		
								31XX	Total Equity Attributable to Owners of the Company	6,463,570	80	6,708,693	79	6,561,958	80		
								36XX	Non-controlling Interests (Notes 13 and 25)	<u>150,123</u>	<u>2</u>	<u>193,532</u>	<u>2</u>	<u>198,462</u>	<u>2</u>		
								3XXX	Total Equity	<u>6,613,693</u>	<u>82</u>	<u>6,902,225</u>	<u>81</u>	<u>6,760,420</u>	<u>82</u>		
1XXX	Total Assets	<u>\$8,022,453</u>	<u>100</u>	<u>\$8,525,710</u>	<u>100</u>	<u>\$8,204,386</u>	<u>100</u>		Total Liabilities and Equity	<u>\$8,022,453</u>	<u>100</u>	<u>\$8,525,710</u>	<u>100</u>	<u>\$8,204,386</u>	<u>100</u>		

The accompanying notes are an integral part of the consolidated financial statements.
(Please refer to the audit report of Deloitte & Touche dated November 12, 2025)

Chairman: Ping-Lung Wang

Manager: Wei-Tang Hsiao

Chief Accountant: Chiao-Fen Chen

YOUNGTEK ELECTRONICS CORP. AND ITS SUBSIDIARIES

Consolidated Statement of Comprehensive Income

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

Unit: NT\$1,000, except earnings per share expressed in NT\$

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	Operating Revenue (Notes 26 and 32)	\$1,058,082	100	\$963,086	100	\$3,007,876	100	\$3,041,196	100
5000	Operating Costs (Notes 11, 18, 24, 27, and 32)	<u>707,059</u>	<u>67</u>	<u>679,389</u>	<u>70</u>	<u>2,115,767</u>	<u>70</u>	<u>2,082,073</u>	<u>69</u>
5900	Gross Profit	<u>351,023</u>	<u>33</u>	<u>283,697</u>	<u>30</u>	<u>892,109</u>	<u>30</u>	<u>959,123</u>	<u>31</u>
	Operating Expenses (Notes 10, 18, 24, 27, and 32)								
6100	Selling Expenses	51,496	5	49,482	5	150,323	5	132,384	4
6200	Administrative Expenses	52,624	5	51,636	6	155,448	5	149,897	5
6300	Research and Development Expenses	106,370	10	87,720	9	291,968	10	258,550	9
6450	Expected credit impairment (reversal gain) loss	<u>1,514</u>	<u>-</u>	<u>20,988</u>	<u>2</u>	<u>(36,942)</u>	<u>(1)</u>	<u>44,616</u>	<u>1</u>
6000	Total Operating Expenses	<u>212,004</u>	<u>20</u>	<u>209,826</u>	<u>22</u>	<u>560,797</u>	<u>19</u>	<u>585,447</u>	<u>19</u>
6500	Other Income and Expenses, Net (Note 27)	<u>9,157</u>	<u>1</u>	<u>9,692</u>	<u>1</u>	<u>39,511</u>	<u>1</u>	<u>28,980</u>	<u>1</u>
6900	Net Operating Income	<u>148,176</u>	<u>14</u>	<u>83,563</u>	<u>9</u>	<u>370,823</u>	<u>12</u>	<u>402,656</u>	<u>13</u>
	Non-Operating Income and Expenses								
7100	Interest Income (Note 27)	6,441	1	11,181	1	24,318	1	35,066	1
7010	Other Income (Notes 27 and 32)	3,053	-	7,107	1	4,232	-	8,027	-
7020	Other Gains and Losses (Note 27)	46,885	4	(401)	-	(38,381)	(1)	49,170	2
7050	Finance Costs (Notes 27 and 32)	(2,301)	-	(1,809)	-	(5,986)	-	(4,924)	-
7060	Share of Profit or Loss of Associates Accounted for Using the Equity Method (Note 14)	<u>7,873</u>	<u>1</u>	<u>(4,016)</u>	<u>(1)</u>	<u>(736)</u>	<u>-</u>	<u>(9,121)</u>	<u>-</u>
7000	Total Non-Operating Income and Expenses	<u>61,951</u>	<u>6</u>	<u>12,062</u>	<u>1</u>	<u>(16,553)</u>	<u>-</u>	<u>78,218</u>	<u>3</u>
7900	Income before income tax	210,127	20	95,625	10	354,270	12	480,874	16
7950	Income Tax Expense (Notes 4 and 28)	<u>41,717</u>	<u>4</u>	<u>5,723</u>	<u>1</u>	<u>39,797</u>	<u>1</u>	<u>96,241</u>	<u>3</u>
8000	Net income for the period from continuing operations	168,410	16	89,902	9	314,473	11	384,633	13
8100	Loss from Discontinued Operations (Note 12)	<u>-</u>	<u>-</u>	<u>(5,216)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(18,007)</u>	<u>(1)</u>
8200	Net income for the period	<u>168,410</u>	<u>16</u>	<u>84,686</u>	<u>9</u>	<u>314,473</u>	<u>11</u>	<u>366,626</u>	<u>12</u>
	Other Comprehensive Income (Note 25)								
8310	Items That Will Not Be Reclassified to Profit or Loss:								
8316	Unrealized Valuation Gain (Loss) on Investments in Equity Instruments measured at Fair Value through Other Comprehensive Income	40,355	4	(23,228)	(2)	(43,951)	(1)	(43,427)	(1)
8320	Share of Other Comprehensive Income of Associates Accounted for Using the Equity Method	\$ 1,666	-	\$ 1,735	-	(\$ 24)	-	\$ 4,808	-
8360	Items That May Be Reclassified Subsequently to Profit or Loss:								
8361	Exchange Differences on Translating the Financial Statements of Foreign Operations	<u>29,394</u>	<u>3</u>	<u>(4,313)</u>	<u>(1)</u>	<u>(44,876)</u>	<u>(2)</u>	<u>31,008</u>	<u>1</u>
8300	Total Other Comprehensive Income	<u>71,415</u>	<u>7</u>	<u>(25,806)</u>	<u>(3)</u>	<u>(88,851)</u>	<u>(3)</u>	<u>(7,611)</u>	<u>-</u>
8500	Total comprehensive income for the period	<u>\$239,825</u>	<u>23</u>	<u>\$ 58,880</u>	<u>6</u>	<u>\$225,622</u>	<u>8</u>	<u>\$359,015</u>	<u>12</u>
	Profit (Loss) Attributable to:								
8610	Owners of the Company	\$177,988	17	\$ 92,015	10	\$346,804	11	\$393,525	13
8620	Non-controlling Interests	(9,578)	(1)	(7,329)	(1)	(32,331)	(1)	(26,899)	(1)
8600		<u>\$168,410</u>	<u>16</u>	<u>\$ 84,686</u>	<u>9</u>	<u>\$314,473</u>	<u>10</u>	<u>\$366,626</u>	<u>12</u>
	Total Comprehensive Income (Loss) Attributable to:								
8710	Owners of the Company	\$242,439	23	\$ 67,834	7	\$269,031	9	\$376,928	12
8720	Non-controlling Interests	(2,614)	-	(8,954)	(1)	(43,409)	(1)	(17,913)	-
8700		<u>\$239,825</u>	<u>23</u>	<u>\$ 58,880</u>	<u>6</u>	<u>\$225,622</u>	<u>8</u>	<u>\$359,015</u>	<u>12</u>
	Earnings per Share (Note 29)								
	From Continuing and Discontinued Operations								
9750	Basic	<u>\$ 1.39</u>		<u>\$ 0.72</u>		<u>\$ 2.70</u>		<u>\$ 3.06</u>	
9850	Diluted	<u>\$ 1.38</u>		<u>\$ 0.71</u>		<u>\$ 2.68</u>		<u>\$ 3.04</u>	
	From Continuing Operations								
9710	Basic	<u>\$ 1.39</u>		<u>\$ 0.76</u>		<u>\$ 2.70</u>		<u>\$ 3.20</u>	
9810	Diluted	<u>\$ 1.38</u>		<u>\$ 0.75</u>		<u>\$ 2.68</u>		<u>\$ 3.18</u>	

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

(Please refer to the audit report of Deloitte & Touche dated November 12, 2025)

Chairman: Ping-Lung Wang

Manager: Wei-Tang Hsiao

Chief Accountant: Chiao-Fen Chen

YOUNGTEK ELECTRONICS CORP. AND ITS SUBSIDIARIES
Consolidated Statement of Changes in Equity

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

Unit: NT\$ thousands

Equity Attributable to Owners of the Company

Code		Retained Earnings					Other Equity Items		Total	Non-controlling Interests	Total Equity
		Share Capital	Capital Reserve	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets measured at Fair Value through Other Comprehensive Income			
A1	Balance on January 1, 2024	\$ 1,284,980	\$ 2,439,724	\$ 1,155,550	\$ 32,695	\$ 1,804,178	(\$ 91,401)	\$ 73,616	\$ 6,699,342	\$ 216,375	\$ 6,915,717
	2023 surplus distribution and allocation										
B1	Legal Reserve	-	-	52,658	-	(52,658)	-	-	-	-	-
B17	Reversal of Special Reserve	-	-	-	(14,910)	14,910	-	-	-	-	-
B5	Cash Dividends to Shareholders of the Company	-	-	-	-	(513,992)	-	-	(513,992)	-	(513,992)
C3	Arising from Donation Received	-	35	-	-	-	-	-	35	-	35
C7	Changes in Equity of Associates Accounted for Using Equity Method	-	(355)	-	-	-	-	-	(355)	-	(355)
D1	Net Income (Loss) from January 1 to September 30, 2024	-	-	-	-	393,525	-	-	393,525	(26,899)	366,626
D3	Other Comprehensive Income from January 1 to September 30, 2024	-	-	-	-	-	22,022	(38,619)	(16,597)	8,986	(7,611)
D5	Total Comprehensive Income from January 1 to September 30, 2024	-	-	-	-	393,525	22,022	(38,619)	376,928	(17,913)	359,015
Z1	Balance as of September 30, 2024	<u>\$ 1,284,980</u>	<u>\$ 2,439,404</u>	<u>\$ 1,208,208</u>	<u>\$ 17,785</u>	<u>\$ 1,645,963</u>	(<u>\$ 69,379</u>)	<u>\$ 34,997</u>	<u>\$ 6,561,958</u>	<u>\$ 198,462</u>	<u>\$ 6,760,420</u>
A1	Balance on January 1, 2025	\$ 1,284,980	\$ 2,439,404	\$ 1,208,208	\$ 17,785	\$ 1,786,864	(\$ 64,977)	\$ 36,429	\$ 6,708,693	\$ 193,532	\$ 6,902,225
	2024 surplus distribution and allocation										
B1	Legal Reserve	-	-	53,443	-	(53,443)	-	-	-	-	-
B3	Special Reserve	-	-	-	10,763	(10,763)	-	-	-	-	-
B5	Cash Dividends to Shareholders of the Company	-	-	-	-	(513,992)	-	-	(513,992)	-	(513,992)
C3	Arising from Donation Received	-	46	-	-	-	-	-	46	-	46
C7	Changes in Equity of Associates Accounted for Using Equity Method	-	(208)	-	-	-	-	-	(208)	-	(208)
D1	Net Income (Loss) from January 1 to September 30, 2025	-	-	-	-	346,804	-	-	346,804	(32,331)	314,473
D3	Other Comprehensive Income from January 1 to September 30, 2025	-	-	-	-	-	(33,798)	(43,975)	(77,773)	(11,078)	(88,851)
D5	Total Comprehensive Income from January 1 to September 30, 2025	-	-	-	-	346,804	(33,798)	(43,975)	269,031	(43,409)	225,622
Z1	Balance as of September 30, 2025	<u>\$ 1,284,980</u>	<u>\$ 2,439,242</u>	<u>\$ 1,261,651</u>	<u>\$ 28,548</u>	<u>\$ 1,555,470</u>	(<u>\$ 98,775</u>)	(<u>\$ 7,546</u>)	<u>\$ 6,463,570</u>	<u>\$ 150,123</u>	<u>\$ 6,613,693</u>

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

(Please refer to the audit report of Deloitte & Touche dated November 12, 2025)

Chairman: Ping-Lung Wang

Manager: Wei-Tang Hsiao

Chief Accountant: Chiao-Fen Chen

YOUNGTEK ELECTRONICS CORP. AND ITS SUBSIDIARIES

Consolidated Statement of Cash Flows

January 1 to September 30, 2025 and 2024

Unit: NT\$ thousands

<u>Code</u>		<u>January 1 to September 30, 2025</u>	<u>January 1 to September 30, 2024</u>
	Cash Flow from Operating Activities		
A00010	Income Before Income Tax from Continuing Operations	\$ 354,270	\$ 480,874
A00020	Loss Before Income Tax from Discontinued Operations	-	(18,007)
A10000	Net Income Before Tax for the Period	354,270	462,867
A20010	Revenue and Expense Items		
A20100	Depreciation Expense	463,020	349,732
A20200	Amortization Expense	15,570	11,229
A20300	Expected credit impairment (reversal gain) loss	(36,942)	44,616
A20400	Loss on financial assets at fair value through profit or loss	289	3,269
A20900	Finance Costs	5,986	9,802
A21200	Interest income	(24,318)	(35,085)
A21300	Dividend Income	(2,011)	(6,478)
A22300	Share of Profit (Loss) of Associates Accounted for Using the Equity Method	736	9,121
A22500	Gain on Disposal of Property, Plant and Equipment	(16,269)	(4,134)
A23700	Impairment Loss on Property, Plant, and Equipment	-	4,424
A23700	Inventory Write-down and Obsolescence Loss	17,407	31,990
A24100	Net foreign currency exchange loss (gain)	27,866	(17,261)
A30000	Net Changes in Operating Assets and Liabilities		
A31150	Notes and Accounts Receivable	(191,865)	85,748
A31160	Notes and Accounts Receivable - Related Parties	104	(5,964)
A31180	Other Receivables	(34,676)	(15,558)
A31200	Inventory	(33,274)	(220,566)
A31240	Other Current Assets	(34,695)	(3,280)
A32125	Contract Liabilities	54,458	(92,287)
A32150	Notes and Accounts Payable	(227,387)	142,653
A32160	Accounts Payable - Related Parties	32	(1)
A32180	Other Payables	73,062	(32,086)
A32200	Provisions for liabilities	681	1,028
A32230	Other Current Liabilities	371	(3,697)
A32240	Net Defined Benefit Assets	(9,636)	(8,870)
A33000	Cash Generated from Operations	402,779	711,212
A33100	Interest Received	24,987	34,476
A33200	Dividends Received	2,011	6,478
A33300	Interest Paid	(7,717)	(9,637)
A33500	Income Tax Paid	(52,883)	(107,506)
AAAA	Net Cash Inflow from Operating Activities	<u>369,177</u>	<u>635,023</u>

<u>Code</u>		<u>January 1 to September 30, 2025</u>	<u>January 1 to September 30, 2024</u>
	Cash Flows from Investing Activities		
B00040	Acquisition of Financial Assets at Amortized Cost	(\$ 67)	(\$ 1,287)
B01800	Note 1: Acquisition of long-term equity investments accounted for using the equity method.	(170,306)	-
B02700	Acquisition of Property, Plant, and Equipment	(887,897)	(110,935)
B02800	Proceeds from Disposal of Property, Plant, and Equipment	88,163	4,395
B03700	Increase in Refundable Deposits	-	(2,981)
B03800	Decrease in Refundable Deposits	2,119	-
B04500	Acquisition of Intangible Assets	(23,640)	(18,328)
B07100	Increase in Prepayments for Equipment	(6,663)	(215,529)
BBBB	Net Cash Outflow from Investing Activities	(998,291)	(344,665)
	Cash Flows from Financing Activities		
C00200	Decrease in Short-term Borrowings	(33,670)	-
C03000	Increase in Refundable Deposits	-	1,840
C03100	Refund of Guarantee Deposits	(1,840)	-
C04020	Lease principal repayment	(21,969)	(17,440)
C04500	Distribution of Cash Dividends	(513,992)	(513,992)
C09900	Arising from Donation Received	46	35
CCCC	Net Cash Outflow from Financing Activities	(571,425)	(529,557)
DDDD	Effect of Exchange Rate Changes on Cash and Cash Equivalents	(14,995)	696
EEEE	Net Decrease in Cash and Cash Equivalents	(1,215,534)	(238,503)
E00100	Beginning balance of cash and cash equivalents	2,398,287	2,640,259
E00200	Ending balance of cash and cash equivalents	\$ 1,182,753	\$ 2,401,756

Reconciliation of Cash and Cash Equivalents at the End of the Period

<u>Code</u>		<u>September 30, 2025</u>	<u>September 30, 2024</u>
E00210	Cash and cash equivalents presented in consolidated balance sheet	\$ 1,182,753	\$ 2,397,824
E00212	Cash and cash equivalents included in disposal groups held for sale	-	3,932
E00200	Ending balance of cash and cash equivalents	\$ 1,182,753	\$ 2,401,756

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

(Please refer to the audit report of Deloitte & Touche dated November 12, 2025)

Chairman: Ping-Lung Wang

Manager: Wei-Tang Hsiao

Accounting Supervisor: Chiao-Fen Chen

Notes to the Consolidated Financial Statements

January 1 to September 30, 2025 and 2024

(Unless otherwise specified NTD thousand,)

1. Company History

YoungTek Electronics Corp. (the "Company") is a corporation approved for establishment on July 22, 1991 in Hsinchu City. Its main businesses include electronic components manufacturing, machinery equipment manufacturing, and manufacturing for export.

