

Nichidenbo Corporation and Subsidiaries

Consolidated Financial Statements and  
Independent Auditors' Review Report  
for the Three Months Ended September 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 September 30, 2025 and 2024, as well as consolidated statements of comprehensive income for the three months and nine months ended September 30, 2025 and 2024, consolidated statements of changes in equity and consolidated statements of cash flows for the nine months ended September 30, 2025 and 2024, and notes to the consolidated financial Statements (including a summary of significant accounting policies) 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 Conclusion**

As described in Note 4(3) to the Consolidated Financial Statements, the financial statements of certain non-significant subsidiaries included in the aforementioned consolidated financial statements for the same period have not been reviewed by auditors. As of September 30, 2025 and 2024, their total assets amounted to NT\$1,735,716 thousand and NT\$1,761,353 thousand, respectively, accounting for 13.9% and 17.29% of the total consolidated assets; their total liabilities were NT\$442,053 thousand and NT\$426,849 thousand, respectively, representing 8.06% and 11.34% of the total consolidated liabilities; their total comprehensive income for the three months and nine months ended September 30, 2025 and 2024, were NT\$90,344 thousand, NT\$73,008 thousand, NT\$186,212 thousand, and NT\$230,688 thousand, respectively, which accounted for 14.96%, 31.07%, 14.98%, and 26.90% of the total consolidated comprehensive

income. Furthermore, as described in Note 13 to the Consolidated Financial Statements, the carrying amounts of investments accounted for using equity method as of September 30, 2025 and 2024, were NT\$457,797 thousand and NT\$461,871 thousand, respectively; and the share of comprehensive income from associates recognized for the three months and nine months ended September 30, 2025 and 2024, were NT\$18,228 thousand, NT\$11,620 thousand, NT\$17,402 thousand, and NT\$11,620 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 fair presentation of the consolidated financial position of the Nichidenbo Group as of September 30, 2025 and 2024, and its consolidated financial performance for the three months ended September 30, 2025 and 2024, and its consolidated financial performance and consolidated cash flows for the nine months ended September 30, 2025 and 2024.

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  
November 12, 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**

