

Key Ware Electronics Co., Ltd.  
and Subsidiaries

Consolidated Financial Report and  
Auditor's Review Report  
Third Quarter of 2025 and 2024

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## **Auditor's Review Report**

To Key Ware Electronics Co., Ltd. : Acknowledgment

### **Preface**

The consolidated balance sheets of Key Ware Electronics Co., Ltd. and its subsidiaries (Key Ware Group) as of 2025 and 2024 September 30, together with the consolidated statements of comprehensive income covering July 1 to September 30 of 2025 and 2024, as well as the consolidated statements of changes in equity and cash flows, and the notes to the consolidated financial statements (including the summary of significant accounting policies), have been reviewed by us. These financial statements, prepared in accordance with the Securities Issuers Financial Reporting Standards and International Accounting Standard 34 “Interim Financial Reporting”, as endorsed and implemented by the Financial Supervisory Commission, are the responsibility of the management. Our responsibility is to express a conclusion based on the audit results.

### **Scope**

Except for the matters described in the Basis for Qualified Conclusion section, we conducted our review in accordance with Standard 2410, “Review of Financial Statements.” The procedures performed in the review included inquiries (primarily directed to individuals responsible for financial and accounting matters), analytical procedures, and other review processes. The scope of the review is substantially less than that of an audit, and therefore, the auditor may not be aware of all significant matters that could be identified in an audit. Accordingly, no audit opinion is expressed.

### **Basis for Qualified Conclusion**

As described in Note 12 to the consolidated financial statements, the interim financial statements of certain immaterial subsidiaries included in the consolidated financial statements have not been reviewed by auditors. As of September 30, 2025, these subsidiaries accounted for total assets of NT\$422,836 thousand, representing 11.61% of the consolidated total assets; total liabilities of NT\$68,273 thousand, representing 3.95% of the consolidated total liabilities. Their

comprehensive income for the periods from July 1, 2025 to September 30, 2025, and from January 1, 2025 to September 30, 2025, amounted to NT\$4,913 thousand and NT\$1,237 thousand, respectively, accounting for 11.99% and (0.74)% of the consolidated comprehensive income for those periods.

### **Conclusion**

Based on our review, except for the potential adjustments that might have been identified if the financial statements of the immaterial subsidiaries described in the Basis for Qualified Conclusion section had been reviewed by auditors, we did not identify any material modifications that should be made to the accompanying consolidated financial statements in order for them to be presented fairly, in all material respects, in accordance with the Securities Issuers Financial Reporting Standards and International Accounting Standard 34, “Interim Financial Reporting,” as endorsed and enacted by the Financial Supervisory Commission. The financial statements include the financial position of Key Ware Group as of September 30, 2025 and 2024 and the financial performance and cash flows for the periods from July 1, 2025 to September 30, 2025, and from January 1, 2025 to September 30, 2025, as well as those of 2024.

Deloitte Taiwan

CPA Li, Kuan-Hao

CPA Lin, Wang-sheng

Approved by Financial Supervisory  
Commission  
FSC Approval Document No.  
1100372936

Approved by Financial Supervisory  
Commission  
FSC Approval Document No. 1120349008

2025 November 12

## Key Ware Electronics Co., Ltd. and Subsidiaries

## Consolidated Balance Sheet

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

Unit: NTS thousand

Code	Assets	September 30, 2025		December 31, 2024		September 30, 2024	
		Amount	%	Amount	%	Amount	%
	<b>Current Assets</b>						
1100	Cash and Cash Equivalents (Note VI)	\$ 277,372	8	\$ 227,514	6	\$ 175,156	5
1110	Financial Assets at Fair Value Through Profit or Loss – Current (Notes VII and XXVII)	148,351	4	119,843	3	203,445	5
1120	Financial Assets at Fair Value Through Other Comprehensive Income – Current (Notes VIII and XXVII)	224,393	6	256,449	7	269,020	7
1150	Notes Receivable (Note IX)	46,813	1	48,820	1	56,453	1
1170	Accounts Receivable (Note IX)	664,601	18	547,572	15	557,813	15
1180	Accounts Receivable from Related Parties, Net (Note XXVI)	68	-	71	-	58	-
1200	Other Receivables (Note IX)	139,922	4	142,689	4	140,122	4
130X	Inventories (Note X)	499,481	14	509,237	14	506,689	13
1421	Prepayments for Purchases	17,311	-	16,885	-	22,163	1
1460	Non-current Assets Held for Sale (Note XI)	-	-	-	-	49,227	1
1470	Other Current Assets	94,530	3	83,544	2	75,506	2
11XX	Total Current Assets	<u>2,112,842</u>	<u>58</u>	<u>1,952,624</u>	<u>52</u>	<u>2,055,652</u>	<u>54</u>
	<b>Non-current Assets</b>						
1517	Financial Assets at Fair Value Through Other Comprehensive Income – Non-current (Note VIII)	30,490	1	36,501	1	56,010	2
1600	Property, Plant, and Equipment (Notes XIII and XXVII)	1,291,140	36	1,427,381	38	1,293,722	34
1755	Right-of-use Assets (Notes XIV and XXVI)	61,154	2	78,143	2	77,930	2
1805	Goodwill	7,049	-	7,527	-	7,454	-
1821	Other Intangible Assets (Note XV)	12,328	-	14,849	-	15,689	1
1840	Deferred Income Tax Assets (Note XXI)	72,635	2	78,447	2	90,190	2
1920	Refundable Deposits	4,247	-	4,665	-	5,007	-
1915	Prepayments – Non-current	44,966	1	23,124	1	35,303	1
1930	Other Receivables – Non-current (Notes IX and XIII)	-	-	135,620	4	134,508	4
1990	Other Non-current Assets (Note XIII)	3,792	-	3,380	-	2,971	-
15XX	Total Non-current Assets	<u>1,527,801</u>	<u>42</u>	<u>1,809,637</u>	<u>48</u>	<u>1,718,784</u>	<u>46</u>
1XXX	Total Assets	<u>\$ 3,640,643</u>	<u>100</u>	<u>\$ 3,762,261</u>	<u>100</u>	<u>\$ 3,774,436</u>	<u>100</u>
	<b>Liabilities and Equity</b>						
	<b>Current Liabilities</b>						
2100	Short-term Borrowings (Notes XVI and XXVII)	\$ 816,739	22	\$ 762,569	20	\$ 763,373	20
2110	Short-term Bills Payable (Note XVI)	34,969	1	-	-	-	-
2150	Notes and Accounts Payable	165,927	5	120,145	3	133,891	4
2180	Accounts Payable to Related Parties (Note XXVI)	26,547	1	29,997	1	17,925	-
2216	Dividends Payable	28,868	1	-	-	-	-
2219	Other Payables (Note XVII)	71,865	2	66,099	2	76,141	2
2220	Other Payables to Related Parties (Note XXVI)	40	-	79	-	104	-
2230	Current Income Tax Liabilities (Note IV)	40,104	1	61,024	2	57,697	2
2280	Lease Liabilities – Current (Notes XIV and XXVI)	17,743	1	20,961	1	20,182	1
2320	Current Portion of Long-term Borrowings (Notes XVI and XXVII)	14,877	-	16,676	-	16,570	-
2399	Other Current Liabilities	8,367	-	7,368	-	7,852	-
21XX	Total Current Liabilities	<u>1,226,046</u>	<u>34</u>	<u>1,084,918</u>	<u>29</u>	<u>1,093,735</u>	<u>29</u>
	<b>Non-current Liabilities</b>						
2540	Long-term Borrowings (Notes XVI and XXVII)	451,453	13	462,121	12	466,330	12
2570	Deferred Income Tax Liabilities (Note XXI)	34,150	1	90,157	2	92,381	2
2580	Lease Liabilities – Non-current (Notes XIV and XXVI)	11,448	-	22,939	1	23,265	1
2670	Other Non-current Liabilities	6,600	-	4,660	-	21,598	1
25XX	Total Non-current Liabilities	<u>503,651</u>	<u>14</u>	<u>579,877</u>	<u>15</u>	<u>603,574</u>	<u>16</u>
2XXX	Total Liabilities	<u>1,729,697</u>	<u>48</u>	<u>1,664,795</u>	<u>44</u>	<u>1,697,309</u>	<u>45</u>
	<b>Equity Attributable to Owners of the Parent</b>						
3110	Capital Stock	1,924,485	53	1,924,485	51	1,923,535	51
3140	Advance Receipts for Capital Stock	8,350	-	-	-	1,102	-
3200	Capital Surplus	67,366	2	80,695	2	80,543	2
3300	Retained Earnings	152,200	4	197,763	5	159,248	4
3400	Other Equity	(259,057)	(7)	(124,456)	(3)	(106,849)	(3)
31XX	Total Equity Attributable to Owners of the Parent	<u>1,893,344</u>	<u>52</u>	<u>2,078,487</u>	<u>55</u>	<u>2,057,579</u>	<u>54</u>
36XX	Non-controlling Interests	17,602	-	18,979	1	19,548	1
3XXX	Total Equity	<u>1,910,946</u>	<u>52</u>	<u>2,097,466</u>	<u>56</u>	<u>2,077,127</u>	<u>55</u>
	<b>Total Liabilities and Equity</b>	<u>\$ 3,640,643</u>	<u>100</u>	<u>\$ 3,762,261</u>	<u>100</u>	<u>\$ 3,774,436</u>	<u>100</u>

The accompanying notes are an integral part of these consolidated financial statements.  
(Please refer to the auditors' review report issued by Deloitte Taiwan dated November 12, 2025.)

Chairman: Chow, Pong-Chi

President: Chu, Tsung-Wei

Accounting Manager: Lee, Yun-Ting

Key Ware Electronics Co., Ltd. and Subsidiaries  
Consolidated Statement of Comprehensive Income  
As of July 1 to September 30, 2025 and 2024, and as of January 1 to September 30, 2025 and 2024

Unit: NT\$ thousand, except earnings (loss) per share

Code		July 1, 2025 to September 30, 2025		July 1, 2024 to September 30, 2024		January 1, 2025 to September 30, 2025		January 1, 2024 to September 30, 2024	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	Operating Revenue (Note XXVI)	\$ 367,500	100	\$ 298,294	100	\$ 1,003,854	100	\$ 874,042	100
5000	Operating Costs (Notes X, XVIII, XX, and XXVI)	328,812	89	262,061	88	911,835	91	791,175	90
5900	Gross Profit	38,688	11	36,233	12	92,019	9	82,867	10
	Operating Expenses (Notes XV, XVIII, and XX)								
6100	Selling Expenses	18,162	5	14,217	5	49,733	5	39,029	5
6200	Administrative Expenses	16,343	5	17,834	6	48,828	5	49,572	6
6300	Research and Development Expenses	888	-	966	-	2,734	-	3,029	-
6450	Expected Credit Losses (Reversal Gains)	364	-	3,126	1	(2,214)	-	10,612	1
6000	Total Operating Expenses	35,757	10	36,143	12	99,081	10	102,242	12
6900	Operating Income (Loss)	2,931	1	90	-	(7,062)	(1)	(19,375)	(2)
	Non-operating Income and Expenses (Notes XIII, XX, and XXVI)								
7100	Interest Income	2,706	1	6,169	2	14,643	1	26,739	3
7010	Other Income	6,549	2	1,602	1	6,679	1	1,921	-
7020	Other Gains and Losses	917	-	(36,547)	(12)	(13,725)	(1)	(35,753)	(4)
7050	Finance Costs	(8,344)	(2)	(8,313)	(3)	(24,689)	(2)	(23,968)	(3)
7055	Reversal Gains from Expected Credit Losses	816	-	-	-	816	-	21,190	3
7060	Share of Profits and Losses of Associates and Joint Ventures Accounted for Using the Equity Method	-	-	-	-	-	-	(1)	-
7000	Total Non-operating Income and Expenses	2,644	1	(37,089)	(12)	(16,276)	(1)	(9,872)	(1)
7900	Profit (Loss) Before Tax	5,575	2	(36,999)	(12)	(23,338)	(2)	(29,247)	(3)
7950	Income Tax Expense (Benefit) (Notes IV and XXI)	3,307	1	(3,991)	(1)	8,371	1	(5,160)	-
8200	Profit (Loss) for the Period	2,268	1	(33,008)	(11)	(31,709)	(3)	(24,087)	(3)
	Other Comprehensive Income								
8310	Items Not Reclassified to Profit or Loss								
8316	Unrealized Gains (Losses) on Equity Instruments Measured at Fair Value Through Other Comprehensive Income (Note XIX)	(18,248)	(5)	(51,541)	(17)	(38,066)	(4)	2,402	-
8360	Items That May Be Reclassified to Profit or Loss								
8361	Exchange Differences on Translation of Financial Statements of Foreign Operations (Note XIX)	71,193	19	(14,548)	(5)	(120,668)	(12)	72,144	8
8399	Income Tax Relating to Items that May Be Reclassified (Note XXI)	(14,239)	(4)	2,909	1	24,133	2	(14,429)	(1)
8300	Other Comprehensive Income for the Period	38,706	10	(63,180)	(21)	(134,601)	(14)	60,117	7
8500	Total Comprehensive Income for the Period	\$ 40,974	11	(\$ 96,188)	(32)	(\$ 166,310)	(17)	\$ 36,030	4
	Profit (Loss) Attributable to:								
8610	Owners of the Parent	\$ 1,361	1	(\$ 33,913)	(11)	(\$ 32,962)	(3)	(\$ 26,007)	(3)
8620	Non-controlling Interests	907	-	905	-	1,253	-	1,920	-
8600		\$ 2,268	1	(\$ 33,008)	(11)	(\$ 31,709)	(3)	(\$ 24,087)	(3)
	Total Comprehensive Income Attributable to:								
8710	Owners of the Parent	\$ 40,067	11	(\$ 97,093)	(32)	(\$ 167,563)	(17)	\$ 34,110	4
8720	Non-controlling Interests	907	-	905	-	1,253	-	1,920	-
8700		\$ 40,974	11	(\$ 96,188)	(32)	(\$ 166,310)	(17)	\$ 36,030	4
	Earnings (Loss) Per Share (Note XXII)								
9750	Basic	\$ 0.01		(\$ 0.18)		(\$ 0.17)		(\$ 0.14)	
9850	Diluted	\$ 0.01		(\$ 0.18)		(\$ 0.17)		(\$ 0.14)	

The accompanying notes are an integral part of these consolidated financial statements.  
(Please refer to the auditors' review report issued by Deloitte Taiwan dated November 12, 2025.)

