

# Nichidenbo Corporation and Subsidiaries

## Consolidated Financial Statements and Independent Auditors' Review Report for the Three Months Ended June 30, 2025 and 2024

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## **INDEPENDENT AUDITORS' REVIEW REPORT**

The Board of Directors and Shareholders  
Nichidenbo Corporation

### **Introduction**

Nichidenbo Corporation and its subsidiaries' (hereinafter "the Nichidenbo Group") consolidated balance sheets as of 30 June 2025 and 2024, as well as consolidated statements of comprehensive income for the three months and six months ended 30 June 2025 and 2024, consolidated statements of changes in equity and consolidated statements of cash flows for the six months ended 30 June 2025 and 2024, and notes to the consolidated financial statements (including a summary of significant accounting policies) have been reviewed by our accountants. The preparation of the consolidated financial statements, which fairly present the financial position in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standards No. 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission, is the responsibility of management. Our responsibility as auditors is to express a conclusion on the consolidated financial statements based on our review results.

### **Scope of Review**

Except for the matters described in the Basis for Qualified Conclusion paragraph, we conducted our review in accordance with the Standard on Review Engagements of the Republic of China 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". The procedures performed when reviewing the consolidated financial statements include inquiries (primarily directed at personnel responsible for financial and accounting matters), analytical procedures, and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to express an audit opinion on the consolidated financial statements.

### **Basis for Qualified Opinion**

As described in Note 4(3) to the Consolidated Financial Statements, the financial statements of certain non-material subsidiaries included in the aforementioned consolidated financial statements for the same period were not reviewed by auditors. As of 30 June 2025 and 2024, their total assets amounted to NT\$1,867,496 thousand and NT\$1,922,461 thousand, respectively, accounting for 15.91% and 19.54% of the total consolidated assets; their total liabilities were NT\$489,276 thousand and NT\$410,842 thousand, respectively, representing 9.16% and 11.24% of the total consolidated liabilities; their total comprehensive income for the three months and six months ended 30 June 2025 and 2024, were NT\$16,012 thousand, NT\$77,076 thousand, NT\$95,868 thousand and NT\$157,680 thousand, respectively, which accounted for 3.91%, 32.33%, 14.99% and 25.33% of the consolidated total comprehensive income. Furthermore, as described in Note

13 to the Consolidated Financial Statements, the carrying amounts of investments accounted for using equity method were NT\$487,821 thousand and NT\$482,509 thousand as of 30 June 2025 and 2024, respectively, and the share of comprehensive income (loss) from associates recognized for the three months and six months ended 30 June 2025 were NT\$(3,805) thousand and NT\$(826) thousand, respectively. In addition, the information related to investee companies described in the disclosures in Note 37 to the Consolidated Financial Statements was recognized and disclosed based on the unreviewed financial statements of the aforementioned non-material subsidiaries and investee companies for the same period.

### **Qualified Conclusion**

Based on our review, except for the possible effects of the matter described in the Basis for Qualified Conclusion paragraph regarding the financial statements of certain non-material subsidiaries and investee companies accounted for using the equity method that were not reviewed by independent accountants and which might require adjustments to the consolidated financial statements, we have not identified any matters that lead us to believe that the accompanying consolidated financial statements of Nichidenbo Corporation and its subsidiaries have not been prepared, in all material respects, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standards No. 34 “Interim Financial Reporting” as endorsed and issued into effect by the Financial Supervisory Commission, that would prevent the consolidated financial position of the Nichidenbo Group as of 30 June 2025 and 2024, and its consolidated financial performance for the three months ended 30 June 2025 and 2024, and its consolidated financial performance and consolidated cash flows for the six months ended 30 June 2025 and 2024 from being fairly presented.

The engagement partners on the review resulting in this independent auditors’ review report are Chih-Ming Shao and Ya-Ling Wong.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

August 6, 2025

### Notice to Readers

*The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally applied in the Republic of China.*

*For the convenience of readers, the independent auditors’ review report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors’ review report and consolidated financial statements shall prevail.*

**NICHIDENBO CORPORATION AND SUBSIDIARIES**

**CONSOLIDATED BALANCE SHEETS**

**JUNE 30, 2025, AND DECEMBER 31 AND JUNE 30, 2024**

**(In Thousands of New Taiwan Dollars)**

Code	ASSETS	June 30, 2025		December 31, 2024		June 30, 2024	
		Amount	%	Amount	%	Amount	%
	<b>CURRENT ASSETS</b>						
1100	Cash and cash equivalents (Note 6)	\$ 1,269,051	11	\$ 888,588	8	\$ 1,902,801	19
1120	Financial assets at fair value through other comprehensive income – current (Note 8)	1,491,456	13	1,275,790	12	115,548	1
1136	Financial assets at amortized cost – current (Notes 9 and 10)	72,506	-	126,353	1	543,800	6
1150	Notes receivable, net (Notes 11, 20, 32 and 34)	111,156	1	133,333	1	155,547	2
1170	Trade receivables from unrelated parties, net (Notes 11 and 25)	4,888,899	42	4,263,950	39	3,603,756	37
1180	Trade receivables from related parties (Notes 25 and 33)	3,774	-	1,953	-	382	-
1200	Other receivables from unrelated parties (Note 11)	27,655	-	47,529	1	37,373	-
1220	Current tax assets	279	-	551	-	1,655	-
130X	Inventories (Note 12)	1,966,224	17	2,459,022	23	1,804,584	18
1470	Other current assets (Note 19)	4,186	-	8,620	-	16,995	-
11XX	Total current assets	<u>9,835,186</u>	<u>84</u>	<u>9,205,689</u>	<u>85</u>	<u>8,182,441</u>	<u>83</u>
	<b>NON-CURRENT ASSETS</b>						
1535	Financial assets at amortized cost – non-current (Notes 9, 10 and 34)	191,806	2	179,684	2	170,818	2
1550	Investments accounted for using the equity method (Note 13)	487,821	4	488,647	4	482,509	5
1600	Property, plant and equipment (Notes 14 and 34)	665,467	6	670,531	6	674,544	7
1755	Right-of-use assets (Note 15)	201,136	2	21,485	-	26,584	-
1760	Investment properties (Notes 16 and 34)	188,071	1	189,147	2	189,741	2
1805	Goodwill (Note 17)	21,805	-	21,805	-	21,805	-
1821	Other intangible assets (Note 18)	26,108	-	27,646	-	29,183	-
1840	Deferred tax assets	95,924	1	67,003	1	54,816	1
1915	Prepayments for business facilities	6,685	-	-	-	-	-
1920	Refundable deposits	10,448	-	4,028	-	3,993	-
1975	Net defined benefit assets – non-current	6,152	-	6,105	-	3,841	-
15XX	Total non-current assets	<u>1,901,423</u>	<u>16</u>	<u>1,676,081</u>	<u>15</u>	<u>1,657,834</u>	<u>17</u>
1XXX	TOTAL	<u>\$ 11,736,609</u>	<u>100</u>	<u>\$ 10,881,770</u>	<u>100</u>	<u>\$ 9,840,275</u>	<u>100</u>
	<b>LIABILITIES AND EQUITY</b>						
	<b>CURRENT LIABILITIES</b>						
2100	Short-term borrowings (Notes 20 and 34)	\$ 2,394,334	20	\$ 2,310,994	21	\$ 1,427,680	15
2120	Financial liabilities at fair value through profit or loss – current (Note 7)	6	-	230	-	208	-
2130	Contract liabilities - current (Note 25)	5,394	-	6,020	-	8,230	-
2150	Notes payable (Note 21)	2,188	-	179	-	205	-
2170	Trade payables to unrelated parties (Note 21)	1,203,762	10	1,287,387	12	924,424	9
2180	Trade payables to related parties (Note 33)	764	-	717	-	138	-
2200	Other payables to unrelated parties (Note 22)	1,221,504	11	340,990	3	1,012,645	10
2230	Current tax liabilities	162,449	1	117,620	1	91,968	1
2280	Lease liabilities – current (Note 15)	27,078	-	5,600	-	8,282	-
2399	Other current liabilities (Note 22)	49,430	1	36,452	1	45,151	1
21XX	Total current liabilities	<u>5,066,909</u>	<u>43</u>	<u>4,106,189</u>	<u>38</u>	<u>3,518,931</u>	<u>36</u>
	<b>NON-CURRENT LIABILITIES</b>						
2570	Deferred tax liabilities	78,244	1	79,635	1	88,876	1
2580	Lease liabilities – non-current (Note 15)	175,776	2	17,484	-	19,836	-
2640	Net defined benefit liabilities – non-current	17,915	-	18,541	-	23,090	-
2645	Guarantee deposits received	5,381	-	5,379	-	5,384	-
25XX	Total non-current liabilities	<u>277,316</u>	<u>3</u>	<u>121,039</u>	<u>1</u>	<u>137,186</u>	<u>1</u>
2XXX	Total liabilities	<u>5,344,225</u>	<u>46</u>	<u>4,227,228</u>	<u>39</u>	<u>3,656,117</u>	<u>37</u>
	<b>EQUITY</b>						
3100	Ordinary shares	2,125,972	18	2,125,972	20	2,126,572	22
3200	Capital surplus	1,628,079	14	1,627,745	15	1,629,534	16
	Retained earnings						
3310	Legal reserve	1,121,552	9	1,008,101	9	1,008,101	10
3320	Special reserve	71,064	1	10,950	-	10,950	-
3350	Unappropriated earnings	1,319,798	11	1,917,162	18	1,442,947	15
3300	Total retained earnings	<u>2,512,414</u>	<u>21</u>	<u>2,936,213</u>	<u>27</u>	<u>2,461,998</u>	<u>25</u>
3400	Other equity	84,167	1	( 84,706 )	( 1 )	( 76,630 )	( 1 )
31XX	Total equity attributable to owners of the Company	<u>6,350,632</u>	<u>54</u>	<u>6,605,224</u>	<u>61</u>	<u>6,141,474</u>	<u>62</u>
36XX	NON-CONTROLLING INTERESTS	<u>41,752</u>	<u>-</u>	<u>49,318</u>	<u>-</u>	<u>42,684</u>	<u>1</u>
3XXX	Total equity	<u>6,392,384</u>	<u>54</u>	<u>6,654,542</u>	<u>61</u>	<u>6,184,158</u>	<u>63</u>
	<b>TOTAL</b>	<u>\$ 11,736,609</u>	<u>100</u>	<u>\$ 10,881,770</u>	<u>100</u>	<u>\$ 9,840,275</u>	<u>100</u>

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

(Please refer to Deloitte & Touche Independent Auditors' Review Report dated August 6, 2025)

**NICHIDENBO CORPORATION AND SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE THREE MONTHS AND SIX MONTHS ENDED JUNE 30, 2025 AND 2024  
(In Thousands of New Taiwan Dollars, Except Earnings per Share)**

Code		April 1 to June 30, 2025		April 1 to June 30, 2024		January 1 to June 30, 2025		January 1 to June 30, 2024	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	OPERATING REVENUE (Notes 25 and 33)	\$ 4,066,287	100	\$ 2,838,738	100	\$ 7,861,960	100	\$ 5,693,363	100
5000	OPERATING COSTS (Notes 12 and 33)	<u>3,477,425</u>	<u>86</u>	<u>2,358,729</u>	<u>83</u>	<u>6,607,019</u>	<u>84</u>	<u>4,717,979</u>	<u>83</u>
5900	GROSS PROFIT	<u>588,862</u>	<u>14</u>	<u>480,009</u>	<u>17</u>	<u>1,254,941</u>	<u>16</u>	<u>975,384</u>	<u>17</u>
	OPERATING EXPENSES (Note 26)								
6100	Selling and marketing expenses	156,439	4	139,422	5	321,201	4	285,410	5
6200	General and administrative expenses	46,493	1	69,446	3	118,022	2	126,052	2
6450	Expected credit loss	<u>19,206</u>	<u>-</u>	<u>2,895</u>	<u>-</u>	<u>18,680</u>	<u>-</u>	<u>5,757</u>	<u>-</u>
6000	Total operating expenses	<u>222,138</u>	<u>5</u>	<u>211,763</u>	<u>8</u>	<u>457,903</u>	<u>6</u>	<u>417,219</u>	<u>7</u>
6900	PROFIT FROM OPERATIONS	<u>366,724</u>	<u>9</u>	<u>268,246</u>	<u>9</u>	<u>797,038</u>	<u>10</u>	<u>558,165</u>	<u>10</u>
	NON-OPERATING INCOME AND EXPENSES (Note 26)								
7100	Interest income	6,046	-	12,293	1	10,749	-	22,880	1
7010	Other income	2,728	-	1,848	-	6,669	-	4,598	-
7020	Other gains and losses	( 178,553 )	( 4 )	24,094	1	( 148,982 )	( 2 )	76,669	1
7050	Finance costs	( 26,777 )	( 1 )	( 19,631 )	( 1 )	( 52,810 )	-	( 41,954 )	( 1 )
7060	Share of profit of associates	( <u>3,805</u> )	<u>-</u>	<u>-</u>	<u>-</u>	( <u>826</u> )	<u>-</u>	<u>-</u>	<u>-</u>
7000	Total non-operating income and expenses	( <u>200,361</u> )	( <u>5</u> )	<u>18,604</u>	<u>1</u>	( <u>185,200</u> )	( <u>2</u> )	<u>62,193</u>	<u>1</u>
7900	PROFIT BEFORE INCOME TAX	166,363	4	286,850	10	611,838	8	620,358	11
7950	INCOME TAX EXPENSE (Note 27)	<u>42,610</u>	<u>1</u>	<u>59,630</u>	<u>2</u>	<u>133,702</u>	<u>2</u>	<u>128,383</u>	<u>2</u>
8200	NET PROFIT FOR THE PERIOD	<u>123,753</u>	<u>3</u>	<u>227,220</u>	<u>8</u>	<u>478,136</u>	<u>6</u>	<u>491,975</u>	<u>9</u>
	OTHER COMPREHENSIVE INCOME (Notes 24 and 27)								
	Items that will not be reclassified subsequently to profit or loss:								
8316	Unrealized gains (losses) on investments in equity instruments at fair value through other comprehensive income	352,186	9	7,183	-	215,666	3	116,390	2
8349	Income tax related to items that will not be reclassified subsequently to profit or loss	( <u>2,678</u> )	<u>-</u>	( <u>1,392</u> )	<u>-</u>	( <u>2,434</u> )	<u>-</u>	( <u>2,856</u> )	<u>-</u>
8310	Total items that will not be reclassified subsequently to profit or loss	<u>349,508</u>	<u>9</u>	<u>5,791</u>	<u>-</u>	<u>213,232</u>	<u>3</u>	<u>113,534</u>	<u>2</u>
	Items that may be reclassified subsequently to profit or loss:								
8361	Exchange differences on translation of the financial statements of foreign operations	( <u>64,262</u> )	( <u>2</u> )	<u>5,390</u>	<u>-</u>	( <u>52,005</u> )	( <u>1</u> )	<u>16,974</u>	<u>-</u>
8360	Total items that may be reclassified subsequently to profit or loss	( <u>64,262</u> )	( <u>2</u> )	<u>5,390</u>	<u>-</u>	( <u>52,005</u> )	( <u>1</u> )	<u>16,974</u>	<u>-</u>
8300	Other comprehensive income for the period, net of income tax	<u>285,246</u>	<u>7</u>	<u>11,181</u>	<u>-</u>	<u>161,227</u>	<u>2</u>	<u>130,508</u>	<u>2</u>
8500	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 408,999</u>	<u>10</u>	<u>\$ 238,401</u>	<u>8</u>	<u>\$ 639,363</u>	<u>8</u>	<u>\$ 622,483</u>	<u>11</u>
8600	NET PROFIT ATTRIBUTABLE TO:								
8610	Owners of the Company	\$ 118,580	3	\$ 222,106	8	\$ 468,968	6	\$ 480,552	9
8620	Non-controlling interests	<u>5,173</u>	<u>-</u>	<u>5,114</u>	<u>-</u>	<u>9,168</u>	<u>-</u>	<u>11,423</u>	<u>-</u>
		<u>\$ 123,753</u>	<u>3</u>	<u>\$ 227,220</u>	<u>8</u>	<u>\$ 478,136</u>	<u>6</u>	<u>\$ 491,975</u>	<u>9</u>
8700	TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:								
8710	Owners of the Company	\$ 403,756	10	\$ 233,250	8	\$ 630,132	8	\$ 610,984	11
8720	Non-controlling interests	<u>5,243</u>	<u>-</u>	<u>5,151</u>	<u>-</u>	<u>9,231</u>	<u>-</u>	<u>11,499</u>	<u>-</u>
		<u>\$ 408,999</u>	<u>10</u>	<u>\$ 238,401</u>	<u>8</u>	<u>\$ 639,363</u>	<u>8</u>	<u>\$ 622,483</u>	<u>11</u>
	EARNINGS PER SHARE (Note 28)								
9710	Basic	<u>\$ 0.56</u>		<u>\$ 1.06</u>		<u>\$ 2.23</u>		<u>\$ 2.30</u>	
9810	Diluted	<u>\$ 0.56</u>		<u>\$ 1.05</u>		<u>\$ 2.20</u>		<u>\$ 2.27</u>	