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

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

Code	ASSETS	September 30, 2025		December 31, 2024		September 30, 2024	
		Amount	%	Amount	%	Amount	%
	<b>CURRENT ASSETS</b>						
1100	Cash and cash equivalents (Note 6)	\$ 945,098	8	\$ 888,588	8	\$ 1,438,066	14
1110	Financial assets at fair value through profit or loss – current (Note 7)	-	-	-	-	513	-
1120	Financial assets at fair value through other comprehensive income – current (Note 8)	108,280	1	1,275,790	12	665,555	6
1136	Financial assets at amortized cost – current (Notes 9 and 10)	23,000	-	126,353	1	66,092	1
1150	Notes receivable, net (Notes 11, 20, 32 and 34)	110,310	1	133,333	1	134,410	1
1170	Trade receivables from unrelated parties, net (Notes 11 and 25)	5,585,104	45	4,263,950	39	4,034,899	40
1180	Trade receivables from related parties (Notes 25 and 33)	7,101	-	1,953	-	685	-
1200	Other receivables from unrelated parties (Note 11)	68,676	-	47,529	1	60,980	1
1220	Current tax assets	-	-	551	-	1,645	-
130X	Inventories (Note 12)	2,251,304	18	2,459,022	23	2,125,356	21
1470	Other current assets (Note 19)	8,519	-	8,620	-	9,098	-
11XX	Total current assets	<u>9,107,392</u>	<u>73</u>	<u>9,205,689</u>	<u>85</u>	<u>8,537,299</u>	<u>84</u>
	<b>NON-CURRENT ASSETS</b>						
1517	Financial assets at fair value through other comprehensive income – non-current (Note 8)	1,545,500	12	-	-	-	-
1535	Financial assets at amortized cost – non-current (Notes 9, 10 and 34)	194,353	2	179,684	2	174,661	2
1550	Investments accounted for using the equity method (Note 13)	457,797	4	488,647	4	461,871	4
1600	Property, plant and equipment (Notes 14 and 34)	668,574	5	670,531	6	673,252	7
1755	Right-of-use assets (Note 15)	194,932	2	21,485	-	24,328	-
1760	Investment properties (Notes 16 and 34)	187,964	2	189,147	2	189,519	2
1805	Goodwill (Note 17)	21,805	-	21,805	-	21,805	-
1821	Other intangible assets (Note 18)	26,000	-	27,646	-	28,625	-
1840	Deferred tax assets	52,218	-	67,003	1	64,444	1
1915	Prepayments for business facilities	16,752	-	-	-	-	-
1920	Refundable deposits	11,598	-	4,028	-	3,996	-
1975	Net defined benefit assets – non-current	6,175	-	6,105	-	4,375	-
15XX	Total non-current assets	<u>3,383,668</u>	<u>27</u>	<u>1,676,081</u>	<u>15</u>	<u>1,646,876</u>	<u>16</u>
1XXX	TOTAL	<u>\$ 12,491,060</u>	<u>100</u>	<u>\$ 10,881,770</u>	<u>100</u>	<u>\$ 10,184,175</u>	<u>100</u>
	<b>LIABILITIES AND EQUITY</b>						
	<b>CURRENT LIABILITIES</b>						
2100	Short-term borrowings (Notes 20 and 34)	\$ 3,153,217	25	\$ 2,310,994	21	\$ 2,083,494	21
2120	Financial liabilities at fair value through profit or loss – current (Note 7)	-	-	230	-	-	-
2130	Contract liabilities – current (Note 25)	3,814	-	6,020	-	6,820	-
2150	Notes payable (Note 21)	2,202	-	179	-	267	-
2170	Trade payables from unrelated parties (Note 21)	1,429,985	12	1,287,387	12	1,132,475	11
2180	Trade payables to related parties (Note 33)	619	-	717	-	479	-
2200	Other payables to unrelated parties (Note 22)	457,506	4	340,990	3	286,234	3
2230	Current tax liabilities	83,101	1	117,620	1	83,003	1
2280	Lease liabilities – current (Note 15)	24,354	-	5,600	-	7,221	-
2399	Other current liabilities (Note 22)	43,688	-	36,452	1	44,720	-
21XX	Total current liabilities	<u>5,198,486</u>	<u>42</u>	<u>4,106,189</u>	<u>38</u>	<u>3,644,713</u>	<u>36</u>
	<b>NON-CURRENT LIABILITIES</b>						
2570	Deferred tax liabilities	92,055	1	79,635	1	71,727	1
2580	Lease liabilities – non-current (Note 15)	172,763	1	17,484	-	18,702	-
2640	Net defined benefit liabilities – non-current	16,688	-	18,541	-	22,195	-
2645	Guarantee deposits received	5,379	-	5,379	-	5,380	-
25XX	Total non-current liabilities	<u>286,885</u>	<u>2</u>	<u>121,039</u>	<u>1</u>	<u>118,004</u>	<u>1</u>
2XXX	Total liabilities	<u>5,485,371</u>	<u>44</u>	<u>4,227,228</u>	<u>39</u>	<u>3,762,717</u>	<u>37</u>
	<b>EQUITY</b>						
3110	Ordinary shares	2,165,672	17	2,125,972	20	2,126,572	21
3170	Share capital awaiting retirement	-	-	-	-	( 600 )	-
3100	Total share capital	<u>2,165,672</u>	<u>17</u>	<u>2,125,972</u>	<u>20</u>	<u>2,125,972</u>	<u>21</u>
3200	Capital surplus	<u>1,704,746</u>	<u>14</u>	<u>1,627,745</u>	<u>15</u>	<u>1,627,721</u>	<u>16</u>
	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	<u>1,736,887</u>	<u>14</u>	<u>1,917,162</u>	<u>18</u>	<u>1,706,941</u>	<u>17</u>
3300	Total retained earnings	<u>2,929,503</u>	<u>24</u>	<u>2,936,213</u>	<u>27</u>	<u>2,725,992</u>	<u>27</u>
3400	Other equity	<u>157,792</u>	<u>1</u>	( 84,706 )	( 1 )	( 103,945 )	( 1 )
31XX	Total equity attributable to owners of the Company	<u>6,957,713</u>	<u>56</u>	<u>6,605,224</u>	<u>61</u>	<u>6,375,740</u>	<u>63</u>
36XX	NON-CONTROLLING INTERESTS	<u>47,976</u>	<u>-</u>	<u>49,318</u>	<u>-</u>	<u>45,718</u>	<u>-</u>
3XXX	Total equity	<u>7,005,689</u>	<u>56</u>	<u>6,654,542</u>	<u>61</u>	<u>6,421,458</u>	<u>63</u>
	TOTAL	<u>\$ 12,491,060</u>	<u>100</u>	<u>\$ 10,881,770</u>	<u>100</u>	<u>\$ 10,184,175</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 November 12, 2025)