The company's stock has been listed and traded on the Securities Exchange of the Republic of China since March 29, 2004.

The Company merged with WECON AUTOMATION MACHINERY CORP. through absorption on January 1, 2015, with Wecon being the dissolved company and the Company being the surviving entity.

For the principal operating activities of the Company and its subsidiaries, please refer to Note 13 for details.

These consolidated financial statements are presented in the Company's functional currency, New Taiwan Dollars.

2. Date and Procedures for Approval of Financial Statements

The consolidated financial statements were approved by the Board of Directors on November 12, 2025.

3. Application of New and Revised Standards and Interpretations

(1) Initial application of International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations (IFRIC), and Interpretation Bulletins (SIC) (IFRS accounting standards) recognized and issued by the Financial Supervisory Commission (FSC)

1. Amendments to IAS 21 Lack of Exchangeability

The application of the amendment to IAS 21 Lack of Exchangeability will not cause significant changes to the accounting policies of the Company and the entities controlled by the Company (hereinafter referred to as the Group).

(2) IFRS Accounting Standards Recognized by the FSC Applicable in 2026

Newly issued/amended/revised standards and interpretations	Effective date issued by the International Accounting Standards Board (IASB)
Amendments to IFRS 9 and IFRS 7 Amendments to the Classification and Measurement of Financial Instruments	January 1, 2026

(Continued the next page)

(Brought forward)

Newly issued/amended/revised standards and interpretations	Effective date issued by the International Accounting Standards Board (IASB)
Amendments to IFRS 9 and IFRS 7 Contracts with Natural Dependency on Electricity	January 1, 2026
Annual Improvements to IFRS Accounting Standards – Cycle 11	January 1, 2026
IFRS 17 Insurance Contracts (including amendments in 2021 and 2021)	January 1, 2023

As of the date these consolidated financial statements were approved and issued, the Group is still evaluating the impact of the amendments on its financial position and financial performance.

(3) IFRS Accounting Standards Issued by the IASB but Not Yet Endorsed and Announced Effective by the FSC

Newly issued/amended/revised standards and interpretations	IASB Issue Date (Note 1)
Amendments to IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Undetermined
IFRS 18 Presentation and Disclosure in Financial Statements	January 1, 2027 (Note 2)
IFRS 19 Subsidiaries without Public Accountability: Disclosures (including amendments in 2025)	January 1, 2027

Note 1: Unless otherwise specified, the above newly issued/amended/revised standards or interpretations are effective for annual reporting periods beginning on or after the respective dates.

Note 2: The FSC announced on September 25, 2025 that enterprises in Taiwan shall adopt IFRS 18 effective January 1, 2028, and may also choose to early adopt after the FSC endorses IFRS 18.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 will replace IAS 1 Presentation of Financial Statements. The main changes in this standard include:

- The income statement should classify income and expense items into operating, investing, financing, income tax, and discontinued operations categories.
- The income statement should present operating profit or loss, profit or loss before financing and tax, and profit or loss subtotals and totals.

- Provide guidance to strengthen aggregation and disaggregation requirements: the Group must identify assets, liabilities, equity, income, expenses, and cash flows generated from individual transactions or other events, and classify and aggregate them based on common characteristics, so 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 only label items as "other" when it cannot find more informative labels.
- Increased disclosure of management-defined performance measures: when communicating outside of financial statements or communicating management's views on certain aspects of the Group's overall financial performance to financial statement users, the Group should disclose information about management-defined performance measures in a single note to the financial statements, including descriptions of these measures, how they are calculated, reconciliations with subtotals or totals specified in IFRS accounting standards, and the income tax and non-controlling interest effects of reconciling items.

In addition to the impacts mentioned above, as of the approval date of these consolidated financial statements, the Group continues to evaluate other impacts of amendments to various standards and interpretations on its financial position and financial performance. The relevant impacts will be disclosed when the assessment is completed.

4. Summary of Significant Accounting Policies

(1) Declaration of Compliance

This consolidated financial report has been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 Interim Financial Reporting endorsed and issued into effect by the FSC. This consolidated financial report does not include all IFRS accounting standard disclosures required for a complete annual financial report.

(2) Basis of Preparation

Except for financial instruments measured at fair value, these consolidated financial statements have been prepared on a historical cost basis.

Fair value measurement is classified into Levels 1 to 3 based on the observability and significance of the inputs:

1. Level 1 inputs: Quoted prices (unadjusted) in active markets for identical assets or liabilities that are accessible at the measurement date.
2. Level 2 inputs: 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 inputs: Unobservable inputs for the asset or liability.

(3) Basis of Consolidation

This consolidated financial report includes the financial reports of the Company and entities controlled by the Company (subsidiaries). The consolidated statement of comprehensive income has incorporated the operating results of acquired or disposed subsidiaries from the date of acquisition or until the date of disposal during the current period. The financial reports of the subsidiaries have been adjusted to ensure their accounting policies are consistent with those of the Group. In preparing the consolidated financial reports, all transactions, account balances, income and expenses between entities have been completely eliminated. The total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When changes in the Group's ownership interests in subsidiaries do not result in a loss of control, they are accounted for as equity transactions. The carrying amounts of the Group and non-controlling interests have been adjusted to reflect the changes in their relative interests in the subsidiaries. The difference between the adjustment amount of non-controlling interests and the fair value of the consideration paid or received is directly recognized as equity and attributed to the owners of the Company.

For details of subsidiaries, shareholding ratios, and business activities, please refer to Note 13 and Table 7.

(4) Others Description of Significant Accounting Policies

Except for the following descriptions, please refer to the summary of significant accounting policies in the 2024 consolidated financial report.

1. Defined Benefit Post-Employment Benefits

Pension costs for interim periods are calculated based on the actuarially determined pension cost rate as of the end of the prior year, applied from the beginning of the year to the end of the current period, and adjusted for significant market fluctuations during the current period, and significant plan amendments, settlements, or other significant one-time events.

2. Income Tax Expense

Income tax expense represents the sum of current income tax and deferred income tax. Income tax for interim periods is assessed on an annual basis, calculated on interim profit before tax using the tax rate applicable to expected total annual earnings.

5. Main Sources of Significant Accounting Judgments, Estimates, and Assumption Uncertainties

Except for the following descriptions, the major sources of significant accounting judgments, estimates, and uncertainties adopted in this consolidated financial report are the same as those in the 2024 consolidated financial report.

When developing significant accounting estimates, the Company has incorporated the potential impact of U.S. reciprocal tariff measures into the consideration of relevant significant estimates such as cash flow projections, growth rates, discount rates, and

profitability. Management will continue to review these estimates and underlying assumptions.

6. Cash and Cash Equivalents

	September 30, 2025	December 31, 2024	September 30, 2024
Cash on hand and revolving funds	\$ 592	\$ 593	\$ 589
Bank checks and demand deposits	611,437	725,078	678,841
Cash equivalents (investments with original maturities within 3 months)			
Time deposits with banks	570,724	1,672,616	1,638,189
Securities sold under repurchase agreements	-	-	80,205
	<u>\$1,182,753</u>	<u>\$2,398,287</u>	<u>\$2,397,824</u>

The interest rate ranges for bank deposits as of the balance sheet date are as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Bank deposits	0.01%~4.400%	0.002%~4.960%	0.001%~5.41%
Securities sold under repurchase agreements	-	-	1.28%

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

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Financial assets -non-current</u>			
Mandatorily measured at fair value through profit or loss			
Non-derivative financial assets			
- Limited partnership	<u>\$ 29,678</u>	<u>\$ 30,055</u>	<u>\$ 14,542</u>
<u>Financial liabilities - current</u>			
Held for trading			
Derivative instruments (not designated for hedging)			
— Forward Foreign Exchange Contracts (1)	<u>\$ -</u>	<u>\$ 88</u>	<u>\$ 2,987</u>

- (1) Forward foreign exchange contracts that are not subject to hedge accounting and have not yet expired at the balance sheet date are as follows:

December 31, 2024

	Currency	Expiry period	Contract amount (thousands)
Sell forward foreign exchange	RMB to NTD	August 22, 2024 to February 27, 2025	CNY5,000/NTD22,200

September 30, 2024

	Currency	Expiry period	Contract amount (thousands)
Sell forward foreign exchange	RMB to NTD	April 15, 2024 to October 31, 2024	CNY5,000/NTD21,875
Sell forward foreign exchange	RMB to NTD	June 24, 2024 to October 31, 2024	CNY5,000/NTD22,000
Sell forward foreign exchange	RMB to NTD	June 25, 2024 to November 29, 2024	CNY5,000/NTD22,005
Sell forward foreign exchange	RMB to NTD	August 21, 2024 to November 29, 2024	CNY5,000/NTD22,210
Sell forward foreign exchange	RMB to NTD	August 21, 2024 to December 31, 2024	CNY5,000/NTD22,010
Sell forward foreign exchange	RMB to NTD	June 26, 2024 to December 31, 2024	CNY5,000/NTD22,200
Sell forward foreign exchange	RMB to NTD	August 22, 2024 to February 27, 2025	CNY5,000/NTD22,200

The main purpose of the Group engaging in forward foreign exchange transactions is to hedge the risk arising from exchange rate fluctuations on foreign currency assets and liabilities.

8. Financial assets measured at fair value through other comprehensive income

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Current</u>			
Equity instrument investments measured at fair value through other comprehensive income	\$ 46,271	\$ 66,283	\$ 62,459
<u>Non-current</u>			
Equity instrument investments measured at fair value through other comprehensive income	375,197	399,136	382,051
	<u>\$ 421,468</u>	<u>\$ 465,419</u>	<u>\$ 444,510</u>

- (1) Equity instrument investments measured at fair value through other comprehensive income

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Current</u>			
Domestic investments			
TWSE/TPEX-listed			
stocks	<u>\$ 46,271</u>	<u>\$ 66,283</u>	<u>\$ 62,459</u>
<u>Non-current</u>			
Domestic investments			
TWSE/TPEX-listed and			
emerging stocks	\$ 248,707	\$ 279,689	\$ 281,454
Stocks not listed on			
the TWSE/TPEX	<u>1,169</u>	<u>5,000</u>	<u>5,000</u>
Subtotal	249,876	284,689	286,454
Foreign investments			
Stocks not listed on			
the TWSE/TPEX	<u>125,321</u>	<u>114,447</u>	<u>95,597</u>
	<u>\$ 375,197</u>	<u>\$ 399,136</u>	<u>\$ 382,051</u>

The Group strategically invests aforementioned in domestic and foreign stocks, expecting to profit through these investments. The management of the Group believes that including the short-term fair value fluctuations of these investments in profit or loss would be inconsistent with the aforementioned investment planning, therefore they chose to designate these investments as fair value through other comprehensive income.

9. Financial assets measured at amortized cost

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Non-current</u>			
Domestic investments			
Time deposits with original			
maturities exceeding 1 year (I)	<u>\$ 22,304</u>	<u>\$ 22,237</u>	<u>\$ 22,237</u>

- (1) As of September 30, 2025 and 2024, and December 31, 2024, the interest rate range for time deposits with original maturities exceeding three months was annual interest rates of 0.815%-1.700%, 0.695%-1.700% and 0.575%-1.700% respectively.
- (2) For information regarding the pledging of financial assets measured at amortized cost, please refer to Note 33.

10. Notes receivable, accounts receivable, and other receivables

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Notes receivable</u>			
Arising from operations	\$ 74,581	\$ 75,844	\$ 51,805
<u>Accounts receivable</u>			
Measured at amortized cost			
Total carrying amount	1,153,178	988,530	1,001,072
Less: Allowance for losses	(45,950)	(85,087)	(71,330)
	<u>1,107,228</u>	<u>903,443</u>	<u>929,742</u>
Notes and accounts receivable, net	<u>\$ 1,181,809</u>	<u>\$ 979,287</u>	<u>\$ 981,547</u>
<u>Other Receivables</u>			
Tax refund receivable	\$ 16,386	\$ 12,222	\$ 10,403
Accrued revenue	1,057	4,111	3,785
Others	<u>2,423</u>	<u>2,885</u>	<u>2,703</u>
	<u>\$ 19,866</u>	<u>\$ 19,218</u>	<u>\$ 16,891</u>

(1) Notes receivable

The Group has signed discounted contracts with financial institutions for certain notes receivable with recourse rights. Although the consolidated company has transferred the contractual rights to the cash flows from these notes receivable, according to the contract terms, it still bears the credit risk of these notes receivable if they cannot be collected. This does not meet the derecognition criteria for financial assets. The transaction-related information is as follows:

Transferee	September 30, 2025		
	Transferred amount	Advanced amount (Note)	Interest rate range
Bank of Ningbo	<u>\$ 16,086</u>	<u>\$ 16,086</u>	0.76%~1.34%
Transferee	December 31, 2024		
	Transferred amount	Advanced amount (Note)	Interest rate range
Bank of Ningbo	<u>\$ 49,756</u>	<u>\$ 49,756</u>	0.80%~1.95%

Note: Accounted as short-term borrowings. For short-term borrowings and related guarantee information, please refer to Notes 20 and 33.

(2) Accounts Receivable

The Group's average credit period for goods sales is 30 to 180 days. Accounts receivable do not bear interest, and adequate collateral is obtained when necessary to mitigate the risk of financial loss from defaults. The Group uses other publicly available financial information and historical transaction records to rate major customers. The Group continuously monitors credit exposure and counterparty credit ratings, and manages credit exposure through annual review and approval of counterparty credit limits.

The Group recognizes allowance for losses on accounts receivable based on lifetime expected credit losses. Lifetime expected credit losses are calculated using a provision matrix, which considers the customer's past default records, current financial condition, and industry economic conditions. As the Group's historical credit loss experience shows no significant difference in loss patterns among different customer groups, the provision matrix does not further distinguish between customer groups and only establishes expected credit loss rates based on the number of days accounts receivable are overdue.

If there is evidence that the counterparty is facing severe financial difficulties and the Group cannot reasonably expect to recover the amount, for example, when the counterparty is undergoing liquidation, the consolidated company directly writes off the relevant accounts receivable. However, collection activities will continue, and any amounts recovered through these efforts are recognized in profit or loss. The Group measures the allowance for losses on accounts receivable based on the provision matrix as follows:

September 30, 2025

	<u>Not Overdue</u>	<u>91-120 days</u>	<u>121-150 days</u>	<u>151-180 days</u>	<u>181 days or more</u>	<u>Total</u>
Expected credit loss rate	-	4.29%	7.62%	11.02%	35.21%	
Total carrying amount	\$ 989,009	\$ 8,161	\$ 15,490	\$ 20,910	\$ 119,608	\$1,153,178
Loss allowance (lifetime expected credit losses)	-	(350)	(1,181)	(2,304)	(42,115)	(45,950)
Amortized cost	<u>\$ 989,009</u>	<u>\$ 7,811</u>	<u>\$ 14,309</u>	<u>\$ 18,606</u>	<u>\$ 77,493</u>	<u>\$1,107,228</u>

December 31, 2024

	<u>Not Overdue</u>	<u>91-120 days</u>	<u>121-150 days</u>	<u>151-180 days</u>	<u>181 days or more</u>	<u>Total</u>
Expected credit loss rate	-	10.87%	8.74%	10.94%	35.75%	
Total carrying amount	\$ 647,911	\$ 43,856	\$ 39,913	\$ 60,403	\$ 196,447	\$ 988,530
Loss allowance (lifetime expected credit losses)	-	(4,765)	(3,489)	(6,610)	(70,223)	(85,087)
Amortized cost	<u>\$ 647,911</u>	<u>\$ 39,091</u>	<u>\$ 36,424</u>	<u>\$ 53,793</u>	<u>\$ 126,224</u>	<u>\$ 903,443</u>

September 30, 2024

	<u>Not Overdue</u>	<u>91-120 days</u>	<u>121-150 days</u>	<u>151-180 days</u>	<u>181 days or more</u>	<u>Total</u>
Expected credit loss rate	-	7.33%	10.09%	9.99%	32.89%	
Total carrying amount	\$ 600,165	\$ 88,245	\$ 109,199	\$ 57,074	\$ 146,389	\$1,001,072
Loss allowance (lifetime expected credit losses)	-	(6,467)	(11,020)	(5,701)	(48,142)	(71,330)
Amortized cost	<u>\$ 600,165</u>	<u>\$ 81,778</u>	<u>\$ 98,179</u>	<u>\$ 51,373</u>	<u>\$ 98,247</u>	<u>\$ 929,742</u>

Changes in loss allowance for accounts receivable are as follows:

	January 1 to September 30, 2025	January 1 to September 30, 2024
Beginning balance	\$ 85,087	\$ 26,137
Add: Impairment loss recognized for the period	-	44,616
Less: Impairment loss reversed for the period	(36,942)	-
Foreign translation differences	(2,195)	577
Ending Balance	<u>\$ 45,950</u>	<u>\$ 71,330</u>

11. Inventories

	September 30, 2025	December 31, 2024	September 30, 2024
Finished goods	\$ 445,041	\$ 595,566	\$ 521,437
Work in process	14,554	3,723	3,045
Work in progress	248,744	251,623	201,061
Raw materials	<u>586,310</u>	<u>525,399</u>	<u>349,083</u>
	<u>\$ 1,294,649</u>	<u>\$ 1,376,311</u>	<u>\$ 1,074,626</u>

The nature of 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	\$ 714,073	\$ 665,888	\$2,098,360	\$2,050,083
Inventory valuation loss	(7,014)	13,501	17,407	31,990
	<u>\$ 707,059</u>	<u>\$ 679,389</u>	<u>\$2,115,767</u>	<u>\$2,082,073</u>

12. Non-current assets and disposal groups classified as held for sale

(1) Discontinued operations

The Group's Board of Directors approved the plan to sell all equity of its subsidiary, Xiamen YoungTek Electronics Co., Ltd. on March 14, 2024. Since the selling price exceeds the carrying amount of the related net assets, there is no impairment loss to be recognized when classifying these units as held for sale. This disposal plan was completed on November 29, 2024, and control of Xiamen YoungTek Electronics Co., Ltd. was transferred to the acquirer on that date.