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

(Please refer to Deloitte &amp; Touche Independent Auditors' Review Report dated August 6, 2025)

# NICHIDENBO CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

		Equity Attributable to Owners of the Company										
							Other Equity (Notes 24 and 29)					
		Ordinary Shares (Notes 24 and 29)	Capital Surplus (Notes 24 and 29)	Retained Earnings (Notes 24 and 29)			Exchange Differences on Translation of Financial Statements of Foreign Operations	Unrealized Gains (losses) on Financial Assets at Fair Value Through Other Comprehensive Income	Unearned Employee Benefits	Total	Non-controlling Interests (Note 24)	Total Equity
Code				Legal Reserve	Special Reserve	Unappropriated Earnings						
A1	BALANCE AT JANUARY 1, 2024	\$ 2,126,572	\$ 1,625,096	\$ 935,029	\$ 51,875	\$ 1,537,832	( \$ 41,401 )	\$ 36,018	( \$ 36,975 )	\$ 6,234,046	\$ 40,068	\$ 6,274,114
B1	Appropriation of 2023 earnings	-	-	73,072	-	( 73,072 )	-	-	-	-	-	-
B5	Legal reserve	-	-	-	-	( 723,034 )	-	-	-	( 723,034 )	-	( 723,034 )
	Cash dividends distributed by the Company	-	-	73,072	-	( 796,106 )	-	-	-	( 723,034 )	-	( 723,034 )
B17	Reversal of special reserve	-	-	-	( 40,925 )	40,925	-	-	-	-	-	-
O1	Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	( 8,883 )	( 8,883 )
D1	Net profit from January 1 to June 30, 2024	-	-	-	-	480,552	-	-	-	480,552	11,423	491,975
D3	Other comprehensive income from January 1 to June 30, 2024	-	-	-	-	-	16,974	113,458	-	130,432	76	130,508
D5	Total comprehensive income from January 1 to June 30, 2024	-	-	-	-	480,552	16,974	113,458	-	610,984	11,499	622,483
N1	Share-based payments arrangements	-	4,438	-	-	( 410 )	-	-	15,450	19,478	-	19,478
Q1	Disposal of investments in equity instruments designated as at fair value through other comprehensive income (loss)	-	-	-	-	180,154	-	( 180,154 )	-	-	-	-
Z1	BALANCE AT JUNE 30, 2024	\$ 2,126,572	\$ 1,629,534	\$ 1,008,101	\$ 10,950	\$ 1,442,947	( \$ 24,427 )	( \$ 30,678 )	( \$ 21,525 )	\$ 6,141,474	\$ 42,684	\$ 6,184,158
A1	BALANCE AT JANUARY 1, 2025	\$ 2,125,972	\$ 1,627,745	\$ 1,008,101	\$ 10,950	\$ 1,917,162	( \$ 20,722 )	( \$ 50,342 )	( \$ 13,642 )	\$ 6,605,224	\$ 49,318	\$ 6,654,542
B1	Appropriation of 2024 earnings	-	-	113,451	-	( 113,451 )	-	-	-	-	-	-
B3	Legal reserve	-	-	-	60,114	( 60,114 )	-	-	-	-	-	-
B5	Special reserve	-	-	-	-	( 892,908 )	-	-	-	( 892,908 )	-	( 892,908 )
	Cash dividends distributed by the Company	-	-	113,451	60,114	( 1,066,473 )	-	-	-	( 892,908 )	-	( 892,908 )
O1	Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	( 16,797 )	( 16,797 )
C17	Other changes in capital surplus	-	214	-	-	-	-	-	-	214	-	214
D1	Net profit from January 1 to June 30, 2025	-	-	-	-	468,968	-	-	-	468,968	9,168	478,136
D3	Other comprehensive income (loss) from January 1 to June 30, 2025	-	-	-	-	-	( 52,005 )	213,169	-	161,164	63	161,227
D5	Total comprehensive income (loss) from January 1 to June 30, 2025	-	-	-	-	468,968	( 52,005 )	213,169	-	630,132	9,231	639,363
N1	Share-based payments arrangements	-	120	-	-	141	-	-	7,709	7,970	-	7,970
Z1	BALANCE AT JUNE 30, 2025	\$ 2,125,972	\$ 1,628,079	\$ 1,121,552	\$ 71,064	\$ 1,319,798	( \$ 72,727 )	\$ 162,827	( \$ 5,933 )	\$ 6,350,632	\$ 41,752	\$ 6,392,384

The accompanying notes are an integral part of the consolidated financial statements.  
(Please refer to Deloitte & Touche Independent Auditors' Review Report dated August 6, 2025)

# NICHIDENBO CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

Code		January 1 to June 30, 2025	January 1 to June 30, 2024
	CASH FLOWS FROM OPERATING ACTIVITIES		
A10000	Income before income tax	\$ 611,838	\$ 620,358
A20010	Adjustments for:		
A20100	Depreciation expense	13,450	11,637
A20200	Amortization expense	2,370	2,277
A20300	Expected credit loss	18,680	5,757
A20400	Net loss on fair value changes of financial assets and liabilities at fair value through profit or loss	76	4,863
A20900	Finance costs	52,810	41,954
A21200	Interest income	( 10,749 )	( 22,880 )
A21900	Share-based payments	7,769	17,668
A22300	Share of profit or loss of associates	826	-
A22500	Gain on disposal of property, plant and equipment	( 589 )	-
A23700	Loss on net realizable value of inventories (gain on reversal)	6,947	( 11,740 )
A29900	Others	141	( 410 )
A30000	Changes in operating assets and liabilities		
A31115	Financial assets mandatorily classified as at fair value through profit or loss	-	474
A31130	Notes receivable	12,394	( 37,687 )
A31150	Trade receivables from unrelated parties	( 662,394 )	( 314,073 )
A31160	Trade receivables from related parties	( 1,821 )	( 382 )
A31180	Other receivables from unrelated parties	20,522	( 6,867 )
A31200	Inventories	473,195	145,094
A31230	Prepayments	3,964	( 10,262 )
A31240	Other current assets	399	( 2,032 )
A31990	Net defined benefit assets	( 47 )	( 24 )
A32110	Financial liabilities held for trading	( 300 )	( 3,571 )
A32125	Contract liabilities	( 436 )	1,824
A32130	Notes payable	2,032	( 59 )
A32150	Trade payables to unrelated parties	( 78,117 )	( 57,853 )
A32160	Trade payables to related parties	47	138
A32180	Other payables to unrelated parties	( 27,611 )	( 14,365 )
A32230	Other current liabilities	12,991	2,198
A32240	Net defined benefit liabilities	( 626 )	( 474 )
A33000	Cash generated from operating activities	457,761	371,563

(Continued)

# NICHIDENBO CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

Code		January 1 to June 30, 2025	January 1 to June 30, 2024
A33100	Interest received	\$ 9,976	\$ 24,915
A33300	Interest paid	( 52,677 )	( 45,034 )
A33500	Income tax received	493	53
A33500	Income tax paid	( 121,352 )	( 91,104 )
AAAA	Net cash generated from operating activities	<u>294,201</u>	<u>260,393</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
B00040	Purchase of financial assets at amortized cost	( 91,284 )	( 701,053 )
B00050	Proceeds from sale of financial assets at amortized cost	132,616	670,365
B01800	Acquisition of investments accounted for using equity method	-	( 282,355 )
B02700	Payments for property, plant and equipment	( 5,247 )	( 792 )
B02800	Proceeds from disposal of property, plant and equipment	1,733	-
B03800	(Increase) decrease in refundable deposits	( 6,746 )	1,296
B04500	Payments for intangible assets	( 846 )	( 603 )
B07100	Increase in prepayments for business facilities	( 6,685 )	-
BBBB	Net cash generated from (used in) investing activities	<u>23,541</u>	<u>( 313,142 )</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
C00100	Proceeds from short-term borrowings	3,768,016	3,321,563
C00200	Repayments of short-term borrowings	( 3,684,676 )	( 3,448,928 )
C00500	Proceeds from short-term bills payable	-	21,972
C00600	Repayments of short-term bills payable	-	( 21,972 )
C03000	Increase (decrease) in guarantee deposits received	2	( 140 )
C04020	Repayment of the principal portion of lease liabilities	( 6,610 )	( 4,700 )
C09900	Dividends from claims extinguished by prescription	<u>214</u>	<u>-</u>
CCCC	Net cash generated from (used in) financing activities	<u>76,946</u>	<u>( 132,205 )</u>
DDDD	EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>( 14,225 )</u>	<u>5,793</u>
EEEE	NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS FOR THE CURRENT PERIOD	380,463	( 179,161 )
E00100	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	<u>888,588</u>	<u>2,081,962</u>
E00200	CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	<u>\$ 1,269,051</u>	<u>\$ 1,902,801</u>

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

(Please refer to Deloitte & Touche Independent Auditors' Review Report dated August 6, 2025)

## Nichidenbo Corporation and Subsidiaries

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

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#### 1. General Information

Nichidenbo Corporation (the “Company”) was established on January 4, 1993 in New Taipei City, mainly engaging in the import and export of electronic components.

The Company’s shares have been listed on the Taiwan Stock Exchange (TWSE) for trading since December 31, 2007.

The consolidated financial statements are presented in New Taiwan Dollars, which is the Company’s functional currency.

#### 2. Approval Date and Procedures for Issuance of Financial Statements

The consolidated financial statements were submitted to the Board of Directors on August 6, 2025.

#### 3. Application of New, Amended, and Revised Standards and Interpretations

- (1) Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations (IFRIC), and Standing Interpretations Committee (SIC) interpretations (collectively, the “IFRS Accounting Standards”) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

##### Amendments to IAS 21 “Lack of Exchangeability”

The application of Amendments to IAS 21 “Lack of Exchangeability” will not result in a significant change in the accounting policies of the Group.

- (2) IFRS Accounting Standards endorsed by the FSC applicable for the year 2026

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”	January 1, 2026
Annual Improvements to IFRS Accounting Standards – Volume 11	January 1, 2026
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 “Initial Application of IFRS 17 and IFRS 9 – Comparative Information”	January 1, 2023

As of the date the consolidated financial statements were approved for issuance, the Group is continuously assessing the impact of the various amendments on the financial position and financial performance, and will disclose the relevant impact when the assessment is completed.

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

New, Amended, and Revised Standards and Interpretations	Effective Date Announced by IASB (Note)
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027
IFRS 19 “Subsidiaries without Public Accountability: Disclosures”	January 1, 2027

Note: Unless specified otherwise, the above new, amended and revised standards and interpretations are effective for annual reporting periods beginning after each respective date.

#### IFRS 18 “Presentation and Disclosure in Financial Statements”

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

- i. The statement of profit or loss shall classify income and expense items into categories of operating, investing, financing, income tax and discontinued operations.
- ii. The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes, and profit or loss
- iii. Providing guidance to enhance the aggregation and disaggregation requirements: the Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so that each line item reported in the primary financial statements has at least one similar characteristic, while items with dissimilar characteristics should be separately presented in the primary financial statements and in the notes. The Group will only label such items as “Others” when no more informative labels can be identified.
- iv. Adding disclosures of management performance measures: when the Group uses management performance measures in public communications outside the financial statements, or when it communicates to users of financial statements management’s view of an aspect of the financial performance of the Group as a whole, the Group shall disclose information related to the management performance measures in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

Aside from the above impacts, as of the date the consolidated financial statements were approved for issuance, the Group is continuously assessing the possible impact of the application of the above standards and interpretations on the Group’s financial position and financial performance, and will disclose the relevant impact when the assessment is completed.

#### 4. Summary of Material Accounting Policies

##### (1) Statement of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 “Interim Financial Reporting” as endorsed and issued into effect by the FSC. The consolidated financial statements do not include all the disclosure information required by the IFRS Accounting Standards for the complete annual financial report.

##### (2) Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value, and net defined benefit liabilities (assets) which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

- i. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- ii. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- iii. Level 3 inputs are unobservable inputs for an asset or liability.

##### (3) Basis of consolidation

- i. The basis for the consolidated financial statements

The basis and principles for preparing the consolidated financial statements are the same as those in the consolidated financial statements for the year 2024.

ii. The subsidiaries in the consolidated financial statements

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

Investee Company	Subsidiary	Nature of business	Percentage of Ownership			Note
			June 30, 2025	December 31, 2024	June 30, 2024	
Nichidenbo Corporation	Vic-Dawn Enterprise Co., Ltd. (Vic-Dawn)	Sales and marketing of electronic components	95.31	95.31	95.31	
	Nichidenbo (Mauritius) Ltd. (NDB (Mauritius))	Investment activities	100.00	100.00	100.00	
	Lipers Enterprise Co., Ltd. (Lipers)	Sales and marketing of electronic components	99.34	99.34	99.34	
	Scope Technology Co., Ltd. (Scope)	Sales and marketing of electronic components	100.00	100.00	100.00	
	Advance Electronic Supply Inc.(AES)	Sales and marketing of electronic components	100.00	100.00	100.00	
	Tonsam Corporation (Tonsam)	Sales and marketing of electronic components	100.00	100.00	100.00	
	Lipers (Hong Kong) Enterprise Co., Ltd. (Lipers (HK))	Sales and marketing of electronic components	100.00	100.00	100.00	
	Koho (Taiwan) Co., Ltd. (Koho)	Sales and marketing of electronic components	85.00	85.00	85.00	
Nichidenbo (Mauritius) Ltd.	Nichidenbo (Shenzhen) Trading Co., Ltd. (NDB (Shenzhen))	Sales and marketing of electronic components	100.00	100.00	100.00	
	Nichidenbo Suzhou Trading Co., Ltd. (NDB (Suzhou))	Sales and marketing of electronic components	100.00	100.00	100.00	
Lipers (Hong Kong) Enterprise Co., Ltd.	Lipers Electronic (SZ) Co., Ltd. (Lipers Electronic (SZ))	Sales and marketing of electronic components	100.00	100.00	100.00	

Note: Scope is a material subsidiary whose financial statements have been reviewed by independent auditors; the remaining subsidiaries are non-material subsidiaries, and their financial statements have not been reviewed by independent auditors, except for those of Lipers and AES, which have been reviewed by independent auditors.