**NICHIDENBO CORPORATION AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE THREE MONTHS AND NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024**  
(In thousands of New Taiwan Dollars, except earnings per share)

Code		July 1 to September 30, 2025		July 1 to September 30, 2024		January 1 to September 30, 2025		January 1 to September 30, 2024	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	OPERATING REVENUE (Notes 25 and 33)	\$ 4,050,479	100	\$ 3,294,066	100	\$ 11,912,439	100	\$ 8,987,429	100
5000	OPERATING COSTS (Notes 12 and 33)	<u>3,403,776</u>	<u>84</u>	<u>2,747,194</u>	<u>84</u>	<u>10,010,795</u>	<u>84</u>	<u>7,465,173</u>	<u>83</u>
5900	GROSS PROFIT	<u>646,703</u>	<u>16</u>	<u>546,872</u>	<u>16</u>	<u>1,901,644</u>	<u>16</u>	<u>1,522,256</u>	<u>17</u>
	OPERATING EXPENSES (Note 26)								
6100	Selling and marketing expenses	196,829	5	155,261	5	518,030	4	440,671	5
6200	General and administrative expenses	77,129	2	57,615	2	195,151	2	183,667	2
6450	Expected credit (gain) loss	( <u>5,743</u> )	-	( <u>10,869</u> )	( <u>1</u> )	<u>12,937</u>	-	( <u>5,112</u> )	-
6000	Total operating expenses	<u>268,215</u>	<u>7</u>	<u>202,007</u>	<u>6</u>	<u>726,118</u>	<u>6</u>	<u>619,226</u>	<u>7</u>
6900	PROFIT FROM OPERATIONS	<u>378,488</u>	<u>9</u>	<u>344,865</u>	<u>10</u>	<u>1,175,526</u>	<u>10</u>	<u>903,030</u>	<u>10</u>
	NON-OPERATING INCOME AND EXPENSES (Note 26)								
7100	Interest income	4,450	-	8,168	-	15,199	-	31,048	1
7010	Other income	85,253	2	14,127	1	91,922	1	18,725	-
7020	Other gains and losses	59,646	2	( 19,112 )	-	( 89,336 )	( 1 )	57,557	1
7050	Finance costs	( 34,216 )	( 1 )	( 22,427 )	( 1 )	( 87,026 )	( 1 )	( 64,381 )	( 1 )
7060	Share of profit of associates	<u>18,228</u>	-	<u>11,620</u>	-	<u>17,402</u>	-	<u>11,620</u>	-
7000	Total non-operating income and expenses	<u>133,361</u>	<u>3</u>	( <u>7,624</u> )	-	( <u>51,839</u> )	( <u>1</u> )	<u>54,569</u>	<u>1</u>
7900	PROFIT BEFORE INCOME TAX	511,849	12	337,241	10	1,123,687	9	957,599	11
7950	INCOME TAX EXPENSE (Note 27)	<u>88,721</u>	<u>2</u>	<u>74,466</u>	<u>2</u>	<u>222,423</u>	<u>2</u>	<u>202,849</u>	<u>2</u>
8200	NET PROFIT FOR THE PERIOD	<u>423,128</u>	<u>10</u>	<u>262,775</u>	<u>8</u>	<u>901,264</u>	<u>7</u>	<u>754,750</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	162,324	4	( 42,887 )	( 1 )	377,990	3	73,503	1
8349	Income tax related to items that will not be reclassified subsequently to profit or loss	( <u>6,064</u> )	-	<u>6,274</u>	-	( <u>8,498</u> )	-	<u>3,418</u>	-
8310	Total items that will not be reclassified subsequently to profit or loss	<u>156,260</u>	<u>4</u>	( <u>36,613</u> )	( <u>1</u> )	<u>369,492</u>	<u>3</u>	<u>76,921</u>	<u>1</u>
	Items that may be reclassified subsequently to profit or loss:								
8361	Exchange differences on translation of the financial statements of foreign operations	<u>24,646</u>	<u>1</u>	<u>8,806</u>	-	( <u>27,359</u> )	-	<u>25,780</u>	-
8360	Total items that may be reclassified subsequently to profit or loss	<u>24,646</u>	<u>1</u>	<u>8,806</u>	-	( <u>27,359</u> )	-	<u>25,780</u>	-
8300	Other comprehensive income (loss) for the period, net of income tax	<u>180,906</u>	<u>5</u>	( <u>27,807</u> )	( <u>1</u> )	<u>342,133</u>	<u>3</u>	<u>102,701</u>	<u>1</u>
8500	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 604,034</u>	<u>15</u>	<u>\$ 234,968</u>	<u>7</u>	<u>\$ 1,243,397</u>	<u>10</u>	<u>\$ 857,451</u>	<u>10</u>
8600	NET PROFIT ATTRIBUTABLE TO:								
8610	Owners of the Company	\$ 417,089	10	\$ 259,585	8	\$ 886,057	7	\$ 740,137	9
8620	Non-controlling interests	<u>6,039</u>	-	<u>3,190</u>	-	<u>15,207</u>	-	<u>14,613</u>	-
		<u>\$ 423,128</u>	<u>10</u>	<u>\$ 262,775</u>	<u>8</u>	<u>\$ 901,264</u>	<u>7</u>	<u>\$ 754,750</u>	<u>9</u>
8700	TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:								
8710	Owners of the Company	\$ 597,834	15	\$ 231,944	7	\$ 1,227,966	10	\$ 842,928	10
8720	Non-controlling interests	<u>6,200</u>	-	<u>3,024</u>	-	<u>15,431</u>	-	<u>14,523</u>	-
		<u>\$ 604,034</u>	<u>15</u>	<u>\$ 234,968</u>	<u>7</u>	<u>\$ 1,243,397</u>	<u>10</u>	<u>\$ 857,451</u>	<u>10</u>
	EARNINGS PER SHARE (Note 28)								
9710	Basic	<u>\$ 1.97</u>		<u>\$ 1.24</u>		<u>\$ 4.21</u>		<u>\$ 3.54</u>	
9810	Diluted	<u>\$ 1.95</u>		<u>\$ 1.22</u>		<u>\$ 4.15</u>		<u>\$ 3.49</u>	