Details of discontinued operations' profit and loss and cash flow information are as follows:

	July 1 to September 30, 2024	January 1 to September 30, 2024
Operating revenue	\$ 3,326	\$ 3,326
Operating costs	(5,512)	(6,012)
Gross operating loss	(2,186)	(2,686)
Selling Expenses	(84)	(115)
Administrative Expenses	(6,336)	(23,581)
Other net gains and losses	<u>4,795</u>	<u>13,183</u>
Net operating loss	(3,811)	(13,199)
Interest income	2	19
Other income	-	58
Other gains and losses	-	(7)
Finance Costs	(<u>1,407</u>)	(<u>4,878</u>)
Loss before income tax	(5,216)	(18,007)
Income tax expense	<u>-</u>	<u>-</u>
Loss from discontinued operations	(<u>\$ 5,216</u>)	(<u>\$ 18,007</u>)
Loss from discontinued operations attributable to:		
Owners of the Company	(\$ 5,216)	(\$ 18,007)
Non-controlling Interests	<u>-</u>	<u>-</u>
	(<u>\$ 5,216</u>)	(<u>\$ 18,007</u>)
Cash flow		
Operating activities		(\$ 3,991)
Investing activities		(641)
Financing activities		-
Effect of changes in foreign exchange rate		(<u>1,610</u>)
Net cash outflow		(<u>\$ 6,242</u>)

Details of other profit and loss supplementary information of discontinued operations are as follows:

1. Depreciation and amortization

	July 1 to September 30, 2024	January 1 to September 30, 2024
Property, plant and equipment	\$ -	\$ 2,055
Right-of-use assets	-	151
Intangible assets	<u>-</u>	<u>25</u>
Total	<u>\$ -</u>	<u>\$ 2,231</u>
Depreciation expenses summarized by function		
Operating expenses	<u>\$ -</u>	<u>\$ 2,206</u>
Amortization expenses summarized by function		
Operating expenses	<u>\$ -</u>	<u>\$ 25</u>

2. Employee benefit expenses

	July 1 to September 30, 2024	January 1 to September 30, 2024
Other employee benefits	<u>\$ 1,806</u>	<u>\$ 4,687</u>
Total employee benefit expenses	<u>\$ 1,806</u>	<u>\$ 4,687</u>
Summarized by function		
Operating expenses	<u>\$ 1,806</u>	<u>\$ 4,687</u>

There is no income tax loss or benefit resulting from any loss due to business closure.

3. Disposal groups held for sale

	September 30, 2024
Related Assets of Subsidiaries	<u>\$119,035</u>
Liabilities directly associated with disposal groups held for sale	<u>\$151,256</u>

The Group's Board of Directors approved the plan to sell all equity interests in Xiamen YoungTek Electronics Co., Ltd. on March 14, 2024. Therefore, it was classified as a disposal group held for sale, and its assets and liabilities were reclassified as a disposal group held for sale and presented separately in the consolidated balance sheet. The disposal process was completed on November 29, 2024.

The major categories of assets and liabilities of the disposal group held for sale are as follows:

	September 30, 2024
Cash and Cash Equivalents	\$ 3,932
Inventory	163
Other Receivables	5,346
Other Current Assets	1,315
Net amount of property, plant and equipment	87,911
Right-of-use assets	20,225
Intangible assets	<u>143</u>
Total amount of disposal groups held for sale	<u>\$119,035</u>
Accounts payable	\$ 640
Other Payables	2,603
Other Current Liabilities	317
Long-term borrowings due within one year	<u>147,696</u>
Liabilities directly associated with disposal groups held for sale	<u>\$151,256</u>

13. Subsidiaries

(1) Subsidiaries included in the consolidated financial statements

The entities included in the preparation of these consolidated financial statements are as follows:

Investing company name the Company	Subsidiary name	Business nature	Percentage of shareholding %			Description
			September 30, 2025	December 31, 2024	September 30, 2024	
YTEC Samoa Company	YTEC Holding (Samoa) Co., Ltd. (YTEC Samoa Company)	Investment holding	100.00	100.00	100.00	—
	Wecon Limited (Samoa) (Wecon Samoa Company)	Investment holding	100.00	100.00	100.00	Note 1
	Taide IoT Co., Ltd. (Taida IoT Company) (formerly Wecon Automation Machinery Corp.)	Manufacturing of machinery and equipment, electronic components, wired and wireless communication machinery and equipment, telecommunication- controlled radio frequency equipment, computers and peripheral equipment, and molds; installation of machinery and computer equipment, telecommunications and other engineering; wholesale and retail of hardware, electrical appliances, machinery, computers and office machine equipment, telecommunications equipment, information software, electronic materials, etc.	100.00	100.00	100.00	Notes 1 and 5
	YOUNGTEK ELECTRONICS CORPORATION USA, INC. (Youngtek USA)	Semiconductor equipment sales and OEM/ODM services	100.00	100.00	100.00	Notes 1 and 4
	YTEC (Hong Kong) Global Limited (YTEC HK Company)	Investment holding	100.00	100.00	100.00	—
	Clear Reach Limited	Investment holding	100.00	100.00	100.00	Note 1
	Suzhou YoungTek Microelectronics Co., Ltd. (Suzhou YoungTek)	Integrated circuit design; chip testing, packaging, and processing; technology development, technical services, and technical consultation in the semiconductor and integrated circuit field; computer software design and development; sales of semiconductors, electronic products, electromechanical equipment, and electronic components; mechanical equipment maintenance, leasing, and sales; self-operated and agency import and export business for various goods and technologies.	100.00	100.00	100.00	—
YTEC HK Company	Xiamen YoungTek Electronics Co., Ltd. (Xiamen YoungTek)	Research, development, production, and processing of high-brightness light-emitting diodes and LED chip testing equipment, and providing related technical consultation and services	-	-	100.00	Note 3

Investing company name	Subsidiary name	Business nature	Percentage of shareholding %			Description
			September 30, 2025	December 31, 2024	September 30, 2024	
	Yangzhou YoungTek Electronics Co., Ltd. (Yangzhou YoungTek)	Research, development, production and processing of frequency control and selection components (RFID tags) and related equipment, and providing related technical consultation and services	45.00	45.00	45.00	Notes 1 and 2
Clear Reach Limited	YoungTek Microelectronics (Shenzhen) Co., Ltd. (Shenzhen YoungTek)	Wafer and integrated circuit testing outsourcing, and providing related technical consultation and services	89.04	89.04	89.04	Note 1
Wecon Samoa Company	YoungTek Microelectronics (Shenzhen) Co., Ltd. (Shenzhen YoungTek)	Wafer and integrated circuit testing outsourcing, and providing related technical consultation and services	10.96	10.96	10.96	Note 1
Suzhou YoungTek	Anhui Utest Electronics Ltd. (Anhui Utest)	Semiconductor device specialized equipment manufacturing and sales; industrial automatic control computer hardware and software and auxiliary equipment manufacturing and sales; integrated circuit chip and product design and sales; software development and sales; semiconductor, electronic products, electronic components, electronic specialized equipment sales; mechanical equipment maintenance, leasing; technical services, development, consultation, promotion.	100.00	100.00	100.00	Note 1

Note 1: In the table above, except for YTEC Samoa Company, YTEC HK Company, Xiamen YoungTek, and Suzhou YoungTek which were reviewed by accountants, the financial statements of other non-significant subsidiaries were not reviewed by accountants.

Note 2: The Company's shareholding ratio is 45%, however, the Company's management has evaluated that it still has control over Yangzhou YoungTek based on the relative absolute amount of voting rights held compared to other shareholders.

Note 3: The company, based on operational planning, resolved to dispose of Xiamen YoungTek at the Board meeting on March 14, 2024, and sold all equity in November 2024, losing control over Xiamen YoungTek.

Note 4: The company invested USD 500 thousand in YOUNGTEK ELECTRONICS CORPORATION USA, INC on April 18, 2024.

Note 5: Wecon Automation Machinery Corp. was approved by the competent authority on September 24, 2025 to change its registration to "Taide IoT Co., Ltd.

(2) Information on Subsidiaries with Significant Non-controlling Interests

Subsidiary name	Non-controlling Interests' Shareholding and Voting Rights Percentage		
	September 30, 2025	December 31, 2024	September 30, 2024
Yangzhou YoungTek	55.00%	55.00%	55.00%

Information on the principal place of business and country of incorporation, please refer to Table 8.

Subsidiary name	Profit/Loss Allocated to Non-Controlling Interests				Non-controlling Interests		
	July 1 to	July 1 to	January 1 to	January 1 to	September	December	September
	September	September	September	September			
	30, 2025	30, 2024	30, 2025	30, 2024	30, 2025	31, 2024	30, 2024
Yangzhou YoungTek	<u>(\$ 9,578)</u>	<u>(\$ 7,329)</u>	<u>(\$ 32,331)</u>	<u>(\$ 26,899)</u>	<u>\$ 150,123</u>	<u>\$ 193,532</u>	<u>\$ 198,462</u>

The following summarized financial information for subsidiaries with significant non-controlling interests is prepared based on amounts before elimination of intercompany transactions:

	September 30, 2025	December 31, 2024	September 30, 2024
Current Assets	\$ 212,162	\$ 269,136	\$ 263,095
Non-Current Assets	90,938	126,358	132,481
Current Liabilities	(29,701)	(41,030)	(31,485)
Non-current Liabilities	(447)	(2,588)	(3,250)
Equity	<u>\$ 272,952</u>	<u>\$ 351,876</u>	<u>\$ 360,841</u>

Equity Attributable to:

Owners of the Company	\$ 122,829	\$ 158,344	\$ 162,379
Non-controlling interests of subsidiaries	<u>150,123</u>	<u>193,532</u>	<u>198,462</u>
	<u>\$ 272,952</u>	<u>\$ 351,876</u>	<u>\$ 360,841</u>

	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Operating revenue	<u>\$ 25,980</u>	<u>\$ 36,466</u>	<u>\$ 83,485</u>	<u>\$ 99,566</u>
Net Loss for the Period	(\$ 17,414)	(\$ 13,324)	(\$ 58,784)	(\$ 48,906)
Other Comprehensive Income	<u>12,661</u>	<u>(2,955)</u>	<u>(20,141)</u>	<u>16,338</u>
Total Comprehensive Income	<u>(\$ 4,753)</u>	<u>(\$ 16,279)</u>	<u>(\$ 78,925)</u>	<u>(\$ 32,568)</u>

Net Loss

Attributable to:

Owners of the Company	(\$ 7,836)	(\$ 5,995)	(\$ 26,453)	(\$ 22,007)
Non-controlling	<u>(9,578)</u>	<u>(7,329)</u>	<u>(32,331)</u>	<u>(26,899)</u>

	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
interests of subsidiaries				
Total	<u>(\$ 17,414)</u>	<u>(\$ 13,324)</u>	<u>(\$ 58,784)</u>	<u>(\$ 48,906)</u>
Total Comprehensive Income Attributable to: Owners of the Company	(\$ 2,139)	(\$ 7,325)	(\$ 35,516)	(\$ 14,655)
Non- controlling interests of subsidiaries	<u>(2,614)</u>	<u>(8,954)</u>	<u>(43,409)</u>	<u>(17,913)</u>
	<u>(\$ 4,753)</u>	<u>(\$ 16,279)</u>	<u>(\$ 78,925)</u>	<u>(\$ 32,568)</u>
Cash flow				
Operating activities			(\$ 20,239)	(\$ 21,064)
Investing activities			7,285	(329)
Financing activities			(1,956)	(1,860)
Effect of Exchange Rate Changes			<u>(17,277)</u>	<u>15,501</u>
Net cash outflow			<u>(\$ 32,187)</u>	<u>(\$ 7,752)</u>

14. Investments Accounted for Using Equity Method

	September 30, 2025	December 31, 2024	September 30, 2024
Investments in Associates	<u>\$ 321,736</u>	<u>\$ 154,702</u>	<u>\$ 161,938</u>
<u>Individually Immaterial</u> <u>Associates</u>			
Shanghai Jiuxi Testing Technology Co., Ltd. (Shanghai Jiuxi)	\$ 168,277	\$ -	\$ -
Tian Zheng International Precision Machinery Co., Ltd. (Tian Zheng)	124,209	128,599	137,224
Sissca Co., Ltd. (Sissca)	<u>29,250</u>	<u>26,103</u>	<u>24,714</u>
	<u>\$ 321,736</u>	<u>\$ 154,702</u>	<u>\$ 161,938</u>

As of the balance sheet date, the Group's ownership interest and voting right percentage in associates are as follows:

Company Name	September 30, 2025	December 31, 2024	September 30, 2024
Shanghai Jiuxi Testing Technology Co., Ltd.	48.40%	-	-
Tian Zheng	14.60%	14.60%	14.60%
Sissca	15.38%	15.52%	15.52%

On March 12, 2025, the merged company's board of directors resolved to invest RMB 40,000 thousand in Shanghai Jiuxi Testing Technology Co., Ltd., and acquired a 48.4% equity interest on August 1, 2025.

Due to employees exercising stock options at Sissca Co., Ltd on May 22, 2025, YoungTek's shareholding ratio changed from 15.52% to 15.38%.

The Group holds less than 20% of the voting rights in Tian Zheng and Sissca. After considering that the management holds one director seat in these companies, they have significant influence, so they still evaluate using the equity method.

The investments accounted for using the equity method and the Group's share of their profit or loss and other comprehensive income were calculated based on financial statements that have not been reviewed by independent auditors.

15. Property, Plant, and Equipment

	September 30, 2025	December 31, 2024	September 30, 2024
Self-used	\$2,503,137	\$2,105,425	\$1,969,346
Leased out under operating leases	53,923	56,139	56,878
	<u>\$2,557,060</u>	<u>\$2,161,564</u>	<u>\$2,026,224</u>