Chairman: Chow, Pong-Chi

President: Chu, Tsung-Wei

Accounting Manager: Lee, Yun-Ting

Key Ware Electronics Co., Ltd. and Subsidiaries

Consolidated Statement of Changes in Equity

For the periods from January 1, 2025 to September 30, 2025, and from January 1, 2024 to September 30, 2024

Unit: NT\$ thousand

Code		Equity Attributable to Owners of the Parent (Note XIX)										
		Retained Earnings						Other Equity		Total	Non-controlling Interest	Total Equity
		Common Stock Capital	Capital Received in Advance	Capital Surplus	Statutory Reserve	Special Reserve	Unappropriated Earnings	Exchange differences arising from translating the financial statements of foreign operations	Unrealized gains and losses on financial assets measured at fair value through other comprehensive income			
A1	Balances as of January 1, 2024	\$ 1,923,135	\$ -	\$ 80,479	\$ 25,118	\$ 158,644	\$ 1,493	( \$ 114,809 )	( \$ 52,157 )	\$ 2,021,903	\$ 17,628	\$ 2,039,531
D1	Net Profit (Loss) for the Period from January 1, 2024 to September 30, 2024	-	-	-	-	-	( 26,007 )	-	-	( 26,007 )	1,920	( 24,087 )
D3	Other Comprehensive Income (Loss) After Tax for the Period from January 1, 2024 to September 30, 2024	-	-	-	-	-	-	57,715	2,402	60,117	-	60,117
D5	Total Comprehensive Income for the Period from January 1, 2024 to September 30, 2024	-	-	-	-	-	( 26,007 )	57,715	2,402	34,110	1,920	36,030
	Appropriation and Distribution of 2023 Earnings											
B1	Appropriation of Statutory Reserve	-	-	-	149	-	( 149 )	-	-	-	-	-
B3	Appropriation of Special Reserve	-	-	-	-	1,344	( 1,344 )	-	-	-	-	-
N1	Share-based Payment (Note XXIII)	400	1,102	64	-	-	-	-	-	1,566	-	1,566
Z1	Balances as of September 30, 2024	\$ 1,923,535	\$ 1,102	\$ 80,543	\$ 25,267	\$ 159,988	( \$ 26,007 )	( \$ 57,094 )	( \$ 49,755 )	\$ 2,057,579	\$ 19,548	\$ 2,077,127
A1	Balances as of January 1, 2025	\$ 1,924,485	\$ -	\$ 80,695	\$ 25,267	\$ 159,988	\$ 12,508	( \$ 42,620 )	( \$ 81,836 )	\$ 2,078,487	\$ 18,979	\$ 2,097,466
D1	Net Profit (Loss) for the Period from January 1, 2025 to September 30, 2025	-	-	-	-	-	( 32,962 )	-	-	( 32,962 )	1,253	( 31,709 )
D3	Other Comprehensive Income (Loss) After Tax for the Period from January 1, 2025 to September 30, 2025	-	-	-	-	-	-	( 96,535 )	( 38,066 )	( 134,601 )	-	( 134,601 )
D5	Total Comprehensive Income for the Period from January 1, 2025 to September 30, 2025	-	-	-	-	-	( 32,962 )	( 96,535 )	( 38,066 )	( 167,563 )	1,253	( 166,310 )
	Appropriation and Distribution of 2024 Earnings											
B1	Appropriation of Statutory Reserve	-	-	-	1,251	-	( 1,251 )	-	-	-	-	-
B5	Cash Dividends on Common Stocks	-	-	-	-	-	( 12,601 )	-	-	( 12,601 )	-	( 12,601 )
B17	Reversal of Special Reserve	-	-	-	-	( 1,344 )	1,344	-	-	-	-	-
M1	Distribution of Cash Dividends from Capital Surplus	-	-	( 16,267 )	-	-	-	-	-	( 16,267 )	-	( 16,267 )
N1	Share-based Payment—Employee Stock Options Exercised (Note XXIII)	-	8,350	2,938	-	-	-	-	-	11,288	-	11,288
O1	Cash Dividends to Subsidiary Shareholders	-	-	-	-	-	-	-	-	-	( 2,630 )	( 2,630 )
Z1	Balances as of September 30, 2025	\$ 1,924,485	\$ 8,350	\$ 67,366	\$ 26,518	\$ 158,644	( \$ 32,962 )	( \$ 139,155 )	( \$ 119,902 )	\$ 1,893,344	\$ 17,602	\$ 1,910,946

The accompanying notes are an integral part of this Consolidated Financial Report.

(Please refer to the Review Report dated November 12, 2025, issued by Deloitte Taiwan CPAs)

Chairman: Chow, Pong-Chi

President: Chu, Tsung-Wei

Accounting Manager: Lee, Yun-Ting

Key Ware Electronics Co., Ltd. and Subsidiaries

Consolidated Statement of Cash Flows

For the Periods from January 1, 2025 and 2024 to September 30, 2025 and 2024

Unit: NT\$ thousand

Code		As of January 1, 2025 to September 30, 2025	As of January 1, 2024 to September 30, 2024
	Cash Flows from Operating Activities		
A10000	Pre-tax Net Loss	(\$ 23,338)	(\$ 29,247)
A20010	Income and Expenses Items		
A20100	Depreciation Expenses	103,051	93,416
A20200	Amortization Expenses	3,035	4,865
A20300	Reversal of Expected Credit Loss	( 3,030)	( 10,578)
A20400	Gains or Losses on Financial Instruments Measured at Fair Value through Profit or Loss	( 13,445)	28,775
A20900	Financial Costs	24,689	23,968
A21200	Interest Income	( 14,643)	( 26,739)
A21300	Dividend Income	( 6,625)	( 1,345)
A22300	Share of Profit or Loss from Affiliates under Equity Method	-	1
A22500	Loss (Gain) on Disposal of Property, Plant, and Equipment	( 10)	19
A23700	Inventory Write-down and Obsolescence Loss (Reversal Gain)	( 7,181)	2,652
A24100	Unrealized Foreign Exchange Loss (Gain)	( 697)	1,287
A30000	Net Changes in Operating Assets and Liabilities		
A31130	Notes Receivable	( 263)	5,526
A31150	Accounts Receivable	( 135,357)	( 54,325)
A31160	Accounts Receivable—Related Parties	3	14
A31180	Other Receivables	2,293	10,975
A31200	Inventory	2,024	( 52,583)
A31230	Prepayments	( 426)	( 9,488)
A31240	Other Current Assets	( 10,986)	( 25,151)
A32130	Notes and Accounts Payable	50,637	5,131
A32160	Accounts Payable—Related Parties	( 3,450)	( 4,796)
A32180	Other Payables	3,970	( 17,267)
A32190	Other Payables—Related Parties	( 39)	( 61)
A32230	Other Current Liabilities	999	57
A32240	Other Non-current Liabilities	1,940	3,745
A33000	Cash Generated from Operations	( 26,849)	( 51,149)
A33100	Interest Received	1,359	1,476
A33200	Dividends Received	6,625	1,345
A33300	Interest Paid	( 25,523)	( 24,016)
A33500	Income Tax Paid	( 49,444)	( 63,528)
AAAA	Net Cash Outflows from Operating Activities	( 93,832)	( 135,872)

(To be continued on the next page)

(Continued from the previous page)

Code		As of January 1, 2025 to September 30, 2025	As of January 1, 2024 to September 30, 2024
	<b>Cash Flows from Investing Activities</b>		
B00100	Acquisition of Financial Assets Measured at Fair Value through Profit or Loss	(\$ 205,961)	(\$ 723,826)
B00200	Proceeds from Disposal of Financial Assets Measured at Fair Value through Profit or Loss	188,863	607,466
B02700	Acquisition of Property, Plant, and Equipment	( 5,608)	( 5,200)
B02800	Proceeds from Disposal of Property, Plant, and Equipment	2,842	-
B05350	Decrease in Compensation Receivable	133,950	212,375
B03700	Increase in Guarantee Deposits Paid	-	( 2,292)
B03800	Decrease in Guarantee Deposits Paid	470	653
B06700	Increase in Other Non-current Assets	( 926)	( 1,574)
B07100	Increase in Prepayments	( 26,507)	( 26,986)
B07600	Dividends Received from Affiliates	-	10,365
BBBB	Net Cash Inflows from Investing Activities	<u>87,123</u>	<u>70,981</u>
	<b>Cash Flows from Financing Activities</b>		
C00100	Increase in Short-term Borrowings	2,026,093	2,159,005
C00200	Decrease in Short-term Borrowings	( 1,967,594)	( 1,954,227)
C00500	Increase in Short-term Notes Payable	255,161	-
C00600	Decrease in Short-term Notes Payable	( 220,192)	( 24,979)
C01300	Repayment of Convertible Bonds	-	( 57,300)
C01600	Proceeds from Long-term Borrowings	-	20,000
C01700	Repayments of Long-term Borrowings	( 12,467)	( 17,161)
C04020	Repayments of Lease Principal	( 13,401)	( 16,365)
C04800	Employee Stock Options Exercised	11,288	1,566
CCCC	Net Cash Inflows from Financing Activities	<u>78,888</u>	<u>110,539</u>
DDDD	Effect of Exchange Rate Changes on Cash and Cash Equivalents	( 22,321)	( 8,405)
EEEE	Net Increase in Cash and Cash Equivalents for the Period	49,858	37,243
E00100	Beginning Balance of Cash and Cash Equivalents	<u>227,514</u>	<u>137,913</u>
E00200	Ending Balance of Cash and Cash Equivalents	<u>\$ 277,372</u>	<u>\$ 175,156</u>

The accompanying notes are an integral part of this Consolidated Financial Report.

(Please refer to the Review Report dated November 12, 2025, issued by Deloitte Taiwan CPAs)

Chairman:  
Chow, Pong-Chi

President:  
Chu, Tsung-Wei

Accounting Manager:  
Lee, Yun-Ting

Key Ware Electronics Co., Ltd. and Subsidiaries  
Notes to the Consolidated Financial Statements

For the Periods from January 1, 2025 and 2024 to September 30, 2025 and 2024

(Unless otherwise specified, amounts are expressed in thousands of New Taiwan Dollars (NT\$))

I. History of the Company

Key Ware Electronics Co., Ltd. (hereinafter referred to as "the Company") was established and registered on February 27, 1997, primarily engaged in the design, manufacturing, processing, and distribution of raw materials for printed circuit boards, such as electroplating solutions, dry film, drill bits, and copper-clad laminates.

The common shares of the Company have been listed on the Taipei Exchange (TPEX) since March 29, 2001.

This consolidated financial report is presented in the Company's functional currency—New Taiwan Dollars.

II. Dates and Procedures of Approval for the Financial Report

This consolidated financial report was approved by the Board of Directors on November 5, 2025.

III. Adoption of Newly Issued and Revised Standards and Interpretations

(I) First-time Adoption of International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations (IFRIC), and Interpretations issued by the Standing Interpretations Committee (SIC) (collectively referred to as "IFRS Standards") and approved by the Financial Supervisory Commission (FSC).

The adoption of revised IFRS Standards, as approved by the FSC, does not result in any significant changes to the accounting policies of the consolidated company.

(II) IFRS Standards approved by the FSC for adoption in 2026

<u>Newly Issued/Revised Standards and Interpretations</u>	<u>Effective Dates as Announced by the IASB</u>
Revisions to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"	Effective on January 1, 2026
Revisions to IFRS 9 and IFRS 7 "Contracts Dependent on Natural Power"	Effective on January 1, 2026
"Annual Improvements to IFRS Standards, Volume 11"	Effective on January 1, 2026
IFRS 17 "Insurance Contracts" (including amendments issued in 2020 and 2021)	Effective on May 1, 2023

As of the date this consolidated financial report was authorized for issuance, the consolidated company is still evaluating the impacts of these amendments on its financial position and performance, which will be disclosed once the assessment is completed.

(III) IFRS Standards Issued by the IASB but Not Yet Approved by the FSC

Newly Issued/Revised Standards and Interpretations	Effective Dates Announced by the IASB (Note 1)
Revisions to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associates or Joint Ventures”	To Be Determined
IFRS 18 “Presentation and Disclosures in Financial Statements”	Effective on January 1, 2027 (Note 2)
IFRS 19 “Subsidiaries without Public Accountability: Disclosures” (including amendments issued in 2025)	Effective on January 1, 2027

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

Note 2: On September 25, 2025, the FSC announced that companies in Taiwan shall adopt IFRS 18 starting January 1, 2028, with early adoption permitted after FSC approval of IFRS 18.

IFRS 18 “Presentation and Disclosures in Financial Statements”

IFRS 18 will replace IAS 1 “Presentation of Financial Statements.” The major changes include:

- The statement of profit or loss should classify income and expense items into categories such as operating, investing, financing, income taxes, and discontinued operations.
- The statement of profit or loss should report subtotals and totals, including operating profit or loss and profit or loss before financing and tax.
- Guidance is provided to enhance aggregation and disaggregation requirements: The consolidated company must identify assets, liabilities, equity, income, expenses, and cash flows from individual transactions or other events and classify and aggregate them based on shared characteristics. Each line item in the primary financial statements must possess at least one similar characteristic, while items with dissimilar characteristics should be disaggregated in the primary statements

and notes. Items may only be labeled as "others" if no better informational label is available.

Additional Disclosures for Performance Measures Defined by Management: The consolidated company should disclose, in a single note to the financial statements, details about performance measures defined by management that are communicated publicly outside of financial statements and reflect management's perspective on a specific aspect of the consolidated company's financial performance. This includes descriptions, calculation methods, reconciliations to subtotals or totals specified in IFRS Standards, and the tax and non-controlling interests' effects of reconciling items.

Apart from the aforementioned impacts, as of the date this consolidated financial report was authorized for issuance, the consolidated company continues to assess the effects of additional amendments to standards and interpretations on its financial condition and performance. Relevant impacts, if any, will be disclosed once the assessment is completed.

#### IV. Summary of Major Accounting Policies

##### (I) Statement 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," as endorsed and issued into effect by the FSC. This report does not include all disclosures required by full-year financial statements under the IFRS Standards.

##### (II) Basis of Preparation

Except for financial instruments measured at fair value and net defined benefit liabilities recognized as the present value of defined benefit obligations less the fair value of plan assets, this financial report has been prepared based on historical cost. Fair value measurements are categorized into Level 1 to Level 3, based on the observability and significance of inputs:

1. Level 1 inputs: Quoted (unadjusted) prices in active markets for identical assets or liabilities that are obtainable on the measurement date.
2. Level 2 inputs: Observable inputs other than Level 1 prices, which are either directly (i.e., prices) or indirectly (i.e., derived from prices) observable for the asset or liability.
3. Level 3 inputs: Unobservable inputs for the asset or liability.