The accompanying notes are an integral part of the consolidated financial statements.  
(Please refer to Deloitte & Touche Independent Auditors' Review Report dated November 12, 2025)

NICHIDENBO CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024  
(In thousands of New Taiwan Dollars)

Equity Attributable to Owners of the Company													
								Other Equity (Notes 24 and 29)					
		Share Capital (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		Ordinary shares	Share capital awaiting retirement	Capital surplus (Note 24 and 29)	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
	Appropriation of 2023 earnings												
B1	Legal reserve	-	-	-	73,072	-	( 73,072 )	-	-	-	-	-	-
B5	Cash dividends distributed by the Company	-	-	-	-	-	( 723,034 )	-	-	-	( 723,034 )	-	( 723,034 )
		-	-	-	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 )
C17	Other changes in capital surplus	-	-	171	-	-	-	-	-	-	171	10	181
D1	Net profit from January 1 to September 30, 2024	-	-	-	-	-	740,137	-	-	-	740,137	14,613	754,750
D3	Other comprehensive income (loss) from January 1 to September 30, 2024	-	-	-	-	-	-	25,780	77,011	-	102,791	( 90 )	102,701
D5	Total comprehensive income from January 1 to September 30, 2024	-	-	-	-	-	740,137	25,780	77,011	-	842,928	14,523	857,451
N1	Share-based payments arrangements	-	( 600 )	2,454	-	-	115	-	-	19,660	21,629	-	21,629
Q1	Disposal of investments in equity instruments designated as at fair value through other comprehensive income (loss)	-	-	-	-	-	184,038	-	( 184,038 )	-	-	-	-
Z1	BALANCE AT SEPTEMBER 30, 2024	\$ 2,126,572	( \$ 600 )	\$ 1,627,721	\$ 1,008,101	\$ 10,950	\$ 1,706,941	( \$ 15,621 )	( \$ 71,009 )	( \$ 17,315 )	\$ 6,375,740	\$ 45,718	\$ 6,421,458
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
	Appropriation of 2024 earnings												
B1	Legal reserve	-	-	-	113,451	-	( 113,451 )	-	-	-	-	-	-
B3	Special reserve	-	-	-	-	60,114	( 60,114 )	-	-	-	-	-	-
B5	Cash dividends distributed by the Company	-	-	-	-	-	( 892,908 )	-	-	-	( 892,908 )	-	( 892,908 )
		-	-	-	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	-	-	737	-	-	-	-	-	-	737	24	761
D1	Net profit from January 1 to September 30, 2025	-	-	-	-	-	886,057	-	-	-	886,057	15,207	901,264
D3	Other comprehensive income (loss) from January 1 to September 30, 2025	-	-	-	-	-	-	( 27,359 )	369,268	-	341,909	224	342,133
D5	Total comprehensive income (loss) from January 1 to September 30, 2025	-	-	-	-	-	886,057	( 27,359 )	369,268	-	1,227,966	15,431	1,243,397
N1	Issuance of restricted shares for employees	39,700	-	76,144	-	-	-	-	-	( 115,844 )	-	-	-
N1	Share-based payments arrangements	-	-	120	-	-	141	-	-	16,433	16,694	-	16,694
Z1	BALANCE AT SEPTEMBER 30, 2025	\$ 2,165,672	\$ -	\$ 1,704,746	\$ 1,121,552	\$ 71,064	\$ 1,736,887	( \$ 48,081 )	\$ 318,926	( \$ 113,053 )	\$ 6,957,713	\$ 47,976	\$ 7,005,689