(1) Self-used

									Pending Equipment Inspection and In- completed Projects	
	Owned Land	Buildings and Structures	Machinery and Equipment	Testing Equipment	Transportation Equipment	Office Equipment	Leasehold Improvements	Other Equipment		Total
<u>Cost</u>										
Balance on January 1, 2025	\$42,101	\$1,301,821	\$7,198,516	\$40,839	\$14,679	\$20,813	\$18,508	\$231,086	\$9,788	\$8,878,151
Additions	-	12,354	288,790	-	258	44	-	25,987	509,431	836,864
Disposals	-	-	(116,079)	-	(146)	(362)	-	(8,705)	-	(125,292)
Reclassification	-	6,356	37,566	47,793	-	-	-	-	(12,980)	78,735
Net Exchange Differences	-	-	(44,864)	-	(335)	(828)	(8)	(1,221)	20	(47,236)
Balance as of September 30, 2025	<u>\$42,101</u>	<u>\$1,320,531</u>	<u>\$7,363,929</u>	<u>\$88,632</u>	<u>\$14,456</u>	<u>\$19,667</u>	<u>\$18,500</u>	<u>\$247,147</u>	<u>\$506,259</u>	<u>\$9,621,222</u>
<u>Accumulated Depreciation</u>										
Balance on January 1, 2025	\$-	\$777,873	\$5,687,433	\$33,307	\$10,873	\$17,362	\$5,678	\$157,333	\$-	\$6,689,859
Additions	-	36,466	379,679	5,345	795	903	1,959	16,241	-	441,388
Disposals	-	-	(46,886)	-	(146)	(326)	-	(6,040)	-	(53,398)
Reclassification	-	4,798	(23,164)	-	-	-	-	-	-	(18,366)
Net Exchange Differences	-	-	(21,509)	-	(205)	(688)	-	(770)	-	(23,172)
Balance as of September 30, 2025	<u>\$-</u>	<u>\$819,137</u>	<u>\$5,975,553</u>	<u>\$38,652</u>	<u>\$11,317</u>	<u>\$17,251</u>	<u>\$7,637</u>	<u>\$166,764</u>	<u>\$-</u>	<u>\$7,036,311</u>
<u>Accumulated Impairment</u>										
Balance on January 1, 2025	\$-	\$-	\$82,867	\$-	\$-	\$-	\$-	\$-	\$-	\$82,867
Net Exchange Differences	-	-	(1,093)	-	-	-	-	-	-	(1,093)
Balance as of September 30, 2025	<u>\$-</u>	<u>\$-</u>	<u>\$81,774</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$81,774</u>
Net Amount on September 30, 2025	<u>\$42,101</u>	<u>\$501,394</u>	<u>\$1,306,602</u>	<u>\$49,980</u>	<u>\$3,139</u>	<u>\$2,416</u>	<u>\$10,863</u>	<u>\$80,383</u>	<u>\$506,259</u>	<u>\$2,503,137</u>
<u>Cost</u>										
Balance on January 1, 2024	\$42,101	\$1,193,240	\$8,033,836	\$54,773	\$12,660	\$61,247	\$22,743	\$203,202	\$123,214	\$9,747,016
Additions	-	10,349	57,205	5,703	1,790	879	1,096	17,400	17,308	111,730
Disposals	-	(119)	(61,379)	(20,055)	-	-	(5,334)	(19)	-	(86,906)
Reclassification	-	594	138,316	112	-	-	-	525	(70,605)	68,942
Reclassified to disposal groups held for sale	-	(165,586)	(1,070,630)	-	(31)	(41,941)	-	-	(7,710)	(1,285,898)
Net Exchange Differences	-	6,654	70,105	-	101	2,120	(2)	768	310	80,056
Balance as of September 30, 2024	<u>\$42,101</u>	<u>\$1,045,132</u>	<u>\$7,167,453</u>	<u>\$40,533</u>	<u>\$14,520</u>	<u>\$22,305</u>	<u>\$18,503</u>	<u>\$221,876</u>	<u>\$62,517</u>	<u>\$8,634,940</u>
<u>Accumulated Depreciation</u>										
Balance on January 1, 2024	\$-	\$807,988	\$6,190,380	\$52,107	\$10,191	\$59,607	\$7,930	\$140,718	\$-	\$7,268,921
Additions	-	39,710	270,529	1,609	951	855	2,084	12,554	-	328,292
Disposals	-	(118)	(59,323)	(20,055)	-	-	(5,015)	(18)	-	(84,529)
Reclassification	-	-	(32,584)	-	-	-	-	-	-	(32,584)
Reclassified to disposal groups held for sale	-	(86,054)	(829,298)	-	(31)	(41,832)	-	-	-	(957,215)
Net Exchange Differences	-	3,390	51,463	-	114	2,069	-	1,045	-	58,081
Balance as of September 30, 2024	<u>\$-</u>	<u>\$764,916</u>	<u>\$5,591,167</u>	<u>\$33,661</u>	<u>\$11,225</u>	<u>\$20,699</u>	<u>\$4,999</u>	<u>\$154,299</u>	<u>\$-</u>	<u>\$6,580,966</u>
<u>Accumulated Impairment</u>										
Balance on January 1, 2024	\$-	\$-	\$312,654	\$-	\$-	\$-	\$-	\$-	\$-	\$312,654
Increase	-	-	4,424	-	-	-	-	-	-	4,424
Disposals	-	-	(2,116)	-	-	-	-	-	-	(2,116)
Reclassified to disposal groups held for sale	-	-	(240,772)	-	-	-	-	-	-	(240,772)
Net Exchange Differences	-	-	10,438	-	-	-	-	-	-	10,438
Balance as of September 30, 2024	<u>\$-</u>	<u>\$-</u>	<u>\$84,628</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$84,628</u>
Net Amount on September 30, 2024	<u>\$42,101</u>	<u>\$280,216</u>	<u>\$1,491,658</u>	<u>\$6,872</u>	<u>\$3,295</u>	<u>\$1,606</u>	<u>\$13,504</u>	<u>\$67,577</u>	<u>\$62,517</u>	<u>\$1,969,346</u>

The Group's property, plant, and equipment for own use are depreciated on a straight-line basis over the following useful lives:

Buildings and Structures

Main Plant Buildings	15 to 41 years
Engineering Systems	8 to 41 years
Machinery and Equipment	2 to 10 years
Testing Equipment	3 to 6 years
Transportation Equipment	2 to 6 years
Office Equipment	3 to 10 years
Leasehold Improvements	3 to 11 years
Other Equipment	3 to 8 years

The Group recognized an impairment loss of NT\$4,424 thousand from July 1 to September 30, 2024 and January 1 to September 30, 2024, due to the evaluation of idle machinery and equipment used in the MINI LED department, which was downsized and eliminated based on operational planning. The impairment loss has been included under other gains and losses in the consolidated statement of comprehensive income.

No impairment losses were recognized for the nine months ended September 30, 2025.

The amounts of property, plant, and equipment for own use pledged as collateral for borrowings, please refer to Note 33.

(2) Operating Lease Rentals

	Buildings and Structures
<u>Cost</u>	
Balance as of January 1 and September 30, 2025	<u>\$106,362</u>
<u>Accumulated Depreciation</u>	
Balance on January 1, 2025	\$ 50,223
Depreciation Expense	<u>2,216</u>
Balance as of September 30, 2025	<u>\$ 52,439</u>
Net Amount on September 30, 2025	<u>\$ 53,923</u>
<u>Cost</u>	
Balance as of January 1 and September 30, 2024	<u>\$106,362</u>
<u>Accumulated Depreciation</u>	
Balance on January 1, 2024	\$ 47,268
Depreciation Expense	<u>2,216</u>
Balance as of September 30, 2024	<u>\$ 49,484</u>
Net Amount on September 30, 2024	<u>\$ 56,878</u>

The Group leases out buildings and structures under operating leases, with lease terms of 5 years. All operating lease contracts include terms for adjusting the rent according to market rental rates when the lessee exercises the renewal option. The lessee does not have a preferential purchase option for the asset at the end of the lease term.

As of September 30, 2025 and 2024, and December 31, 2024, the Group received guarantee deposits of NT\$6,830 thousand from operating lease contracts.

Future total lease payments to be received from operating leases of owned property, plant, and equipment are as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
The 1st year	\$ 30,091	\$ 34,536	\$ 30,006
The 2nd year	30,091	30,091	30,091
The 3rd year	10,031	30,091	30,091
The 4th year	-	2,508	10,031
	<u>\$ 70,213</u>	<u>\$ 97,226</u>	<u>\$ 100,219</u>

The Group's property, plant, and equipment leased out under operating leases are depreciated on a straight-line basis over the following useful lives:

Buildings and Structures

Main Plant Buildings 35 years

The Group's property, plant, and equipment leased out under operating leases are not pledged as collateral for borrowings.

16. Lease Agreements

(1) Right-of-use Assets

	September 30, 2025	December 31, 2024	September 30, 2024
Carrying Amount of Right-of-Use Assets			
Land	\$ 167,521	\$ 182,090	\$ 184,941
Buildings	<u>76,254</u>	<u>87,692</u>	<u>36,813</u>
	<u>\$ 243,775</u>	<u>\$ 269,782</u>	<u>\$ 221,754</u>

	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Additions to Right-of-use Assets			<u>\$ -</u>	<u>\$ 59,741</u>
Depreciation Expenses of Right-of-use Assets				
Land	\$ 2,775	\$ 2,787	\$ 8,334	\$ 8,188
Buildings	<u>3,667</u>	<u>3,461</u>	<u>11,082</u>	<u>10,939</u>
	<u>\$ 6,442</u>	<u>\$ 6,248</u>	<u>\$ 19,416</u>	<u>\$ 19,127</u>

Apart from the additions and depreciation expenses listed above, the Group's right-of-use assets did not experience any significant subleasing or impairment from January 1 to September 30, 2025 and 2024.

(2) Lease Liabilities

	September 30, 2025	December 31, 2024	September 30, 2024
Carrying Amount of Lease Liabilities			
Current	<u>\$ 23,319</u>	<u>\$ 23,276</u>	<u>\$ 14,988</u>
Non-current	<u>\$ 220,022</u>	<u>\$ 243,725</u>	<u>\$ 203,317</u>

The ranges of discount rates for lease liabilities are as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Land	2.40%~3.15%	2.40%~3.15%	2.40%~3.15%
Buildings	2.40%~3.15%	2.40%~3.15%	2.40%~3.15%

(3) Significant Leasing Activities and Terms

The Group leases certain equipment and machinery for product manufacturing and research and development, with lease terms of 5 years. At the expiration of the lease term, the Group may choose to purchase the equipment at the nominal amount at that time, with no terms for renewal or purchase options.

The Group also leases certain land and buildings for use as factories and offices, with lease terms of 2 to 20 years. At the termination of the lease term, the Group has no preferential purchase options for the leased land and buildings.

As of September 30, 2025 and 2024, and December 31, 2024, guarantee deposits paid by the Group for operating leases amounted to NT\$1,100 thousand, NT\$1,100 thousand and NT\$1,444 thousand, respectively.

(4) 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
Short-term lease expenses	<u>\$ 6,032</u>	<u>\$ 7,598</u>	<u>\$ 18,747</u>	<u>\$ 18,940</u>
Total cash (outflow) of leases			(<u>\$ 45,759</u>)	(<u>\$ 40,610</u>)

17. Investment Property

Completed Investment Property	January 1 to September 30, 2025				
	Beginning balance	Increases for the Period	Decreases for the Period	Reclassifi cation	Ending Balance
<u>Cost</u>					
Buildings and Structures	\$ 6,356	<u>\$ -</u>	<u>\$ -</u>	<u>(\$ 6,356)</u>	\$ -
<u>Accumulated Depreciation</u>					
Buildings and Structures	<u>4,798</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(\$ 4,798)</u>	-
Net Amount	<u>\$ 1,558</u>				<u>\$ -</u>

Completed Investment Property	January 1 to September 30, 2024				
	Beginning balance	Increases for the Period	Decreases for the Period	Reclassifi cation	Ending Balance
<u>Cost</u>					
Buildings and Structures	\$ 6,356	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	\$ 6,356
<u>Accumulated Depreciation</u>					
Buildings and Structures	<u>4,669</u>	<u>\$ 97</u>	<u>\$ -</u>	<u>\$ -</u>	<u>4,766</u>
Net Amount	<u>\$ 1,687</u>				<u>\$ 1,590</u>

The lease terms for rental of investment property range from 3 to 5 years, and the lessees do not have preferential purchase rights for the investment property at the end of the lease terms.

As of December 31 and September 30, 2024, the guarantee deposits received by the Group from operating lease contracts for investment property were NT\$0 thousand and NT\$154 thousand, respectively.

Depreciation for investment property is recognized on a straight-line basis over the following useful lives:

Main building	33 to 41 years
Engineering Systems	5 to 10 years

The fair value of investment property is estimated by the Group's management with reference to the latest government-announced sales market prices in areas surrounding the investment property. After assessment, there are no signs of impairment. The appraised fair values are as follows:

	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Fair Value	<u>\$ 6,260</u>	<u>\$ 6,260</u>

All investment properties of the Group are owned equity.

18. Intangible assets

	Computer software costs	Goodwill	Patents	Others	Total
<u>Cost</u>					
Balance on January 1, 2025	\$ 65,712	\$ 2,583	\$ 68,157	\$ 17,472	\$ 153,924
Acquired separately	23,367	-	-	273	23,640
Reclassification	-	-	-	3,300	3,300
Net Exchange Differences	(129)	-	-	(1,268)	(1,397)
Balance as of September 30, 2025	<u>\$ 88,950</u>	<u>\$ 2,583</u>	<u>\$ 68,157</u>	<u>\$ 19,777</u>	<u>\$ 179,467</u>
<u>Accumulated amortization</u>					
Balance on January 1, 2025	\$ 37,609	\$ -	\$ 62,011	\$ 16,816	\$ 116,436
Amortization Expense	10,436	-	4,489	645	15,570
Net Exchange Differences	(126)	-	-	(106)	(232)
Balance as of September 30, 2025	<u>\$ 47,919</u>	<u>\$ -</u>	<u>\$ 66,500</u>	<u>\$ 17,355</u>	<u>\$ 131,774</u>
Net Amount on September 30, 2025	<u>\$ 41,031</u>	<u>\$ 2,583</u>	<u>\$ 1,657</u>	<u>\$ 2,422</u>	<u>\$ 47,693</u>
<u>Cost</u>					
Balance on January 1, 2024	\$ 44,719	\$ 2,583	\$ 68,157	\$ 16,446	\$ 131,905
Acquired separately	17,682	-	-	646	18,328
Reclassified to disposal groups held for sale	(1,135)	-	-	-	(1,135)
Net Exchange Differences	119	-	-	(141)	(22)
Balance as of September 30, 2024	<u>\$ 61,385</u>	<u>\$ 2,583</u>	<u>\$ 68,157</u>	<u>\$ 16,951</u>	<u>\$ 149,076</u>
<u>Accumulated amortization</u>					
Balance on January 1, 2024	\$ 29,955	\$ -	\$ 55,994	\$ 15,743	\$ 101,692
Amortization Expense	5,857	-	4,518	854	11,229
Reclassified to disposal groups held for sale	(992)	-	-	-	(992)
Net Exchange Differences	113	-	-	116	229
Balance as of September 30, 2024	<u>\$ 34,933</u>	<u>\$ -</u>	<u>\$ 60,512</u>	<u>\$ 16,713</u>	<u>\$ 112,158</u>
Net Amount on September 30, 2024	<u>\$ 26,452</u>	<u>\$ 2,583</u>	<u>\$ 7,645</u>	<u>\$ 238</u>	<u>\$ 36,918</u>

Except for goodwill, amortization expenses are calculated on a straight-line basis according to the following useful lives:

Computer software costs	2 to 6 years
Patents	10 to 11 years
Others	2 to 10 years

Summarized amortization expenses by functions:

	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Operating costs	\$ 1,088	\$ 859	\$ 2,845	\$ 2,311
Administrative Expenses	623	418	1,709	1,288
Research and development expenses	3,669	2,808	11,016	7,605
Discontinued operations	-	-	-	25
	<u>\$ 5,380</u>	<u>\$ 4,085</u>	<u>\$ 15,570</u>	<u>\$ 11,229</u>

19. Other assets

	September 30, 2025	December 31, 2024	September 30, 2024
Prepaid expenses	\$ 210,236	\$ 188,994	\$ 172,860
Supplies inventory	47,296	41,583	42,711
Tax credit	17,705	14,368	6,821
Refundable deposit (Note 16)	2,632	4,653	5,087
Refundable deposit - related parties (Note 32)	1,000	1,098	1,000
Others (Note)	<u>8,039</u>	<u>3,588</u>	<u>5,964</u>
	<u>\$ 286,908</u>	<u>\$ 254,284</u>	<u>\$ 234,443</u>
Current	\$ 283,276	\$ 248,533	\$ 228,356
Non-current	<u>3,632</u>	<u>5,751</u>	<u>6,087</u>
	<u>\$ 286,908</u>	<u>\$ 254,284</u>	<u>\$ 234,443</u>

Note: Mainly consists of temporary payments and advance payments, etc.

20. Borrowings

(1) Short-term borrowings

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Secured loans</u>			
Bank loans (Note 1)	<u>\$ 16,086</u>	<u>\$ 49,756</u>	<u>\$ -</u>

Note 1: As of September 30, 2025 and December 31, 2024, the amount of discounted notes receivable among secured bank loans was NT\$16,086 thousand and NT\$49,756 thousand (refer to Note 10), with effective annual interest rates ranging from 0.76%-1.34% and 0.80%-1.95% as of September 30, 2025 and December 31, 2024 respectively.

21. Notes and accounts payable

	September 30, 2025	December 31, 2024	September 30, 2024
Notes and Accounts Payable			
Arising from operations	\$ 341,871	\$ 567,822	\$ 467,303

The Group has a financial risk management policy in place to ensure that all payables are paid within the predetermined credit terms.

22. Other liabilities

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Current</u>			
Other Payables			
Salaries and bonuses payable	\$ 169,403	\$ 169,254	\$ 138,708
Payables for employees' compensation (Note 27)	94,300	55,400	102,245
Payables for equipment	39,008	90,041	65,596
Payables for directors' compensation (Note 27)	8,649	5,300	3,723
Others (Note)	188,617	159,684	49,748
	<u>\$ 499,977</u>	<u>\$ 479,679</u>	<u>\$ 360,020</u>
Other liabilities			
Others (suspense receipts and receipts on behalf of others)	<u>\$ 7,686</u>	<u>\$ 7,315</u>	<u>\$ 7,002</u>

Note: Mainly payables for electricity, insurance, and other expenses.

23. Provisions for liabilities

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Current</u>			
Employee benefits (1)	\$ 5,999	\$ 5,291	\$ 5,850
Warranty (2)	1,191	1,218	1,152
	<u>\$ 7,190</u>	<u>\$ 6,509</u>	<u>\$ 7,002</u>
	Employee benefits	Warranty	Total
Balance on January 1, 2025	\$ 5,291	\$ 1,218	\$ 6,509
Additions for the Period	5,999	936	6,935
Reversals for the Period / Usage	(5,291)	(963)	(6,254)
Balance as of September 30, 2025	<u>\$ 5,999</u>	<u>\$ 1,191</u>	<u>\$ 7,190</u>
Balance on January 1, 2024	\$ 4,902	\$ 1,072	\$ 5,974
Additions for the Period	5,850	897	6,747
Reversals for the Period / Usage	(4,902)	(817)	(5,719)
Balance as of September 30, 2024	<u>\$ 5,850</u>	<u>\$ 1,152</u>	<u>\$ 7,002</u>

- (1) The provision for employee benefit liability is an estimate of employees' entitlement to long service leave.
- (2) The provision for warranty liability is based on the sales contract of goods, which represents the present value of the best estimate by the Group's management of the future outflow of economic benefits resulting from warranty obligations. The estimate is based on historical warranty experience and adjusted for factors such as new materials, changes in manufacturing processes, or other factors affecting product quality.