### (III) Basis of Consolidation

The consolidated financial report includes the financial statements of the Company and its controlled entities (subsidiaries). The consolidated statement of comprehensive income incorporates the operating results of subsidiaries from the acquisition date or until the disposal date for the reporting period. The financial statements of the subsidiaries have been adjusted to align their accounting policies with those of the consolidated company. During the preparation of the consolidated financial report, all intercompany transactions, account balances, revenues, and expenses have been fully eliminated. The total comprehensive income of subsidiaries is attributed to the owners of the Company and non-controlling interests, even if the non-controlling interest results in a deficit balance.

When changes in the ownership interests of subsidiaries do not result in a loss of control, they are treated as equity transactions. The book amounts of the consolidated company and the non-controlling interests are adjusted to reflect the changes in the relative equity interests in the subsidiaries. The difference between the adjustment to the non-controlling interests and the fair value of the consideration paid or received is directly recognized in equity and attributed to the owners of the Company.

For details on subsidiaries, ownership ratios, and operating activities, please refer to Note XII, Appendix IV, and Appendix V.

### (IV) Other Significant Accounting Policies

Except as described below, please refer to the summary of significant accounting policies in the 2024 consolidated financial report.

#### 1. Defined Benefit Post-Retirement Plans

Pension costs for the interim period are calculated using the pension cost rate determined at the end of the previous fiscal year based on actuarial calculations. These costs are applied from the beginning of the year to the end of the interim period and are adjusted for significant market fluctuations, major plan amendments, settlements, or other significant one-time events occurring during the period.

#### 2. Income Tax Expense

Income tax expense is the sum of current income tax and deferred income tax. Interim period income tax is assessed on an annual basis, where the interim pre-tax profit is estimated using the applicable tax rate for the expected total annual earnings.

V. Sources of Key Uncertainties in Significant Accounting Judgments, Estimates, and Assumptions

Please refer to the explanation of the sources of key uncertainties in significant accounting judgments, estimates, and assumptions in the 2024 consolidated financial report.

VI. Cash and Cash Equivalents

	September 30, 2025	December 31, 2024	September 30, 2024
Cash on hand	\$ 1,407	\$ 864	\$ 1,663
Bank checks and demand deposits	<u>275,965</u>	<u>226,650</u>	<u>173,493</u>
	<u>\$ 277,372</u>	<u>\$ 227,514</u>	<u>\$ 175,156</u>

VII. Financial Instruments Measured at Fair Value Through Profit or Loss

Financial Assets – Current

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Mandatorily Measured at Fair Value Through Profit or Loss</u>			
Domestically listed stocks (including OTC and emerging stocks)	\$ 84,070	\$ 79,516	\$ 69,739
Foreign-listed stocks	36,520	18,298	43,373
CNY wealth management products	<u>27,761</u>	<u>22,029</u>	<u>90,333</u>
	<u>\$ 148,351</u>	<u>\$ 119,843</u>	<u>\$ 203,445</u>

VIII. Financial Assets Measured at Fair Value Through Other Comprehensive Income

Equity Instrument Investments

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Current</u>			
Domestically OTC-listed stocks	<u>\$ 224,393</u>	<u>\$ 256,449</u>	<u>\$ 269,020</u>
<u>Non-Current</u>			
Domestically unlisted (OTC) stocks	\$ 15,680	\$ 17,634	\$ 24,943
Internationally unlisted (OTC) stocks	<u>14,810</u>	<u>18,867</u>	<u>31,067</u>
	<u>\$ 30,490</u>	<u>\$ 36,501</u>	<u>\$ 56,010</u>

The consolidated company invests in equity instruments for mid- to long-term strategic purposes, with expected returns from long-term investments. The management of the consolidated company believes that including the short-term fair value fluctuations of these investments in profit or loss would be inconsistent with the aforementioned long-term investment plan, and therefore, has chosen to designate these investments to be measured at fair value through other comprehensive income.

For information on pledges of equity instrument investments measured at fair value through other comprehensive income, please refer to Note XXVII.

IX. Notes Receivable, Accounts Receivable, and Other Receivables

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Notes receivable</u>			
Arising from operational activities	\$ 46,992	\$ 49,086	\$ 58,102
Less: Allowances for losses	( 179)	( 266)	( 1,649)
	<u>\$ 46,813</u>	<u>\$ 48,820</u>	<u>\$ 56,453</u>
<u>Accounts receivable</u>			
Arising from operational activities	\$ 669,284	\$ 554,762	\$ 579,210
Less: Allowances for losses	( 4,683)	( 7,190)	( 21,397)
	<u>\$ 664,601</u>	<u>\$ 547,572</u>	<u>\$ 557,813</u>
<u>Other receivables – Current</u>			
Receivables from land expropriation (Refer to Note XIII)	\$ 136,599	\$ 135,954	\$ 131,948
Receivables from the disposal of equipment (Refer to Note XIII)	1,362	-	13,904
Refundable business tax	1,277	48	2,148
Others	2,238	7,549	6,124
Less: Allowances for losses	( 1,554)	( 862)	( 14,002)
	<u>\$ 139,922</u>	<u>\$ 142,689</u>	<u>\$ 140,122</u>
<u>Other receivables – Non-current</u>			
Receivables from land expropriation (Refer to Note XIII)	\$ -	\$ 137,279	\$ 133,170
Receivables from the disposal of equipment (Refer to Note XIII)	-	-	16,630
Less: Allowances for losses	-	( 1,659)	( 15,292)
	<u>\$ -</u>	<u>\$ 135,620</u>	<u>\$ 134,508</u>

(I) Notes Receivable and Accounts Receivable

To mitigate credit risk, the consolidated company's management assigns personnel to follow up on overdue receivables to ensure appropriate recovery actions are taken for overdue amounts. Further, as of the balance sheet date, the recoverable amount of receivables is individually reviewed to ensure that irrecoverable receivables have been accounted for through proper allowances for losses. Accordingly, the management of the consolidated company believes that the credit risk has been significantly reduced.

The average credit period for the consolidated company's sales of goods is between 120 days and 180 days, during which no interest is charged on accounts receivable.

The consolidated company applies the simplified approach under IFRS 9 to recognize allowances for expected credit losses on accounts receivable based on lifetime expected credit losses. Lifetime expected credit losses are calculated using a provision matrix, which references historical average recovery rates, past customer default records, and current financial positions for different customer groups and account aging intervals. The matrix also considers GDP forecasts and industry outlooks to determine allowance rates for expected losses.

If there is evidence that a counterparty faces significant financial difficulties, and the consolidated company cannot reasonably expect to recover the receivables, the consolidated company writes off the relevant accounts receivable directly, while continuing to pursue recovery. Any recovered amounts from such pursuits are recognized in profit or loss.

The consolidated company measures the allowance for losses on notes receivable and accounts receivable using the provision matrix as follows:

	September 30, 2025		December 31, 2024		September 30, 2024	
	Expected credit loss rate (%)	Carrying amount	Expected credit loss rate (%)	Carrying amount	Expected credit loss rate (%)	Carrying amount
Not overdue	0.29	\$ 688,501	0.72	\$ 549,644	2.23	\$ 571,333
0–90 days	4.16	20,981	11.38	32,306	2.88	47,121
91–180 days	11.41	3,383	21.48	9,948	21.43	6,620
181–270 days	15.70	-	26.40	5,739	26.4	2,641
271–360 days	47.19	-	60.97	3,113	53.74	6,032
Over 360 days	100	<u>3,411</u>	100	<u>3,098</u>	100	<u>3,565</u>
Total carrying amount		716,276		603,848		637,312
Less: Allowance for losses (lifetime expected credit losses)		( <u>4,862</u> )		( <u>7,456</u> )		( <u>23,046</u> )
Amortized cost		<u>\$ 711,414</u>		<u>\$ 596,392</u>		<u>\$ 614,266</u>

Changes in the allowance for losses on notes receivable and accounts receivable are as follows:

	<u>January 1, 2025 to September 30, 2025</u>	<u>January 1, 2024 to September 30, 2024</u>
Beginning balance	\$ 7,456	\$ 11,959
Impairment losses recognized (reversed) during the period	( 2,214)	10,612
Foreign exchange differences	( 380)	475
Ending balance	<u>\$ 4,862</u>	<u>\$ 23,046</u>

(II) Other Receivables

The consolidated company recognizes allowances for losses on other receivables based on historical experience and the default risk over the duration of the receivables. Changes in the allowance for losses on other receivables are as follows:

	<u>January 1, 2025 to September 30, 2025</u>	<u>January 1, 2024 to September 30, 2024</u>
Beginning balance	\$ 2,521	\$ 67,797
Impairment losses reversed during the period	( 816)	( 21,190)
Actual write-offs during the period	-	( 20,078)
Foreign exchange differences	( 151)	2,765
Ending balance	<u>\$ 1,554</u>	<u>\$ 29,294</u>

X. Inventory

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Raw materials	\$ 17,948	\$ 17,501	\$ 16,626
Supplies	16,898	13,276	12,871
Work-in-progress	136,466	124,099	117,378
Finished goods	<u>328,169</u>	<u>354,361</u>	<u>359,814</u>
	<u>\$ 499,481</u>	<u>\$ 509,237</u>	<u>\$ 506,689</u>

The consolidated company's cost of goods sold related to inventory for the periods from July 1 to September 30, 2025 and 2024, and from January 1 to September 30, 2025 and 2024, were NT\$229,678 thousand, NT\$179,737 thousand, NT\$629,791 thousand, and NT\$519,521 thousand, respectively. These amounts include inventory write-downs and losses (gains) on decline or obsolescence recovery of NT\$2,861 thousand, NT\$0 thousand, NT\$7,181 thousand, and (NT\$2,652) thousand.

The inventory write-down recovery in 2024 was primarily due to the increase in net realizable value of finished goods.

## XI. Non-Current Assets Held for Sale

	September 30, 2025	December 31, 2024	September 30, 2024
Machinery and equipment held for sale	\$ -	\$ -	\$ 49,227

In November 2023, due to reduced market demand affecting part of its production capacity, the consolidated company planned to sell certain machinery and equipment. These assets were reclassified as non-current assets held for sale.

The expected sales proceeds from these non-current assets held for sale in fiscal year 2023 were lower than the carrying amount of the related net assets, resulting in an impairment loss of NT\$44,333 thousand. This impairment loss was recognized under other income and losses. The fair value measurement was based on an independent valuation expert's assessment, which applied the cost approach and market approach, and was categorized as Level 3 fair value.

In November of fiscal year 2024, after considering the current economic environment and reassessing the reasonable level of operational capacity, the consolidated company decided to discontinue its plan to sell the machinery previously classified as held for sale. These assets were reclassified from non-current assets held for sale to property, plant, and equipment.

## XII. Subsidiaries

### Subsidiaries included in the consolidated financial report

The main entities included in the preparation of this consolidated financial report are as follows:

Investing company name	Subsidiary name	Nature of business	Ownership percentage			Notes
			September 30, 2025	December 31, 2024	September 30, 2024	
The Company	Key Ware International Limited	General investment	100%	100%	100%	-
The Company	Key De Precise Industris Co., Ltd	Wholesale and processing of electronic components	51%	51%	51%	-
The Company	Laserware Laser Technology Co., Ltd	Electronic components, mechanical equipment, and drilling services	99.99%	99.99%	99.99%	Note 1
The Company	Jia Chi Co., Ltd	Drilling services	83.63%	83.63%	83.63%	Note 1
The Company	Hui Peng Technology Co., Ltd	Electronic components and mechanical equipment	60%	60%	60%	Note 1
The Company	KEY WARE ELECTRONICS (THAILAND) CO., LTD. (KEY WARE THAILAND)	Drilling services	100%	100%	100%	Note 1 and Note 2
Key Ware International Limited	Advisor Move Investments Limited	General investment	100%	100%	100%	-
Key Ware International Limited	Module System International Limited	General investment	100%	100%	100%	-
Advisor Move Investments Limited	Kunshan Key Ware Electronics Co., Ltd.	Drilling tools and hand tools	100%	100%	100%	-

Kunshan Key Ware Electronics Co., Ltd	Kunshan Laserware Laser Technology Co., Ltd.	Drilling services	100%	100%	100%	Note 1
Kunshan Key Ware Electronics Co., Ltd	King Ware (Chongqing) Electronics Co., Ltd	Drilling tools and hand tools	100%	100%	100%	Note 1
Kunshan Key Ware Electronics Co., Ltd	Wuhan Laserware Laser Technology Co., Ltd	Drilling services	100%	100%	100%	Note 1
Kunshan Key Ware Electronics Co., Ltd	Shenzhen Laserware Laser Technology Co., Ltd	Drilling services	100%	100%	100%	Note 1
Kunshan Key Ware Electronics Co., Ltd	Hubei Laserware Laser Technology Co., Ltd	Drilling services	100%	100%	100%	Note 1 and Note 3

Note 1: These are immaterial subsidiaries, and their financial statements for the period from January 1 to September 30, 2025 have not been reviewed by an accountant.

Note 2: In March 2024, the Company, following a resolution passed by the board of directors, established the subsidiary KEY WARE THAILAND, which has completed registration procedures. Capital injections, denominated in Thai baht, were made in March 2025 (1,100 thousand), September 2025 (5,500 thousand), and March 2024 (2,500 thousand).

Note 3: The Company resolved during the board meeting in 2024 March 31 to establish a subsidiary, Laserware Laser Technology (Hubei) Co., Ltd., with an investment of CNY13,500 thousand from Kunshan Key Ware Electronics Co., Ltd.. It acquired 100% of the equity, and the establishment registration has been completed.