(4) Other material accounting policies

Except for the following explanations, please refer to the summary of material accounting policies in the 2024 consolidated financial statements.

i. Defined benefit retirement benefits

The pension cost for the interim period is calculated based on the pension cost rate determined by actuarial assessment as of the end of the previous year, from the beginning of the year to the end of the current period, and is adjusted for significant market fluctuations, major plan amendments, settlements, or other significant one-time events occurring during the period.

ii. Tax expense

Income tax expense represents the sum of the tax currently payable and deferred tax. The income tax for the interim period is assessed on an annual basis, calculated based on the tax rate applicable to the expected total earnings for the year, with reference to the interim profit before tax.

5. Material Accounting Judgements and Key Sources of Estimation Uncertainty

When applying accounting policies for the Group, management is required to make judgments, estimates, and assumptions on the carrying amounts of assets and liabilities that are not readily apparent from other sources based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Key Sources of Uncertainty for Estimates and Assumptions

(1) Estimated impairment of financial assets

The estimated impairment of notes and trade receivables is based on the Group's assumptions regarding the probability of default and the loss given default. The Group uses judgment in making these assumptions and in selecting the inputs to the impairment calculation, based on the Group's historical experience, existing market conditions as well as forward looking estimates as of the end of each reporting period. For details of the key assumptions and inputs used, see Note 11. Where the actual future cash inflows are less than expected, a material impairment loss may arise.

(2) Valuation of inventories

The net realizable value of inventory is the estimated selling price in the ordinary course of business less the estimated selling costs. These estimates are based on current market conditions and historical selling experience of similar products.

6. Cash and Cash Equivalents

	June 30, 2025	December 31, 2024	June 30, 2024
Cash on hand and petty cash	\$ 816	\$ 916	\$ 1,149
Bank checks and current deposits	455,113	284,718	394,324
Cash equivalents			
Bank time deposits	636,393	372,835	1,307,448
Commercial paper	176,729	230,119	199,880
	<u>\$ 1,269,051</u>	<u>\$ 888,588</u>	<u>\$ 1,902,801</u>

The range of interest rates for bank time deposits and commercial paper as at the balance sheet date is as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Time deposits	0.600%~4.260%	1.225%~4.530%	1.225%~5.200%
Commercial paper	1.070%~4.300%	1.030%~4.600%	0.940%~5.350%

7. Financial Instruments at Fair Value through Profit or Loss

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
<u>Financial liabilities – current</u>			
Held for trading			
Forward exchange contracts	\$ <u>6</u>	\$ <u>230</u>	\$ <u>208</u>

Foreign exchange forward contracts not applicable for hedge accounting and not yet matured as at the balance sheet date are as follows:

	<u>Currency</u>	<u>Maturity Date</u>	<u>Contract Amount (In Thousands)</u>
<u>June 30, 2025</u>			
Sale of forward exchange contracts	USD/NTD	2025.07.22	USD 400/NTD 11,936
<u>December 31, 2024</u>			
Sale of forward exchange contracts	USD/NTD	2025.01.23	USD 1,000/NTD 32,579
<u>June 30, 2024</u>			
Sale of forward exchange contracts	USD/NTD	2024.07.03	USD 1,000/NTD 32,434
Sale of forward exchange contracts	USD/NTD	2024.07.29	USD 1,000/NTD 32,353
Sale of forward exchange contracts	USD/NTD	2024.07.31	USD 1,000/NTD 32,421

The Group enters into foreign exchange forward contracts primarily to manage risks arising from fluctuations in exchange rates for foreign currency assets and liabilities.

8. Financial Assets at Fair Value through Other Comprehensive Income

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
<u>Current</u>			
Investments in equity instruments	\$ <u>1,491,456</u>	\$ <u>1,275,790</u>	\$ <u>115,548</u>
<u>Investments in equity instruments</u>			
<u>Current</u>			
Domestic investments			
Listed (OTC) shares	\$ 1,196,187	\$ 1,196,187	\$ 8,001
Valuation adjustments	<u>217,313</u>	<u>13,813</u>	<u>1,424</u>
	<u>1,413,500</u>	<u>1,210,000</u>	<u>9,425</u>

(Continued)

(Continued)

	June 30, 2025	December 31, 2024	June 30, 2024
Foreign investments			
Listed (OTC) shares	\$ 133,933	\$ 133,933	\$ 133,933
Valuation adjustments	( <u>55,977</u> )	( <u>68,143</u> )	( <u>27,810</u> )
	<u>77,956</u>	<u>65,790</u>	<u>106,123</u>
	<u>\$ 1,491,456</u>	<u>\$ 1,275,790</u>	<u>\$ 115,548</u>
<u>Non-current</u>			
Domestic investments			
Unlisted (OTC) shares	\$ 10,000	\$ 10,000	\$ 10,000
Valuation adjustments	( <u>10,000</u> )	( <u>10,000</u> )	( <u>10,000</u> )
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

On March 13, 2024, the Group's Board of Directors has resolved to sign a share purchase agreement with an unrelated party to acquire 12,834,314 ordinary shares of Concord Advanced Technology Co., Ltd. (hereinafter referred to as "Concord Advanced") at a cash price of NT\$22 per share, with an aggregate amount of NT\$282,355 thousand. Following the acquisition, the Group's shareholding in Concord Advanced increased to 20.56%, representing a significant influence. Therefore, the acquisition was reclassified from non-current financial assets at fair value through other comprehensive income to investments accounted for using equity method, and recognized as a gain on disposal of investments in equity instruments designated as at fair value through other comprehensive income of NT\$180,154 thousand (accounted for as unappropriated retained earnings).

During 2024, the Group has gradually acquired 0.88% of the ordinary shares of WT Microelectronics Co., Ltd. (hereinafter referred to as "WT Microelectronics"), with a total price of NT\$1,196,187 thousand, which is accounted for as current financial assets at fair value through other comprehensive income. On July 15, 2025, the Company's Board of Directors has resolved to cooperate with WT Microelectronics through share exchange, whereby the Company will issue 71,000 thousand new ordinary shares to acquire 47,428 thousand new ordinary shares issued for capital increase by WT Microelectronics. The tentative record date for the share exchange is October 3, 2025.

The Group has fully disposed of its ordinary shares in Honey Hope Honesty Enterprise Co., Ltd. in August 2024, with total proceeds of NT\$11,885 thousand, which is recognized as a gain on disposal of investments in equity instruments designated as at fair value through other comprehensive income of NT\$3,884 thousand (accounted for as unappropriated retained earnings).

The Group invests in domestic listed shares, domestic unlisted shares and foreign listed shares for medium to long-term strategic purposes, expecting to make a profit from long-term investment. The Group's management believes that including the short-term fair value fluctuations of such investments into profit or loss is inconsistent with the aforementioned long-term investment plan, and therefore chooses to designate these investments as measured at fair value through other comprehensive income.

9. Financial Assets at Amortized Cost

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
<u>Current</u>			
Time deposits with an original maturity of more than 3 months	\$ 72,490	\$ 125,912	\$ 543,800
Custody accounts	<u>16</u>	<u>441</u>	<u>-</u>
	<u>\$ 72,506</u>	<u>\$ 126,353</u>	<u>\$ 543,800</u>
<u>Non-current</u>			
Pledged time deposits	\$ 191,656	\$ 179,534	\$ 170,668
Restricted cash	<u>150</u>	<u>150</u>	<u>150</u>
	<u>\$ 191,806</u>	<u>\$ 179,684</u>	<u>\$ 170,818</u>

(1) Please refer to Note 10 for information relating to the credit risk management and impairment assessment of investments in financial assets at amortized cost.

(2) Please refer to Note 34 for information relating to pledged financial assets at amortized cost.

10. Credit Risk Management for Investments in Debt Instruments

The Group's investments in debt instruments are classified as financial assets at amortized cost:

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
<u>Measured at amortized cost</u>			
<u>(current and non-current)</u>			
Gross carrying amount	\$ 264,312	\$ 306,037	\$ 714,618
Loss allowance	<u>-</u>	<u>-</u>	<u>-</u>
Amortized cost	<u>\$ 264,312</u>	<u>\$ 306,037</u>	<u>\$ 714,618</u>

The credit risk of financial instruments such as cash in banks is measured and monitored by the finance department. The selected transaction partners and performing parties by the Group are all banks with good credit.

11. Notes Receivable, Trade Receivables and Other Receivables

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
<u>Notes receivable</u>			
At amortized cost			
Gross carrying amount	\$ 111,715	\$ 134,003	\$ 156,328
Less: Loss allowance	( <u>559</u> )	( <u>670</u> )	( <u>781</u> )
	<u>\$ 111,156</u>	<u>\$ 133,333</u>	<u>\$ 155,547</u>
Arising from operations	\$ 111,156	\$ 133,274	\$ 155,547
Not arising from operations	<u>-</u>	<u>59</u>	<u>-</u>
	<u>\$ 111,156</u>	<u>\$ 133,333</u>	<u>\$ 155,547</u>
<u>Trade receivables</u>			
At amortized cost			
Gross carrying amount	\$ 4,935,667	\$ 4,292,445	\$ 3,630,312
Less: Loss allowance	( <u>46,768</u> )	( <u>28,495</u> )	( <u>26,556</u> )
	<u>\$ 4,888,899</u>	<u>\$ 4,263,950</u>	<u>\$ 3,603,756</u>
<u>Other receivables</u>			
VAT refundable	\$ 24,758	\$ 45,486	\$ 34,280
Others	<u>2,897</u>	<u>2,043</u>	<u>3,093</u>
	<u>\$ 27,655</u>	<u>\$ 47,529</u>	<u>\$ 37,373</u>

Notes receivable

Notes receivable as of June 30, 2025, and December 31 and June 30, 2024 are all not overdue.

Please refer to Note 32 for the amount of discounted notes receivable and related terms of the Group.

Trade receivables

The Group's average credit period for sales of goods is approximately 90 to 150 days. To mitigate credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals, and other monitoring procedures to ensure appropriate actions are taken for the collection of overdue receivables. The Group reviews the recoverable amount of receivables individually at the balance sheet date to ensure appropriate impairment losses have been provided for uncollectible receivables. In this regard, the management believes the Group's credit risk has significantly reduced.

The Group recognizes loss allowances for trade receivables based on lifetime expected credit losses. The expected credit losses on trade receivables are estimated using a provision matrix prepared by reference to the past default experience of the customer, the customer's current financial position, and profitability. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision matrix does not further distinguish different customer groups, but only sets expected credit loss rates based on the number of days before past due and days past due for the trade receivables.

If there is evidence that a counterparty is facing serious financial difficulties and the Group cannot reasonably expect to recover the amount, the Group directly writes off the relevant trade receivables. but continues to engage in recovering activities. Amounts recovered are recognized in profit or loss.

The Group's loss allowances for trade receivables measured using the provision matrix are as follows:

June 30, 2025

	Not past due	1–30 Days Past Due	31–60 Days Past Due	61–90 Days Past Due	Over 90 Days Past Due	Total
Expected credit loss rate	0.50%~2.45%	0.50%~34.32%	0.50%~50.68%	24.02%~64.25%	100.00%	
Gross carrying amount	\$ 4,898,846	\$ 14,360	\$ 3,330	\$ 480	\$ 18,651	\$ 4,935,667
Loss allowance (lifetime ECLs)	( 25,890 )	( 1,229 )	( 844 )	( 154 )	( 18,651 )	( 46,768 )
Amortized cost	\$ 4,872,956	\$ 13,131	\$ 2,486	\$ 326	\$ -	\$ 4,888,899

December 31, 2024

	Not past due	1–30 Days Past Due	31–60 Days Past Due	61–90 Days Past Due	Over 90 Days Past Due	Total
Expected credit loss rate	0.50%~4.14%	0.50%~39.08%	0.50%~50.72%	33.39%~66.28%	100.00%	
Gross carrying amount	\$ 4,255,745	\$ 29,749	\$ 3,340	\$ 1,567	\$ 2,044	\$ 4,292,445
Loss allowance (lifetime ECLs)	( 22,439 )	( 2,633 )	( 778 )	( 601 )	( 2,044 )	( 28,495 )
Amortized cost	\$ 4,233,306	\$ 27,116	\$ 2,562	\$ 966	\$ -	\$ 4,263,950

June 30, 2024

	Not past due	1–30 Days Past Due	31–60 Days Past Due	61–90 Days Past Due	Over 90 Days Past Due	Total
Expected credit loss rate	0.50%~4.14%	0.50%~36.88%	0.50%~48.75%	32.92%~67.95%	100.00%	
Gross carrying amount	\$ 3,608,052	\$ 14,280	\$ 3,919	\$ 1,285	\$ 2,776	\$ 3,630,312
Loss allowance (lifetime ECLs)	( 19,358 )	( 2,671 )	( 1,173 )	( 578 )	( 2,776 )	( 26,556 )
Amortized cost	\$ 3,588,694	\$ 11,609	\$ 2,746	\$ 707	\$ -	\$ 3,603,756

The movements of the loss allowance of notes receivable and trade receivables are as follows:

	For the six months ended June 30	
	2025	2024
Opening balance	\$ 29,165	\$ 21,446
Add: Impairment loss recognized in the period	18,680	5,757
Add: Reclassification of overdue receivables in the period	59	-
Foreign exchange differences	( 577 )	134
Closing balance	\$ 47,327	\$ 27,337

12. Inventories

	June 30, 2025	December 31, 2024	June 30, 2024
Goods	<u>\$ 1,966,224</u>	<u>\$ 2,459,022</u>	<u>\$ 1,804,584</u>

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

	For the three months ended June 30		For the six months ended June 30	
	2025	2024	2025	2024
Cost of inventories sold	\$ 3,460,887	\$ 2,365,199	\$ 6,599,965	\$ 4,729,714
Loss on net realizable value of inventories (gain on reversal)	16,541	( 6,470 )	6,947	( 11,740 )
Inventory count (gain) loss	( 3 )	-	107	5
	<u>\$ 3,477,425</u>	<u>\$ 2,358,729</u>	<u>\$ 6,607,019</u>	<u>\$ 4,717,979</u>

13. Investments Accounted for Using the Equity Method

Investments in associates

	June 30, 2025	December 31, 2024	June 30, 2024
Individually insignificant associates			
Concord Advanced	<u>\$ 487,821</u>	<u>\$ 488,647</u>	<u>\$ 482,509</u>

On March 13, 2024, the Group's Board of Directors resolved to sign a share purchase agreement with an unrelated party to acquire 12,834,314 ordinary shares of Concord Advanced at a cash price of NT\$22 per share, with an aggregate amount of NT\$282,355 thousand. Following the acquisition, the Group's shareholding in Concord Advanced increased to 20.56%, representing a significant influence. Therefore, the acquisition was reclassified from non-current financial assets at fair value through other comprehensive income to investments accounted for using equity method.

The aforementioned investments are accounted for using the equity method, and the Group's share of profit or loss is calculated based on the unaudited financial statements. However, the Group's management believes that the unaudited financial statements of the aforementioned investee companies do not result in a material impact.