24. Post-Employment Benefit Plans

The pension expenses related to defined benefit plans recognized from July 1 to September 30, 2025 and 2024, and from January 1 to September 30, 2025 and 2024, were calculated based on the pension cost rates determined by actuarial calculations as of December 31, 2024 and 2023. The amounts were NT\$(218) thousand, NT\$(88) thousand, NT\$(654) thousand, and NT\$(265) thousand, respectively.

25. Equity

(1) Share Capital

	September 30, 2025	December 31, 2024	September 30, 2024
Authorized shares (in thousands)	150,000	150,000	150,000
Authorized capital	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
Number of issued and fully paid shares (in thousands)	128,498	128,498	128,498
Issued capital	\$ 1,284,980	\$ 1,284,980	\$ 1,284,980

There is no significant change in the Company's share capital. Each issued common stock has a par value of 10 dollars, with one voting right and the right to receive dividends.

Among the authorized capital, 5,000 thousand shares are reserved for employee stock options.

(2) Capital surplus

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Can be used to cover losses, distribute cash or capitalize (Note 1)</u>			
Share premium	\$2,275,616	\$2,275,616	\$2,275,616
Merger premium	89,710	89,710	89,710
Employee stock options	15,948	15,948	15,948
Conversion rights of convertible bonds	2,176	2,176	2,176
Changes in equity of associates recognized under the equity method	1,646	1,646	1,646

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Can only be used to cover losses (Note 2)</u>			
Changes in equity of associates recognized under the equity method	45,372	45,580	45,580
Recognition of changes in ownership interests in subsidiaries	8,514	8,514	8,514
Donated assets	<u>260</u>	<u>214</u>	<u>214</u>
	<u>\$2,439,242</u>	<u>\$2,439,404</u>	<u>\$2,439,404</u>

Note 1: This type of capital surplus can be used to cover losses, and can also be used to distribute cash or transfer to share capital when the Company has no losses. However, the annual transfer to share capital is limited to a certain percentage of the paid-in capital.

Note 2: This type of capital surplus represents the impact of equity transactions recognized due to changes in subsidiary equity when the Company has not actually acquired or disposed of subsidiary shares, or adjustments to capital surplus of subsidiaries recognized by the Company under the equity method.

(3) Retained Earnings and Dividend Policy

According to the profit distribution policy stipulated in the Articles of Incorporation, the Company's profit distribution or loss offset can be made after the end of each semi-accounting year. If there are profits after the settlement of each semi-accounting year, tax payments should be made first, followed by offsetting accumulated losses, then allocating 10% as legal reserve; however, this restriction shall not apply when the legal reserve has reached the Company's paid-in capital. Special reserves shall be appropriated or reversed in accordance with laws or regulations by the competent authority. If there are still remaining profits, combined with accumulated undistributed earnings, the Board of Directors shall propose a profit distribution plan in accordance with the Company's dividend policy. When the distribution is made through issuing new shares, it shall be submitted to the shareholders' meeting for resolution.

For the distribution of the aforementioned earnings, legal reserve, and capital surplus in cash, the Board of Directors is authorized to resolve the distribution with the attendance of two-thirds or more of the directors and the approval of more than half of the attending directors, and shall report to the shareholders' meeting.

For the employees' and directors' compensation distribution policy stipulated in the Articles of Incorporation, please refer to Note 27(8) Employees' compensation and Directors' remuneration.

The Company considers future capital requirements and long-term financial planning, while also satisfying shareholders' cash flow needs. Each year, the Board of Directors legally prepares a distribution proposal to be submitted to the shareholders' meeting for resolution. The distribution of shareholders' dividends may be made in cash or stock, but the proportion of cash dividends shall not be less than 20% of the total dividends.

Legal reserve should be allocated until its balance reaches the total amount of the Company's paid-in capital. When the Company has no losses, the portion of legal reserve exceeding 25% of the total paid-in capital may be distributed in cash in addition to being capitalized.

The Company's Board of Directors resolved the earnings distribution for the first half of 2025 on August 6, 2025 as follows:

	First half of 2025
Legal Reserve	<u>\$ 16,882</u>
Special Reserve	<u>\$142,225</u>

The earnings distribution for 2024 and 2023 is as follows:

	2024	2023
Legal Reserve	<u>\$ 53,443</u>	<u>\$ 52,658</u>
Special Reserve	<u>\$ 10,763</u>	<u>(\$ 14,910)</u>
Cash dividends	<u>\$513,992</u>	<u>\$513,992</u>
Cash dividend per share (NT\$)	\$ 4.0	\$ 4.0

The aforementioned cash dividends were resolved for distribution by the Board of Directors on March 12, 2025 and March 14, 2024 respectively, while the remaining earnings distribution items were resolved at the Annual Shareholders' Meetings on June 27, 2025 and June 19, 2024 respectively.

(4) Special Reserve

	January 1 to September 30, 2025	January 1 to September 30, 2024
Beginning balance	<u>\$ 17,785</u>	<u>\$ 32,695</u>
Appropriation for special reserve		
Appropriation for reduction in other equity items	10,763	-
Reversal of special reserve		
Reversal of reduction in other equity items	<u>-</u>	<u>(14,910)</u>
Ending Balance	<u>\$ 28,548</u>	<u>\$ 17,785</u>

(5) Other Equity Items

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

	January 1 to September 30, 2025	January 1 to September 30, 2024
Beginning balance	(\$ 64,977)	(\$ 91,401)
Current period incurred		
Exchange differences on translation of foreign operations	(33,798)	22,022
Other Comprehensive Income	(33,798)	22,022
Ending Balance	(\$ 98,775)	(\$ 69,379)

2. Unrealized gains and losses on financial assets measured at fair value through other comprehensive income

	January 1 to September 30, 2025	January 1 to September 30, 2024
Beginning balance	\$ 36,429	\$ 73,616
Unrealized gains and losses		
Equity instruments	(43,951)	(43,427)
Share of associates accounted for using equity method	(24)	4,808
Ending Balance	(\$ 7,546)	\$ 34,997

(6) Non-controlling interests

	January 1 to September 30, 2025	January 1 to September 30, 2024
Beginning balance	\$193,532	\$216,375
Net Loss for the Period	(32,331)	(26,899)
Other Comprehensive Income		
Exchange Differences on Translating the Financial Statements of Foreign Operations	(11,078)	8,986
Ending Balance	<u>\$150,123</u>	<u>\$198,462</u>

26. Revenue

	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				
Processing income	\$ 640,162	\$ 639,070	\$ 1,796,341	\$ 1,878,769
Sales revenue	375,406	216,349	1,012,072	945,694
Other income	<u>42,514</u>	<u>107,667</u>	<u>199,463</u>	<u>216,733</u>
	<u>\$ 1,058,082</u>	<u>\$ 963,086</u>	<u>\$ 3,007,876</u>	<u>\$ 3,041,196</u>

(1) Contract balances

	September 30, 2025	December 31, 2024	September 30, 2024	January 1, 2024
Accounts receivable (Note 10)	<u>\$ 1,107,228</u>	<u>\$ 903,443</u>	<u>\$ 929,742</u>	<u>\$ 997,015</u>
Contract Liabilities				
Contract liabilities - current	\$ 123,583	\$ 69,125	\$ 78,533	\$ 171,960
Contract liabilities - related parties (Note 32)	<u>1,140</u>	<u>1,140</u>	<u>1,140</u>	<u>-</u>
	<u>\$ 124,723</u>	<u>\$ 70,265</u>	<u>\$ 79,673</u>	<u>\$ 171,960</u>

The changes in contract liabilities primarily result from the timing difference between the satisfaction of performance obligations and customer payments.

Revenue recognized during the year from contract liabilities at the beginning of the period and performance obligations satisfied in previous periods is as follows:

	January 1 to September 30, 2025	January 1 to September 30, 2024
From contract liabilities at the beginning of the year		
Sale of goods	<u>\$ 64,799</u>	<u>\$ 160,523</u>

Analysis of revenue from major products and services, refer to Note 37.

27. Net Income from Continuing Operations

(1) Other Income and Expenses, Net

	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Operating lease rental income	\$ 4,749	\$ 10,375	\$ 25,458	\$ 27,159
Gain on Disposal of Property, Plant and Equipment	5,147	88	16,269	4,134
Depreciation expenses of leased assets	(739)	(739)	(2,216)	(2,216)
Depreciation expenses of investment properties	<u>-</u>	<u>(32)</u>	<u>-</u>	<u>(97)</u>
	<u>\$ 9,157</u>	<u>\$ 9,692</u>	<u>\$ 39,511</u>	<u>\$ 28,980</u>

(2) Interest 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
Bank deposits	<u>\$ 6,441</u>	<u>\$ 11,181</u>	<u>\$ 24,318</u>	<u>\$ 35,066</u>

(3) 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
Dividend Income	\$ 2,011	\$ 6,478	\$ 2,011	\$ 6,478
Others	<u>1,042</u>	<u>629</u>	<u>2,221</u>	<u>1,549</u>
	<u>\$ 3,053</u>	<u>\$ 7,107</u>	<u>\$ 4,232</u>	<u>\$ 8,027</u>

(4) 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 foreign currency exchange gains (losses)	\$ 56,152	\$ 7,558	(\$ 30,250)	\$ 60,710
Net losses on financial assets measured at fair value through profit or loss	-	(903)	(289)	(3,269)
Impairment Loss on Property, Plant, and Equipment	-	(4,424)	-	(4,424)
Others	(9,267)	(2,632)	(7,842)	(3,847)
	<u>\$ 46,885</u>	<u>(\$ 401)</u>	<u>(\$ 38,381)</u>	<u>\$ 49,170</u>

(5) Finance Costs

	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 on lease liabilities	\$ 1,640	\$ 1,451	\$ 5,043	\$ 4,230
Other interest expenses	661	358	943	694
	<u>\$ 2,301</u>	<u>\$ 1,809</u>	<u>\$ 5,986</u>	<u>\$ 4,924</u>

(6) 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
Property, plant and equipment	\$ 144,226	\$ 124,576	\$ 443,604	\$ 328,453
Right-of-use assets	6,442	6,248	19,416	18,976
Investment Property	-	32	-	97
Intangible assets	5,380	4,085	15,570	11,204
Total	<u>\$ 156,048</u>	<u>\$ 134,941</u>	<u>\$ 478,590</u>	<u>\$ 358,730</u>
Depreciation expenses summarized by function				
Operating costs	\$ 138,854	\$ 119,472	\$ 429,128	\$ 317,778
Operating expenses	11,075	10,613	31,676	27,435
Other gains and losses	739	771	2,216	2,313
	<u>\$ 150,668</u>	<u>\$ 130,856</u>	<u>\$ 463,020</u>	<u>\$ 347,526</u>
Amortization expenses summarized by function				
Operating costs	\$ 1,088	\$ 859	\$ 2,845	\$ 2,311
Operating expenses	4,292	3,226	12,725	8,893
	<u>\$ 5,380</u>	<u>\$ 4,085</u>	<u>\$ 15,570</u>	<u>\$ 11,204</u>

(7) Employee Benefits 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
Post-employment benefits				
Defined contribution plans	\$ 10,608	\$ 10,018	\$ 30,485	\$ 29,941
Defined benefit plans (Note 24)	(218)	(88)	(654)	(265)
	10,390	9,930	29,831	29,676
Other employee benefits	342,286	314,401	976,723	923,525
Total employee benefit expenses	<u>\$ 352,676</u>	<u>\$ 324,331</u>	<u>\$ 1,006,554</u>	<u>\$ 953,201</u>
Summarized by function				
Operating costs	\$ 215,025	\$ 201,457	\$ 612,208	\$ 595,187
Operating expenses	137,651	122,874	394,346	358,014
	<u>\$ 352,676</u>	<u>\$ 324,331</u>	<u>\$ 1,006,554</u>	<u>\$ 953,201</u>

(8) Employees' compensation and Directors' remuneration

According to the Articles of Incorporation, employees' compensation and directors' remuneration shall be appropriated from the profit before income tax before deducting employees' and directors' remuneration at rates of no less than 2% and no more than 5%, respectively. In accordance with the amendment to the Securities and Exchange Act in August 2024, the Company resolved to amend its Articles of Incorporation at the shareholders' meeting on June 27, 2025, stipulating that no less than 20% of the employee compensation allocated for the current year shall be distributed as compensation for entry-level employees. The estimated employee compensation (including entry-level employee compensation) and directors' compensation for July 1 to September 30, 2025 and 2024, and January 1 to September 30, 2025 and 2024 are as follows:

Estimated Ratio

	January 1 to September 30, 2025	January 1 to September 30, 2024
Employees' compensation	9.18%	8.21%
Directors' remuneration	0.79%	0.71%

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
Employees' compensation	<u>\$ 16,247</u>	<u>\$ 9,169</u>	<u>\$ 38,900</u>	<u>\$ 43,245</u>
Directors' remuneration	<u>\$ 1,399</u>	<u>\$ 790</u>	<u>\$ 3,349</u>	<u>\$ 3,723</u>

If there are any changes to the amounts after the date of approval and issuance of the annual consolidated financial statements, they will be treated as changes in accounting estimates and adjusted in the following year.

The estimated employees' compensation and directors' remuneration for 2024 and 2023 were resolved by the Board of Directors on March 12, 2025 and March 14, 2024, respectively, as follows:

	<u>2024</u>	<u>2023</u>
	Cash	Cash
Employees' compensation	\$ <u>55,400</u>	\$ <u>59,000</u>
Directors' remuneration	\$ <u>5,300</u>	\$ <u>5,320</u>

The actual distribution amounts of employees' compensation and directors' remuneration for 2024 and 2023 were not different from the amounts recognized in the 2024 and 2023 consolidated financial statements.

For information about the employee compensation and director remuneration resolved by the Company's Board of Directors, please refer to the Market Observation Post System of the TWSE.

(9) Foreign exchange (loss) gain

	<u>July 1 to September 30, 2025</u>	<u>July 1 to September 30, 2024</u>	<u>January 1 to September 30, 2025</u>	<u>January 1 to September 30, 2024</u>
Total foreign exchange gains	\$ 24,769	\$ 14,418	\$ 101,599	\$ 74,658
Total foreign exchange losses	<u>31,383</u>	<u>(6,860)</u>	<u>(131,849)</u>	<u>(13,948)</u>
Net gain (loss)	<u>\$ 56,152</u>	<u>\$ 7,558</u>	<u>(\$ 30,250)</u>	<u>\$ 60,710</u>

28. Income Tax

(1) Income tax recognized in profit or loss

The main components of income tax expense are as follows:

	<u>July 1 to September 30, 2025</u>	<u>July 1 to September 30, 2024</u>	<u>January 1 to September 30, 2025</u>	<u>January 1 to September 30, 2024</u>
Current income tax				
Producer for the period	\$ 30,229	\$ 32,401	\$ 70,389	\$ 122,667
Adjustments for previous years	-	(22,423)	(22,910)	(22,423)
Deferred income tax				
Producer for the period	<u>11,488</u>	<u>(4,255)</u>	<u>(7,682)</u>	<u>(4,003)</u>
Income tax expense recognized in profit or loss	<u>\$ 41,717</u>	<u>\$ 5,723</u>	<u>\$ 39,797</u>	<u>\$ 96,241</u>

(2) Circumstances of income tax assessments

The company's profit-seeking enterprise income tax returns have been assessed by the tax authorities up to 2022.

29. Earnings per Share

Unit: NT\$ per share

	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 earnings per share				
From Continuing Operations	\$ 1.39	\$ 0.76	\$ 2.70	\$ 3.20
From discontinued operations	-	(0.04)	-	(0.14)
Total basic earnings per share	<u>\$ 1.39</u>	<u>\$ 0.72</u>	<u>\$ 2.70</u>	<u>\$ 3.06</u>
Diluted earnings per share				
From Continuing Operations	\$ 1.38	\$ 0.75	\$ 2.68	\$ 3.18
From discontinued operations	-	(0.04)	-	(0.14)
Total diluted earnings per share	<u>\$ 1.38</u>	<u>\$ 0.71</u>	<u>\$ 2.68</u>	<u>\$ 3.04</u>

The earnings and weighted average number of ordinary shares used in the calculation of earnings per share from continuing operations are as follows:

Net income for the period

	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 attributable to owners of the Company	\$ 177,988	\$ 92,015	\$ 346,804	\$ 393,525
Less: Net loss of discontinued operations used to calculate basic earnings per share of discontinued operations	-	5,216	-	18,007
Net income used to calculate basic earnings per share from continuing operations	177,988	97,231	346,804	411,532
Effect of dilutive potential ordinary shares	-	-	-	-
Net income used to calculate diluted earnings per share from continuing operations	<u>\$ 177,988</u>	<u>\$ 97,231</u>	<u>\$ 346,804</u>	<u>\$ 411,532</u>

Number of shares

Unit: thousands

	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 number of ordinary shares used to calculate basic earnings per share	128,498	128,498	128,498	128,498
Effect of dilutive potential ordinary shares:				
Employees' compensation	648	700	875	853
Weighted average number of ordinary shares used to calculate diluted earnings per share	<u>129,146</u>	<u>129,198</u>	<u>129,373</u>	<u>129,351</u>

If the Group can choose to distribute employee compensation in stocks or cash, then when calculating diluted earnings per share, it is assumed that employee compensation will be distributed in the form of stocks, and these potential ordinary shares are included in the weighted average number of outstanding shares when they have a dilutive effect, in order to calculate diluted earnings per share. When calculating diluted earnings per share before resolving the number of shares for employee compensation in the following year, the dilutive effect of these potential ordinary shares continues to be considered.