The accompanying notes are an integral part of the consolidated financial statements.  
(Please refer to Deloitte & Touche Independent Auditors' Review Report dated November 12, 2025)

# NICHIDENBO CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024 (In thousands of New Taiwan Dollars)

Code		January 1 to September 30, 2025	January 1 to September 30, 2024
	CASH FLOWS FROM OPERATING ACTIVITIES		
A10000	Income before income tax	\$ 1,123,687	\$ 957,599
A20010	Adjustments for:		
A20100	Depreciation expense	23,699	18,441
A20200	Amortization expense	3,602	3,428
A20300	Expected credit loss (gain)	12,937	( 5,112 )
A20400	Net loss on fair value changes of financial assets and liabilities at fair value through profit or loss	1,929	2,759
A20900	Finance costs	87,026	64,381
A21200	Interest income	( 15,199 )	( 31,048 )
A21300	Dividends income	( 65,978 )	( 2,429 )
A21900	Share-based payments	16,493	20,587
A22300	Share of profit or loss of associates	( 17,402 )	( 11,620 )
A22500	(Gain) loss on disposal of property, plant and equipment	( 580 )	11
A23700	Loss on disposal of inventories	244	3
A23700	Gain on reversal of net realizable value of inventories	( 2,467 )	( 18,349 )
A29900	Others	141	115
A30000	Changes in operating assets and liabilities		
A31115	Financial assets at fair value through profit or loss	272	2,934
A31130	Notes receivable	17,529	( 14,567 )
A31150	Trade receivables from unrelated parties	( 1,343,063 )	( 730,865 )
A31160	Trade receivables from related parties	( 5,148 )	( 685 )
A31180	Other receivables from unrelated parties	( 20,886 )	( 32,593 )
A31200	Inventories	202,751	( 166,385 )
A31230	Prepayments	585	( 3,832 )
A31240	Other current assets	( 557 )	( 574 )
A31990	Net defined benefit assets	( 70 )	( 558 )
A32110	Financial liabilities held for trading	( 2,431 )	( 4,648 )
A32125	Contract liabilities	( 1,982 )	329
A32130	Notes payable	2,037	7

(Continued)



(Continued)