14. Property, Plant and Equipment

	Land	Buildings	Other Equipment	Total
<u>Cost</u>				
Balance at January 1, 2025	\$ 477,370	\$ 274,269	\$ 23,556	\$ 775,195
Additions	-	-	5,247	5,247
Disposals/derecognition	-	-	( 8,864 )	( 8,864 )
Net exchange differences	-	( 6,347 )	( 530 )	( 6,877 )
Balance at June 30, 2025	<u>\$ 477,370</u>	<u>\$ 267,922</u>	<u>\$ 19,409</u>	<u>\$ 764,701</u>

(Continued)

(Continued)

	Land	Buildings	Other Equipment	Total
<u>Accumulated depreciation</u>				
Balance at January 1, 2025	\$ -	\$ 91,871	\$ 12,793	\$ 104,664
Depreciation expense	-	3,521	2,422	5,943
Disposals/derecognition	-	-	( 7,720 )	( 7,720 )
Net exchange differences	-	( 3,369 )	( 284 )	( 3,653 )
Balance at June 30, 2025	<u>\$ -</u>	<u>\$ 92,023</u>	<u>\$ 7,211</u>	<u>\$ 99,234</u>
Carrying amount at December 31, 2024 and January 1, 2025	<u>\$ 477,370</u>	<u>\$ 182,398</u>	<u>\$ 10,763</u>	<u>\$ 670,531</u>
Carrying amount at June 30, 2025	<u>\$ 477,370</u>	<u>\$ 175,899</u>	<u>\$ 12,198</u>	<u>\$ 665,467</u>
<u>Cost</u>				
Balance at January 1, 2024	\$ 477,370	\$ 271,794	\$ 28,059	\$ 777,223
Additions	-	-	792	792
Disposals/derecognition	-	-	( 721 )	( 721 )
Net exchange differences	-	1,935	157	2,092
Balance at June 30, 2024	<u>\$ 477,370</u>	<u>\$ 273,729</u>	<u>\$ 28,287</u>	<u>\$ 779,386</u>
<u>Accumulated depreciation</u>				
Balance at January 1, 2024	\$ -	\$ 83,597	\$ 15,173	\$ 98,770
Depreciation expense	-	3,533	2,257	5,790
Disposals/derecognition	-	-	( 721 )	( 721 )
Net exchange differences	-	919	84	1,003
Balance at June 30, 2024	<u>\$ -</u>	<u>\$ 88,049</u>	<u>\$ 16,793</u>	<u>\$ 104,842</u>
Carrying amount at June 30, 2024	<u>\$ 477,370</u>	<u>\$ 185,680</u>	<u>\$ 11,494</u>	<u>\$ 674,544</u>

Depreciation calculated on a straight-line basis over the estimated useful lives is as follows:

Buildings	20–55 years
Other Equipment	3–7 years

Please refer to Note 34 for the amounts of property, plant and equipment pledged as collateral for supplier payment guarantees.

# 15. Lease Arrangements

## (1) Right-of-use assets

	June 30, 2025	December 31, 2024	June 30, 2024
Carrying amount of right- of-use assets			
Buildings	\$ 197,476	\$ 21,485	\$ 26,584
Other Equipment	<u>3,660</u>	<u>-</u>	<u>-</u>
	<u>\$ 201,136</u>	<u>\$ 21,485</u>	<u>\$ 26,584</u>

	For the three months ended June 30		For the six months ended June 30	
	2025	2024	2025	2024
Additions to right-of-use assets	<u>\$ 178,987</u>	<u>\$ -</u>	<u>\$ 188,756</u>	<u>\$ -</u>
Depreciation expense of right-of-use assets				
Buildings	\$ 3,995	\$ 2,627	\$ 6,662	\$ 5,215
Other Equipment	<u>215</u>	<u>-</u>	<u>215</u>	<u>-</u>
	<u>\$ 4,210</u>	<u>\$ 2,627</u>	<u>\$ 6,877</u>	<u>\$ 5,215</u>

Except for the aforementioned additions and recognized depreciation expense, the Group's right-of-use assets did not experience significant subleasing or impairment situations during the periods from January 1 to June 30 of 2025 and 2024.

(2) Lease liabilities

	June 30, 2025	December 31, 2024	June 30, 2024
Carrying amount of lease liabilities			
Current	<u>\$ 27,078</u>	<u>\$ 5,600</u>	<u>\$ 8,282</u>
Non-current	<u>\$ 175,776</u>	<u>\$ 17,484</u>	<u>\$ 19,836</u>

Range of discount rates for lease liabilities is as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Buildings	1.2000%– 6.2000%	1.2000%– 3.5500%	1.2000%– 3.5500%
Other Equipment	4.8972%	-	-

(3) Important leasing activities and terms

The Group has signed a lease for a building to be used as a warehouse and office from June 1, 2025 to May 31, 2035, with a lease term of 10 years. Upon expiration of the lease term, these lease agreements do not contain renewal or purchase option clauses, and stipulate that the Group may not sublease, assign, or otherwise give the leased property or any part thereof to others for use, nor change its purpose or use it in violation of laws and regulations.

(4) Other lease information

Please refer to Note 16 for agreements on investment properties leased out by the Group under operating leases.

	For the three months ended June 30		For the six months ended June 30	
	2025	2024	2025	2024
Expenses relating to short-term leases	<u>\$ 1,318</u>	<u>\$ 1,373</u>	<u>\$ 2,806</u>	<u>\$ 2,752</u>
Expenses relating to low-value asset leases	<u>\$ 59</u>	<u>\$ 60</u>	<u>\$ 120</u>	<u>\$ 120</u>
Total cash outflow of leases			<u>\$ 10,140</u>	<u>\$ 8,056</u>

16. Investment Properties

	For the six months ended June 30	
	2025	2024
<u>Cost</u>		
Opening balance	\$ 225,306	\$ 224,687
Net exchange differences	( 1,586 )	483
Closing balance	<u>\$ 223,720</u>	<u>\$ 225,170</u>
<u>Accumulated depreciation and impairment losses</u>		
Opening balance	\$ 36,159	\$ 34,465
Depreciation expense	630	632
Net exchange differences	( 1,140 )	332
Closing balance	<u>\$ 35,649</u>	<u>\$ 35,429</u>
Opening net amount	<u>\$ 189,147</u>	<u>\$ 190,222</u>
Closing net amount	<u>\$ 188,071</u>	<u>\$ 189,741</u>

The investment properties are leased out for 1 to 5 years. Lessees do not have right of first refusal to the investment properties at the end of lease terms.

The total amount of lease payments to be received from operating leases is as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Less than a year	\$ 6,684	\$ 7,489	\$ 6,730
1–5 years	<u>13,461</u>	<u>16,238</u>	<u>17,236</u>
	<u>\$ 20,145</u>	<u>\$ 23,727</u>	<u>\$ 23,966</u>

The investment properties are depreciated using the straight-line method over the estimated useful lives of 20 to 55 years .

The fair value of investment properties in the Republic of China as of December 31, 2024 and 2023 was NT\$256,641 thousand and NT\$266,921 thousand, respectively. The fair value of investment properties in China as of 31 December 2024 and 2023 was NT\$5,799 thousand and NT\$5,872 thousand, respectively. The management of the Group assessed that there were no significant changes in fair value as of June 30, 2025 and 2024 compared with December 31, 2024 and 2023.

All investment properties of the Group are self-owned equity. Please refer to Note 34 for investment properties pledged as collateral for supplier payment guarantees.

17. Goodwill

	For the six months ended June 30	
	2025	2024
Opening and closing balance	\$ 21,805	\$ 21,805

The carrying amount of goodwill allocated to the cash-generating units is as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Koho	\$ 21,805	\$ 21,805	\$ 21,805

18. Other Intangible Assets

	Computer Software	Supplier Contracts	Total
<u>Cost</u>			
Balance at January 1, 2025	\$ 2,760	\$ 37,000	\$ 39,760
Additions	846	-	846
Derecognition	( 308 )	-	( 308 )
Net exchange differences	( 30 )	-	( 30 )
Balance at June 30, 2025	\$ 3,268	\$ 37,000	\$ 40,268
<u>Accumulated amortization</u>			
Balance at January 1, 2025	\$ 1,322	\$ 10,792	\$ 12,114
Amortization expenses	520	1,850	2,370
Derecognition	( 308 )	-	( 308 )
Net exchange differences	( 16 )	-	( 16 )
Balance at June 30, 2025	\$ 1,518	\$ 12,642	\$ 14,160
Carrying amount at December 31, 2024 and January 1, 2025	\$ 1,438	\$ 26,208	\$ 27,646
Carrying amount at June 30, 2025	\$ 1,750	\$ 24,358	\$ 26,108
<u>Cost</u>			
Balance at January 1, 2024	\$ 2,546	\$ 37,000	\$ 39,546
Additions	603	-	603
Derecognition	( 1,024 )	-	( 1,024 )
Net exchange differences	6	-	6
Balance at June 30, 2024	\$ 2,131	\$ 37,000	\$ 39,131

(Continued)

(Continued)

	Computer Software	Supplier Contracts	Total
<u>Accumulated amortization</u>			
Balance at January 1, 2024	\$ 1,601	\$ 7,092	\$ 8,693
Amortization expenses	427	1,850	2,277
Derecognition	( 1,024 )	-	( 1,024 )
Net exchange differences	<u>2</u>	<u>-</u>	<u>2</u>
Balance at June 30, 2024	<u>\$ 1,006</u>	<u>\$ 8,942</u>	<u>\$ 9,948</u>
Carrying amount at June 30, 2024	<u>\$ 1,125</u>	<u>\$ 28,058</u>	<u>\$ 29,183</u>

Amortization expenses calculated on a straight-line basis over the estimated useful lives are as follows:

	Computer Software	1–5 years	
	Supplier Contracts	10 years	
19. <u>Other Assets</u>			
	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
<u>Current</u>			
Prepayments	\$ 2,115	\$ 6,148	\$ 13,019
Others	<u>2,071</u>	<u>2,472</u>	<u>3,976</u>
	<u>\$ 4,186</u>	<u>\$ 8,620</u>	<u>\$ 16,995</u>
<u>Non-current</u>			
Overdue receivables (Note)	\$ 70,340	\$ 70,399	\$ 79,395
Less: Loss allowance	( <u>70,340</u> )	( <u>70,399</u> )	( <u>79,395</u> )
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Note: The Group reclassified individually assessed impairment loss of trade receivables and their loss allowances to overdue receivables.

20. <u>Borrowings</u>			
<u>Short-term borrowings</u>			
	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
<u>Secured loans</u>			
Bank credit loans	\$ 2,394,334	\$ 2,310,994	\$ 1,365,490
Secured bank loans	<u>-</u>	<u>-</u>	<u>62,190</u>
	<u>\$ 2,394,334</u>	<u>\$ 2,310,994</u>	<u>\$ 1,427,680</u>

The range of interest rates for the bank's short-term borrowings as at the balance sheet date is as follows:

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Bank credit loans	0.999884%– 5.159000%	0.698000%– 5.820000%	0.573996%– 6.380000%
Secured bank loans	-	-	1.300000%– 2.150000%

Please refer to Notes 32 and 34 for the use of commercial bills receivable for secured loans from China Merchants Bank by NDB (Suzhou) and NDB (Shenzhen).

21. Notes Payable and Trade payables

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
<u>Notes payable</u>			
Not arising from operations	\$ <u>2,188</u>	\$ <u>179</u>	\$ <u>205</u>
<u>Trade payables</u>			
Arising from operations	\$ <u>1,203,762</u>	\$ <u>1,287,387</u>	\$ <u>924,424</u>

22. Other Liabilities

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
<u>Current</u>			
Other payables			
Cash dividends payable	\$ 909,705	\$ -	\$ 731,917
Salaries and bonuses payable	197,173	239,786	193,134
Marketing and sales expenses payable	38,697	30,545	28,572
Annual leave payable	11,915	11,999	12,360
Interest payable	11,584	11,451	4,776
Business tax payable	8,246	2,953	1,381
Others	44,184	44,256	40,505
	<u>\$ 1,221,504</u>	<u>\$ 340,990</u>	<u>\$ 1,012,645</u>
Other liabilities			
Refund liabilities	\$ 46,384	\$ 33,824	\$ 41,468
Others	3,046	2,628	3,683
	<u>\$ 49,430</u>	<u>\$ 36,452</u>	<u>\$ 45,151</u>

23. Retirement Benefit Plans

The pension expenses related to the defined benefit plan recognized for the three months and six months ended June 30, 2025 and 2024 were calculated based on the pension cost rate actuarially determined as of December 31, 2024 and 2023, amounting to NT\$215 thousand, NT\$266 thousand, NT\$431 thousand, and NT\$531 thousand, respectively.

24. Equity

(1) Share capital

Ordinary shares

	June 30, 2025	December 31, 2024	June 30, 2024
Authorized shares (in thousands)	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
Authorized capital	<u>\$ 5,000,000</u>	<u>\$ 5,000,000</u>	<u>\$ 5,000,000</u>
Issued and fully paid shares (in thousands)	<u>212,597</u>	<u>212,597</u>	<u>212,657</u>
Issued capital	<u>\$ 2,125,972</u>	<u>\$ 2,125,972</u>	<u>\$ 2,126,572</u>

Each issued ordinary share has a par value of NT\$10, and each share has the right to one vote and right to receive dividends.

Within the authorized capital, 10,000 thousand shares were reserved for the issuance of convertible bonds with share options, preference shares with share options, and shares converted from share option certificates, respectively.

In order to enhance operating capital, strengthen financial structure and support other capital requirements for the Company's long-term operating development, while also considering the cost of capital fundraising and the introduction of strategic investors, the Company has resolved at the Shareholders' Meeting on June 15, 2022 to increase capital through issuing 30,000 thousand ordinary shares by private placement. On October 6, 2022, the Board of Directors resolved to approve the subscriber for the private placement of ordinary shares to be WT Microelectronics, with the record date for the capital increase set for October 7, 2022, and issued at a premium of NT\$44.02 per share. This private placement cash capital increase has raised a total of NT\$1,320,600 thousand cash, and the registration for change has been completed on October 25, 2022.

The rights and obligations of these new privately placed shares are identical to those of the Company's previously issued ordinary shares. However, in accordance with Article 43(8) under the Securities and Exchange Act, the ordinary shares of this private placement shall not be freely transferred within three years from their delivery date, except under special circumstances as otherwise specified in laws and regulations. The Board of Directors is authorized to apply to the competent authority for supplemental public offering and listing for trading in accordance with relevant laws and regulations after three years from the delivery of the privately placed common shares.

On March 23, 2022, the Company's Board of Directors resolved to issue the first tranche of restricted new stock for employees, totaling 4,000 thousand new shares. 60 thousand shares were reclaimed as some employees has left the Company before meeting the vesting conditions for the restricted new stock for employees, and the registration for change has been completed on December 4, 2024.

On July 15, 2025, the Company's Board of Directors resolved to cooperate with WT Microelectronics through share exchange, whereby the Company will carry out capital increase through issuing 71,000 thousand new ordinary shares to acquire 47,428 thousand new ordinary shares issued for capital increase by WT Microelectronics. The tentative record date for the share exchange is October 3, 2025.

(2) Capital surplus

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
<u>May be used to offset</u> <u>deficits, distributed as</u> <u>cash dividends, or</u> <u>transferred to share</u> <u>capital</u> (Note)			
Share issuance premium	\$ 1,359,025	\$ 1,353,609	\$ 1,301,615
Convertible bond premium	111,200	111,200	111,200
Treasury share transactions	19,455	19,455	19,455
Difference between actual consideration and the carrying amount of the subsidiaries acquired or disposed	15,334	15,334	15,334
Consolidated premium	289	289	289
Others	<u>3,814</u>	<u>3,814</u>	<u>3,814</u>
	<u>1,509,117</u>	<u>1,503,701</u>	<u>1,451,707</u>
<u>Available only for</u> <u>offsetting deficits</u>			
Changes in ownership interests in subsidiaries	42,656	42,656	42,656
Others	<u>2,074</u>	<u>1,860</u>	<u>1,665</u>
	<u>44,730</u>	<u>44,516</u>	<u>44,321</u>
<u>Not available for any</u> <u>purpose</u>			
Employee restricted stock	<u>74,232</u>	<u>79,528</u>	<u>133,506</u>
	<u>\$ 1,628,079</u>	<u>\$ 1,627,745</u>	<u>\$ 1,629,534</u>

Note: This category of capital surplus may be used to offset deficits, and when the Company has no deficit, may be used for cash distributions or transferred to share capital, provided that the transfer is limited to a certain percentage of the paid-in capital each year.