### XIII. Property, Plant, and Equipment

	September 30, 2025	December 31, 2024	September 30, 2024
Net Amount by Category			
Owned Land	\$ 113,167	\$ 113,167	\$ 113,167
Buildings and Structures	393,567	423,970	424,647
Machinery and Equipment	738,116	834,766	704,639
	September 30, 2025	December 31, 2024	September 30, 2024
Transportation Equipment	\$ 1,387	\$ 1,599	\$ 1,672
Office Equipment	2,412	2,559	2,069
Leasehold Improvements	20,549	24,798	20,614
Other Equipment	<u>21,942</u>	<u>26,522</u>	<u>26,914</u>
	<u>\$ 1,291,140</u>	<u>\$ 1,427,381</u>	<u>\$ 1,293,722</u>

(I) The depreciation of property, plant, and equipment is calculated on a straight-line basis over the following useful lives:

Buildings and Structures	20 to 50 years
Machinery and Equipment	2 to 13 years
Transportation Equipment	3 to 5 years

Office Equipment	3 to 8 years
Leasehold Improvements	3 to 9 years
Other Equipment	3 to 20 years

- (II) Kunshan Key Ware and Kunshan Weixing were originally located at No. 1999, Hu'an Road, Huaqiao Town, Kunshan City, Jiangsu Province, China. Due to the requirements of the Shanghai Metro Line 11 and Suzhou Metro Line S1 projects and the relocation demands of the Planning and Construction Bureau of the Huaqiao Economic Development Zone, the board of directors authorized the Chairman to handle the signing of the relocation and compensation contracts in accordance with the law. As of September 30, 2025, December 31, 2024, and September 30, 2024, the consolidated company recognized net gains on land expropriation, less received land expropriation funds, as accounts receivable land expropriation payments of CNY31,358 thousand, CNY58,697 thousand, and CNY58,697 thousand, respectively (recorded as other accounts receivable). For details on relocation benefits recognized before 2024, please refer to the consolidated financial statements for 2024.
- (III) In November 2022, Kunshan Key Ware sold drilling machine equipment to an unrelated party, Chongqing Jinzixin Technology Co., Ltd. (Jinzixin Co.), and signed an installment payment contract. As of December 31, 2024, the consolidated company recognized accounts receivable related to the disposal of equipment for the amount of CNY11,620 thousand (recorded as other accounts receivable). Both parties also re-signed the agreement in June 2024, to address relevant matters, with the main terms of the revised agreement detailed as follows:
1. The sales amount of the machinery and equipment was revised to CNY9,880 thousand.
  2. The first installment, totaling CNY2,900 thousand (already received), will be followed by the remaining payments, distributed over 2024 years beginning from July 30 installments.
- (IV) Kunshan Key Ware entered into a contract with Chongqing Jinzixin Technology Co., Ltd. in September 2024, purchasing drilling and processing machinery and equipment for a total of CNY11,180 thousand. Inspection and acceptance were completed in December 2024 year. Out of this amount, CNY6,980 thousand was offset against receivables owed by Chongqing Jinzixin Technology Co. to Kunshan Key Ware, as per mutual agreement under (III).

- (V) Hubei Laserware signed a factory lease agreement with the lessee and entered a contract with a contractor in April 2024 for the integration, power distribution, and piping works at the factory premises, with a total contract value of CNY8,500 thousand. As of September 30th 2025, the consolidated company has paid CNY5,534 thousand (recorded as prepaid equipment costs) and the inspection has not yet been completed.
- (VI) KEY WARE THAILAND entered into a factory lease agreement with the lessee and signed a contract with a contractor in December 2024, covering the integration, power distribution, and piping works for the factory premises. The total contract value was CNY9,700 thousand. As of September 30th 2025, the consolidated company has paid CNY4,590 thousand (recorded as prepaid equipment costs), and the inspection has not yet been completed.
- (7) For mortgage-secured loans, the consolidated company provided real estate, factory buildings, and equipment as collateral. Please refer to Note XXVII.

#### XIV. Lease Agreements

##### (I) Right-of-use Assets

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Net Carrying Amount of Right-of-use Assets			
Land	\$ 31,481	\$ 34,259	\$ 34,140
Buildings and Structures	21,313	34,540	33,030
Machinery and Equipment	4,923	9,266	10,553
Transportation Equipment	<u>3,437</u>	<u>78</u>	<u>207</u>
	<u>\$ 61,154</u>	<u>\$ 78,143</u>	<u>\$ 77,930</u>
	<u>July 1 to September 30, 2025</u>	<u>July 1 to September 30, 2024</u>	<u>January 1 to September 30, 2025</u>
Additions to Right-of-Use Assets			<u>\$ 3,792</u>
			<u>\$ 999</u>
Depreciation Expenses for Right-of-Use Assets			
Land	\$ 198	\$ 197	\$ 609
Buildings	3,941	4,123	11,949
Machinery and Equipment	1,294	1,358	3,940
Transportation Equipment	<u>224</u>	<u>308</u>	<u>433</u>
	<u>\$ 5,657</u>	<u>\$ 5,986</u>	<u>\$ 16,931</u>
			<u>\$ 16,096</u>

Besides the aforementioned additions and depreciation expenses, there were no significant subleases or impairments of the consolidated company's right-of-use assets during the periods from January 1, 2025 and January 1, 2024 to September 30, 2024.

(II) Lease Liabilities

	September 30, 2025	December 31, 2024	September 30, 2024
Carrying Amount of Lease Liabilities			
Current	<u>\$ 17,743</u>	<u>\$ 20,961</u>	<u>\$ 20,182</u>
Non- Current	<u>\$ 11,448</u>	<u>\$ 22,939</u>	<u>\$ 23,265</u>

Discount Rate Ranges for Lease Liabilities Are as Follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Discount Rate Ranges of Lease Liabilities			
Buildings and Machinery	1.89% ~ 2.56%	1.89% ~ 2.56%	1.89% ~ 2.37%
Equipment	2.37% ~ 3.13%	2.37% ~ 3.13%	2.37% ~ 3.13%
Transportation Equipment	2.46% ~ 2.57%	1.56% ~ 2.26%	1.56% ~ 2.26%

(III) Key Lease Activities and Terms

The consolidated company leases factories, offices, machinery, and vehicles for business use, with lease terms between 3 and 5 years. These leases do not include renewal or purchase options at the end of the lease terms.

(IV) Other Lease Information

	July 1 to September 30, 2025	July 1 to September 30, 2024	January 1 to September 30, 2025	January 1 to September 30, 2024
Short-Term Lease Expenses	<u>\$ 7,067</u>	<u>\$ 3,710</u>	<u>\$ 9,976</u>	<u>\$ 8,727</u>
Low-Value Asset Lease Expenses	<u>\$ 421</u>	<u>\$ 442</u>	<u>\$ 905</u>	<u>\$ 1,299</u>
Total Lease Cash Outflows			<u>( \$ 24,942 )</u>	<u>( \$ 27,153 )</u>

XV. Other Intangible Assets

	September 30, 2025	December 31, 2024	September 30, 2024
Customer Relationships	<u>\$ 12,328</u>	<u>\$ 14,849</u>	<u>\$ 15,689</u>

These are intangible assets arising from the acquisition of Key De Precise Industries Co., Ltd., recognized for customer relationships at a fair value of NT\$40,346 thousand

on the acquisition date. The fair value was based on a valuation report, and amortization is calculated on a straight-line basis over the effective life of 12 years.

For the consolidated company, amortization amounts for 2025 and 2024 from July 1 to September 30 and January 1 to September 30 were NT\$841 thousand, NT\$842 thousand, NT\$2,522 thousand, and NT\$2,522 thousand, respectively (recorded as amortization expenses).

## XVI. Borrowings

### (I) Short-Term Borrowings

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Unsecured Borrowings</u>			
Credit Line Borrowings	\$ 697,739	\$ 659,569	\$ 682,373
<u>Secured Borrowings</u>			
Bank Borrowings	<u>119,000</u>	<u>103,000</u>	<u>81,000</u>
	<u>\$ 816,739</u>	<u>\$ 762,569</u>	<u>\$ 763,373</u>

The interest rates on revolving bank loans as of September 30, 2025, December 31, 2024, and September 30, 2024, are as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
New Taiwan Dollar (NTD)	2.11% ~ 3.14%	2.13% ~ 3.14%	2.11% ~ 2.97%
Chinese Yuan (CNY)	1.00% ~ 2.70%	1.00% ~ 3.30%	2.80% ~ 3.00%
Japanese Yen (JPY)	1.10% ~ 1.95%	1.10% ~ 1.77%	1.25% ~ 1.54%
Thai Baht (THB)	2.65%	-	-

### (II) Short-Term Notes Payable

	September 30, 2025	December 31, 2024	September 30, 2024
Commercial Paper Payable	\$ 35,000	\$ -	\$ -
Less: Discount on Short-Term Notes Payable	<u>31</u>	<u>-</u>	<u>-</u>
	<u>\$ 34,969</u>	<u>\$ -</u>	<u>\$ -</u>
Interest Rate	2.13%	-	-

### (III) Long-Term Borrowings

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Secured Borrowings</u>			
Bank Borrowings	\$ 466,330	\$ 478,797	\$ 482,900
Less: Current Portion Due Within One Year	<u>14,877</u>	<u>16,676</u>	<u>16,570</u>
	<u>\$ 451,453</u>	<u>\$ 462,121</u>	<u>\$ 466,330</u>

The consolidated company signed a secured loan agreement with Mega Bank on May 24, 2021, with a total limit of NT\$105,000 thousand. Disbursements were made on July 27, 2021, September 29, 2021, and October 29, 2021, amounting to NT\$60,000 thousand, NT\$10,000 thousand, and NT\$30,000 thousand respectively. The loan term is 5 years, with monthly repayments calculated using the fixed installment method. The loan interest rate is based on Mega Bank's fixed deposit rate index plus 0.81%.

On January 26, 2022, the consolidated company signed a secured loan agreement with Shin Kong Bank for a total credit limit of NT\$440,000 thousand, and on March 7, 2022, NT\$440,000 thousand was disbursed. The loan maturity date was set for January 26, 2025. On March 22, 2024, the consolidated company amended the terms of the aforementioned credit agreement, increasing the credit limit to NT\$450,000 thousand, with the full amount disbursed. The new loan maturity date is March 6, 2027, with the balance payable upon maturity. The loan interest rate is negotiated with the bank every three months on a case-by-case basis.

As of September 30, 2025; December 31, 2024; and September 30, 2024, the effective annual interest rates were 2.43%~2.63%, 2.42%~2.63%, and 2.37%~2.63%, respectively.

For details of the bank borrowings secured by collateral, please refer to Note XXVII.

XVII. Other Payables

	September 30, 2025	December 31, 2024	September 30, 2024
Accrued Salaries and Insurance	\$ 23,101	\$ 22,677	\$ 23,489
Accrued Service Fees	7,923	6,097	8,335
Accrued Utilities	9,913	7,188	6,974
Accrued Processing Fees	6,622	4,830	3,388
Payables for Equipment	-	84	-
Taxes Payable	7,032	1,119	674
Other	<u>17,274</u>	<u>24,104</u>	<u>33,281</u>
	<u>\$ 71,865</u>	<u>\$ 66,099</u>	<u>\$ 76,141</u>

XVIII. Post-Employment Benefits Plan

(I) Defined Contribution Plan – Taiwan

Under the retirement pension system governed by the "Labor Pension Act," the Company follows a defined contribution plan managed by the government.

Contributions equivalent to 6% of employees' monthly salaries are made to individual pension accounts at the Bureau of Labor Insurance.

The amounts that the company was required to contribute under the defined contribution plan for the periods from July 1 to September 30, 2025 and 2024, and from January 1 to September 30, 2025 and 2024, were recognized as total expenses in the consolidated statement of comprehensive income, amounting to NT\$1,341 thousand, NT\$1,534 thousand, NT\$4,297 thousand, and NT\$4,509 thousand, respectively.

(II) Fixed Contribution Plan—China

Employees of the subsidiaries in China under the consolidated group participate in the pension insurance system mandated by the government of the People's Republic of China, with monthly contributions calculated as a fixed percentage (16%) of the total monthly salaries. These contributions are deposited into individual accounts for each employee. The pension funds are managed and allocated by the government, and aside from the monthly contributions, the subsidiaries in China hold no additional obligations.

The amounts that the Mainland China subsidiaries of the consolidated company were required to contribute under the defined contribution plan for the periods from July 1 to September 30, 2025 and 2024, and from January 1 to September 30, 2025 and 2024, were recognized as total expenses in the consolidated statement of comprehensive income, amounting to NT\$1,550 thousand, NT\$1,498 thousand, NT\$4,641 thousand, and NT\$4,500 thousand, respectively.

(III) Defined Benefit Plan

The pension expenses related to the defined benefit plan recognized for the periods from July 1 to September 30, 2025 and 2024, and from January 1 to September 30, 2025 and 2024, were calculated using the pension cost rates determined by actuarial valuations as of December 31, 2024 and 2023. The amounts were NT\$647 thousand, NT\$1,248 thousand, NT\$1,940 thousand, and NT\$3,745 thousand, respectively. (recorded as administrative expenses).

XIX. Equity

(I) Share Capital

	September 30, 2025	December 31, 2024	September 30, 2024
Authorized Share Capital	<u>\$ 2,500,000</u>	<u>\$ 2,500,000</u>	<u>\$ 2,500,000</u>
Authorized Number of Shares (in thousands)	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>
Issued Share Capital	<u>\$ 1,924,485</u>	<u>\$ 1,924,485</u>	<u>\$ 1,923,535</u>
Number of Issued Shares (in thousands)	<u>192,448</u>	<u>192,448</u>	<u>192,353</u>
Issued Share Capital	\$ 1,924,485	\$ 1,924,485	\$ 1,923,535
Prepaid Share Capital	<u>8,350</u>	<u>-</u>	<u>1,102</u>
	<u>\$ 1,932,835</u>	<u>\$ 1,924,485</u>	<u>\$ 1,924,637</u>
Publicly Issued Common Shares	\$ 1,751,133	\$ 1,751,133	\$ 1,750,183
Privately Placed Common Shares	<u>173,352</u>	<u>173,352</u>	<u>173,352</u>
Issued Share Capital	<u>\$ 1,924,485</u>	<u>\$ 1,924,485</u>	<u>\$ 1,923,535</u>

Each issued common share has a par value of \$10. Each share is entitled to one vote and the right to receive dividends.

During the period from July to September 2025, employees executed stock option rights amounting to NT\$11,288 thousand, resulting in the issuance of 835 thousand common shares. As of September 30, 2025, the procedure for registration of these shares has not yet been completed, and the amount is therefore recorded as prepaid share capital.

In 2024, employees of the Company exercised stock options amounting to NT\$1,566 thousand, resulting in the issuance of 135 thousand common shares. As of September 30, 2024, 95 shares had not yet completed the change of registration process and were recorded as prepaid share capital. The registration changes were completed on November 26, 2024.

(II) Capital Surplus

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Available to offset losses, distribute as cash dividends or transfer to share capital (Note).</u>			
Share Premium	\$ 49,307	\$ 65,574	\$ 65,422
Expired Employee Stock Options	559	559	559

Expired Convertible			
Bond Stock Options	8,556	8,556	8,556
<u>Restricted for Any Use</u>			
Employee Stock Options	<u>8,944</u>	<u>6,006</u>	<u>6,006</u>
	<u>\$ 67,366</u>	<u>\$ 80,695</u>	<u>\$ 80,543</u>

Note: Such capital surplus can be used to offset losses. It can also be used for distributing cash dividends or transferring to share capital when the Company has no losses. However, the amount transferred to share capital each year is subject to a specific percentage of the paid-up capital.