30. Non-cash Transactions

The Group engaged in the following non-cash investment and financing activities from January 1 to September 30, 2025 and 2024:

- (1) From January 1 to September 30, 2025 and 2024, the Group transferred inventory of NT\$115,576 thousand and NT\$120,975 thousand, respectively, to property, plant, and equipment; additionally, from January 1 to September 30, 2025 and 2024, the Group transferred net property, plant and equipment of NT\$16,733 thousand (recorded cost of NT\$39,896 thousand less accumulated depreciation of NT\$23,163 thousand) and NT\$19,449 thousand (recorded cost of NT\$52,033 thousand less accumulated depreciation of NT\$32,584 thousand) respectively to inventory. Furthermore, from January 1 to September 30, 2025, the Group transferred net property, plant and equipment of NT\$3,300 thousand (recorded as equipment pending inspection and construction in progress) to intangible assets. Additionally, from January 1 to September 30, 2025, the Group transferred net investment property of NT\$1,558 thousand (recorded cost of NT\$6,356 thousand less accumulated depreciation of NT\$4,798 thousand) to property, plant and equipment (see Notes 15, 17, and 18).

31. Financial Instruments

- (1) Fair Value Information—Financial Instruments Not Measured at Fair Value

The Group's management believes that the carrying amounts of financial assets and financial liabilities not measured at fair value approximate their fair values.

- (2) Fair Value Information—Financial Instruments Measured at Fair Value on a Recurring basis

1. Fair Value Hierarchy

September 30, 2025

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets measured at fair value through other comprehensive income</u>				
Limited partnership	\$ -	\$ -	\$ 29,678	\$ 29,678
<u>Financial assets measured at fair value through other comprehensive income</u>				
Equity instrument investments				
- Domestic TWSE/TPEX-listed and emerging stocks	\$ 294,978	\$ -	\$ -	\$ 294,978

	Level 1	Level 2	Level 3	Total
- Domestic stocks not listed on the TWSE/TPEX	-	-	1,169	1,169
- Foreign unlisted stocks	-	-	125,321	125,321
Total	<u>\$ 294,978</u>	<u>\$ -</u>	<u>\$ 126,490</u>	<u>\$ 421,468</u>

December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through profit or loss				
Limited partnership	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,055</u>	<u>\$ 30,055</u>
Financial assets measured at fair value through other comprehensive income				
Equity instrument investments				
- Domestic TWSE/TPEX-listed and emerging stocks	\$ 345,972	\$ -	\$ -	\$ 345,972
- Domestic stocks not listed on the TWSE/TPEX	-	-	5,000	5,000
- Foreign unlisted stocks	-	-	114,447	114,447
Total	<u>\$ 345,972</u>	<u>\$ -</u>	<u>\$ 119,447</u>	<u>\$ 465,419</u>
Financial liabilities measured at fair value through profit or loss				
Derivatives	<u>\$ -</u>	<u>\$ 88</u>	<u>\$ -</u>	<u>\$ 88</u>

September 30, 2024

	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through profit or loss				
Limited partnership	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,542</u>	<u>\$ 14,542</u>
Financial assets measured at fair value through other comprehensive income				
Equity instrument investments				
- Domestic TWSE/TPEX-listed and emerging stocks	\$ 343,913	\$ -	\$ -	\$ 343,913
- Domestic stocks not listed on the TWSE/TPEX	-	-	5,000	5,000
- Foreign unlisted stocks	-	-	95,597	95,597
Total	<u>\$ 343,913</u>	<u>\$ -</u>	<u>\$ 100,597</u>	<u>\$ 444,510</u>
Financial liabilities measured at fair value through profit or loss				
Derivatives	<u>\$ -</u>	<u>\$ 2,987</u>	<u>\$ -</u>	<u>\$ 2,987</u>

There was no transfer between Level 1 and Level 2 fair value measurements for the nine months ended September 30, 2025 and 2024.

2. Reconciliation of financial instruments measured at Level 3 fair value

January 1 to September 30, 2025

	Equity instruments measured at fair value through profit or loss	Equity instruments measured at fair value through other comprehensive income	Total
Beginning balance	\$ 30,055	\$ 119,447	\$ 149,502
Recognized in profit or loss (other gains and losses)	(377)	-	(377)
Recognized in other comprehensive income (unrealized valuation of financial assets measured at fair value through other comprehensive income)	-	7,043	7,043
Ending Balance	<u>\$ 29,678</u>	<u>\$ 126,490</u>	<u>\$ 156,168</u>

January 1 to September 30, 2024

	Equity instruments measured at fair value through profit or loss	Equity instruments measured at fair value through other comprehensive income	Total
Beginning balance	\$ 14,824	\$ 108,493	\$ 123,317
Recognized in profit or loss (other gains and losses)	(282)	-	(282)
Recognized in other comprehensive income (unrealized valuation of financial assets measured at fair value through other comprehensive income)	-	(7,896)	(7,896)
Ending Balance	<u>\$ 14,542</u>	<u>\$ 100,597</u>	<u>\$ 115,139</u>

3. Valuation techniques and inputs for Level 2 fair value measurement

Categories of Financial Instruments	Valuation Techniques and inputs
Derivative instruments - forward exchange contracts	Cash flow discount method: Estimate future cash flows based on observable forward exchange rates at the end of the period and contractual exchange rates, and discount them using discount rates that reflect the credit risk of each counterparty.

4. Valuation techniques and inputs for Level 3 fair value measurement

- (1) Some domestic and foreign unlisted domestic limited partnership equity investments are measured using the asset approach, or based on their peer companies' stock prices in active markets adjusted for liquidity, to determine their fair value.
- (2) Some domestic and foreign unlisted equity investments are measured using the market approach to estimate fair value, which is determined by reference to industry classification, valuation of similar companies, and the Company's operating conditions, or based on the Company's net worth.

(3) Categories of financial instruments

	September 30, 2025	December 31, 2024	September 30, 2024
Financial assets			
Fair value through profit or loss			
Mandatorily measured at			
fair value through profit or			
loss	\$ 29,678	\$ 30,055	\$ 14,542
Financial assets measured at			
amortized cost (Note 1)	2,486,290	3,528,394	3,514,987
Financial assets measured at			
fair value through other			
comprehensive income			
Equity instrument			
investments	421,468	465,419	444,510
Financial liabilities			
Fair value through profit or loss			
Mandatorily measured at			
fair value through profit or			
loss	-	88	2,987
Measured at amortized cost			
(Note 2)	569,266	854,777	720,775

Note 1: The balance includes cash and cash equivalents, notes and accounts receivable (including amounts due from related parties), other receivables (including amounts due from related parties), and other financial assets measured at amortized cost. The balance includes the related asset balances transferred to disposal groups held for sale.

Note 2: The balance includes short-term borrowings, notes and accounts payable (including amounts due from related parties), and other payables (including amounts due from related parties), and other financial liabilities measured at amortized cost. The balance includes the related liabilities balances transferred to disposal groups held for sale.

(4) Financial Risk Management Objectives and Policies

The Group's major financial instruments include equity investments, accounts receivable, accounts payable, borrowings, and lease liabilities. The Group's financial management department provides services to business units, coordinates access to domestic and international financial markets, and monitors and manages the financial risks relating to the operations of the Group through internal risk reports that analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk, and other price risk), credit risk, and liquidity risk.

The Group uses derivative financial instruments to hedge exposures in order to mitigate the impact of these risks. The use of derivative financial instruments is governed by policies approved by the Group's Board of Directors, which provide written principles for managing foreign exchange risk, interest rate risk, credit risk, the use of derivative and non-derivative financial instruments, and the investment of excess liquidity. Internal auditors continuously review compliance with policies and exposure limits. The Group does not engage in trading of financial instruments (including derivative financial instruments) for speculative purposes.

The financial management department regularly reports at the Group's operational management meetings to mitigate exposure risks.

1. Market Risk

The Group's operating activities expose it to primary financial risks of changes in foreign currency exchange rates (see (1) below) and interest rate risks (see (2) below). The Group engages in derivative financial instruments to manage its exposure to foreign currency risk, including using forward foreign exchange contracts to hedge exchange rate risks arising from equipment exports or provision of services to other regions.

The Group's exposure to market risks of financial instruments and the methods of managing and measuring such exposures have not changed.

(1) Foreign Exchange Risk

The Company and several subsidiaries engage in sales and purchase transactions denominated in foreign currencies, thereby exposing the Group to risks of exchange rate fluctuations. The Group manages its exposure to foreign exchange risks by using forward foreign exchange contracts within the range permitted by policy.

The carrying amounts of the Group's monetary assets and monetary liabilities denominated in non-functional currencies at the balance sheet date (including monetary items denominated in non-functional currencies that have been eliminated in the consolidated financial statements) and the carrying amounts of derivative instruments with foreign exchange risk exposure are referred to in Note 35.

Sensitivity Analysis

The Group is primarily affected by fluctuations in the exchange rates of US dollars, RMB, and Japanese yen.

The table below provides a detailed explanation of the Group's sensitivity analysis when the New Taiwan Dollar (functional currency) increases by 5%, 5%, and 10% against the US dollar, RMB, and Japanese yen, respectively. 5% and 10% are the sensitivity ratios used when reporting currency risks to key management personnel within the Group, and also represent management's assessment of the reasonably possible range of changes in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and forward foreign exchange contracts designated as cash flow hedges. The (negative) positive numbers in the table indicate that when New Taiwan Dollars appreciates by 5%, 5%, and 10% against the relevant foreign currencies, the pre-tax net profit will (decrease) increase by the respective amounts

	<u>Impact of US Dollar</u>		<u>Impact of RMB</u>		<u>Impact of Japanese Yen</u>	
	January 1 to	January 1 to	January 1 to	January 1 to	January 1 to	January 1 to
	September 30,	September 30,	September 30,	September 30,	September 30,	September 30,
	2025	2024	2025	2024	2025	2024
Pre-tax Net (Loss) Income	(\$ 16,563)	(\$ 9,763)	(\$ 40,209)	(\$ 40,550)	\$ 309	(\$ 1,006)

The sensitivity changes mainly stem from the US dollar, RMB, and Japanese Yen denominated receivables and payables of the Group that are still outstanding at the balance sheet date and have not undergone cash flow hedging. The consolidated company's increased sensitivity to the US dollar exchange rate this year is mainly due to the increase in US dollar-denominated sales, which led to an increase in the balance of accounts receivable denominated in US dollars. The Group's decreased sensitivity to the Japanese Yen exchange rate this year is mainly due to the reduction in bank deposits denominated in Japanese Yen.

(2) Interest Rate Risk

As entities within the Group hold both fixed and floating rate assets, they are therefore exposed to interest rate risk. The Group manages interest rate risk by maintaining an appropriate mix of fixed and floating rates.

The carrying amounts of financial assets and financial liabilities exposed to interest rate risk on the Group's balance sheet date are as follows:

	<u>September 30,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>	<u>September 30,</u> <u>2024</u>
Fair value interest rate risk			
- Financial assets	\$ 593,028	\$ 1,694,853	\$ 1,740,631
- Financial liabilities	259,427	316,757	218,305
Cash flow interest rate risk			
- Financial assets	611,437	726,068	683,688
- Financial liabilities	-	-	147,696

Sensitivity Analysis

The following sensitivity analysis is determined based on the interest rate exposure of non-derivative instruments on the balance sheet date. For floating rate assets and liabilities, the analysis method assumes that the amounts of assets and liabilities outstanding on the balance sheet date were outstanding throughout the reporting period. The rate of change used when reporting interest rates to key management personnel within the Group is an increase or decrease of 0.1% in interest rates, which also represents management's assessment of the reasonably possible range of interest rate fluctuations.

If interest rates increase/decrease by 0.1%, with all other variables remaining constant, the Group's pre-tax net profit from January 1 to September 30, 2025 and 2024 would increase/decrease by NT\$459 thousand and NT\$402 thousand respectively.

(3) Other price risks

The Group is exposed to equity price risk due to equity securities investments. The management of the Group manages risk by holding investment portfolios with different risks, and the Group does not actively trade these investments.

Sensitivity Analysis

The following sensitivity analysis is based on the equity price exposure as of the balance sheet date.

If equity prices rise/fall by 1%, the pre-tax profit and loss from January 1 to September 30, 2025 and 2024 would increase/decrease by NT\$297 thousand and NT\$145 thousand respectively due to the rise/fall in fair value of financial assets measured at fair value through profit or loss. From January 1 to September 30, 2025 and 2024, the pre-tax other comprehensive income would increase/decrease by NT\$4,215 thousand and NT\$4,445 thousand respectively due to the rise/fall in fair value of financial assets measured at fair value.

The Group's sensitivity to equity securities investments has not changed significantly compared to the previous year.

2. Credit Risk

Credit risk refers to the risk of financial loss to the group caused by a counterparty defaulting on contractual obligations. As of the balance sheet date, the maximum credit risk exposure of the Group that may result in financial losses due to counterparties failing to fulfill their obligations and the financial guarantees provided by the Group mainly comes from:

- (1) The carrying amount of financial assets recognized in the consolidated balance sheet.
- (2) The amount of contingent liabilities arising from financial guarantees provided by the Group.

To mitigate credit risk, the management of the Group has assigned a dedicated team responsible for determining credit limits, credit approvals, and other monitoring procedures to ensure that appropriate actions have been taken to recover overdue receivables. In addition, the Group reviews the recoverable amount of each receivable on the balance sheet date to ensure that appropriate impairment losses have been recognized for unrecoverable receivables. Accordingly, the management of the Company believes that the credit risk of the Group has been significantly reduced.

The Group's credit risk is mainly concentrated among its top six customers. As of September 30, 2025, December 31, 2024, and September 30, 2024, the proportion of total accounts receivable from these customers was 30%, 38%, and 32% respectively.

3. Liquidity Risk

The Group manages and maintains sufficient positions of cash and cash equivalents to support group operations and mitigate the impact of cash flow fluctuations. The management of the Group monitors the usage of bank financing facilities and ensures compliance with loan contract terms.

For the Group's unused short-term bank financing facilities, please refer to the explanation of financing facilities in (2) below.

(1) Liquidity and Interest Rate Risk Tables for Non-derivative Financial Liabilities

The remaining contractual maturity analysis of non-derivative financial liabilities is prepared based on the earliest date on which the Group may be required to pay, using undiscounted cash flows of financial liabilities (including principal and estimated interest). Therefore, bank loans that the Group may be required to repay immediately are listed in the earliest period in the table below, regardless of the probability of the banks immediately exercising this right. The maturity analysis of other non-derivative financial liabilities is prepared according to the agreed repayment dates.

The undiscounted interest amounts of interest cash flows with floating rates are derived based on the expected borrowing rates as of the balance sheet date.

September 30, 2025

	Payable on demand or less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	Over 5 years
<u>Non-derivative financial liabilities</u>					
Non-interest-bearing liabilities	\$386,251	\$177,413	\$273,405	\$ 6,930	\$ -
Fixed Rate Instruments	6,867	5,791	3,428	-	-
Lease liabilities	<u>2,463</u>	<u>4,926</u>	<u>22,171</u>	<u>94,988</u>	<u>168,695</u>
	<u>\$395,581</u>	<u>\$188,130</u>	<u>\$299,004</u>	<u>\$101,918</u>	<u>\$168,695</u>

Further information on the maturity analysis 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	Over 20 years
Lease liabilities	<u>\$ 29,560</u>	<u>\$ 94,988</u>	<u>\$100,186</u>	<u>\$ 54,137</u>	<u>\$ 14,372</u>	<u>\$ -</u>

December 31, 2024

	Payable on demand or less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	Over 5 years
<u>Non-derivative financial liabilities</u>					
Non-interest-bearing liabilities	\$458,783	\$469,584	\$119,134	\$ 8,770	\$ -
Fixed Rate Instruments	-	49,756	-	-	-
Lease liabilities	<u>2,500</u>	<u>5,000</u>	<u>22,549</u>	<u>108,331</u>	<u>184,928</u>
	<u>\$461,283</u>	<u>\$524,370</u>	<u>\$141,683</u>	<u>\$117,101</u>	<u>\$184,928</u>

Further information on the maturity analysis 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	Over 20 years
Lease liabilities	<u>\$ 30,049</u>	<u>\$108,331</u>	<u>\$ 73,764</u>	<u>\$ 73,738</u>	<u>\$ 37,426</u>	<u>\$ -</u>

September 30, 2024

	Payable on demand or less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	Over 5 years
<u>Non-derivative financial liabilities</u>					
Non-interest-bearing liabilities	\$ 311,104	\$ 406,304	\$ 111,901	\$ 8,924	\$ -
Floating Rate Instruments	-	-	147,924	-	-
Lease liabilities	<u>2,192</u>	<u>4,385</u>	<u>11,666</u>	<u>60,745</u>	<u>188,617</u>
	<u>\$ 313,296</u>	<u>\$ 410,689</u>	<u>\$ 271,491</u>	<u>\$ 69,669</u>	<u>\$ 188,617</u>

Further information on the maturity analysis 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	Over 20 years
Lease liabilities	<u>\$ 18,243</u>	<u>\$ 60,745</u>	<u>\$ 85,156</u>	<u>\$ 67,588</u>	<u>\$ 35,873</u>	<u>\$ -</u>

The amount of the above floating rate instruments of non-derivative financial liabilities will change due to differences between the floating rate and the estimated interest rate at the balance sheet date.