(3) Retained earnings and dividend policy

The Company approved the amendments to its Articles of Incorporation at the Shareholders' Meeting on June 25, 2024, which specifies that if there is a surplus in the Company's annual final accounts, it shall first be used to pay taxes and offset previous deficits, then 10% shall be set aside as legal reserve, unless the legal reserve has already reached the amount of the Company's paid-in capital. After appropriating or reversing a special reserve as required for the Company's operational needs and according to the laws and regulations, the remaining balance (hereinafter referred to as "distributable earnings for the current year") shall be combined with the opening balance of unappropriated earnings, and the Board of

Directors shall draft an earning appropriation proposal as a resolution at the Shareholders' Meeting for distribution, with dividends paid out at no less than 50% of the distributable earnings for the current year.

Under the earnings distribution policy of the Company's Articles of Incorporation before amendment, if there is a surplus in the Company's annual final accounts, it shall first used to pay taxes and offset previous deficits, then 10% shall be set aside as legal reserve, unless the legal reserve has already reached the amount of the Company's paid-in capital. Additionally, a special reserve shall be appropriated or reversed as required for the Company's operational needs and according to the laws and regulations. The total amount of dividends distributed annually shall be no less than 50% of the earnings for the current year, and the Board of Directors shall draft an earning appropriation proposal as a resolution at the Shareholders' Meeting for distribution. For the Company's distribution policies on the remuneration of employees and directors stipulated in the Articles of Incorporation, please refer to the Remuneration of Employees and Directors section in Note 26(7).

According to Article 240 of the Company Act, the Company's Articles of Incorporation stipulates that the Board of Directors is authorized to have the distributable dividends and bonuses or in whole or in part of the legal reserve and capital surplus as specified in Article 241 of the Company Act be paid in cash after a resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of Directors, and in addition thereto a report of such distribution shall be submitted to in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

The Company will consider the environment and its development stage, in response to future capital needs and long-term financial planning. The distribution of earnings shall be handled in accordance with Article 21 of the Company's Articles of Incorporation, and the cash dividend portion of bonuses distributed to shareholders in the current year shall be no less than 30% of the total amount of shareholders' bonuses.

Appropriation of earnings to legal reserve shall be made until the legal reserve amounts to the total paid-in capital of the Company. The legal reserve may be used to offset deficits. If the Company has no deficit, the portion of legal reserve which exceeds 25% of the Company's paid-in capital may be set as share capital or distributed in cash.

The Company's 2024 and 2023 earning appropriation proposals are as follows:

	2024	2023
Legal reserve	\$ 113,451	\$ 73,072
Reversal of special reserve	\$ -	\$ 40,925
Special reserve appropriated	\$ 60,114	\$ -
Cash dividends	\$ 892,908	\$ 723,034
Cash dividends per share (NT\$)	\$ 4.20	\$ 3.40

The above cash dividends were distributed by resolution by the Board of Directors on March 13, 2025 and 2024, respectively. The remaining earning appropriation items were also passed by resolution at the General Shareholders' Meeting on June 11, 2025 and June 25, 2024, respectively.

(4) Special reserve

	For the six months ended June 30	
	2025	2024
Opening balance	\$ 10,950	\$ 51,875
Special reserve appropriated		
Deductions in other equity items appropriated	60,114	-
Reversal of special reserve		
Reversal of deductions in other equity items	-	( 40,925 )
Closing balance	<u>\$ 71,064</u>	<u>\$ 10,950</u>

The special reserve appropriated for exchange differences on translation of foreign financial statements (including subsidiaries) is reversed proportionately upon the Company's disposal of the foreign operation. When the Company loses significant influence, the entire amount is reversed. At the time of earnings distribution, an additional special reserve should be appropriated for the difference between net debit balance reserve of other equity items on the reporting date and the special reserve appropriated upon the first-time adoption of IFRS Accounting Standards. Subsequently, if the net debit balance of other equity items is reversed, the amount of the reversal may be distributed from the special reserve.

(5) Other equity items

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

	For the six months ended June 30	
	2025	2024
Opening balance	( \$ 20,722 )	( \$ 41,401 )
Arising in the period		
Exchange differences on translation of financial statements of foreign operations	( 52,005 )	16,974
Other comprehensive income	( 52,005 )	16,974
Closing balance	<u>( \$ 72,727 )</u>	<u>( \$ 24,427 )</u>

ii. Unrealized gains (losses) from financial assets at fair value through other comprehensive income

	For the six months ended June 30	
	2025	2024
Opening balance	( \$ 50,342 )	\$ 36,018
Arising in the period		
Unrealized gains (losses)		
Equity Instruments	215,586	116,295
Related income tax	( 2,417 )	( 2,837 )
Other comprehensive income for the period	<u>213,169</u>	<u>113,458</u>
Accumulated gains (losses) from disposal of equity investments transferred to retained earnings	-	( 180,154 )

Closing balance	\$162,827	(\$ 30,678)
(6) Non-controlling interests		

	For the six months ended June 30	
	2025	2024
Opening balance	\$ 49,318	\$ 40,068
Net profit for the period	9,168	11,423
Other comprehensive income		
Unrealized gains (losses) on financial assets at fair value through other comprehensive income	80	95
Related income tax	( 17)	( 19)
Cash dividends distributed by subsidiaries	( 16,797)	( 8,883)
Closing balance	\$ 41,752	\$ 42,684

25. Revenue

	For the three months ended June 30		For the six months ended June 30	
	2025	2024	2025	2024
Revenue from contracts with customers				
Revenue from the sale of goods	\$ 4,066,287	\$ 2,838,738	\$ 7,861,960	\$ 5,693,363

(1) Contract information

Revenue from the sale of goods

Electronic components are sold to manufacturers of information, video, and electronic communication products. The Group's revenue is estimated at the most likely amount, taking into consideration discounts based on the customers' past purchasing patterns. Other goods are sold at contractually agreed prices.

(2) Contract balance

	June 30, 2025	December 31, 2024	June 30, 2024	January 1, 2024
Trade receivables from unrelated parties, net (Note 11)	\$ 4,888,899	\$ 4,263,950	\$ 3,603,756	\$ 3,289,314
Trade receivables from related parties (Note 33)	\$ 3,774	\$ 1,953	\$ 382	\$ -
Contract liabilities – current				
Advance sales receipts	\$ 5,394	\$ 6,020	\$ 8,230	\$ 6,311

(3) Disaggregation of revenues from contracts with customers

Please refer to Note 38 for the details of revenue disaggregation.

26. Net Profit for the Period

(1) Interest income

	<u>For the three months ended June 30</u>		<u>For the six months ended June 30</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Cash in banks	\$ 5,290	\$ 11,164	\$ 9,194	\$ 20,890
Others	756	1,129	1,555	1,990
	<u>\$ 6,046</u>	<u>\$ 12,293</u>	<u>\$ 10,749</u>	<u>\$ 22,880</u>

(2) Other income

	<u>For the three months ended June 30</u>		<u>For the six months ended June 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Rental income				
Investment property	\$ 2,089	\$ 1,963	\$ 4,291	\$ 4,054
Depreciation expense for investment property	( 312 )	( 317 )	( 630 )	( 632 )
	1,777	1,646	3,661	3,422
Others	951	202	3,008	1,176
	<u>\$ 2,728</u>	<u>\$ 1,848</u>	<u>\$ 6,669</u>	<u>\$ 4,598</u>

(3) Other gains and losses

	<u>For the three months ended June 30</u>		<u>For the six months ended June 30</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Gains (losses) from financial assets and financial liabilities				
Financial assets through profit or loss, mandatorily measured at fair value	\$ -	\$ -	\$ -	( \$ 1,084 )
Financial liabilities held for trading	485	( 1,391 )	( 76 )	( 3,779 )
Net exchange differences (losses)	( 179,529 )	25,575	( 149,333 )	81,758
Gain on disposal of property, plant and equipment	598	-	589	-
Others	( 107 )	( 90 )	( 162 )	( 226 )
	<u>( \$ 178,553 )</u>	<u>\$ 24,094</u>	<u>( \$ 148,982 )</u>	<u>\$ 76,669</u>

(4) Finance costs

	<u>For the three months ended June 30</u>		<u>For the six months ended June 30</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Interest on bank loans	\$ 26,494	\$ 19,389	\$ 52,195	\$ 41,460
Interest on lease liabilities	278	237	604	484
Interest on rental deposits	5	5	11	10
	<u>\$ 26,777</u>	<u>\$ 19,631</u>	<u>\$ 52,810</u>	<u>\$ 41,954</u>

(5) Depreciation and amortization

	For the three months ended June 30		For the six months ended June 30	
	2025	2024	2025	2024
Property, plant and equipment	\$ 3,045	\$ 2,915	\$ 5,943	\$ 5,790
Right-of-use assets	4,210	2,627	6,877	5,215
Investment properties	312	317	630	632
Other intangible assets	<u>1,199</u>	<u>1,135</u>	<u>2,370</u>	<u>2,277</u>
	<u>\$ 8,766</u>	<u>\$ 6,994</u>	<u>\$ 15,820</u>	<u>\$ 13,914</u>
Depreciation expense summarized by function				
Operating expenses	\$ 7,255	\$ 5,542	\$ 12,820	\$ 11,005
Non-operating income and expenses	<u>312</u>	<u>317</u>	<u>630</u>	<u>632</u>
	<u>\$ 7,567</u>	<u>\$ 5,859</u>	<u>\$ 13,450</u>	<u>\$ 11,637</u>
Amortization expense summarized by function				
Operating expenses	<u>\$ 1,199</u>	<u>\$ 1,135</u>	<u>\$ 2,370</u>	<u>\$ 2,277</u>

(6) Employee benefits expense

	For the three months ended June 30		For the six months ended June 30	
	2025	2024	2025	2024
Post-employment benefits				
Defined contribution plans	\$ 4,101	\$ 3,955	\$ 8,259	\$ 7,813
Defined benefit plans (Note 23)	<u>215</u>	<u>266</u>	<u>431</u>	<u>531</u>
	4,316	4,221	8,690	8,344
Share-based payments (Note 29)				
Equity settlement	3,649	9,745	7,769	17,668
Other employee benefits	<u>102,018</u>	<u>115,561</u>	<u>245,974</u>	<u>235,172</u>
	<u>\$ 109,983</u>	<u>\$ 129,527</u>	<u>\$ 262,433</u>	<u>\$ 261,184</u>
Summarized by function				
Operating expenses	<u>\$ 109,983</u>	<u>\$ 129,527</u>	<u>\$ 262,433</u>	<u>\$ 261,184</u>

(7) Remuneration of employees and directors

If the Company makes a profit in the year, no less than 5% shall be set aside as remuneration of employees and no more than 3% as remuneration of directors. However, if the Company has accumulated losses, an amount to cover such should be reserved in advance. The recipients of aforementioned remuneration of employees, distributed as stock or cash, may include the employees of the Company's subsidiaries who meet certain conditions. According to the amendments to the Securities and Exchange Act in August 2024, the Company has amended its Articles of Incorporation by resolution at the 2025 General Shareholders' Meeting, stipulating that if the Company makes a profit in the year, it shall appropriate no less than 5% as remuneration of employees (of which no less than 15% shall be distributed to non- executive employees) and no more than 3% as remuneration of directors. However, if the Company has accumulated losses, an

amount to cover such should be reserved in advance. The aforementioned remuneration of employees and non-executive employees may be in the form of stock or cash, and the recipients may include employees of subsidiaries who meet certain conditions, while the remuneration of directors may only be distributed in cash. For the periods from April 1 to June 30 of 2025 and 2024, and from January 1 to June 30 of 2025 and 2024, the remuneration of employees (including non-executive employees) and directors were estimated based on past experience and current operating conditions as follows:

	For the three months ended June 30		For the six months ended June 30	
	2025	2024	2025	2024
Remuneration of employees	\$ 10,577	\$ 18,647	\$ 39,359	\$ 39,836
Remuneration of directors	\$ 2,266	\$ 3,996	\$ 8,434	\$ 8,536

If there is a change in the amount after the annual consolidated financial statements are approved to issue, the changes will be treated as a change in accounting estimate and adjusted in the following year.

Remuneration of employees and directors for 2024 and 2023 were resolved by the Board of Directors on March 13 of 2025 and 2024, respectively, as follows:

	2024	2023
	Cash	Cash
Remuneration of employees	\$ 78,266	\$ 60,583
Remuneration of directors	\$ 16,771	\$ 12,982

The distribution amounts from the aforementioned resolution do not differ significantly from the amounts recognized as expenses by the Company for the years 2024 and 2023.

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

## 27. Income Taxes

### (1) Major components of income tax expense recognized in profit or loss

	For the three months ended June 30		For the six months ended June 30	
	2025	2024	2025	2024
Current tax				
Arising in the period	\$ 85,156	\$ 53,043	\$ 163,382	\$ 96,602
Additional tax levied on unappropriated earnings	3,402	-	3,402	-
Adjustments for prior year	( 371 )	545	( 336 )	545
	88,187	53,588	166,448	97,147
Deferred tax				
Arising in the period	( 45,577 )	6,042	( 32,746 )	31,236
Income tax expense recognized in profit or loss	\$ 42,610	\$ 59,630	\$ 133,702	\$ 128,383

(2) Income tax recognized in other comprehensive income

	For the three months ended June 30		For the six months ended June 30	
	2025	2024	2025	2024
<u>Deferred tax</u>				
Arising in the period				
- Unrealized gains (losses) on financial assets at fair value through other comprehensive income	\$ 2,678	\$ 1,392	\$ 2,434	\$ 2,856
Tax expense recognized in other comprehensive income	\$ 2,678	\$ 1,392	\$ 2,434	\$ 2,856

(3) Income tax examination

The filings for profit-seeking enterprise income tax of the Company and Scope up to the 2022 fiscal year have been approved by the tax authorities. The filings for profit-seeking enterprise income tax of Lipers, AES, Vic-dawn, Tonsam, and Koho up to the 2023 fiscal year have been approved by the tax authorities.

28. Earnings per Share

Unit: NT\$ per Share

	For the three months ended June 30		For the six months ended June 30	
	2025	2024	2025	2024
Basic earnings per share	\$ 0.56	\$ 1.06	\$ 2.23	\$ 2.30
Diluted earnings per share	\$ 0.56	\$ 1.05	\$ 2.20	\$ 2.27

The earnings and weighted average number of ordinary shares used to calculate earnings per share are as follows:

Net Profit for the Period

	For the three months ended June 30		For the six months ended June 30	
	2025	2024	2025	2024
Earnings used to calculate basic and diluted earnings per share	\$ 118,580	\$ 222,106	\$ 468,968	\$ 480,552

Number of Shares

Unit: In thousands

	For the three months ended June 30		For the six months ended June 30	
	2025	2024	2025	2024
Weighted average number of ordinary shares used to calculate basic earnings per share	210,353	208,657	210,315	208,657
Effect of dilutive potential ordinary shares				
Remuneration of employees	519	627	953	1,036
Employee restricted stock	1,458	2,231	1,481	2,231
Weighted average number of ordinary shares used to calculate diluted earnings per share	212,330	211,515	212,749	211,924

If the Group has the option to distribute remuneration of employees in the form of shares or cash, it is assumed for the calculation of diluted earnings per share that the remuneration of employees will be issued in shares, and the weighted average number of shares outstanding will include the potential ordinary shares that has a dilutive effect in order to compute diluted earnings per share. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

## 29. Share-Based Payment Arrangements

### (1) Employee restricted stock of the Company

On March 23, 2022, the Company's Board of Directors resolved to issue the first tranche of employee restricted stock for 2022 to employees, with a total issuance amount of NT\$40,000 thousand and a par value of NT\$10 per share, totaling 4,000 thousand shares, at a price of 50% of the closing price of ordinary shares on the issuance date. The aforementioned resolution became effective after being filed with the Financial Supervisory Commission on July 12, 2022, and was approved by the Board of Directors on July 14, 2022. The base date for the capital increase through employee restricted stock was July 22, 2022, with an issuance price of NT\$21.93 per share and a fair value of NT\$21.92 per share on the grant date. After being granted employee restricted stock, 40% is vested to employees with two years of service since grant date; 30% is vested to employees with three years of service since grant date; and 30% is vested to employees with four years of service since grant date. From the grant date to the reporting date, 60 thousand shares of restricted stock for employees have lapsed due to employee leaving the Company or failure to meet vesting conditions during the vesting period; 96 thousand shares of employee restricted stock have been vested early by resolution of the Board of Directors on March 13, 2025 for employees' special contributions. As of June 30, 2025, there are 2,244 thousand shares of unvested employee restricted stock.