(III) Retained Earnings and Dividend Policy

In accordance with the Company's earnings distribution policy, if there is any earnings surplus at the end of the fiscal year after paying all taxes and offsetting accumulated losses, 10% (statutory earnings reserve) will be appropriated, and the remaining amount will be appropriated or reversed as a special earnings reserve in accordance with regulations. Any remaining balance, together with accumulated undistributed earnings, will be used to prepare an earnings distribution proposal by the Board of Directors and submitted to the shareholders' meeting for approval to allocate dividends and bonuses to shareholders. Please refer to Note XX (V) regarding the allocation policy for employees and directors' compensation as stipulated in the Company's Articles of Association.

Considering that the Company is in a growth phase, the dividend distribution policy takes into account the current and future investment environment, funding requirements, domestic and international competition, and capital budgets. Balancing shareholders' interests, dividends, and long-term financial plans, the Board of Directors will prepare a distribution plan annually and submit it to the shareholders' meeting. For the current year's shareholders' dividends, the proportion of cash dividends distributed shall not be less than 10% of the total dividends distributed.

Statutory earnings reserve shall be appropriated until the reserve balance reaches the total amount of the Company's paid-up share capital. Statutory earnings reserve can be used to offset losses. If the statutory earnings reserve exceeds 25% of the paid-up share capital, the excess portion may, in addition to being transferred to share capital, also be distributed in cash if the Company has no losses.

In accordance with the Financial Supervisory Commission's ruling (Letter No. 1090150022), (Letter No. 1090150221), and the "Q&A regarding Special Earnings

Reserve Appropriations Post Adoption of International Financial Reporting Standards (IFRSs)," the Company has appropriated and reversed special earnings reserves as required.

The Company held annual general meetings on June 19, 2025, and June 21, 2024, where the following earnings distribution plans for years 2024 and 2023 were resolved:

	<u>Earnings Distribution Plan</u>		<u>Dividend per Share (\$)</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Statutory Earnings Reserve	\$ 1,251	\$ 149		
Special Earnings Reserve	( 1,344)	1,344		
Cash Dividends	12,601	-	\$ 0.065	\$ -

The Company's shareholders' meeting resolved to return cash using the capital surplus generated from issuing shares above par value, amounting to NT\$16,267 thousand, equating to NT\$0.085 per share. Therefore, the total cash dividend distributed per share in 2025 was NT\$0.15.

(IV) Special Earnings Reserve

Upon the initial adoption of IFRS (International Financial Reporting Standards), the cumulative translation adjustments transferred to retained earnings were recorded at an amount of NT\$158,644 thousand, for which the same amount of special earnings reserve has been appropriated.

The special earnings reserve appropriated for the exchange differences arising from the translation of financial statements of foreign operating entities (including subsidiaries) is reversed according to the disposal ratio of the consolidated group. It will be fully reversed when the consolidated group loses significant influence. During earnings distribution, a special earnings reserve should be additionally appropriated for the difference between the net decrease in other shareholders' equity items as of the reporting period end date and the special earnings reserve appropriated upon the initial adoption of IFRSs. Subsequently, if the remaining balance of other shareholders' equity items is reversed, the reversed portion can be distributed as earnings.

(V) Other Equity Items

1. Exchange differences on translating foreign operating entities' financial statements

	July 1 to September 30, 2025	July 1 to September 30, 2024
Beginning Balance	(\$ 42,620)	(\$ 114,809)
Amount Generated in Current Period		
Exchange differences on translating financial statements of foreign operating entities	( 120,668 )	72,144
Related income tax for exchange differences arising from translating financial statements of foreign operating entities	<u>24,133</u>	( 14,429 )
Ending Balance	<u>(\$ 139,155)</u>	<u>(\$ 57,094)</u>

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

	July 1 to September 30, 2025	July 1 to September 30, 2024
Beginning Balance	(\$ 81,836)	(\$ 52,157)
Amount Generated in Current Period		
Unrealized Gains and Losses—Equity Instruments	( 38,066 )	<u>2,402</u>
Ending Balance	<u>(\$ 119,902)</u>	<u>(\$ 49,755)</u>

XX. Net Income from Continuing Operations

Net income from continuing operations includes the following items:

(I) 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
Rental Income	\$ 18	\$ 391	\$ 54	\$ 576
Dividend Income	<u>6,531</u>	<u>1,211</u>	<u>6,625</u>	<u>1,345</u>
	<u>\$ 6,549</u>	<u>\$ 1,602</u>	<u>\$ 6,679</u>	<u>\$ 1,921</u>

(II) 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
Gains (Losses) on Financial Instruments Measured at Fair Value through Profit or Loss	\$ 5,862	(\$ 27,953)	\$ 13,445	(\$ 28,775)
Net Foreign Exchange Losses	( 3,857 )	( 3,284 )	( 15,579 )	2,185
Others	<u>( 1,088 )</u>	<u>( 5,310 )</u>	<u>( 11,591 )</u>	<u>( 9,163 )</u>
	<u>\$ 917</u>	<u>(\$ 36,547)</u>	<u>(\$ 13,725)</u>	<u>(\$ 35,753)</u>

(III) 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
Bank Loan Interest	\$ 8,160	\$ 8,135	\$ 24,029	\$ 22,665
Financial Costs for Bonds Payable	-	-	-	541
Interest on Lease Liabilities	184	178	660	762
	<u>\$ 8,344</u>	<u>\$ 8,313</u>	<u>\$ 24,689</u>	<u>\$ 23,968</u>

(IV) Employee Benefits, Depreciation, and Amortization Expenses

	July 1, 2025, To September 30, 2025			July 1, 2024, To September 30, 2024		
	Related to Operating Costs.	Related to Operating Expenses.	Total	Related to Operating Costs.	Related to Operating Expenses.	Total
Employee Benefits Expenses						
Salaries Expenses	\$ 37,398	\$ 10,268	\$ 47,666	\$ 38,342	\$ 9,675	\$ 48,017
Employee Insurance Expenses	4,714	907	5,621	4,807	970	5,777
Pension Expenses	925	1,064	1,989	1,072	1,679	2,751
Other Employee Benefits	1,980	165	2,145	1,846	161	2,007
Depreciation Expenses	32,016	1,004	33,020	29,445	833	30,278
Amortization Expenses	102	907	1,009	1,019	1,120	2,139

	From January 1, 2025, To September 30, 2025			From January 1, 2024, To September 30, 2024		
	Related to Operating Costs.	Related to Operating Expenses.	Total	Related to Operating Costs.	Related to Operating Expenses.	Total
Employee Benefits Expenses						
Salaries Expenses	\$ 111,653	\$ 31,064	\$ 142,717	\$ 117,219	\$ 29,944	\$ 147,163
Employee Insurance Expenses	14,266	2,905	17,171	14,380	2,800	17,180
Pension Expenses	3,019	3,218	6,237	3,179	5,075	8,254
Other Employee Benefits	4,513	459	4,972	4,900	458	5,358
Depreciation Expenses	100,081	2,970	103,051	90,978	2,438	93,416
Amortization Expenses	313	2,722	3,035	1,506	3,359	4,865

(V) Employee Compensation and Directors' Remuneration

In accordance with the Company's Articles of Association, employee compensation and directors' remuneration are appropriated at 1% to 10% for employees and not exceeding 1% for directors, based on pre-tax profits before the distribution of remuneration. However, when there are accumulated losses, such losses must be covered first.

According to the amendments to the Securities and Exchange Act in August 2024, the Company resolved at the Shareholders' Meeting in 2025 to amend its Articles of

Association, stipulating that not less than 10% of employee compensation be allocated to grassroots employees.

In the periods from January 1, 2025, to September 30, 2025, and from January 1, 2024, to September 30, 2024, the Company incurred pre-tax net losses. Therefore, no employee compensation was estimated.

If amounts change after the approval and issuance of the consolidated financial statements for the fiscal year, such changes will be accounted for as a change in accounting estimates and adjusted in the following year.

In 2024, the Company incurred pre-tax net losses, so no employee compensation was estimated. For fiscal year 2023, the actual distribution of employee compensation did not differ from the recognized amounts in the consolidated financial statements for that fiscal year.

For information on employee compensation and director remuneration determined by the Company's Board of Directors, please refer to the "Market Observation Post System" of the Taiwan Stock Exchange.

## XXI. Income tax for continuing operations

### (I) Income tax recognized in profit or loss

The major components of income tax expense (benefit) are as follows:

	From July 1, 2025 to September 30, 2025	From July 1, 2024 to September 30, 2024	From January 1, 2025 to September 30, 2025	From January 1, 2024 to September 30, 2024
Current income tax Generated during the current period	\$ 25,150	\$ 17,829	\$ 26,507	\$ 50,804
Adjustments from prior periods	<u>1,468</u>	<u>( 4 )</u>	<u>5,342</u>	<u>( 431 )</u>
	<u>26,618</u>	<u>17,825</u>	<u>31,849</u>	<u>50,373</u>
Deferred income tax Generated during the current period	<u>( 23,311 )</u>	<u>( 21,816 )</u>	<u>( 23,478 )</u>	<u>( 55,533 )</u>
Income tax recognized in profit or loss (expense/benefit)	<u>\$ 3,307</u>	<u>( \$ 3,991 )</u>	<u>\$ 8,371</u>	<u>( \$ 5,160 )</u>

( II ) Income tax recognized in other comprehensive income

	From July 1, 2025 to September 30, 2025	From July 1, 2024 to September 30, 2024	From January 1, 2025 to September 30, 2025	From January 1, 2024 to September 30, 2024
<u>Deferred income tax</u>				
Generated during the current period				
Exchange differences arising from translating the financial statements of foreign operations	<u>\$ 14,239</u>	<u>( \$ 2,909 )</u>	<u>( \$ 24,133 )</u>	<u>\$ 14,429</u>

( III ) Status of income tax assessments

The income tax filings for the company, its subsidiary Key De Precise Industries Co., Ltd., and Jia Chi Co., Ltd. have been assessed and approved by the tax authorities up to the fiscal year 2023.

XXII. Earnings (loss) per share

	From July 1, 2025 to September 30, 2025	From July 1, 2024 to September 30, 2024	From January 1, 2025 to September 30, 2025	From January 1, 2024 to September 30, 2024
Basic earnings (loss) per share	<u>\$ 0.01</u>	<u>( \$ 0.18 )</u>	<u>( \$ 0.17 )</u>	<u>( \$ 0.14 )</u>
Diluted earnings (loss) per share	<u>\$ 0.01</u>	<u>( \$ 0.18 )</u>	<u>( \$ 0.17 )</u>	<u>( \$ 0.14 )</u>

Earnings and weighted average number of ordinary shares used to calculate earnings (loss) per share are as follows:

Net income (loss) for the period

	From July 1, 2025 to September 30, 2025	From July 1, 2024 to September 30, 2024	From January 1, 2025 to September 30, 2025	From January 1, 2024 to September 30, 2024
Net income (loss) used to calculate basic earnings (loss) per share	<u>\$ 1,361</u>	<u>( \$ 33,913 )</u>	<u>( \$ 32,962 )</u>	<u>( \$ 26,007 )</u>
Net income (loss) used to calculate diluted earnings (loss) per share	<u>\$ 1,361</u>	<u>( \$ 33,913 )</u>	<u>( \$ 32,962 )</u>	<u>( \$ 26,007 )</u>

Shares

Unit: Thousand shares

	From July 1, 2025 to September 30, 2025	From July 1, 2024 to September 30, 2024	From January 1, 2025 to September 30, 2025	From January 1, 2024 to September 30, 2024
Weighted average number of ordinary shares used to calculate basic earnings (loss) per share	192,926	192,428	192,448	192,360
Impact of potentially dilutive ordinary shares:				
Employee stock options	<u>65</u>	<u>-</u>	<u>-</u>	<u>-</u>
Weighted average number of ordinary shares used to calculate diluted earnings (loss) per share	<u>192,991</u>	<u>192,428</u>	<u>192,448</u>	<u>192,360</u>

If the consolidated company elects to distribute employee compensation in the form of shares or cash, it is assumed that employee compensation will be distributed as shares for the calculation of diluted earnings per share. When potential ordinary shares are dilutive, they are included in the weighted average number of shares outstanding to compute diluted earnings per share. This assumption continues to be applied during the following year until the actual number of shares to be distributed as employee compensation is determined.

XXIII. Share-based payment agreements

On November 1, 2019, and February 6, 2021, the consolidated company granted employee stock options of 1,700 units and 985 units, respectively. Depending on actual needs, these options may be issued in one or multiple tranches. Each unit entitles the holder to subscribe for 1 ordinary share. The eligible recipients include employees of the consolidated company meeting specific conditions. The stock options have a term of 6 years and are exercisable by the holders after 2 years from the issuance date at a prescribed proportion. The exercise price of the stock options is set at NT\$ 11.6 and NT\$ 15.5, respectively. If there is any change in the Company's ordinary shares, the exercise price of the stock options is adjusted in accordance with the designated formula. The information regarding the issued employee stock options is as follows:

	January 1, 2025, to September 30, 2025		January 1, 2024, to September 30, 2024	
	Units (thousands)	Weighted average Exercise price (NT\$)	Units (thousands)	Weighted average Exercise price (NT\$)
<u>Employee stock options</u>				
Outstanding at beginning of the period	2,200	\$ 13.3	2,335	\$ 13.3
Forfeited during the period	( 605)	13.4	-	-
Exercised during the period	( 835)	13.5	( 135)	11.6
Outstanding at the end of the period	<u>895</u>	12.9	<u>2,200</u>	13.3
Exercisable at the end of the period	<u>895</u>		<u>2,200</u>	

#### XXIV. Capital risk management

The consolidated company manages capital to ensure that all entities within the Group can operate as a going concern while optimizing the balance of debt and equity to maximize shareholder returns. The consolidated company's capital structure consists of equity attributable to shareholders of the parent company, including share capital, capital surplus, retained earnings, and other equity items.

The consolidated company's primary management reviews the Group's capital structure on a quarterly basis, including considerations of the costs and risks associated with various types of capital. Based on recommendations from primary management, the consolidated company balances its overall capital structure by paying dividends, issuing new shares, repurchasing shares, issuing new debt, or repaying existing debt.