(2) Liquidity and Interest Rate Risk Table for Derivative Financial Liabilities

For liquidity analysis of derivative financial instruments, for derivatives settled on a net basis, it is prepared based on undiscounted net contractual cash inflows and outflows; for derivatives settled on a gross basis, it is prepared based on undiscounted total cash inflows and outflows. When the amounts payable or receivable are not fixed, the disclosed amounts are determined based on the estimated interest rates derived from the yield curve at the balance sheet date.

December 31, 2024

	Payable on demand or less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	Over 5 years
<u>Net Settlement</u>					
Forward Foreign Exchange Contracts	\$ -	\$ 88	\$ -	\$ -	\$ -

September 30, 2024

	Payable on demand or less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	Over 5 years
<u>Net Settlement</u>					
Forward Foreign Exchange Contracts	\$ 1,185	\$ 1,562	\$ 240	\$ -	\$ -

(3) Financing Facilities

	September 30, 2025	December 31, 2024	September 30, 2024
Unsecured Bank Overdraft Facilities - Unused Amount	\$ 1,050,000	\$ 1,050,000	\$ 1,050,000

As of September 30, 2025 and 2024, and December 31, 2024, the used unsecured bank borrowing facilities, which include performance guarantee facilities, both amounted to NT\$8,000 thousand. These represent guarantees provided by banks for customs tax guarantee letters and performance bond guarantee certificates issued by the Group for the Institute for Information Industry's industrial foundation technology project.

32. Related Party Transactions

Transactions, account balances, income and expenses between the Company and its subsidiaries (which are related parties of the Company) are completely eliminated during consolidation and therefore are not disclosed in this note. The Group's transactions with other related parties are as follows.

(1) Names of Related Parties and Their Relationships

Names of Related Parties	Abbreviation	Relationship with the Group
Tian Zheng International Precision Machinery Co., Ltd.	Tian Zheng	Related Enterprise
Sissca Co., Ltd	Sissca	Related Enterprise
Shanghai Jiuxi Testing Technology Co., Ltd.	Shanghai Jiuxi	Related Enterprise
Harvatek Corporation	Harvatek	Other Related Parties
iReach Corporation	iReach	Other Related Parties
Xiamen YoungTek Electronics Co., Ltd.	Xiamen YoungTek	Other Related Parties (a subsidiary before disposal in November 2024)

(2) Operating revenue

Account Item	Related Party Category	January 7 to September 30, 2025	January 7 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Operating revenue	Other Related Parties	<u>\$ 11,159</u>	<u>\$ 13,387</u>	<u>\$ 33,998</u>	<u>\$ 33,451</u>

The Group provides testing, cutting, and other processing services based on customers' products, so transaction prices are determined according to product characteristics. For payment policies on processing income, general customers are on monthly payment terms of 30 to 120 days, while the above related parties have payment terms of 90 to 120 days.

The Group provides sales services for its own products, with general customers on monthly payment terms of 30 to 120 days, while the above related parties have payment terms of 90 to 180 days.

(3) Purchases

Related Party Category	January 7 to September 30, 2025	January 7 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Other Related Parties	\$ -	\$ -	\$ 31	\$ 14
Related Enterprise	-	-	-	195
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31</u>	<u>\$ 209</u>

The Group makes purchases based on market prices with discounts, reflecting the quantity purchased and the relationship with the related party. Transactions with related parties are conducted according to general transaction terms and prices.

(4) Notes and Accounts Receivable - Related Parties and Other Receivables - Related Parties

Account Item	Related Party Category	September 30, 2025	December 31, 2024	September 30, 2024
Notes and Accounts Receivable-	Other Related Parties			
Related parties	Harvatek	\$ 93,617	\$ 94,704	\$ 97,991
	Others	<u>2,327</u>	<u>1,344</u>	<u>1,181</u>
		<u>\$ 95,944</u>	<u>\$ 96,048</u>	<u>\$ 99,172</u>

No collateral is obtained for outstanding notes and accounts receivable - related parties. No allowance for doubtful accounts was provided for notes and accounts receivable from related parties for the six months ended September 30, 2025 and 2024.

Account Item	Related Party Category	September 30, 2025	December 31, 2024	September 30, 2024
Other Receivables - Related Parties	Related Enterprise			
(Disposal Groups Held for Sale)	Shanghai Jiuxi	\$ 58,899	\$ -	\$ -
	Other Related Parties			
	Xiamen	<u>-</u>	<u>25,540</u>	<u>-</u>
	YoungTek	<u>\$ 58,899</u>	<u>\$ 25,540</u>	<u>\$ -</u>

(5) Accounts Payable - Related Parties and Other Payables

Account Item	Related Party Category	September 30, 2025	December 31, 2024	September 30, 2024
Accounts Payable - Related Parties	Other Related Parties			
	Harvatek	<u>\$ 32</u>	<u>\$ -</u>	<u>\$ 14</u>

The outstanding balance of accounts payable - related parties is unsecured and will be settled in cash. No guarantee is provided for accounts payable - related parties.

Account Item	Related Party Category	September 30, 2025	December 31, 2024	September 30, 2024
Other Payables - related parties	Other Related Parties			
Other Payables	Harvatek	\$ 4,779	\$ 512	\$ 2,718
	Others	<u>-</u>	<u>-</u>	<u>32</u>
		<u>\$ 4,779</u>	<u>\$ 512</u>	<u>\$ 2,750</u>

(6) Disposal of Property, Plant and Equipment

Related Party Category	Disposal Price		Loss on Disposal	
	January 1 to September 30, 2025	January 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Related Enterprise				
Shanghai Jiuxi Testing Technology Co., Ltd.	\$ 57,443	\$ -	(\$ 890)	\$ -

(7) Lease Agreements

Account Item	Related Party Category/Na me	September 30, 2025	December 31, 2024	September 30, 2024
Lease liabilities	Other Related Parties			
	Harvatek	\$ 46,313	\$ 54,311	\$ 2,534
Related Party Category	January 7 to September 30, 2025	January 7 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Interest Expenses				
Investors with Significant Influence				
Other Related Parties				
Harvatek	\$ 306	\$ 36	\$ 967	\$ 167

The Group leased a factory from an investor with significant influence in January 2020, with a lease term of 5 years and renewable upon expiration. The rent is determined with reference to rental levels of similar assets, and fixed lease payments are made quarterly according to the lease agreement.

(8) Other Related Party Transactions

	January 7 to September 30, 2025	January 7 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Manufacturing overhead				
Other Related Parties	\$ 11,684	\$ 10,332	\$ 29,243	\$ 26,056
Operating expenses				
Other Related Parties	\$ 176	\$ -	\$ 2,626	\$ -
Dividend Income				
Other Related Parties				
Harvatek	\$ -	\$ 5,115	\$ -	\$ 5,115

	September 30, 2025	December 31, 2024	September 30, 2024
Refundable Deposits			
Other Related Parties	\$ 1,000	\$ 1,098	\$ 1,000
Contract Liabilities			
Other Related Parties	\$ 1,140	\$ 1,140	\$ 1,140

The lease arrangements between the Group and related parties, the determination of rent, and payment terms are in accordance with contractual provisions, with no comparable transactions available for reference.

The manufacturing expense-related payments to related parties are for utilities, repairs, and other related costs shared by the Group and other related parties using the same factory. The determination of expenses and payment terms are in accordance with contractual provisions, with no comparable transactions available for reference.

(9) Compensation of Key Management Personnel

	January 7 to September 30, 2025	January 7 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Short-term Employee Benefits	\$ 6,931	\$ 5,840	\$ 20,167	\$ 19,813
Post-employment benefits	89	92	273	244
	<u>\$ 7,020</u>	<u>\$ 5,932</u>	<u>\$ 20,440</u>	<u>\$ 20,057</u>

The compensation for directors and other key management personnel is determined by the Remuneration Committee based on individual performance and market trends.

33. Pledged Assets

The following assets have been provided to financial and government-related institutions as collateral for financing or business guarantees:

	September 30, 2025	December 31, 2024	September 30, 2024
Notes receivable	\$ 16,086	\$ 49,756	\$ -
Property, Plant and Equipment - Net	22,966	24,835	27,315
Pledged certificates of deposit (recognized as financial assets measured at amortized cost)	<u>22,304</u>	<u>22,237</u>	<u>22,237</u>
	<u>\$ 61,356</u>	<u>\$ 96,828</u>	<u>\$ 49,552</u>

Some of the Group's owned land and buildings (recognized as property, plant and equipment) have been pledged as collateral for bank loans. The Group may not use these pledged assets as collateral for other loans or sell them to other enterprises.

34. Significant Subsequent Events

In response to the Company's diversified operations and R&D center needs, the merged company resolved through a Board of Directors meeting on November 12, 2025, to construct a factory office building through a land lease and construction entrustment method, with a total amount not exceeding NT\$735,000 thousand.

35. Information on Foreign Currency Assets and Liabilities with Significant Impact

The following information is presented as an aggregation of foreign currencies other than the functional currency of each entity in the Group. The exchange rates disclosed refer to the rates at which these foreign currencies are converted to the functional currency. Foreign currency assets and liabilities with significant impact are as follows:

September 30, 2025

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Foreign Currency Assets</u>			
<u>Monetary Items</u>			
USD	\$ 15,030	30.40	\$ 456,912
JPY	4,182	0.20	836
RMB	190,431	4.25	809,332
			<u>\$ 1,267,080</u>
<u>Foreign Currency Liabilities</u>			
<u>Monetary Items</u>			
USD	\$ 4,120	30.50	\$ 125,660
JPY	18,687	0.21	3,924
RMB	1,197	4.30	5,147
			<u>\$ 134,731</u>

December 31, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Foreign Currency Assets</u>			
<u>Monetary Items</u>			
USD	\$ 18,603	32.74	\$ 609,062
JPY	19,302	0.21	4,053
RMB	202,026	4.45	899,016
			<u>\$ 1,512,131</u>
<u>Foreign Currency Liabilities</u>			
<u>Monetary Items</u>			
USD	7,741	32.84	\$ 254,214
JPY	6,252	0.21	1,313
RMB	186	4.50	837
			<u>\$ 256,364</u>

September 30, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Foreign Currency Assets</u>			
<u>Monetary Items</u>			
USD	\$ 10,971	31.60	\$ 346,684
JPY	95,415	0.22	20,991
RMB	180,869	4.50	813,911
			<u>\$1,181,586</u>
<u>Foreign Currency Liabilities</u>			
<u>Monetary Items</u>			
USD	4,777	31.70	\$ 151,431
JPY	49,681	0.22	10,930
RMB	641	4.55	2,917
			<u>\$ 165,278</u>

The Group's realized and unrealized net foreign exchange gains (losses) for the periods from July 1 to September 30, 2025 and 2024, and from January 1 to September 30, 2025 and 2024 were NT\$56,152 thousand, NT\$7,558 thousand, NT\$(30,250) thousand, and NT\$60,710 thousand, respectively. Due to the variety of foreign currency transactions and functional currencies of group entities, it is not possible to disclose exchange gains and losses by each significant foreign currency.

36. Disclosure Items

(1) Information Related to Significant Transactions:

1. Loans to Others: Table 1.
2. Endorsements/Guarantees Provided for Others: Table 2.
3. Significant securities Held at the End of the Period (Excluding Investments in Subsidiaries, Associates and Joint Ventures): Table 3.
4. Purchases or Sales with Related Parties Reaching NT\$100 Million or 20% of Paid-in Capital or More: Table 4.
5. Receivables from Related Parties Reaching NT\$100 Million or 20% of Paid-in Capital or More: Table 5.
6. Others: Business Relationship and Significant Intercompany Transactions between the Parent Company and its Subsidiaries and among Subsidiaries: Table 6.

(2) Information on Invested Companies: Table 7.

(3) Information on Investments in Mainland China

1. Names of Investees in Mainland China, Principal Business Activities, Paid-in Capital, Investment Method, Inward/Outward Remittance of Funds, Percentage of Ownership, Investment Gain or Loss, Carrying Amount of Investments at Period End, Accumulated Repatriation of Investment Income and Limit on Investments in Mainland China: Table 8.

2. Significant Transactions with Investees in Mainland China, either Directly or Indirectly through a Third Party, and their Prices, Payment Terms, and Unrealized Gains or Losses: Table 9.

- (1) Purchase amounts and percentages, and the ending balances and percentages of related accounts payables.
- (2) Sales amounts and percentages, and the ending balances and percentages of related accounts receivables.
- (3) Property transaction amounts and resulting gains or losses.
- (4) The ending balance and purpose of endorsements/guarantees of notes or provision of collateral.
- (5) Maximum balance, ending balance, interest rate range, and total interest for the current period of financing provided.
- (6) Other significant transactions affecting current profit or loss or financial position, such as providing or receiving services.

37. Segment Information

The Group's operating decision makers use information on product sales for resource allocation and segment performance evaluation. The measurement basis of this financial information is the same as that of these consolidated financial statements. The Group's reportable segments are the OEM business division and the own-brand product business division.

(1) Segment Revenue and Operating Results

	Segment Revenue			
	January 7 to September 30, 2025	January 7 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
OEM Business Division	\$ 640,162	\$ 639,070	\$ 1,796,341	\$ 1,878,769
Own-Brand Product Business Division	<u>417,920</u>	<u>324,016</u>	<u>1,211,535</u>	<u>1,162,427</u>
Total for Continuing Operations	<u>\$ 1,058,082</u>	<u>\$ 963,086</u>	<u>\$ 3,007,876</u>	<u>\$ 3,041,196</u>

	Segment Profit (Loss)			
	January 7 to September 30, 2025	January 7 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
OEM Business Division	\$ 134,741	\$ 101,678	\$ 280,511	\$ 317,564
Own-Brand Product Business				
Division	<u>216,282</u>	<u>182,019</u>	<u>611,598</u>	<u>641,559</u>
Total for Continuing Operations	351,023	283,697	892,109	959,123
Operating expenses	(212,004)	(209,826)	(560,797)	(585,447)
Other net gains and losses	9,157	9,692	39,511	28,980
Interest income	6,441	11,181	24,318	35,066
Other income	3,053	7,107	4,232	8,027
Other gains and losses	46,885	(401)	(38,381)	49,170
Finance Costs	(2,301)	(1,809)	(5,986)	(4,924)
Share of Profit (Loss) of Associates Accounted for Using the Equity Method	<u>7,873</u>	(<u>4,016</u>)	(<u>736</u>)	(<u>9,121</u>)
Income Before Income Tax from Continuing Operations	<u>\$ 210,127</u>	<u>\$ 95,625</u>	<u>\$ 354,270</u>	<u>\$ 480,874</u>

Segment profit refers to the profit earned by each segment, excluding allocated operating expenses, non-operating income and gains, and non-operating expenses and losses. This measurement is provided to the chief operating decision maker for allocating resources to segments and evaluating their performance.

(2) Department Assets and Liabilities

The measurement amounts of the Group's assets and liabilities are not provided to operational decision-makers; therefore, the measurement amount of segment assets is zero.

YOUNGTEK ELECTRONICS CORP. AND ITS SUBSIDIARIES

Loans to Others

January 1 to September 30, 2025

Table 1

Unit: NT\$ thousand, unless otherwise specified

No.	Lender	Borrower	Accounting Item	Whether Related Party	Maximum Balance for the Current Period	Ending Balance (Note 1)	Actual Drawdown Amount	Interest rate range	Nature of Financing	Business Transaction Amount	Reason for Short-term Financing Needs	Provision for Doubtful Accounts Amount	Collateral		Lending Limit for Individual Counterparty	Total Lending Limit
													Name	Value		
1	YTEC Holding (Samoa) Co., Ltd.	Suzhou YoungTek Microelectronics Co., Ltd.	Other Receivables - Related Parties	Yes	\$232,435	\$213,115	\$121,780	(Note 2)	For operational use	\$ -	For operational use	\$ -	—	\$ -	\$ 271,870 (Note 3)	\$ 271,870 (Note 3)
2	YTEC (Hong Kong) Global Limited	Xiamen YoungTek Electronics Co., Ltd.	Other Receivables - Related Parties	Yes	33,205	-	-	(Note 2)	For operational use	-	For operational use	-	—	-	88,998 (Note 4)	88,998 (Note 4)

Note 1: Converted from the original foreign currency using the exchange rate as of September 30, 2025.