The summary of the changes in the accounting items related to the aforementioned employee restricted stock is as follows:

	Ordinary shares	Capital surplus – restricted stock	Capital surplus – issue of share at premium	Unappropriated Earnings	Other equity – unearned employee benefits
Grant date of employees restricted stock – July 14, 2022	\$ 40,000	\$ 125,911	\$ -	\$ -	( \$ 82,937 )
Recognition of share- based payments	-	-	-	-	15,551
Balance at December 31, 2022	40,000	125,911	-	-	( 67,386 )
Recognition of share- based payments	-	-	-	-	31,989
Adjustment for turnover rate changes	-	3,157	-	-	( 1,578 )
Recognition of dividends received under unvested conditions	-	-	-	794	-
Balance at December 31, 2023	40,000	129,068	-	794	( 36,975 )

(Continued)

(Continued)

	Ordinary shares	Capital surplus – restricted stock	Capital surplus – issue of share at premium	Unappropriated Earnings	Other equity – unearned employee benefits
Recognition of share-based payments	\$ -	\$ -	\$ -	\$ -	\$ 24,260
Vested employee restricted stock	-	( 51,994 )	51,994	-	-
Adjustment for turnover rate changes	-	4,438	-	-	( 2,218 )
Redemption of employee restricted stock	( 600 )	( 1,984 )	-	525	1,291
Recognition of dividends received under unvested conditions	-	-	-	( 410 )	-
Balance at December 31, 2024	39,400	79,528	51,994	909	( 13,642 )
Recognition of share-based payments	-	-	-	-	7,769
Vested employee restricted stock	-	( 5,416 )	5,416	-	-
Adjustment for turnover rate changes	-	120	-	-	( 60 )
Recognition of dividends received under unvested conditions	-	-	-	141	-
Balance at June 30, 2025	<u>\$ 39,400</u>	<u>\$ 74,232</u>	<u>\$ 57,410</u>	<u>\$ 1,050</u>	<u>( \$ 5,933 )</u>

The restrictions on the rights of the employees who are granted new shares before meeting the vesting conditions are as follows:

- i. The employee restricted stock subscribed by employees shall be held by trust for custody, and before the vesting conditions are met, they shall not be sold, pledged, transferred, gifted to others, encumbered, or disposed of in any other manner, except for inheritance.
  - ii. The voting rights of the shareholders meeting shall be exercised by trust custodians in accordance with relevant laws and regulations.
  - iii. Employee Restricted stock for have not yet meet vesting conditions are still entitled to receive stock and cash dividends, identical to the Company's issued ordinary shares, but they are not entitled to rights to subscribe for new shares in a cash capital increase.
- (2) On May 4, 2023, the Company's Board of Directors resolved to issue the first tranche of employee restricted stock in 2023 to employees, with a total issuance amount of NT\$40,000 thousand and a par value of NT\$10 per share, totaling 4,000 thousand shares, at a price of 50% of the closing price of ordinary shares on the issuance date. The aforementioned resolution became effective after being filed with the Financial Supervisory Commission on October 11, 2023. The actual issuance date was to be determined by Chairperson as authorized by the Board of Directors, and has been approved by the Chairperson to be April 23, 2025. The record date for this capital increase through employee restricted stock is August 15, 2025, with an issuance price of NT\$30.55 per share.

30. Cash Flows Information

Changes in Liabilities from Financing Activities

January 1 to June 30, 2025

	January 1, 2025	Cash flows	Non-cash changes Leases changes	Exchange rate changes	June 30, 2025
<u>Cost</u>					
Lease liabilities (current and non-current)	\$ 23,084	( \$ 6,610 )	\$ 188,756	( \$ 2,376 )	\$ 202,854

January 1 to June 30, 2024

	January 1, 2024	Cash flows	Non-cash changes Exchange rate changes	June 30, 2024
<u>Cost</u>				
Short-term borrowings	\$ 1,554,378	( \$ 127,365 )	\$ 667	\$ 1,427,680
Guarantee deposits received	5,521	( 140 )	3	5,384
Lease liabilities (current and non-current)	31,887	( 4,700 )	931	28,118
	<u>\$ 1,591,786</u>	<u>( \$ 132,205 )</u>	<u>\$ 1,601</u>	<u>\$ 1,461,182</u>

31. Capital Risk Management

The Group manages its capital to ensure that each entity will be able to continue as a going concern while maximizing shareholder returns by optimizing the balance of debt and equity to support operating capital requirements, bank loan repayments, and dividend payments for the next 12 months.

The capital structure of the Group consists of net debt and equity attributable to owners of the Company.

The Group is not subject to any externally imposed capital requirements.

32. Financial Instruments

(1) Fair value of financial instruments not measured at fair value

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

(2) Fair value of financial instruments measured at fair value on a recurring basis

i. Fair value hierarchy

June 30, 2025

	Level 1	Level 2	Level 3	Total
<u>Financial assets at fair value</u>				
<u>through other</u>				
<u>comprehensive income</u>				
Investments in equity instruments				
Domestic listed shares	\$ 1,413,500	\$ -	\$ -	\$ 1,413,500
Foreign listed shares	<u>77,956</u>	<u>-</u>	<u>-</u>	<u>77,956</u>
	<u>\$ 1,491,456</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,491,456</u>
<u>Financial liabilities at fair</u>				
<u>value through profit or loss</u>				
Forward exchange contracts	<u>\$ -</u>	<u>\$ 6</u>	<u>\$ -</u>	<u>\$ 6</u>

December 31, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets at fair value</u>				
<u>through other</u>				
<u>comprehensive income</u>				
Investments in equity instruments				
Domestic listed shares	\$ 1,210,000	\$ -	\$ -	\$ 1,210,000
Foreign listed shares	<u>65,790</u>	<u>-</u>	<u>-</u>	<u>65,790</u>
	<u>\$ 1,275,790</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,275,790</u>
<u>Financial liabilities at fair</u>				
<u>value through profit or loss</u>				
Forward exchange contracts	<u>\$ -</u>	<u>\$ 230</u>	<u>\$ -</u>	<u>\$ 230</u>

June 30, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets at fair value</u>				
<u>through other</u>				
<u>comprehensive income</u>				
Investments in equity instruments				
Domestic listed shares	\$ 9,425	\$ -	\$ -	\$ 9,425
Foreign listed shares	<u>106,123</u>	<u>-</u>	<u>-</u>	<u>106,123</u>
	<u>\$ 115,548</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 115,548</u>
<u>Financial liabilities held for</u>				
<u>trading</u>				
Forward exchange contracts	<u>\$ -</u>	<u>\$ 208</u>	<u>\$ -</u>	<u>\$ 208</u>

There were no transfers between level 1 and level 2 fair value measurements during the periods from January 1 to June 30 of 2025 and 2024.

ii. Reconciliation of financial instruments measured at level 3 fair value

January 1 to June 30, 2024

Financial Assets	Financial assets at fair value through other comprehensive income Equity Instruments
Opening balance	\$ 96,979
Recognized in other comprehensive income (unrealized gains (losses) from financial assets at fair value through other comprehensive income)	103,175
Reclassification	( 200,154)
Closing balance	\$ -

iii. Valuation techniques and inputs applied for level 2 fair value measurements

Categories of financial instruments	Valuation techniques and inputs
Derivatives – forward exchange contracts	Measured using the forward exchange rates and a yield curve derived from the quoted interest rates matching the contract maturity.

iv. Valuation techniques and inputs applied for level 3 fair value measurements

Categories of financial instruments	Valuation techniques and inputs
Domestic unlisted shares	Asset-based valuation based on the aggregate value of individual assets and individual liabilities to reflect the overall value of the investment target. Significant unobservable inputs are discounts for market liquidity considerations.

(3) Categories of financial instruments

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Financial Assets</u>			
Measured at amortized cost			
Cash and cash equivalents	\$ 1,269,051	\$ 888,588	\$ 1,902,801
Notes receivable, net	111,156	133,333	155,547
Trade receivables from unrelated parties, net	4,888,899	4,263,950	3,603,756
Trade receivables from related parties	3,774	1,953	382
Other receivables from unrelated parties	2,897	2,043	3,093
Refundable deposits	10,448	4,028	3,993
Overdue receivables (included in other non-current assets)	-	-	-
Financial assets at amortized cost (current and non-current)	264,312	306,037	714,618

(Continued)

(Continued)

	June 30, 2025	December 31, 2024	June 30, 2024
Financial assets at fair value through other comprehensive income			
Investments in equity instruments	\$ 1,491,456	\$ 1,275,790	\$ 115,548
<u>Financial liabilities</u>			
Fair value through profit or loss			
Held for trading	6	230	208
Measured at amortized cost			
Short-term borrowings	2,394,334	2,310,994	1,427,680
Notes payable	2,188	179	205
Trade payables to unrelated parties	1,203,762	1,287,387	924,424
Trade payables to related parties	764	717	138
Other payables to unrelated parties	94,465	86,252	73,853
Guarantee deposits received	5,381	5,379	5,384

(4) Financial risk management objectives and policies

The Group's major financial instruments include equity and debt investments, trade receivables, trade payables, short term borrowings and lease liabilities. The Group's finance department provides services for different business units, coordinates access to domestic and international financial markets, and monitors and manages the financial risks relating to the operations of the Group through internal risk reports that analyze exposures by degree and extent of risks. These risks include market risk (including foreign exchange risk, interest rate risk, and other price risk), credit risk, and liquidity risk.

The Group seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Group's policies approved by the shareholders' meetings, which provided written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Group did not engage in financial instrument trading, including derivative financial instruments, for speculative purposes.

i. Market risk

The Group is primarily exposed to, through its operating activities, financial risks arising from changes in foreign exchange rates (see (i) below) and interest rates (see (ii) below). The Group enters into a variety of foreign exchange forward contracts to hedge the Group's activities exposure to foreign exchange risk.

(i) Foreign exchange risk

The Group is exposed to foreign exchange risk for engaging in sale and purchase transactions denominated in foreign currencies. The Group's exchange rate exposures are managed with foreign exchange forward contracts which is within the approved scope of the policies.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including foreign currency denominated monetary items written off in the consolidated financial statements) and of the derivatives exposed to foreign exchange risk at balance sheet date are set out in Note 36.

Sensitivity analysis

The Group is primarily affected by US dollar exchange rate fluctuations.

The table below details the sensitivity analysis of the Group when the exchange rate of US dollar increases and decreases by 5%. The sensitivity analysis includes only outstanding foreign currency denominated items, and adjusts their translation at the end of the period by a 5% change in foreign exchange rates. The positive amounts in the following table represent the amount by which net profit before tax would increase when the US dollar appreciates by 5%; conversely, when the US dollar depreciates by 5%, the impact on net profit before tax would be a negative amount of the same magnitude.

	USD Impact	
	For the six months ended June 30	For the six months ended June 30
	2025	2024
Profit or loss	<u>\$ 64,331</u>	<u>\$ 67,814</u>

(ii) Interest rate risk

Interest rate risk refers to the risk of changes in the fair value of financial instruments due to changes in market interest rates. The Group's interest rate risk arises primarily from investments at fixed interest rates and borrowings at floating interest rates.

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

	June 30, 2025	December 31, 2024	June 30, 2024
Fair value interest rate risk			
– Financial assets	\$ 899,766	\$ 722,645	\$ 2,005,128
– Financial liabilities	2,272,513	1,790,271	1,110,582
Cash flow interest rate risk			
– Financial assets	632,631	470,915	610,991
– Financial liabilities	324,675	543,807	345,216

#### Sensitivity analysis

The sensitivity analysis below is determined based on the exposure to interest rate risk for non-derivative instruments at balance sheet date. For floating rate liabilities, the analysis assumes that the amount of liabilities outstanding at balance sheet date remains outstanding throughout the reporting period.

If interest rates had been 50 basis points higher and all other variables were held constant, the Group's net profit before tax for the periods from January 1 to June 30 of 2025 and 2024 would have increased by NT\$770 thousand and NT\$664 thousand, respectively.

#### (iii) Other price risk

The Group is exposed to equity price risk through its investments in listed equity securities.

#### Sensitivity analysis

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

If the price of equity securities increases by 1%, the other comprehensive income after tax for the periods from January 1 to June 30 of 2025 and 2024 would increase by NT\$14,915 thousand and NT\$1,155 thousand respectively due to changes in the fair value of financial assets measured at fair value through other comprehensive income.

#### ii. Credit risk

Credit risk refers to the risk of financial loss to the Group arising from counterparties defaulting on their contractual obligations. As of balance sheet date, the Group's maximum exposure to credit risk that could cause financial and property loss due to the failure of counterparties to perform their obligations primarily arises from the carrying amount of financial assets recognized in the consolidated balance sheet.

In order to minimize credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals, and other monitoring procedures to ensure that appropriate actions are taken for recovering overdue receivables. In addition, the Group reviews the recoverable amount of receivables individually at balance sheet date to ensure that appropriate impairment losses have been provided for irrecoverable receivables. In this regard, the management believes the Group's credit risk has significantly reduced.

Receivables are from a large number of customers across different industries and geographical locations. The Group continuously assesses the financial condition of its customers with receivables.

As of June 30, 2025 and as of December 31 and June 30, 2024, the Group's balance of trade receivables from Company A are NT\$1,102,281 thousand, NT\$369,264 thousand, and NT\$94,894 thousand, respectively; and those from Company B are NT\$457,446 thousand, NT\$587,377 thousand, and NT\$365,988 thousand, respectively. The Group has a wide customer base in which customers are unrelated with each other, and thus, its credit risk is not highly concentrated.

### iii. Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

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

The remaining contractual maturity analysis for non-derivative financial liabilities is prepared based on the earliest date on which the Group could be required to repay, using the undiscounted cash flows of financial liabilities (including principal and estimated interests). The tables included both interest and principal cash flows. Therefore, bank loans that the Group could be required to repay on demand are included in the earliest time band in the table below, regardless of the probability of banks exercising their rights immediately, while the maturity analysis for other non-derivative financial liabilities is prepared based on the agreed repayment dates.

The amounts of undiscounted interest for interest cash flows paid at floating rates are derived from the yield curve at balance sheet date.

The non-interest-bearing financial liabilities of the Group classified as current liabilities have a maturity of within one year, and there are no financial liabilities payable on demand. Guarantee deposits received in non-current financial liabilities are mainly deposited by lessees as credit guarantees and have no specific maturity date.