#### XXV. Financial Instruments

( I ) Fair value information – Financial instruments measured at fair value on a recurring basis

##### 1. Fair value hierarchy

As of 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 profit or loss</u>				
Non-derivative financial assets				
- Domestic emerging market stocks	\$ -	\$ -	\$ 16,942	\$ 16,942
- Domestic listed (OTC) stocks	67,128	-	-	67,128
- Foreign listed stocks	36,520	-	-	36,520
- CNY wealth management products	-	-	27,761	27,761
Total	<u>\$ 103,648</u>	<u>\$ -</u>	<u>\$ 44,703</u>	<u>\$ 148,351</u>

	Level 1	Level 2	Level 3	Total
<u>Financial assets measured at fair value through other comprehensive income</u>				
Equity investments				
- Domestic OTC stocks	\$ 224,393	\$ -	\$ -	\$ 224,393
- Domestic and foreign unlisted (OTC) stocks	-	-	30,490	30,490
Total	<u>\$ 224,393</u>	<u>\$ -</u>	<u>\$ 30,490</u>	<u>\$ 254,883</u>

As of December 31, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets measured at fair value through profit or loss</u>				
Non-derivative financial assets				
- Domestic emerging market stocks	\$ -	\$ -	\$ 11,720	\$ 11,720
- Domestic listed (OTC) stocks	67,796	-	-	67,796
- Foreign listed stocks	18,298	-	-	18,298
- CNY wealth management products	-	-	22,029	22,029
Total	<u>\$ 86,094</u>	<u>\$ -</u>	<u>\$ 33,749</u>	<u>\$ 119,843</u>

<u>Financial assets measured at fair value through other comprehensive income</u>				
Equity investments				
- Domestic OTC stocks	\$ 256,449	\$ -	\$ -	\$ 256,449
- Domestic and foreign unlisted (OTC) stocks	-	-	36,501	36,501
Total	<u>\$ 256,449</u>	<u>\$ -</u>	<u>\$ 36,501</u>	<u>\$ 292,950</u>

As of September 30, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets measured at fair value through profit or loss</u>				
Non-derivative financial assets				
- Domestic emerging market stocks	\$ -	\$ -	\$ 11,667	\$ 11,667
- Domestic listed (OTC) stocks	58,072	-	-	58,072
- Foreign listed stocks	43,373	-	-	43,373
- CNY wealth management products	-	-	90,333	90,333
Total	<u>\$ 101,445</u>	<u>\$ -</u>	<u>\$ 102,000</u>	<u>\$ 203,445</u>

<u>Financial assets measured at fair value through other comprehensive income</u>				
Equity investments				
- Domestic OTC stocks	\$ 269,020	\$ -	\$ -	\$ 269,020
- Domestic and foreign unlisted (OTC) stocks	-	-	56,010	56,010
Total	<u>\$ 269,020</u>	<u>\$ -</u>	<u>\$ 56,010</u>	<u>\$ 325,030</u>

During the periods from January 1, 2025, to September 30, 2025, and January 1, 2024, to September 30, 2024, the consolidated company did not have any transfers between Level 1 and Level 2 in fair value measurement.

2. Adjustments to financial instruments measured at fair value at Level 3

Financial instruments measured at fair value through profit or loss

	From January 1, 2025 to September 30, 2025	From January 1, 2024 to September 30, 2024
Beginning balance	\$ 33,749	\$ 80,149
Recognized in profit or loss (other gains and losses)	2,715	( 431)
Purchases	189,027	320,682
Disposals/settlements	( 179,388)	( 301,212)
Exchange rate effects	( 1,400)	2,812
Ending balance	<u>\$ 44,703</u>	<u>\$ 102,000</u>

Financial assets measured at fair value through other comprehensive income

	From January 1, 2025 to September 30, 2025	From January 1, 2024 to September 30, 2024
Beginning balance	\$ 36,501	\$ 40,409
Recognized in other comprehensive income	( 6,011)	15,601
Ending balance	<u>\$ 30,490</u>	<u>\$ 56,010</u>

3. Valuation techniques and inputs used for Level 3 fair value measurements

<u>Type of financial instruments</u>	<u>Valuation techniques and inputs</u>
CNY wealth management products	For wealth management products purchased by the consolidated company, counterparty quotes are used as the valuation technique along with significant unobservable inputs to estimate the expected returns from these investments.
Domestic and foreign unlisted (OTC) stocks	Based on the balance sheet approach, the valuation assesses the aggregate value of individual assets and liabilities covered by the valuation target. The market approach is appropriately applied to the nature of the valuation target, considering liquidity and control discounts to reflect the overall value of the enterprise or business.

Domestic emerging market stocks      The comparable company method and emerging market price adjustment method are used for valuation. The main assumption of the comparable company method is based on market quotes of comparable listed (OTC) companies and multipliers of net asset value per share and sales, which already consider liquidity discounts.

As of September 30, 2025, and December 31, 2024, as well as September 30, 2024, for equity instrument investments classified as Level 3, if valuation parameters decrease by 5% , the fair value reflected in the other comprehensive income for the period would decrease by NT\$1,327 thousand, NT\$1,209 thousand, and NT\$2,053 thousand, respectively.

( III )      Types of financial instruments

	As of September 30, 2025	As of December 31, 2024	As of September 30, 2024
<u>Financial assets</u>			
Financial assets measured at fair value through profit or loss	\$ 148,351	\$ 119,843	\$ 203,445
Financial assets measured at amortized cost (Note 1)	1,133,073	971,381	1,069,167
Financial assets measured at fair value through other comprehensive income	254,883	292,950	325,030
<u>Financial liabilities</u>			
Measured at amortized cost (Note 2)	1,625,335	1,448,215	1,463,436

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

Note 2 : The balance includes financial liabilities measured at amortized cost, such as short-term borrowings, short-term notes payable, notes and accounts payable (including related parties), certain other payables (including related

parties), certain other current liabilities, bonds payable, and long-term borrowings.

(IV) Objectives and policies for financial risk management

The objective of the consolidated company's financial risk management is to manage risks related to its operating activities, including exchange rate risk, credit risk, and liquidity risk. To mitigate these risks, the consolidated company aims to identify, assess, and avoid market uncertainties, minimizing their potential adverse impact on financial performance.

The consolidated company's significant financial activities are reviewed by the Board of Directors in accordance with relevant regulations and internal control systems. During the execution of financial plans, the consolidated company must adhere to financial procedures related to overall financial risk management and the delegation of responsibilities.

1. Market Risks

The consolidated group's operating activities expose it to key financial risks, including foreign currency exchange rate risk, interest rate risk, and equity securities price risk.

(1) Exchange Rate Risk

As of the balance sheet date, the book values of monetary assets and liabilities denominated in non-functional currencies (including non-functional currency-denominated monetary items offset in the consolidated financial statements) are disclosed in Note XXVIII.

The consolidated group is primarily affected by fluctuations in the exchange rates of the US dollar and Japanese yen. Significant foreign currency transaction-related assets and liabilities expose the group to exchange rate risks. Although the foreign currency gains and losses arising from market exchange rate fluctuations somewhat offset each other, the substantial difference between the group's foreign currency-denominated assets and liabilities results in foreign exchange risks. When the US dollar depreciates against the New Taiwan dollar by 3%, the consolidated group's pre-tax net profit during the period from January 1, 2025 to September 30, 2025, and from January 1, 2024 to September 30, 2024 respectively, would decrease by NT\$2,075 thousand and NT\$2,056 thousand. Conversely, when the Japanese yen appreciates against the New Taiwan dollar by 3%,

the consolidated group's pre-tax net profit during the same periods would decrease by NT\$1,165 thousand and NT\$1,152 thousand respectively.

(2) Interest Rate Risk

Interest rate risk refers to the risk of fluctuations in the fair value or future cash flows of financial instruments due to changes in market interest rates.

As of the balance sheet date, the book values of financial liabilities exposed to interest rate risks are as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Fair Value Interest Rate Risk			
- Financial Liabilities	\$ 120,389	\$ 68,412	\$ 67,750
Cash Flow Interest Rate Risk			
- Financial Liabilities	1,197,649	1,172,954	1,178,523

The following sensitivity analysis calculates the exposure to interest rate risks for floating-rate liabilities as of the balance sheet date. The analysis assumes that the outstanding liability amounts as of the balance sheet date remain constant throughout the year.

If the interest rate increases by 1%, while all other variables remain unchanged, the consolidated group's pre-tax net profit during the periods from January 1, 2025 to September 30, 2025 and from January 1, 2024 to September 30, 2024 would decrease by NT\$8,982 thousand and NT\$8,839 thousand, respectively.

(3) Equity Securities Price Risk

Market risks associated with equity securities include individual risk arising from price changes in specific equity securities and general risk arising from overall market price movements.

If the consolidated group experiences a 10% decline in equity prices, the fair value changes of financial assets measured at fair value through profit or loss during the periods from January 1, 2025 to September 30, 2025 and from January 1, 2024 to September 30, 2024, would result in a pre-tax net profit decrease of NT\$12,059 thousand and NT\$11,311

thousand, respectively. Additionally, the fair value changes of financial assets measured at fair value through other comprehensive income during the same periods would result in a decrease in other comprehensive income of NT\$25,488 thousand and NT\$32,503 thousand, respectively.

## 2. Credit Risk

Credit risk refers to the risk of financial loss to the group resulting from a counterparty failing to fulfill contractual obligations. As of the balance sheet date, the maximum exposure to credit risk (without taking into account collateral or other credit enhancement tools and considering the irrevocable maximum exposure amount) due to counterparty default and financial guarantees provided by the group mainly arises from the carrying amount of financial assets recognized in the consolidated balance sheet.

The group's policy is to transact only with reputable counterparties and, where necessary, obtain adequate collateral to mitigate the risk of financial loss due to defaults.

To reduce credit risk, the group reviews the recoverable amounts of receivables individually as of the balance sheet date to ensure that adequate impairment losses are recognized for uncollectible receivables. Accordingly, the management believes that the group's credit risks have been significantly reduced.

Additionally, since counterparties to liquidity and derivative transactions are banks with high credit ratings assigned by international credit rating agencies, the associated credit risk is not significant.

Accounts receivable are spread across a diverse range of customers located in various geographical regions. The group continuously evaluates factors that may affect customers' payment abilities, such as their financial statuses, credit ratings from external agencies, internal credit ratings, and historical transaction records. The group also obtains trade credit insurance to reduce credit risk from specific customers. As of September 30, 2025, December 31, 2024, and September 30, 2024, the credit enhancement amounts for accounts receivable related to certain regions in mainland China were NT\$80,493 thousand, NT\$93,573 thousand, and NT\$93,535 thousand, respectively.

As of September 30, 2025, December 31, 2024, and September 30, 2024, the accounts receivable balances of the group's top 10 customers accounted for

43%, 43%, and 43% of the total accounts receivable balances, respectively. The credit concentration risk of the remaining accounts receivable is relatively insignificant.

### 3. Liquidity Risk

The group mitigates the impact of cash flow fluctuations by managing and maintaining sufficient cash and cash equivalents to support operating activities. The management closely monitors the utilization of bank financing facilities and ensures compliance with the terms of borrowing agreements.

Bank borrowings are an important source of liquidity for the group. As of September 30, 2025, December 31, 2024, and September 30, 2024, the unused short-term bank financing facilities available to the group amounted to NT\$370,357 thousand, NT\$436,912 thousand, and NT\$934,332 thousand, respectively.

#### Liquidity and Interest Rate Risk Table

The table below details the group's remaining contractual maturity analysis of non-derivative financial liabilities with agreed repayment periods. The analysis is based on the earliest possible repayment dates and compiled from undiscounted cash flows of financial liabilities, including both interest and principal cash flows.

The maturity analysis of the group's non-derivative financial liabilities is based on the agreed repayment dates.

#### September 30, 2025

	<u>Within 1 year</u>	<u>1 to 5 years</u>	<u>6 to 10 years</u>
<u>Non-Derivative Financial Liabilities</u>			
Short-Term Borrowings	\$ 816,739	\$ -	\$ -
Short-Term Notes Payable	34,969	-	-
Notes and Accounts Payable	165,927	-	-
Accounts Payable – Related Parties	26,547	-	-
Dividends Payable	28,868	-	-
Other Payables	71,865	-	-
Other Payables – Related Parties	40	-	-
Lease Liabilities	18,899	11,355	-
Other Current Liabilities	8,367	-	-
Long-Term Borrowings	14,877	451,453	-

December 31, 2024

	<u>Within 1 year</u>	<u>1 to 5 years</u>	<u>6 to 10 years</u>
<u>Non-Derivative Financial Liabilities</u>			
Short-Term Borrowings	\$ 762,569	\$ -	\$ -
Notes and Accounts Payable	120,145	-	-
Accounts Payable – Related Parties	29,126	-	-
Other Payables	66,099	-	-
Other Payables – Related Parties	79	-	-
Lease Liabilities	22,279	22,259	-
Other Current Liabilities	7,367	-	-
Long-Term Borrowings	16,676	462,121	-

September 30, 2024

	<u>Within 1 year</u>	<u>1 to 5 years</u>	<u>6 to 10 years</u>
<u>Non-Derivative Financial Liabilities</u>			
Short-Term Borrowings	\$ 763,373	\$ -	\$ -
Notes and Accounts Payable	133,891	-	-
Accounts Payable – Related Parties	17,925	-	-
Other Payables	76,141	-	-
Other Payables – Related Parties	104	-	-
Lease Liabilities	21,118	25,425	100
Other Current Liabilities	7,852	-	-
Long-Term Borrowings	16,570	466,330	-

(5) Information on Transferred Financial Assets

The group endorses and transfers certain bank-accepted bills receivable in mainland China to suppliers as payment for accounts payable. Since almost all risks and rewards associated with these bills have been transferred, the group derecognizes the transferred bank-accepted bills receivable and the corresponding accounts payable. However, if any of these derecognized bills are not honored upon maturity, suppliers retain the right to claim repayment from the group. Hence, the group continues to be involved in these bills.

The maximum exposure to loss associated with the group's continued involvement in derecognized bank-accepted bills receivable is the face value of the

transferred, yet-to-mature bills. As of September 30, 2025, December 31, 2024, and September 30, 2024, this amounted to NT\$7,186 thousand, NT\$8,269 thousand, and NT\$5,084 thousand, respectively. These bills will mature within 1 to 10 months after the balance sheet date. Considering the credit risk of the derecognized bank-accepted bills, the group has evaluated that the fair value of its continued involvement is not material.

## XXVI. Related Party Transactions

Transactions, account balances, revenue, and expenses between the company and its subsidiaries (classified as related parties) have been eliminated in consolidation and are therefore not disclosed in this note. Related party transactions of the consolidated group are as follows.