Code		January 1 to September 30, 2025	January 1 to September 30, 2024
A32150	Trade payables to unrelated parties	\$ 144,959	\$ 148,442
A32160	Trade payables to related parties	( 98 )	479
A32180	Other payables to unrelated parties	( 8,565 )	( 8,287 )
A32230	Other current liabilities	7,241	1,766
A32240	Net defined benefit liabilities	( 1,853 )	( 1,369 )
A33000	Cash generated from operating activities	158,853	188,360
A33100	Interest received	14,890	35,228
A33300	Interest paid	( 82,213 )	( 68,314 )
A33500	Income tax received	787	53
A33500	Income tax paid	( 238,370 )	( 195,237 )
AAAA	Net cash used in operating activities	( 146,053 )	( 39,910 )
CASH FLOWS FROM INVESTING ACTIVITIES			
B00010	Purchase of financial assets at fair value through other comprehensive income	-	( 604,779 )
B00020	Proceeds from sale of financial assets at fair value through other comprehensive income	-	11,885
B00040	Purchase of financial assets at amortized cost	( 118,473 )	( 804,021 )
B00050	Proceeds from sale of financial assets at amortized cost	206,473	1,247,511
B01800	Acquisition of investments accounted for using equity method	-	( 282,355 )
B02700	Payments for property, plant and equipment	( 9,667 )	( 2,685 )
B02800	Proceeds from disposal of property, plant and equipment	1,734	30
B03800	(Increase) decrease in refundable deposits	( 7,762 )	1,307
B04500	Payments for intangible assets	( 1,966 )	( 1,196 )
B07100	Increase in prepayments for business facilities	( 16,752 )	-
B07600	Dividends received	114,230	34,687
BBBB	Net cash generated from (used in) investing activities	167,817	( 399,616 )
CASH FLOWS FROM FINANCING ACTIVITIES			
C00100	Proceeds from short-term borrowings	6,643,599	5,447,507
C00200	Repayments of short-term borrowings	( 5,801,376 )	( 4,918,794 )
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	-	( 145 )
C04020	Repayment of the principal portion of lease liabilities	( 13,396 )	( 7,307 )
C04500	Cash dividends paid to owners of the Company	( 892,908 )	( 723,034 )
C05800	Cash dividends paid to non-controlling interests	( 16,797 )	( 8,883 )
C09900	Issuance of restricted shares for employees	121,284	-

(Continued)

(Continued)

Code		January 1 to September 30, 2025	January 1 to September 30, 2024
C09900	Repurchase of restricted shares for employees	\$ -	( \$ 1,316 )
C09900	Dividends from claims extinguished by prescription	<u>761</u>	<u>181</u>
CCCC	Net cash generated from (used in) financing activities	<u>41,167</u>	( <u>211,791</u> )
DDDD	EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	( <u>6,421</u> )	<u>7,421</u>
EEEE	NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS FOR THE CURRENT PERIOD	56,510	( 643,896 )
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>\$ 945,098</u>	<u>\$ 1,438,066</u>

The accompanying notes are an integral part of the consolidated financial statements.  
(Please refer to Deloitte & Touche Independent Auditors' Review Report dated November 12, 2025)

**Nichidenbo Corporation and Subsidiaries**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024**  
(In thousands of New Taiwan Dollars, unless stated otherwise)

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1. General Information

Nichidenbo Corporation (“the Company”) was established on January 4, 1993 in New Taipei City. The Company engages mainly in the import and export trade 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 November 12, 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” (including amendments in 2020 and 2021)	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 1)
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027 (Note 2)
IFRS 19 “Subsidiaries without Public Accountability: Disclosures” (including amendments in 2025)	January 1, 2027

Note 1: Unless specified otherwise, the above new, amended, and revised standards and interpretations are effective for annual reporting periods beginning after each respective date.

Note 2: The FSC has announced on September 25, 2025 that public companies in Taiwan shall adopt IFRS 18 starting from January 1, 2028, with the option to early adoption once IFRS 18 is endorsed by the FSC.

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

IFRS 18 will supersede 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 requirements of aggregation and disaggregation: 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 (MPMs): when the Group uses MPMs 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 MPMs 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.

Apart from the above impacts, as of the date these consolidated financial statements were approved for issuance, the Group is continuously assessing the other impacts of the various amended 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

These consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" as endorsed and issued into effect by the FSC. These 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

These 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 preparing the consolidated financial statements

The basis and principles for preparing these 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
			September 30, 2025	December 31, 2024	September 30, 2024	
Nichidenbo Corporation	Vic-Dawn Enterprise Co., Ltd. (Vic-Dawn)	Import and export trade 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)	Import and export trade of electronic components	99.34	99.34	99.34	
	Scope Technology Co., Ltd. (Scope)	Import and export trade of electronic components	100.00	100.00	100.00	
	Advance Electronic Supply Inc. (AES)	Import and export trade of electronic components	100.00	100.00	100.00	
	Tonsam Corporation (Tonsam)	Import and export trade of electronic components	100.00	100.00	100.00	
	Lipers (Hong Kong) Enterprise Co., Ltd. (Lipers (HK))	Import and export trade of electronic components	100.00	100.00	100.00	
	Koho (Taiwan) Co., Ltd. (Koho)	Import and export trade of electronic components	85.00	85.00	85.00	
Nichidenbo (Mauritius) Ltd.	Nichidenbo (Shenzhen) Trading Co., Ltd. (NDB (Shenzhen))	Import and export trade of electronic components	100.00	100.00	100.00	
	Nichidenbo Suzhou Trading Co., Ltd. (NDB (Suzhou))	Import and export trade of electronic components	100.00	100.00	100.00	
Lipers (Hong Kong) Enterprise Co., Ltd.	Lipers Electronic (SZ) Co., Ltd. (Lipers Electronic (SZ))	Import and export trade 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 Judgments and Key Sources of Estimation Uncertainty