### June 30, 2025

	On demand or < 1 month	1–6 months	7 months to 1 year	1–5 years	5+ years
Lease liabilities	\$ 2,685	\$ 13,009	\$ 16,129	\$ 90,561	\$ 104,329
Floating rate instruments	1,267	327,579	-	-	-
Fixed rate instruments	<u>365,238</u>	<u>1,735,499</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 369,190</u>	<u>\$ 2,076,087</u>	<u>\$ 16,129</u>	<u>\$ 90,561</u>	<u>\$ 104,329</u>

### December 31, 2024

	On demand or < 1 month	1–6 months	7 months to 1 year	1–5 years	5+ years
Lease liabilities	\$ 545	\$ 2,725	\$ 2,824	\$ 18,346	\$ -
Floating rate instruments	144,555	404,672	-	-	-
Fixed rate instruments	<u>226,164</u>	<u>1,567,654</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 371,264</u>	<u>\$ 1,975,051</u>	<u>\$ 2,824</u>	<u>\$ 18,346</u>	<u>\$ -</u>

### June 30, 2024

	On demand or < 1 month	1–6 months	7 months to 1 year	1–5 years	5+ years
Lease liabilities	\$ 938	\$ 4,690	\$ 3,247	\$ 21,015	\$ -
Floating rate instruments	26,441	324,499	-	-	-
Fixed rate instruments	<u>282,736</u>	<u>813,661</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 310,115</u>	<u>\$ 1,142,850</u>	<u>\$ 3,247</u>	<u>\$ 21,015</u>	<u>\$ -</u>

The above amounts for floating rate instruments of non-derivative financial assets and liabilities are subject to change due to differences between the floating rates and the rates estimated at balance sheet date.

### (ii) Liquidity and interest rate risk tables for derivative financial liabilities

For liquidity analysis of derivative financial instruments, the derivative instruments settled on a gross basis are prepared based on undiscounted gross cash inflows and outflows.

### June 30, 2025

	On demand or < 1 month	1–6 months	7 months to 1 year	1–5 years	5+ years
<u>Gross settlement</u>					
Forward exchange contracts					
– Inflows	\$ 11,936	\$ -	\$ -	\$ -	\$ -
– Outflows	<u>( 11,942 )</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>( \$ 6 )</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

### December 31, 2024

	On demand or < 1 month	1–6 months	7 months to 1 year	1–5 years	5+ years
<u>Gross settlement</u>					
Forward exchange contracts					
– Inflows	\$ 32,579	\$ -	\$ -	\$ -	\$ -
– Outflows	<u>( 32,809 )</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>( \$ 230 )</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

June 30, 2024

	On demand or < 1 month	1–6 months	7 months to 1 year	1–5 years	5+ years
<u>Gross settlement</u>					
Forward exchange contracts					
– Inflows	\$ 97,208	\$ -	\$ -	\$ -	\$ -
– Outflows	( 97,416 )	-	-	-	-
	<u>( \$ 208 )</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(5) Transfers of financial assets

The Group has entered into commercial bills receivables agreements with banks. It is provided in the agreements that if these commercial bills are not recoverable upon maturity, the banks have the right to demand the Group to pay the unsettled remaining amounts. Therefore, the Group has not transferred the significant risks and rewards relating to these commercial bills. The Group continues to recognize the full carrying amounts of these commercial bills and treats these commercial bills that have been transferred to banks as collateral for borrowings in Note 20.

As of June 30, 2025 and December 31, 2024, there are no transferred commercial bill receivables and related liabilities that have not been derecognized. As of June 30, 2024, the carrying amount of the transferred commercial bill receivables that have not been derecognized was NT\$62,190 thousand, and the carrying amount of related liabilities was NT\$62,190 thousand.

33. Related Party Transactions

Transactions, account balances, revenues, and expenses between the Company and its subsidiaries (which are related parties of the Company) have been eliminated in full upon consolidation and are thus not disclosed in this note. Except for those disclosed in other notes, the transactions between the Group and other related parties are as follows:

(1) Name of related party and its relationship

<u>Name of Related Party</u>	<u>Relationship with the Group</u>
Concord Advanced	Associates (Note)

Note: On March 13, 2024, the Board of Directors of the Group resolved to enter into a share purchase agreement with a non-related party to acquire 12,834,314 ordinary shares of Concord Advanced at NT\$22 per share. After the acquisition, the Group's shareholding in Concord Advanced increased to 20.56%, representing a significant influence; therefore the profit and loss have been disclosed since April 1, 2024.

(2) Operating revenue

Related party category	For the three months ended June 30		For the six months ended June 30	
	2025	2024	2025	2024
Associates	<u>\$ 4,309</u>	<u>\$ 434</u>	<u>\$ 6,023</u>	<u>\$ 434</u>

The transaction prices and terms between the Group and related parties are comparable to those of arm's-length transactions.

(3) Purchases

Related party category	For the three months ended June 30		For the six months ended June 30	
	2025	2024	2025	2024
Associates	<u>\$ 1,756</u>	<u>\$ 136</u>	<u>\$ 3,191</u>	<u>\$ 136</u>

The transaction prices and terms between the Group and related parties are comparable to those of arm's-length transactions.

(4) Receivables from related parties

Account item	Related party category	June 30, 2025	December 31, 2024	June 30, 2024
Trade receivables	Associates	<u>\$ 3,774</u>	<u>\$ 1,953</u>	<u>\$ 382</u>

The outstanding receivables from related parties are unsecured. No expected credit loss has been provided for receivables from related parties for the periods from January 1 to June 30 of 2025 and 2024.

(5) Payables to related parties

Account item	Related party category	June 30, 2025	December 31, 2024	June 30, 2024
Trade payables	Associates	<u>\$ 764</u>	<u>\$ 717</u>	<u>\$ 138</u>

The outstanding payables to related parties are unsecured.

(6) Remuneration of key managements

	For the three months ended June 30		For the six months ended 30	
	2025	2024	2025	2024
Short-term employee benefits	\$ 18,422	\$ 25,728	\$ 55,701	\$ 56,266
Post-employment benefits	374	434	749	868
Share-based payments	<u>2,723</u>	<u>7,552</u>	<u>5,797</u>	<u>13,693</u>
	<u>\$ 21,519</u>	<u>\$ 33,714</u>	<u>\$ 62,247</u>	<u>\$ 70,827</u>

The remuneration of directors and other key managements are determined by the Remuneration Committee or management based on individual performances and market trends.

34. Pledged Assets

The following assets have been provided to financial institutions and suppliers as collateral for short-term borrowings and payment for purchases, with carrying amounts as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Financial assets at amortized cost – non-current	\$ 191,806	\$ 179,684	\$ 170,818
Property, plant and equipment	72,769	72,882	72,995
Investment property	15,777	15,797	15,816
Notes receivable	-	-	62,190
	<u>\$ 280,352</u>	<u>\$ 268,363</u>	<u>\$ 321,819</u>

35. Significant Contingent Liabilities and Unrecognized Contractual Commitments

Except for those disclosed in other notes, the Group's significant commitments as of the balance sheet date are as follows:

- (1) The Group has issued letters of credit that remain unused for purchases of inventories amounting to US\$4,367 thousand.
- (2) As of June 30, 2025, the Group has issued guarantee letters from Taishin International Bank as collateral for payment of purchases amounting to NT\$100,000 thousand.

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

The following information is presented in aggregate by foreign currencies other than the functional currency of each entity of the Group. The exchange rates disclosed are those for converting such foreign currencies to the functional currency. The Group's significant financial assets and liabilities denominated in foreign currencies are as follows:

June 30, 2025

	Foreign Currency	Exchange Rate	Carrying Amount
Foreign currency assets			
<u>Monetary items</u>			
USD	\$ 174,279	29.3000 (USD: NTD)	\$ 5,106,365
USD	8	7.1668 (USD: RMB)	240
USD	295	7.8510 (USD: HKD)	8,643
Foreign currency liabilities			
<u>Monetary items</u>			
USD	127,252	29.3000 (USD: NTD)	3,728,488
USD	3,332	7.1668 (USD: RMB)	97,701
USD	85	7.8510 (USD: HKD)	2,504

December 31, 2024

	<u>Foreign Currency</u>	<u>Exchange Rate</u>	<u>Carrying Amount</u>
Foreign currency assets			
<u>Monetary items</u>			
USD	\$ 134,487	32.7850 (USD: NTD)	\$ 4,409,164
USD	8	7.1884 (USD:RMB)	264
USD	242	7.7653 (USD:HKD)	7,948
Foreign currency liabilities			
<u>Monetary items</u>			
USD	107,619	32.7850 (USD: NTD)	3,528,294
USD	3,124	7.1884 (USD:RMB)	100,551
USD	7	7.7653 (USD:HKD)	246

June 30, 2024

	<u>Foreign Currency</u>	<u>Exchange Rate</u>	<u>Carrying Amount</u>
Foreign currency assets			
<u>Monetary items</u>			
USD	\$ 115,001	32.4500 (USD: NTD)	\$ 3,731,781
USD	105	7.1248 (USD: RMB)	3,326
USD	501	7.8099 (USD: HKD)	16,269
Foreign currency liabilities			
<u>Monetary items</u>			
USD	70,938	32.4500 (USD: NTD)	2,301,953
USD	2,785	7.1248 (USD: RMB)	88,187
USD	88	7.8099 (USD: HKD)	2,860

Net foreign exchange (losses) gains (including realized and unrealized) of the Group for the periods from April 1 to June 30 of 2025 and 2024, and from January 1 to June 30 of 2025 and 2024, are NT\$(179,529) thousand, NT\$25,575 thousand, NT\$(149,333) thousand, and NT\$81,758 thousand, respectively. Due to the diversity of foreign currency transactions and functional currencies of the Group's entities, it is not feasible to disclose exchange gains and losses for each significant foreign currency.

37. Disclosures in the Notes

- (1) Information on significant transactions:
- i. Financing provided to others: Appendix 1
  - ii. Endorsements/guarantees provided: Appendix 2

- iii. Marketable securities (excluding equity investments in subsidiaries, associates and jointly controlled entities) held at end of period: Appendix 3
  - iv. Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Appendix 4
  - v. Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Appendix 5
  - vi. Others: Business relationships and significant transactions between parent and subsidiaries and between subsidiaries: Appendix 6
- (2) Information on investees: Appendix 7
- (3) Information on investments in mainland China:
- i. Name of investee companies in mainland China, their main business activities, paid-in capital, method of investment, inflows and outflows of funds, shareholding ratio, current profit or loss and recognized investment profit or loss, carrying amount of investment at end of period, remitted investment income, and investment limit in mainland China: Appendix 8
  - ii. Significant transactions with investees in mainland China, either directly or indirectly through a third region, and their prices, payment terms, and unrealized gains or losses
    - (i) Amount and percentage of purchases, and closing balance and percentage of related payables: Appendix 6
    - (ii) Amount and percentage of sales, and closing balance and percentage of related receivables: Appendix 6
    - (iii) Amount of property transactions, and amount of gains or losses generated: None
    - (iv) Closing balance of note endorsements/guarantees or collateral provided and their purposes: None.
    - (v) Highest balance, closing balance, interest rate range, and total amount of interest with respect to financing of funds for the current period: Appendix 1
    - (vi) Other transactions with significant impact on profit or loss or financial position for the current period, such as the provision or receipt of services: None

### 38. Segment Information

In accordance with IFRS 8 “Operating Segments”, the reportable segments of the Group aggregated based on the primary operating regions of each segment are disclosed as follows:

1. Taiwan region
2. Other regions

#### (1) Segment revenue and results

The Group’s revenue and operating results by reportable segments are as follows:

	Segment revenue		Segment profit or loss	
	For the six months ended June 30		For the six months ended June 30	
	2025	2024	2025	2024
Taiwan region				
Revenue from external customers	\$ 7,480,716	\$ 5,327,591		
Revenue from other segments	<u>1,141,768</u>	<u>767,223</u>		
	<u>8,622,484</u>	<u>6,094,814</u>	\$ 748,544	\$ 516,620
Other regions				
Revenue from external customers	381,244	365,772		
Revenue from other segments	<u>64,987</u>	<u>47,864</u>		
	<u>446,231</u>	<u>413,636</u>	39,131	30,434
Elimination of inter-segment transactions	( <u>1,206,755</u> )	( <u>815,087</u> )	<u>9,363</u>	<u>11,111</u>
	<u>\$ 7,861,960</u>	<u>\$ 5,693,363</u>	797,038	558,165
Interest revenue			10,749	22,880
Other revenue			6,669	4,598
Other gains and losses			( 148,982 )	76,669
Finance costs			( 52,810 )	( 41,954 )
Share of profit of associates			( <u>826</u> )	<u>-</u>
Net profit before income tax			<u>\$ 611,838</u>	<u>\$ 620,358</u>

Revenues reported above are generated from transactions with external customers. Inter-segment sales for the periods from January 1 to June 30 of 2025 and 2024 have been eliminated.

Segment profit represents the profit earned by each segment, excluding interest revenue, other revenue, other gains and losses, finance costs, share of profit of associates, and tax expense. The measurement amounts are reported to the chief operating decision maker for the purpose of allocating resources to the segments and assessing their performances.

(2) Total segment assets and liabilities

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
<u>Segment assets</u>			
Assets in Taiwan region	\$ 10,996,337	\$ 10,141,848	\$ 8,976,203
Assets in other regions	<u>740,272</u>	<u>739,922</u>	<u>864,072</u>
Consolidated total assets	<u>\$ 11,736,609</u>	<u>\$ 10,881,770</u>	<u>\$ 9,840,275</u>
 <u>Segment liabilities</u>			
Liabilities in Taiwan region	\$ 5,227,268	\$ 4,151,191	\$ 3,508,681
Liabilities in other regions	<u>116,957</u>	<u>76,037</u>	<u>147,436</u>
Consolidated total liabilities	<u>\$ 5,344,225</u>	<u>\$ 4,227,228</u>	<u>\$ 3,656,117</u>

NICHIDENBO CORPORATION AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS  
FOR THE SIX MONTHS ENDED JUNE 30, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period	Ending Balance	Actual Amount Borrowed	Interest Rate (%)	Nature of Financing (Note 5)	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limits
													Item	Value		
0	Nichidenbo Corporation	Scope	Other receivables from related parties	Yes	\$ 300,000	\$ 300,000	\$ 255,000	1.850	(2)	\$ -	Operational needs	\$ -	-	\$ -	\$ 1,905,189 (Note 1)	\$ 2,540,252 (Note 1)
0	Nichidenbo Corporation	Lipers	Other receivables from related parties	Yes	300,000	300,000	300,000	1.850	(2)	-	Operational needs	-	-	-	1,905,189 (Note 1)	2,540,252 (Note 1)
0	Nichidenbo Corporation	Koho	Other receivables from related parties	Yes	80,000	-	-	-	(2)	-	Operational needs	-	-	-	1,905,189 (Note 1)	2,540,252 (Note 1)
1	NDB (Shenzhen)	NDB (Suzhou)	Other receivables from related parties	Yes	81,820 (RMB 20,000 thousand)	81,820 (RMB 20,000 thousand)	40,910 (RMB 10,000 thousand)	3.000	(2)	-	Operational needs	-	-	-	263,812 (Notes 2 and 6)	263,812 (Notes 2 and 6)
1	NDB (Shenzhen)	Lipers Electronic (SZ)	Other receivables from related parties	Yes	20,455 (RMB 5,000 thousand)	20,455 (RMB 5,000 thousand)	-	-	(2)	-	Operational needs	-	-	-	263,812 (Notes 2 and 6)	263,812 (Notes 2 and 6)
2	Vic-Dawn	Lipers	Other receivables from related parties	Yes	70,000	70,000	40,000	2.000	(2)	-	Operational needs	-	-	-	104,764 (Note 3)	139,686 (Note 3)
3	AES	Lipers	Other receivables from related parties	Yes	80,000	80,000	40,000	2.000–2.035	(2)	-	Operational needs	-	-	-	189,713 (Note 4)	252,951 (Note 4)

Note 1: The total lending limit is capped at 40% of Nichidenbo Corporation’s net worth as stated in its 2025 Q2 financial statements. For loans made for necessary short-term financing purposes, the individual lending limit is 30% of the same. However, for short-term financing extended to foreign subsidiaries in which Nichidenbo Corporation directly or indirectly holds 100% of the voting shares, the total lending limit is 100% of the lending entity’s net worth as stated in its 2024 annual financial statements.

Note 2: The limit is capped at 100% of NDB (Shenzhen)’s net worth as stated in its 2024 annual financial statements.