### (I) Names of Related Parties and Relationships

<u>Names of Related Parties</u>	<u>Relationships with the Group</u>
Chow, Pong-Chi	The chairman of the company
Wen Shung Industrial Corp.	Substantial related party
Belize Quan Ke Co., Ltd.	Substantial related party
Belize New Decision Co., Ltd.	Substantial related party
Dongguan Jiacun Trading Co., Ltd.	Substantial related party
Ching Pu Technology Inc.	Substantial related party
Shanghai Wenwei International Trading Co.,Ltd.	Substantial related party

### (II) Operating Revenue

Accounted Item	Category/Name of Related Party	From July 1, 2025 to September 30, 2025	From July 1, 2024 to September 30, 2024	From January 1, 2025 to September 30, 2025	From January 1, 2024 to September 30, 2024
Sales Revenue	Substantial Related Party	<u>\$ 112</u>	<u>\$ 83</u>	<u>\$ 386</u>	<u>\$ 296</u>

### (III) Purchases

Category/Name of Related Party	From July 1, 2025 to September 30, 2025	From July 1, 2024 to September 30, 2024	From January 1, 2025 to September 30, 2025	From January 1, 2024 to September 30, 2024
Substantial Related Party				
Wen Shung Industrial Corp.	\$ 35,160	\$ 22,486	\$ 93,311	\$ 94,054
Others	<u>5,647</u>	<u>1,462</u>	<u>16,066</u>	<u>5,602</u>
	<u>\$ 40,807</u>	<u>\$ 23,948</u>	<u>\$ 109,377</u>	<u>\$ 99,656</u>

All related party purchases and sales are priced based on costs and negotiated with reference to market prices.

(IV) Receivables from Related Parties

<u>Accounted Item</u>	<u>Category/Name of Related Party</u>	<u>As of September 30, 2025</u>	<u>As of December 31, 2024</u>	<u>As of September 30, 2024</u>
Accounts Receivable	Substantial Related Party			
- Related Party	Wen Shung Industrial Corp.	\$ 66	\$ 71	\$ 58
	Others	<u>2</u>	<u>-</u>	<u>-</u>
		<u>\$ 68</u>	<u>\$ 71</u>	<u>\$ 58</u>

Outstanding receivables from related parties have not been guaranteed, and the trading terms are net 120 days, with no significant differences compared to general customers.

(V) Lease Agreements

<u>Accounted Item</u>	<u>Category/Name of Related Party</u>	<u>As of September 30, 2025</u>	<u>As of December 31, 2024</u>	<u>As of September 30, 2024</u>
Lease Liabilities	Substantial Related Party	<u>\$ 2,384</u>	<u>\$ 5,020</u>	<u>\$ 5,888</u>
		From July 1, 2025 to September 30, 2025	From July 1, 2024 to September 30, 2024	From January 1, 2025 to September 30, 2025
Category/Name of Related Party	of			From January 1, 2024 to September 30, 2024
<u>Interest Expenses (Accounted as Financial Costs)</u>				
Substantial Related Party		<u>\$ 16</u>	<u>\$ 36</u>	<u>\$ 125</u>
			From January 1, 2025 to September 30, 2025	From January 1, 2024 to September 30, 2024
<u>Cash Outflows for Leases</u>				
Substantial Related Party			<u>\$ 2,700</u>	<u>\$ 2,700</u>

Lease agreements between the consolidated company and substantial related parties involve rental payments based on nearby market rates, paid monthly according to the leased area.

(VI) Payables to Related Parties

<u>Accounted Item</u>	<u>Category/Name of Related Party</u>	<u>As of September 30, 2025</u>	<u>As of December 31, 2024</u>	<u>As of September 30, 2024</u>
Accounts Payable	Substantial Related Party			
	Wen Shung Industrial Corp	\$ 22,819	\$ 25,512	\$ 17,707
	Others	<u>3,728</u>	<u>4,485</u>	<u>218</u>
		<u>\$ 26,547</u>	<u>\$ 29,997</u>	<u>\$ 17,925</u>
Other Payables	Substantial Related Party			
	Wen Shung Industrial Corp	<u>\$ 40</u>	<u>\$ 79</u>	<u>\$ 104</u>

The consolidated company's transaction terms with substantial related parties for purchasing copper-clad laminates are net 120 days, with no significant differences compared to general suppliers.

(VII) Compensation of Key Management Personnel

	From July 1, 2025 to September 30, 2025	From July 1, 2024 to September 30, 2024	From January 1, 2025 to September 30, 2025	From January 1, 2024 to September 30, 2024
Short-Term Employee Benefits	\$ 1,645	\$ 1,113	\$ 5,868	\$ 3,596
Post-Employment Benefits	<u>27</u>	<u>27</u>	<u>81</u>	<u>81</u>
	<u>\$ 1,672</u>	<u>\$ 1,140</u>	<u>\$ 5,949</u>	<u>\$ 3,677</u>

(VIII) Guarantees

Related parties provided joint guarantees for the consolidated company's borrowings:

Category/Name of Related Party	As of September 30, 2025	As of December 31, 2024	As of September 30, 2024
Chairman			
Guaranteed Amount	<u>\$ 375,000</u>	<u>\$ 365,000</u>	<u>\$ 330,000</u>
Actual Drawdown Amount (Recorded as Short-Term Borrowings)	<u>\$ 305,000</u>	<u>\$ 265,000</u>	<u>\$ 265,000</u>

XXVII. Assets Used as Collateral

The following assets were pledged as collateral for the consolidated company's bank loans and performance guarantees:

	As of September 30, 2025	As of December 31, 2024	As of September 30, 2024
Property, Plant, and Equipment			
Land	\$ 113,167	\$ 113,167	\$ 113,167
Buildings and Constructions	109,237	111,747	112,584
Equipment	77,505	85,577	103,913
Financial Assets Measured at Fair Value through Profit or Loss – Current			
Domestic OTC Stocks	26,775	-	-
Financial Assets Measured at Fair Value through Other Comprehensive Income – Current			
Domestic OTC Stocks	224,018	225,420	193,670

## XXVIII. Foreign Currency Assets and Liabilities with Significant Impact

The information below is expressed in aggregated foreign currencies other than the functional currencies of each entity in the consolidated company. The exchange rates disclosed represent the rates for converting these foreign currencies to the functional currencies. Foreign currency assets and liabilities with significant impact are as follows:

Unit: Foreign Currency/New Taiwan Dollars in Thousands

	As of September 30, 2025			As of December 31, 2024			As of September 30, 2024		
	Foreign Currency	Exchange Rate	New Taiwan Dollars	Foreign Currency	Exchange Rate	New Taiwan Dollars	Foreign Currency	Exchange Rate	New Taiwan Dollars
<u>Financial Assets</u>									
<u>Monetary Items</u>									
U.S. Dollars	\$ 2,272	30.45	\$ 69,171	\$ 2,298	32.785	\$ 75,340	\$ 2,165	31.65	\$ 68,522
Japanese Yen	292,004	0.2058	60,094	242,978	0.2154	52,342	234,261	0.2125	49,770
<u>Financial Assets Non-Monetary Items</u>									
U.S. Dollars	1,686	30.45	51,330	575	32.785	18,851	982	31.65	31,080
<u>Financial Liabilities</u>									
<u>Monetary Items</u>									
U.S. Dollars	-	30.45	-	3	32.785	98	-	31.65	-
Japanese Yen	480,735	0.2058	98,935	418,120	0.2154	90,072	414,977	0.2125	88,163

For the foreign exchange gains and losses of the consolidated company during the periods from 2025 and 2024 July 1 to September 30, and from 2025 and 2024 January 1 to September 30, please refer to Note XX. Due to the high volume of foreign currency transactions, it is not possible to disclose foreign exchange gains and losses for each significant foreign currency.

## XXIX. Disclosures in Notes

### (I) Information on Major Transactions

1. Loans to others. (Table 1)
2. Endorsements and guarantees 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. Sales or purchases with related parties amounting to NT\$100 million or more or exceeding 20% of paid-in capital. (None)
5. Receivables from related parties amounting to NT\$100 million or more or exceeding 20% of paid-in capital. (None)
6. Other: Business relationships and significant transactions between the parent company and its subsidiaries and among subsidiaries  
Details and amounts. (Table 6)

(II) Investment Information (Table 4)

(III) Investment in Mainland China

1. Name of the invested company in Mainland China, main business activities, paid-in capital, investment method, fund inflows and outflows, shareholding ratio, investment gains and losses, carrying amount of investments at the end of the period, repatriated investment gains, and investment cap for the Mainland region. (Table 5)
2. Significant transactions directly or indirectly through a third region with invested companies in Mainland China, and their prices, payment terms, and unrealized gains or losses: (Table 7)
  - (1) Purchase amounts and percentages and the ending balances of related payables and percentages.
  - (2) Sales amounts and percentages and the ending balances of related receivables and percentages.
  - (3) Property transaction amounts and the resulting gains or losses. (None)
  - (4) Endorsements or guarantees or pledged collateral ending balances and their purposes. (Table 2)
  - (5) Maximum balance of funds financing, ending balance, range of interest rates, and total interest for the period. (Table 1)
  - (6) Other transactions that significantly affect current profit or financial condition, such as service provision or receipt. (None)

XXX. Segment Financial Information

(I) Segment Financial Data

The financial information provided by the consolidated company to key operating decision-makers for resource allocation and performance evaluation focuses on the types of products or services delivered. According to IFRS 8 on "Operating Segments," the reportable segments of the consolidated company (products or services being drill bits, drilling subcontracting, and copper-clad laminates) are as follows:

1. Taiwan Business Unit: Includes sales and segment operating expenses resulting from shipments from Key Ware Electronics, Key De Precise, Jia Chi, Hui Peng and Laserware Laser.
2. Mainland China Business Unit: Includes sales and segment operating expenses arising from shipments of Kunshan Key Ware Electronics, Kunshan Weixing, Kunshan Laserware Laser, King Ware(Chongqing) , Wuhan Laserware Laser ,

Shenzhen Laserware Laser, Hubei Laserware Laser, Key ware, Advisor and Module.

3. Thailand Business Unit: This includes sales gains and losses and departmental operating expenses generated from the shipments of Key Ware Electronics (Thailand).

The consolidated company's financial information for operating segments from January 1 to September 30, 2025, and January 1 to September 30, 2024, is presented as follows:

Items	From January 1, 2025, to September 30, 2025.			
	Taiwan Region	Mainland China Region	Thailand Region	Adjusted Amount
Segment Revenue				
External Revenue	\$ 438,559	\$ 565,295	\$ -	\$ 1,003,854
Segment Profit/Loss	\$ 31,622	(\$ 34,731)	(\$ 3,953)	(\$ 7,062)
Non-operating Income and Expenses				(16,276)
Pre-tax Net Profit (Loss)				(\$ 23,338)
Segment Assets	\$ 1,606,010	\$ 1,993,513	\$ 41,120	\$ 3,640,643
Items	From January 1, 2024, to September 30, 2024.			
	Taiwan Region	Mainland China Region	Thailand Region	Adjusted Amount
Segment Revenue				
External Revenue	\$ 456,244	\$ 417,798	\$ -	\$ 874,042
Segment Profit (Loss)	(\$ 13,110)	(\$ 6,265)	\$ -	(\$ 19,375)
Non-operating Income and Expenses				(9,872)
Pre-tax Net Profit (Loss)				(\$ 29,247)
Segment Assets	\$ 1,576,840	\$ 2,195,123	\$ 2,473	\$ 3,774,436

Segment profit/loss refers to the profit or loss generated by each segment, excluding equity method investment profit/loss, interest income, gains/losses from the disposal of property, plant, and equipment, investment disposal gains/losses, exchange gains/losses, financial product valuation gains/losses, interest expenses, and income tax expenses. This measurement is provided to the chief operating decision maker for resource allocation to the segments and assessment of their performance.

(II) Primary Product Revenue

The revenue analysis of the primary products of the continuing business units of the consolidated company is as follows:

	From January 1, 2025, to September 30 2025	From January 1, 2024, to September 30 2024
Drill Bits	\$ 546,412	\$ 418,434
Copper-clad Laminates and Drilling Subcontracting	457,065	455,608
Others	377	-
	<u>\$ 1,003,854</u>	<u>\$ 874,042</u>

Key Ware Electronics Co., Ltd. and Subsidiaries  
Lending of Funds to Others  
From January 1, 2025, to September 30, 2025.

Table I

Unit: Thousands of New Taiwan Dollars

Number	Lending Company	Borrower	Transaction Details	Related Party	Current Period Maximum Outstanding Balance	Ending Balance (Note 2)	Actual Amount Disbursed (Note 2)	Interest Rate Range %	Nature of Fund Lending	Business Relationship Amount	Reason for the Need for Temporary Financing	Allowance for Bad Debt Loss Amount	Collateral		For Individual Borrowers Lending Limit (Note 1)	Fund Lending Maximum Limit (Note 1)
													Name	Value		
0	This Company	Four Companies including Kunshan Key Ware Electronics Co., Ltd	Other Receivables – Related Parties	Yes	\$ 100,000	\$ 100,000	\$ -	-	Short-term Financing	\$ -	Operating Turnover for Investee Companies	\$ -	-	\$ -	\$ 189,334	\$ 757,338
0	This Company	Jia Chi Co., Ltd	Other Receivables – Related Parties	Yes	30,000	30,000	7,800	-	Short-term Financing	-	Operating Turnover for Investee Companies	-	-	-	189,334	757,338
0	This Company	Laserware Laser Technology Co., Ltd	Other Receivables – Related Parties	Yes	40,000	40,000	-	-	Short-term Financing	-	Operating Turnover for Investee Companies	-	-	-	189,334	757,338
0	This Company	KEY WARE THAILAND	Other Receivables – Related Parties	Yes	40,000	40,000	21,488	-	Short-term Financing	-	Operating Turnover for Investee Companies	-	-	-	189,334	757,338

Note 1: According to the company's "Operational Procedures for Lending Funds to Others," the total amount of funds lent to others shall not exceed 40% of the company's most recent financial statements audited or reviewed by an independent accountant. For cases requiring financing, the amount lent to an individual entity shall not exceed 10% of the lending company's net worth.

Note 2: These are amounts resolved by the Board of Directors.

Key Ware Electronics Co., Ltd. and Subsidiaries  
Endorsements and Guarantees for Others  
From January 1, 2025, to September 30, 2025.