Note 2: Interest is calculated at an annual rate of 3%.

Note 3: The limit for YTEC Holding (Samoa) Co., Ltd. to lend funds to individual entities is 40% of the lending company's net worth, and shall not exceed 25% of the Company's paid-in capital; the total limit for lending funds is 30% of the Company's paid-in capital.

Note 4: The limit for YTEC (Hong Kong) Global Limited to lend funds to individual entities is 40% of the lending company's net worth, and shall not exceed 25% of the Company's paid-in capital; the total limit for lending funds is 30% of the Company's paid-in capital.

YOUNGTEK ELECTRONICS CORP. AND ITS SUBSIDIARIES

Endorsements/Guarantees for Others

January 1 to September 30, 2025

Table 2

Unit: NTD\$ thousand, unless otherwise specified

No.	Endorsement/ Guarantee	Entity Receiving Endorsement/Guarantee		Limit on Endorsement/ Guarantee to a Single Enterprise	Maximum Balance of Endorsement/ Guarantee for the Current Period	Ending Balance of Endorsement/ Guarantee	Actual Drawdown Amount	Amount of Endorsement/ Guarantee Secured by Property	Ratio of Accumulated Endorsement/ Guarantee Amount to the Net Worth in the Latest Financial Statements	Maximum Limit of Endorsement/ Guarantee	Endorsement/ Guarantee Made by the Parent Company to Its Subsidiary	Endorsement/ Guarantee Made by a Subsidiary to Its Parent Company	Endorsement/ Guarantee Made to Mainland China
		Company Name	Relationship										
0	YTEC Samoa company	Xiamen YoungTek	Other Related Parties	\$ 271,870 (Note 1)	\$ 166,025	\$ - -	\$ - -	\$ - -	2.57%	\$ 271,870 (Note 2)	N	N	Y

Note 1: The total amount of external endorsement/guarantee by YTEC Samoa Company shall not exceed 40% of YTEC Samoa Company's net worth, and the limit of endorsement/guarantee for a single enterprise shall not exceed 40% of YTEC Samoa Company's net worth.

Note 2: The total amount of external endorsement/guarantee by the Company shall not exceed 40% of the Company's net worth.

YOUNGTEK ELECTRONICS CORP. AND ITS SUBSIDIARIES
Significant Securities Held at the End of the Period

January 1 to September 30, 2025

Table 3

Unit: NT\$ thousand, unless otherwise specified

Holding Company	Type and Name of Securities	Relationship with the Issuer of Securities	Account Classification	Ending Balance				Remarks
				Number of Shares/Units	Carrying Amount	Shareholding Ratio %	Fair Value	
YoungTek Electronics Corp.	<u>Limited partnership</u> NEXUS CVC Limited Partnership	—	Financial Assets measured at Fair Value through Profit or Loss - Non-current	3,000,000	\$ 29,678	2.15	\$ 29,678	Note 2
	<u>Stock</u> Edison Opto Corporation	The Company is a director of that company	Financial Assets measured at Fair Value through Other Comprehensive Income - Current Assets	2,549,637	46,271	1.75	46,271	Note 1
	Harvatek Corporation	The Chairman of the Company and the Chairman of that company are the same person	Financial Assets measured at Fair Value through Other Comprehensive Income - Non-current Assets	10,230,336	213,303	4.96	213,303	Note 1
	Navifus Corporation	—	Financial Assets measured at Fair Value through Other Comprehensive Income - Non-current Assets	1,500,000	30,975	2.12	30,975	Note 1
	CSVI Ventures L.P.	—	Financial Assets measured at Fair Value through Other Comprehensive Income - Non-current Assets	-	120,404	10.15	120,404	Note 2

Note 1: Measured based on the closing price as of end of September 2025.

Note 2: Based on the Company's most recent financial statements or estimated market transaction prices.

Note 3: This table shows securities that the Company determines should be disclosed based on the materiality principle.

YOUNGTEK ELECTRONICS CORP. AND ITS SUBSIDIARIES

Purchases or sales with related parties amounting to NT\$100 million or 20% of the paid-in capital or more

January 1 to September 30, 2025

Table 4

Unit: NT\$ thousand, unless otherwise specified

Purchasing (selling) company	Transaction counterparty name	Relationship	Transaction details				Differences and reasons for transaction terms being different from regular transactions		Notes and accounts receivable (payable) (including other receivables)		Remarks
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit period	Unit price	Credit period	Balance	Percentage of total notes and accounts receivable (payable)	
Suzhou YoungTek	YoungTek Corporation	A 100% indirectly-owned subsidiary of the Company	Sales	\$ 545,422	20.30%	180 days after monthly settlement	\$ -	—	\$ 676,864	71.77%	—

Note: The paid-in capital refers to the paid-in capital of the parent company. If the issuer's shares have no par value or the par value per share is not NT\$10, the transaction amount provision of 20% of the paid-in capital shall be calculated as 10% of the equity attributable to owners of the parent company in the balance sheet.

YOUNGTEK ELECTRONICS CORP. AND ITS SUBSIDIARIES

Receivables from related parties reaching NT\$100 million or 20% or more of the paid-in capital

September 30, 2025

Table 5

Unit: NT\$ thousand, unless otherwise specified

Company recording the receivables	Transaction counterparty name	Relationship	Balance of receivables from related parties (including other receivables)	Turnover rate	Overdue receivables from related parties		Amount of receivables from related parties subsequently collected	Allowance for impairment loss
					Amount	Handling method		
YoungTek Corporation	Suzhou YoungTek	A 100% indirectly-owned subsidiary of the Company	\$ 676,864	104%	\$ 65,218	Continuously being collected	\$ -	\$ -

YOUNGTEK ELECTRONICS CORP. AND ITS SUBSIDIARIES

Business Relationship and Significant Intercompany Transactions between the Parent Company and its Subsidiaries and among Subsidiaries

January 1 to September 30, 2025

Table 6

Unit: NT\$ thousands

No.	Transaction party name	Counterparty	Relationship with the transaction party (Note 1)	Transaction details			
				Account	Amount	Transaction terms	Percentage of consolidated total revenue or total assets
0	YoungTek Corporation	Yangzhou YoungTek	1	Deferred credit - Intercompany transactions	\$ 19,013	Note 2	-
				Incoming goods	13,226	Note 2	-
		Shenzhen YoungTek	1	Operating revenue	13,327	Note 2	-
				Accounts receivable	13,475	Note 2	-
				Deferred credit - Intercompany transactions	7,053	Note 2	-
		Suzhou YoungTek	1	Operating revenue	545,422	Note 2	18%
				Deferred credit - Intercompany transactions	219,122	Note 2	3%
				Incoming goods	5,738	Note 2	-
				Other Receivables	65,218	Note 2	1%
				Accounts receivable	611,646	Note 2	8%
1	Shenzhen YoungTek	Anhui Utest	1	Deferred credit - Intercompany transactions	49,999	Note 2	1%
				Operating revenue	46,847	Note 2	2%
				Accounts receivable	97,858	Note 2	1%
		Youngtek USA	1	Commission expense	14,169	Note 2	-
		Suzhou YoungTek	2	Incoming goods	40,166	Note 2	1%
2	Suzhou YoungTek			Accounts receivable	21,836	Note 2	-
				Accounts payable	30,811	Note 2	-
		Anhui Utest	2	Operating revenue	37,401	Note 2	1%
				Accounts receivable	25,708	Note 2	-
		YTEC Samoa company	2	Short-term borrowings	122,536	Note 2	2%

Note 1: 1 represents transactions from parent company to its subsidiary.

2 represents transactions between subsidiaries.

Note 2: Based on conditions agreed upon by both parties.

Note 3: The significant transaction information in this table may be determined for disclosure by the Company based on the materiality principle.

YOUNGTEK ELECTRONICS CORP. AND ITS SUBSIDIARIES

Investee Company Information

January 1 to September 30, 2025

Table 7

Unit: NTD\$ thousand, unless otherwise specified

Investing company name	Investee Company Name	Location	Main Business Activities	Original Investment Amount		The Company's Holdings			Profit/Loss of the Investee Company for the Current Period	Investment Profit/Loss Recognized for the Current Period	Remarks
				End of the Current Period	End of the Previous Period	Number of Shares	Ratio %	Carrying Amount			
YoungTek Electronics Corp.	YTEC Holding (Samoa) Co., Ltd.	Samoa	Investment holding	\$ 1,967,924	\$ 1,967,924	Note 1	100.00	\$ 385,262 (Note 2)	\$ 3,943	\$ 3,943	—
	Wecon Automation Machinery Corp.	Taiwan Hsinchu	Manufacturing of machinery and equipment, electronic components, wired and wireless communication machinery and equipment, telecommunication-controlled radio frequency equipment, computers and peripheral equipment, and molds; installation of machinery and computer equipment, telecommunications and other engineering; wholesale and retail of hardware, electrical appliances, machinery, computers and office machine equipment, telecommunications equipment, information software, electronic materials, etc.	1,000	1,000	100,000	100.00	992 (Note 3)	3	3	Note 5
	YOUNGTEK ELECTRONICS CORPORATION USA, INC	United States	Semiconductor equipment sales and OEM/ODM services	USD 500 \$ 16,210	USD 500 \$ 16,210	1,500	100.00	13,067 (Note 3)	(3,464)	(3,464)	—
	Tian Zheng International Precision Machinery Co., Ltd.	Taiwan Kaohsiung	Precision equipment, electronic components, molds	36,256	36,256	5,395,136	14.60	124,209 (Note 3)	(9,411)	(1,374)	—
	Wecon Limited (Samoa)	Samoa	Investment holding	USD 800 \$ 23,738	USD 800 \$ 23,738	Note 1	100.00	12,513 (Note 3)	(826)	(826)	—
	Sissca Co., Ltd	Taiwan Hsinchu	Mechanical equipment, electronic components, optical instruments	24,000	24,000	3,370,752	15.38	29,250 (Note 3)	24,231	3,710	—
	YTEC Holding (Samoa) Co., Ltd.	Hong Kong	Investment holding	RMB 224,270 \$ 1,039,916	RMB 224,270 \$ 1,039,916	Note 1	100.00	222,496 (Note 2)	(24,857)	(24,857)	—
	Clear Reach Limited	British Virgin Islands	Investment holding	USD 7,198 \$ 209,057	USD 7,198 \$ 209,057	Note 1	100.00	107,911 (Note 3)	(6,710)	(6,710)	—

Note 1: It is a limited company, with only paid-in capital and no shares.

Note 2: Calculated based on financial statements audited by CPAs for the same period.

Note 3: Calculated based on financial statements not audited by CPAs for the same period.

Note 4: For information regarding invested companies in mainland China, please refer to Schedule 8.

Note 5: Wecon Automation Machinery Corp. was approved by the competent authority on September 24, 2025 to change its registration to "Taide IoT Co., Ltd.

YoungTek Electronics Corp. and Its Subsidiaries
Information on Investments in Mainland China

January 1 to September 30, 2025

Table 8

Unit: NTD and foreign currency in thousands, unless otherwise specified

Name of Investee Company in Mainland China	Main Business Activities	Paid-in Capital (Note 2)	Investment Method (Note 1)	Accumulated Investment Amount Remitted from Taiwan at Beginning of Period	Investment Amount Remitted or Repatriated During the Period		Accumulated Investment Amount Remitted from Taiwan at End of Period (Note 2)	Shareholding Ratio of Direct or Indirect Investment by the Company	Investment (Losses) Gains Recognized for the Period	Carrying Amount of Investment at End of Period	Investment Returns Repatriated as of the End of the Period
					Remitted	Recovered					
Yangzhou YoungTek Microelectronics Co., Ltd.	Engaged in research and development, production and processing of frequency control and selection components (radio frequency tags) and related equipment, and provision of related technical consultation and services	RMB 67,887 \$ 308,250	(4)	RMB 30,035 \$ 140,895	\$ -	\$ -	RMB 30,035 \$ 140,895	45%	\$ 26,453 (Note 4)	\$ 122,829 (Note 4)	\$ -
YoungTek Microelectronics (Shenzhen) Co., Ltd.	Wafer and integrated circuit testing outsourcing, and providing related technical consultation and services	RMB 50,172 \$ 202,673	(3)	RMB 47,717 \$ 192,368	-	-	RMB 47,717 \$ 192,368	100%	7,536 (Note 4)	121,194 (Note 4)	-
Suzhou YoungTek Microelectronics Co., Ltd.	Integrated circuit design; chip testing, packaging, and processing; technology development, technical services, and technical consultation in the semiconductor and integrated circuit field; computer software design and development; sales of semiconductors, electronic products, electromechanical equipment, and electronic components; mechanical equipment maintenance, leasing, and sales; self-operated and agency import and export business for various goods and technologies.	RMB 20,677 \$ 93,330	(2)	RMB 20,677 \$ 93,330	-	-	RMB 20,677 \$ 93,330	100%	45,668	103,897	-
Anhui Utest Electronics Ltd.	Semiconductor device specialized equipment manufacturing and sales; industrial automatic control computer hardware and software and auxiliary equipment manufacturing and sales; integrated circuit chip and product design and sales; software development and sales; semiconductor, electronic products, electronic components, electronic specialized equipment sales; mechanical equipment maintenance, leasing; technical services, development, consultation, promotion.	RMB 2,500 \$ 10,520	(5)	-	-	-	-	100%	11,352 (Note 4)	2,219 (Note 4)	-

Name of Investee Company in Mainland China	Main Business Activities	Paid-in Capital (Note 2)	Investment Method (Note 1)	Accumulated Investment Amount Remitted from Taiwan at Beginning of Period	Investment Amount Remitted or Repatriated During the Period		Accumulated Investment Amount Remitted from Taiwan at End of Period (Note 2)	Shareholding Ratio of Direct or Indirect Investment by the Company	Investment (Losses) Gains Recognized for the Period	Carrying Amount of Investment at End of Period	Investment Returns Repatriated as of the End of the Period
					Remitted	Recovered					
Shanghai Jiuxi Testing Technology Co., Ltd.	Inspection and testing services; software development, import and export of goods, import and export of technology; technical services, development, and consulting; integrated circuit chip design, product sales and services; sales of specialized equipment for semiconductor devices; wholesale and retail of computer software, hardware and auxiliary equipment; sales of electronic products, specialized equipment, and specialized materials; wholesale and retail of electronic components	RMB 12,500 \$ 380,563	(1) 、(5)	RMB - \$ -	RMB 20,000 \$ 85,780 (Note 3)	-	RMB 20,000 \$ 85,780	48.4%	3,072 (Note 4)	168,277 (Note 4)	-

Accumulated investment amount remitted from Taiwan to Mainland China at the end of the current period	Investment amount approved by the Investment Commission, Ministry of Economic Affairs	Investment limit in Mainland China according to the Investment Commission, Ministry of Economic Affairs regulations - 60% of net worth
USD 17,510 \$ 512,373	USD 17,510 \$ 512,373	\$ 3,878,142

Note 1: Investment methods are divided into the following three types, please mark the category:

- (1) Direct investment in Mainland China.
- (2) Reinvestment in Mainland China through a third-region company (through the subsidiary YTEC Holding (Samoa) Co., Ltd.).
- (3) Reinvestment in Mainland China through a third-region company (through the subsidiary Wecon Limited (Samoa) and the sub-subsidiary Clear Reach Limited).
- (4) Reinvestment in Mainland China through a third-region company (through the sub-subsidiary YTEC (Hong Kong) Global Limited).
- (5) Other methods (reinvestment using the sub-subsidiary Suzhou YoungTek Microelectronics Co., Ltd.'s own funds).

Note 2: Calculated by converting the original foreign currency amount using the original exchange rate.

Note 3: The investment amount remitted from Taiwan in the current period includes the subscribed capital of RMB3,025 thousand and premium amount of RMB16,975 thousand for YoungTek Electronics Corp.

Note 4: The financial statements of invested companies for the same period were not reviewed by accountants.

Note 5: Refer to Note 13 of the financial statements.

YOUNGTEK ELECTRONICS CORP. AND ITS SUBSIDIARIES

Significant transactions that occurred directly or indirectly through a third region with the Mainland China invested companies, and their prices, payment terms, unrealized gains and losses, and other relevant information

January 1 to September 30, 2025

Table 9

Unit: NT\$ thousand, unless otherwise specified

Name of Investee Company in Mainland China	Transaction Type	Sales, disposal of fixed assets		Transaction terms		Notes receivable and accounts receivable (including other receivables) - related parties		Unrealized gains and losses	Remarks
		Amount	Percentage	Payment Terms	Comparison with Regular Transactions	Amount	Percentage		
Suzhou YoungTek	Income from Equipment Sales and Other Industry-Related Revenue	\$ 545,422	20%	Note	Note	\$ 676,864	72%	\$ 102,642	—
Anhui Utest	Income from Equipment Sales and Other Industry-Related Revenue	46,847	2%	Note	Note	97,858	10%	5,415	—
Shenzhen YoungTek	Income from Equipment Sales and Other Industry-Related Revenue	13,327	-	Note	Note	13,475	1%	242	—

Note: There are no other appropriate transaction counterparties for comparison regarding the transaction prices of sales to related parties. Payment terms are all 90 to 180 days monthly settlement after acceptance.