Note 3: The total lending limit is capped at 40% of Vic-Dawn’s net worth as stated in its 2024 annual financial statements. For loans made for necessary short-term financing purposes, the individual lending limit is 30% of the same.

Note 4: The total lending limit is capped at 40% of AES’s net worth as stated in its 2024 annual financial statements. For loans made for necessary short-term financing purposes, the individual lending limit is 30% of the same.

Note 5: Nature of Loan is explained as follows:

- (1) For those with business transactions.
- (2) For those with short-term financing needs.

Note 6: Calculated based on the exchange rate as of June 30, 2025, at RMB 1=NTD 4.091.

Note 7: The above transactions have been eliminated.

NICHIDENBO CORPORATION AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED  
FOR THE SIX MONTHS ENDED JUNE 30, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Endorser/Guarantor	Endorsed/Guaranteed		Limit on Endorsement/ Guarantee Given on Behalf of Each Party (Note 2)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at End of the Period	Actual Amount Borrowed	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%) (Note 3)	Aggregate Endorsement/ Guarantee Limit (Note 2)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship (Note 1)										
0	Nichidenbo Corporation	Koho	(2)	\$ 9,525,948	\$ 130,000	\$ 130,000	\$ 130,000	\$ -	2.05	\$ 19,051,896	Y	N	N

Note 1: The relationship between endorser/guarantor and endorsed/guaranteed includes the following seven types:

- (1) Companies with business transactions.
- (2) Companies in which Nichidenbo Corporation directly and indirectly holds more than 50% of the voting shares.
- (3) Companies that directly and indirectly hold more than 50% of Nichidenbo Corporation’s voting shares.
- (4) Companies in which Nichidenbo Corporation holds 90% or more of the voting shares directly and indirectly.
- (5) Companies jointly guaranteed by all shareholders based on their shareholding ratios due to joint investment arrangements.
- (6) Companies providing mutual guarantees under contractual agreements due to construction contract requirements among peers or co-developers.
- (7) Joint guarantors among industry peers providing performance guarantees for pre-sale housing contracts, in accordance with the Consumer Protection Act.

Note 2: The total limit for external endorsements/guarantees by Nichidenbo Corporation is capped at 300% of Nichidenbo Corporation’s net worth as stated in its 2025 Q2 financial statements, and the limit for endorsements/guarantees to any single entity is 150% of the same.

Note 3: Represents the ratio of closing balance of endorsements/guarantees to the net worth of the endorser company.

NICHIDENBO CORPORATION AND SUBSIDIARIES

MARKETABLE SECURITIES HELD AT END OF PERIOD  
JUNE 30, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	JUNE 30, 2025				Note
				Shares/Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
Nichidenbo Corporation	<u>Shares</u> WT Microelectronics Co., Ltd.	-	Financial assets at fair value through other comprehensive income – current	11,000,000	\$ 1,413,500	0.88	\$ 1,413,500	
Lipers	<u>Shares</u> Nippon Chemi-Con Corporation	-	Financial assets at fair value through other comprehensive income – current	321,800	77,956	1.47	77,956	

Note 1: This table presents the marketable securities that Nichidenbo Corporation has determined should be disclosed based on the principle of materiality.  
Note 2: For information on investments in subsidiaries, please refer to Appendices 7 and 8.

NICHIDENBO CORPORATION AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL  
FOR THE SIX MONTHS ENDED JUNE 30, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/ Sale	Amount	% of Total	Payment Term	Unit Price	Payment Term	Ending Balance	% of Total	
Lipers	AES	Sister company	Sales	( \$ 112,416 )	( 6.20 )	90 days from end of month	\$ -	-	\$ 48,791	3.59	
AES	Lipers	Sister company	Purchases	112,416	11.73	90 days from end of month	-	-	( 48,791 )	( 12.44 )	
Scope	Lipers	Sister company	Sales	( 135,732 )	( 4.19 )	90 days from end of month	-	-	74,052	3.70	
Lipers	Scope	Sister company	Purchases	135,732	8.38	90 days from end of month	-	-	( 74,052 )	( 16.71 )	
Scope	AES	Sister company	Sales	( 168,093 )	( 5.19 )	90 days from end of month	-	-	84,979	4.25	
AES	Scope	Sister company	Purchases	168,093	17.54	90 days from end of month	-	-	( 84,979 )	( 21.67 )	
AES	Lipers	Sister company	Sales	( 149,681 )	( 13.60 )	90 days from end of month	-	-	102,036	15.52	
Lipers	AES	Sister company	Purchases	149,681	9.24	90 days from end of month	-	-	( 102,036 )	( 23.03 )	
AES	Scope	Sister company	Sales	( 125,113 )	( 11.37 )	90 days from end of month	-	-	72,913	11.09	
Scope	AES	Sister company	Purchases	125,113	4.99	90 days from end of month	-	-	( 72,913 )	( 19.39 )	

Note: The above transactions have been eliminated.

NICHIDENBO CORPORATION AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL  
JUNE 30, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amount Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Actions Taken		
Nichidenbo Corporation	Lipers	Subsidiary	\$ 335,333 (Note 1)	4.13	\$ -	-	\$ 19,392	\$ -
Nichidenbo Corporation	Scope	Subsidiary	281,605 (Note 2)	4.72	-	-	21,650	-
AES	Lipers	Sister company	142,172 (Note 3)	3.63	-	-	30,058	-

- Note 1: Includes trade receivables of NT\$23,563 thousand and other receivables of NT\$311,770 thousand (mainly NT\$300,000 thousand in financing provided to others). Other receivables are excluded from the turnover rate calculation.
- Note 2: Includes trade receivables NT\$11,501 thousand and other receivables of NT\$270,104 thousand (mainly NT\$255,000 thousand in financing provided to others). Other receivables are excluded from the turnover rate calculation.
- Note 3: Includes trade receivables of NT\$102,036 thousand and other receivables of NT\$40,136 thousand (mainly \$40,000 thousand of financing provided to others). Other receivables are excluded from turnover rate calculation.
- Note 4: The above transactions have been eliminated.

## NICHIDENBO CORPORATION AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS  
FOR THE SIX MONTHS ENDED JUNE 30, 2025

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No. (Note 1)	Investee Company	Counterparty	Relationship (Note 2)	Transaction Details					
				Financial Statement Account	Amount (Note 4)	Payment Term	% of Total Sales or Assets (Note 3)		
0	Nichidenbo Corporation	Lipers	1	Trade receivables from related parties	\$ 23,563	Comparable to general transaction terms	-		
			1	Operating revenue	43,384	Internal transfer pricing	1		
			1	Other receivables from related parties	311,770	-	3		
		Scope	1	Trade receivables from related parties	11,501	Comparable to general transaction terms	-		
			1	Operating revenue	34,412	Internal transfer pricing	-		
			1	Other receivables from related parties	270,104	-	2		
		Vic-Dawn	1	Operating revenue	10,302	Internal transfer pricing	-		
			Koho	1	Trade receivables from related parties	11,281	Comparable to general transaction terms	-	
		1		Operating revenue	14,272	Internal transfer pricing	-		
		1	Lipers	Lipers Electronic (SZ)	1	Operating revenue	17,548	Internal transfer pricing	-
Nichidenbo Corporation	2			Operating revenue	11,001	Internal transfer pricing	-		
Scope	3			Trade receivables from related parties	51,618	Comparable to general transaction terms	-		
	3			Operating revenue	98,566	Internal transfer pricing	1		
AES	3			Trade receivables from related parties	48,791	Comparable to general transaction terms	-		
	3			Operating revenue	112,416	Internal transfer pricing	1		
Lipers Electronic (SZ)	3			Trade receivables from related parties	11,611	Comparable to general transaction terms	-		
	3			Operating revenue	25,847	Internal transfer pricing	-		
2	Scope			Nichidenbo Corporation	2	Operating revenue	10,837	Internal transfer pricing	-
				Lipers	3	Trade receivables from related parties	74,052	Comparable to general transaction terms	1
		3	Operating revenue		135,732	Internal transfer pricing	2		
		AES	3	Trade receivables from related parties	84,979	Comparable to general transaction terms	1		
			3	Operating revenue	168,093	Internal transfer pricing	2		
		AES	Nichidenbo Corporation	2	Trade receivables from related parties	40,904	Comparable to general transaction terms	-	
			2	Operating revenue	71,832	Internal transfer pricing	1		
			Lipers	3	Trade receivables from related parties	102,036	Comparable to general transaction terms	1	
				3	Operating revenue	149,681	Internal transfer pricing	2	
			3	Other receivables from related parties	40,136	-	-		

(Continued)

(Continued)

No. (Note 1)	Investee Company	Counterparty	Relationship (Note 2)	Transaction Details			
				Financial Statement Account	Amount (Note 4)	Payment Term	% of Total Sales or Assets (Note 3)
4	Vic-Dawn	Scope	3	Trade receivables from related parties	\$ 72,913	Comparable to general transaction terms	1
			3	Operating revenue	125,113	Internal transfer pricing	2
		NDB (Suzhou)	3	Trade receivables from related parties	31,089	Comparable to general transaction terms	-
			3	Operating revenue	33,750	Internal transfer pricing	-
		Lipers	3	Operating revenue	11,960	Internal transfer pricing	-
			3	Other receivables from related parties	40,134	-	-
5	NDB (Shenzhen)	Lipers Electronic (SZ)	3	Trade receivables from related parties	10,700	Comparable to general transaction terms	-
			3	Operating revenue	22,023	Internal transfer pricing	-
6	NDB (Suzhou)	NDB (Suzhou)	3	Other receivables from related parties	40,937	-	-
		NDB (Shenzhen)	3	Trade receivables from related parties	11,034	Comparable to general transaction terms	-
			3	Operating revenue	21,061	Internal transfer pricing	-

Note 1: Transactions between parent company and its subsidiaries should be indicated in the numbering column as follows

(1) Parent company: 0

(2) Subsidiaries: numbered sequentially starting from 1

Note 2: Relationship with purchaser (seller) includes the following three types:

(1) Parent company to subsidiaries

(2) Subsidiaries to parent company

(3) Subsidiaries to subsidiaries

Note 3: The percentage of transaction amounts to the consolidated total revenue or assets is calculated based on the percentage of ending balance to the total consolidated assets for items in the balance sheet; and based on the percentage of accumulated amount to the total consolidated revenue for items in the statement of comprehensive income.

Note 4: The disclosure threshold for business relationships and significant transactions between the Group's entities is NT\$10,000 thousand.

Note 5: The above transactions have been eliminated.

## NICHIDENBO CORPORATION AND SUBSIDIARIES

## INFORMATION ON INVESTEEES

FOR THE SIX MONTHS ENDED JUNE 30, 2025

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Business and Product	Original Investment Amount		As of June 30, 2025			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				June 30, 2025	December 31, 2024	Number of Shares	Percentage (%)	Carrying Value			
Nichidenbo Corporation	Vic-dawn	Xindian District, New Taipei City	Import and export trade of electronic components	\$ 187,646	\$ 187,646	14,296,603	95.31	\$ 382,292	\$ 51,731	\$ 49,368	Subsidiary (Note 5)
	NDB (Mauritius)	Mauritius	Investment activities	154,382	154,382	5,050,000	100.00	439,126	16,950	16,950	Subsidiary (Note 5)
	Lipers	Xindian District, New Taipei City	Import and export trade of electronic components	729,615	729,615	31,788,710	99.34	763,353	50,248	49,209	Subsidiary (Note 5)
	Scope	Xindian District, New Taipei City	Import and export trade of electronic components	814,502	814,502	53,016,276	100.00	1,268,664	147,605	147,667	Subsidiary (Note 5)
	AES	Xindian District, New Taipei City	Import and export trade of electronic components	383,887	383,887	37,224,808	100.00	682,756	51,302	50,867	Subsidiary (Note 5)
	Tonsam	Xindian District, New Taipei City	Import and export trade of electronic components	358,430	358,430	15,000,000	100.00	298,564	9,930	9,920	Subsidiary (Note 5)
	Lipers (HK)	Hong Kong	Import and export trade of electronic components	140,373	140,373	11,000,000	100.00	114,006	10,539	10,539	Subsidiary (Note 5)
	Koho	Xindian District, New Taipei City	Import and export trade of electronic components	81,600	81,600	5,100,000	85.00	208,615	44,182	36,256	Subsidiary (Note 5)
	Concord Advanced	Zhonghe District, New Taipei City	Import and export trade of electronic components	302,355	302,355	21,932,212	20.56	487,821	(3,126)	(826)	Associates (Note 3)

Note 1: The difference between the investee company's profit or loss for the period recognized based on the shareholding ratio and the investment income (loss) recognized for the period is due to the impact of unrealized gross profit from upstream transactions.

Note 2: The difference between the investee company's profit or loss for the period recognized based on the shareholding ratio and the investment income (loss) recognized for the period is due to the amortization of the excess of the fair value of the investee's assets over their carrying amount and the impact of unrealized gross profit from upstream transactions.

Note 3: The difference between the investee company's profit or loss for the period recognized based on the shareholding ratio and the investment income (loss) recognized for the period is due to the amortization of the excess of the fair value of the investee's assets over their carrying amount.

Note 4: For information on investee companies in mainland China, please refer to Appendix 8.

Note 5: Intercompany profits and losses, long-term equity investments in investee companies, and the investee companies' net equity have been eliminated.

NICHIDENBO CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA  
FOR THE SIX MONTHS ENDED JUNE 30, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	Main Business and Product	Paid-in Capital (Note 4)	Method of Investment	Accumulated Outward Remittance for Investments from Taiwan as of January 1, 2025	Remittance of Funds		Accumulated Outward Remittance for Investments from Taiwan as of June 30, 2025	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 1)	Carrying Amount as of June 30, 2025 (Note 1)	Accumulated Repatriation of Investment Income as of June 30, 2025
					Outward	Inward						
NDB (Shenzhen)	Import and export trade of electronic components	\$ 90,499 (US\$ 2,744 thousand) and (HK\$ 2,000 thousand)	Invested by NDB (Mauritius)	\$ 90,499	\$ -	\$ -	\$ 90,499	\$ 12,601	100	\$ 12,601	\$ 275,576	\$ 154,755
NDB (Suzhou) (Note 3)	Import and export trade of electronic components	101,712 (US\$ 3,396 thousand)	Invested by NDB (Mauritius)	59,900	-	-	59,900	4,655	100	4,655	161,407	4,475
Lipers Electronic (SZ)	Import and export trade of electronic components	29,385 (US\$ 1,000 thousand)	Invested by Lipers (HK)	61,911	-	-	61,911	11,954	100	11,954	102,301	76,187

Accumulated Outward Remittance for Investment in Mainland China as of June 30, 2025	Investment Amount Authorized by the Investment Commission, MOEA	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA
\$ 212,310 (HK\$ 2,000 thousand, US\$ 4,744 thousand, and NT\$ 61,911 thousand)	\$ 254,122 (HK\$2,000 thousand, US\$6,140 thousand, and NT\$61,911 thousand)	\$ 3,835,430 (Note 2)

Note 1: Current period recognized investment gain/loss and investment carrying amount at end of period are calculated based on the investee companies’ unreviewed financial statements for the same period.

Note 2: Nichidenbo Corporation’s limit for cumulative amount of investments in investment in mainland China is capped at sixty percent (60%) of consolidated net equity.

Note 3: Of NDB (Suzhou)’s paid-in capital, NT\$59,900 thousand (US\$2,000 thousand) has been remitted from Taiwan via a third region investment to mainland China; the remainder represents an indirect capital increase by NDB (Mauritius) through dividends received from Nichidenbo (Shanghai) Trading Co., Ltd. and reinvestment in NDB (Suzhou).

Note 4: Total amounts of paid-in capital are translated into NTD at historical exchange rates.

Note 5: Intercompany profits and losses, long-term equity investments in investee companies, and the investee companies’ net equity have been eliminated.