Table 2

Unit: Thousands of New Taiwan Dollars/CYN

Number	Endorsing or Guaranteeing Entity Company Name	Endorsed or Guaranteed Party		Endorsement/Guarantee Limit for a Single Entity (Notes 1 and 2)	Highest amount guaranteed during the period Outstanding balance of guarantee (Note 3)	Guaranteed balance at the end of the period Outstanding balance of guarantee (Note 3)	Actual disbursed amount	Secured by Property Amount of Endorsements/Guarantees	Cumulative guarantees as a percentage of net worth from the most recent financial statements	Guarantees Maximum limit of guarantees (Notes 1 and 2)	Guarantees from Parent Company to Subsidiary	Guarantees from Subsidiary to Parent Company	Guarantees to Entities in Mainland China
		Company Name	Relationship										
0	This Company	KEY WARE THAILAND	Subsidiary	\$ 378,669	\$ 62,731 THB 30,000 & USD 1,000	\$ 58,843 THB 13,190 & USD 1,000	\$ 7,383 THB 7,800	\$ -	3.11%	\$ 1,136,006	Y	N	N
0	This Company	Jia Chi Co., Ltd	Subsidiary	378,669	30,000	30,000	20,000	-	1.58%	1,136,006	Y	N	N
0	This Company	Key De Precise Industries Co., Ltd	Subsidiary	378,669	200,000	200,000	31,000	-	10.56%	1,136,006	Y	N	N
1	Kunshan Key Ware Electronics Co., Ltd	This Company	Parent Company	328,520	75,486 CNY 16,500	70,472 CNY 16,500	70,472 CNY 16,500	70,472	4.29%	985,561	N	Y	N
1	Kunshan Key Ware Electronics Co., Ltd	Kunshan Laserware Laser Technology Co., Ltd.	Subsidiary	328,520	43,919 CNY 9,600	41,002 CNY 9,600	21,355 CNY 5,000	-	2.50%	985,561	N	N	Y

Note 1: According to the company's operational procedures for endorsements/guarantees, the cumulative amount of external endorsements/guarantees shall not exceed 60% of the company's net worth as reported in the latest financial statements audited or reviewed by an independent accountant. For a single entity, the endorsement/guarantee amount shall not exceed 20% of said net worth.

Note 2: The cumulative external endorsements/guarantees from Kunshan Key Ware are limited to 60% of its net worth as reported in the latest financial statements audited or reviewed by an independent accountant, and the endorsements/guarantees for a single entity shall not exceed 20% of said net worth.

Note 3: The amounts are determined by the resolution of the Board of Directors.

Key Ware Electronics Co., Ltd. and Subsidiaries  
Significant Marketable Securities Held at Period-End

September 30, 2025

Table 3

Unit: Thousand New Taiwan dollars (NT\$)

Company Held	Marketable Securities and Their Names	Relationship Between Issuer and the Marketable Securities	Accounting Item	Period-End				Remarks
				Shares Held (Thousands of Shares)	Book Value	Holding Percentage (%)	Market Value / Net Equity Per Share	
This Company	<u>Domestic Listed/Over-the-Counter Stocks</u> Savior Lifetec Corp.		Financial assets at fair value through other comprehensive income – current	12,571	\$ 224,393	3.96	\$ 224,393	Note 1
	Savior Lifetec Corp.	-	Financial assets at fair value through profit or loss – current	3,372	60,190	1.06	60,190	Note 1
	Compeq Manufacturing Technology Co., Ltd.	-	Financial assets at fair value through profit or loss – current	30	2,202	-	2,202	
	<u>Domestic Emerging Market Stock</u> Qbic Technology Co., Ltd.	-	Financial assets at fair value through profit or loss – current	574	16,942	2.55	16,942	
	Handa Pharmaceuticals, Inc.	-	Financial assets at fair value through profit or loss – current	38	4,736	-	4,736	
	<u>Domestic Unlisted Stock</u> Han Yu Entrepreneurship Investment Co., Ltd.	-	Financial assets at fair value through other comprehensive income – non-current	3,200	15,680	8.89	15,680	
	<u>Foreign Unlisted Stock</u> Concord Venture Capital Group Limited	-	Financial assets at fair value through other comprehensive income – non-current	-	8,094	-	8,094	
	Kinara Inc.	-	Financial assets at fair value through other comprehensive income – non-current	1,809	6,716	1.73	6,716	
	<u>Overseas Listed (OTC) Stocks</u> Silicon Motion Technology Corp.	-	Financial Assets at Fair Value Through Profit or Loss - Current	1	2,021	-	2,021	
	Sana Biotechnology, Inc.	-	Financial Assets at Fair Value Through Profit or Loss - Current	319	34,499	0.14	34,499	
Kunshan Key Ware Electronics Co., Ltd.	<u>CNY Wealth Management Products</u>							
	CTBC Bank - Win-Win Steady Daily Interest	-	Financial Assets at Fair Value Through Profit or Loss - Current	-	CNY 27,761 6,500	-	CNY 27,761 6,500	

Note 1: The Company has provided 14,050 thousand shares of Savior Lifetec Corp. as financing collateral to financial institutions.

Key Ware Electronics Co., Ltd. and Subsidiaries  
Investee Company Name, Geographic Location...and Related Information  
January 1 to September 30, 2025

Table 4

Unit: NT\$/USD/CNY/THB in Thousands

Investor Company Name	Investee Company Name	Geographic Location	Main Business Activities	Original Investment Amount		Ending Holdings			Investee Company's Current Period Profit (Loss)	Investment Recognized in the Current Period Profit (Loss) (Note)	Remarks
				As of the End of this Period	As of the End of the Previous Period	Shares (in Thousands)	Ownership Ratio (%)	Book Value			
Key Ware Electronics Co., Ltd.	Key Ware	British Virgin Islands	General Investment	\$ 722,064	\$ 722,064	23,717	100	\$ 1,658,827	(\$ 15,822)	(\$ 15,341)	-
	Key De Precise	Taiwan	Electronic component wholesale and processing	USD 23,717	USD 23,717	612	51	22,263	(CNY 3,662)	(CNY 3,550)	-
	Laserware Laser	Taiwan	Electronics, machinery, and equipment	30,600	30,600				4,780	1,152	-
	Jia Chi	Taiwan	Drilling subcontracting	1,000	1,000	100	99.99	1,038	71	71	-
	Hui Peng	Taiwan	Electronics, machinery, and equipment	49,500	49,500	2,972	83.63	2,495	832	742	-
	KEY WARE THAILAND	Thailand	Drilling subcontracting	600	600	60	60	610	2	1	-
Key Ware	Advisor	British Virgin Islands	General investments	8,682	3,435	3,200	100	\$ 3,318	( 4,624)	( 4,624)	-
	Module	Cayman Islands	General investments	THB 9,100	THB 3,600			THB 3,477	( THB 4,887)	( THB 4,887)	-
				USD 303,232	USD 303,232	9,960	100	757,611	( 7,091)	( 7,091)	-
			USD 9,960	USD 9,960			( CNY 177,385)	( CNY 1,641)	( CNY 1,641)	-	
			394,476	394,476	12,957	100	896,030	( 8,672)	( 8,672)	-	
			USD 12,957	USD 12,957			( CNY 209,794)	( CNY 2,007)	( CNY 2,007)	-	

Note: The investment profit (loss) recognized during this period has already considered the unrealized gains and losses between company transactions.

Key Ware Electronics Co., Ltd. and Subsidiaries  
Mainland China Investment Information  
January 1 to September 30, 2025

Table 5

Unit: Thousands of New Taiwan Dollars, USD, CNY

Mainland Investee Company Name	Primary Business Activities	Paid-in Capital	Investment Method	Beginning of the Period Funds Remitted from Taiwan Accumulated Investment Amount	Remitted or Recollected During the Period Investment Amount		End of the Period Funds Remitted from Taiwan Accumulated Investment Amount	Investee Company Current Period Profit or Loss	Direct or Indirect Investments by the Company Shareholding Ratio	Recognized Amount for the Current Period Investment Gain (Loss) (Note 1)	End-Period Investment Book Value	Cumulative Investment Income Repatriated as of the End of This Period Repatriated Investment Income
					Remittance Out	Recovery						
Kunshan Key Ware Electronics Co., Ltd	Drilling Tools and Hand Tools	\$ 735,764 USD 24,167	Investment in Mainland China through companies registered in a third region	\$ 657,825 USD 21,607	\$ -	\$ -	\$ 657,825 USD 21,607	(\$ 15,586) (CNY 3,607)	100%	(\$ 15,586) (CNY 3,607)	\$ 1,642,601 CNY 384,594	\$ 140,623 CNY 33,000
Kunshan Laserware Laser Technology Co., Ltd.	Laser drilling subcontracting	29,897 CNY 7,000	Investment in Mainland China through Kunshan Key Ware Electronics Co., Ltd.	-	-	-	-	( 4,360) (CNY 1,009)	100%	( 4,360) (CNY 1,009)	2,810 CNY 658	-
King Ware(Chongqing) Electronics Co., Ltd.	Wholesale of electronic components	4,271 CNY 1,000	Investment in Mainland China through Kunshan Key Ware Electronics Co., Ltd.	-	-	-	-	CNY 1,625 376	100%	CNY 1,625 376	8,358 CNY 1,957	-
Wuhan Laserware Laser Technology Co., Ltd	Drilling subcontracting	107,458 CNY 25,160	Investment in Mainland China through Kunshan Key Ware Electronics Co., Ltd.	-	-	-	-	( 2,303) (CNY 533)	100%	( 2,303) (CNY 533)	110,239 CNY 25,811	-
Shenzhen Laserware Laser Technology Co., Ltd.	Drilling subcontracting	26,736 CNY 6,260	Investment in Mainland China through Kunshan Key Ware Electronics Co., Ltd.	-	-	-	-	CNY 272 63	100%	CNY 272 63	10,562 CNY 2,473	-
Hubei Laserware Laser Technology Co., Ltd.	Drilling subcontracting	91,399 CNY 21,400	Investment in Mainland China through Kunshan Key Ware Electronics Co., Ltd.	-	-	-	-	CNY 5,418 1,254	100%	CNY 5,418 1,254	99,651 CNY 23,332	-

Cumulative amount of funds remitted from Taiwan to Mainland China for investment as of the end of this period	Investment Commission of the Ministry of Economic Affairs Approved Investment Amount	According to the regulations of the Investment Commission of the Ministry of Economic Affairs Investment Limit for Mainland China
\$ 674,570 (USD 22,157)	\$ 737,591 (USD 24,227)	\$ 1,146,567 (Note 2)

Note 1: The recognized investment gains (losses) for this period have already factored in the impact of unrealized profits and losses arising from intercompany transactions.

Note 2: According to the "Review Principles for Investment or Technical Cooperation in Mainland China," the cumulative amount of investment in Mainland China by the investor must not exceed 60% of the net worth or consolidated net worth, whichever is higher.

Key Ware Electronics Co., Ltd. and Subsidiaries  
Intercompany Transactions and Significant Trade Relationships Between Parent and Subsidiaries  
January 1 to September 30, 2025

Table 6

Unit: NT\$ in Thousands

Number (Note 1)	Name of the Transaction Party	Counterparty in the Transaction	Relationship with the Transaction Party (Note 2)	Transaction Details			
				Category	Amount (Note 5)	Transaction Terms	Percentage of Total Consolidated Revenue or Total Assets (Note 6)
0	This Company	Jia Chi	1	Accounts Receivable	\$ 77,280	Note 3	2.12
		Jia Chi	1	Other Receivables	7,989	-	0.22
		Jia Chi	1	Processing Revenue	91,288	Note 3	9.09
		KEY WARE THAILAND	1	Other Receivables	21,488	-	0.59
		Kunshan Key Ware	1	Accounts Receivable	15,317	Note 4	0.42
		Kunshan Key Ware	1	Accounts Payable	58,558	Note 3	1.61
		Kunshan Key Ware	1	Sales Revenue	42,348	Note 4	4.22
		Kunshan Key Ware	1	Cost of Goods Sold	73,621	Note 3	7.33
		Kunshan Key Ware	1	Long-Term Deferred Revenue	71,676	-	1.97
		Kunshan Key Ware	1	Gain on Disposal of Property, Plant, and Equipment	10,294	-	0.28
		Wuhan Laserware	1	Long-Term Deferred Revenue	5,291	-	0.15
		1	Kunshan Key Ware	Kunshan Laserware	3	Accounts Receivable	13,542
Kunshan Laserware	3			Other Receivables	68,825	-	1.89
Kunshan Laserware	3			Sales Revenue	10,093	Note 3	1.01
Kunshan Laserware	3			Miscellaneous Revenue	9,901	-	0.99
1	Kunshan Key Ware	Hubei Laserware	3	Accounts Receivable	20,311	-	0.56
		Hubei Laserware	3	Sales Revenue	14,264	-	1.42
2	Wuhan Laserware	Hubei Laserware	3	Accounts Receivable	34,353	-	0.94
		Hubei Laserware	3	Rental Income	7,681	-	0.77

Note 1: Information on transactions among the parent company and its subsidiaries is indicated in the numbering column, with the numbering method specified as below:

1. The parent company is designated as 0.
2. Subsidiaries are numbered sequentially starting with the Arabic numeral 1.

Note 2: The relationship with the trading party falls into one of the following three categories, and the type is indicated accordingly:

1. Parent company to subsidiary.
2. Subsidiary to parent company.
3. Subsidiary to subsidiary.

Note 3: Transaction prices are cost-based and negotiated between the two parties based on market conditions. Payment terms are monthly settlement 180 days.

Note 4: Transaction prices are cost-based and negotiated between the two parties based on market conditions. Payment terms are monthly settlement 120 days.

Note 5: Transaction prices are cost-based, and payment terms are prepayment.

Note 6: Intercompany transactions between the parent and subsidiary companies have been eliminated during the preparation of the consolidated financial statements.

Key Ware Electronics Co., Ltd. and Subsidiaries

The following significant transaction events, their prices, payment terms, unrealized gains and losses, and other related information occurred directly or indirectly via a third region with Mainland China investee companies.

January 1 to September 30, 2025

Table 7

Unit: NT\$ in Thousands

Name of Mainland China Investee Company	Transaction Type	Purchases and Sales		Price	Transaction Terms		Notes or Accounts Receivable (Payable)		Unrealized Gains and Losses	Remarks
		Amount	Percentage		Payment Terms	Comparison with General Transactions	Amount	Percentage		
Kunshan Key Ware Electronics Co., Ltd	Sales	\$ 42,348	10%	No significant differences compared to general clients	Monthly settlement 120–180 days	No significant differences compared to general transactions	\$ 15,324	6%	\$ 28	-
	Purchases	97,978	18%	No significant differences compared to general clients	Monthly settlement 180 days	No significant differences compared to general transactions	( 92,418 )	44%	-	-
	Purchase of Machinery and Equipment	8,427	-	No significant differences compared to general clients	Monthly settlement 120 days	No significant differences compared to general transactions	( 8,247 )	5%	-	-
Kunshan Laserware Laser Technology Co., Ltd	Sales	10,093	3%	No significant differences compared to general clients	Monthly settlement 180 days	No significant differences compared to general transactions	13,542	4%	-	-
Wuhan Laserware Laser Technology Co., Ltd	Sales	2,431	1%	No significant differences compared to general clients	Monthly settlement 180 days	No significant differences compared to general transactions	2,722	1%	-	-

Note: Unrealized gains and losses arising from transactions with Mainland China investee companies have been fully eliminated during the preparation of consolidated financial statements.