When adopting 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, please 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 sales experience for similar products. Changes in market conditions may have a material impact on these estimates.

6. Cash and Cash Equivalents

	September 30, 2025	December 31, 2024	September 30, 2024
Cash on hand and petty cash	\$ 1,420	\$ 916	\$ 1,028
Bank checks and current deposits	431,062	284,718	553,324
Cash equivalents			
Bank time deposits	381,340	372,835	455,714
Commercial paper	131,276	230,119	428,000
	<u>\$ 945,098</u>	<u>\$ 888,588</u>	<u>\$ 1,438,066</u>

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

	September 30, 2025	December 31, 2024	September 30, 2024
Time deposits	0.600%–4.030%	1.225%–4.530%	0.910%–4.750%
Commercial paper	1.070%–4.100%	1.030%–4.600%	0.950%–1.020%

7. Financial Instruments at Fair Value through Profit or Loss

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Financial assets – current</u>			
Held for trading			
Forward exchange contracts	\$ -	\$ -	\$ 513
<u>Financial liabilities – current</u>			
Held for trading			
Forward exchange contracts	\$ -	\$ 230	\$ -

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

	Currency	Maturity Date	Contract Amount (In Thousands)
<u>December 31, 2024</u>			
Sale of forward exchange contracts	USD/NTD	2025.01.23	USD 1,000/NTD 32,579
<u>September 30, 2024</u>			
Sale of forward exchange contracts	USD/NTD	2024.10.08	USD 500/NTD 15,985
Sale of forward exchange contracts	USD/NTD	2024.10.08	USD 500/NTD 16,002
Sale of forward exchange contracts	USD/NTD	2024.10.08	USD 500/NTD 15,977

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

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Current</u>			
Investments in equity instruments	\$ 108,280	\$ 1,275,790	\$ 665,555
<u>Non-current</u>			
Investments in equity instruments	\$ 1,545,500	\$ -	\$ -



Investments in equity instruments

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Current</u>			
Domestic investments			
Listed (OTC) shares	\$ -	\$ 1,196,187	\$ 604,779
Valuation adjustments	-	13,813	( 13,979)
	-	1,210,000	590,800
Foreign investments			
Listed (OTC) shares	133,933	133,933	133,933
Valuation adjustments	( 25,653)	( 68,143)	( 59,178)
	108,280	65,790	74,755
	<u>\$ 108,280</u>	<u>\$ 1,275,790</u>	<u>\$ 665,555</u>
<u>Non-current</u>			
Domestic investments			
Listed (OTC) shares	\$ 1,196,187	\$ -	\$ -
Unlisted (OTC) shares	10,000	10,000	10,000
Valuation adjustments	339,313	( 10,000)	( 10,000)
	<u>\$ 1,545,500</u>	<u>\$ -</u>	<u>\$ -</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 Technology Co., Ltd. (hereinafter referred to as "Concord Advanced") at a cash price of NT\$22 per share, with a total price of NT\$282,355 thousand. Following the acquisition, the Group's shareholding in Concord Advanced increased to 20.56%, representing 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 was accounted for as current financial assets at fair value through other comprehensive income. On July 15, 2025, the Group's Board of Directors resolved to cooperate with WT Microelectronics through share exchange, whereby the Group will issue 71,000 thousand new ordinary shares to acquire 47,428 thousand new ordinary shares issued for capital increase by WT Microelectronics. The record date for the share exchange is October 1, 2025. On September 30, 2025, the Group reclassified its investment in WT Microelectronics to non-current financial assets at fair value through other comprehensive income based on its intention to hold the investment on a long-term basis.

The Group fully disposed of its ordinary shares of Honey Hope Honesty Enterprise Co., Ltd. in August 2024, with a total proceed of NT\$11,885 thousand, which was 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 through 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

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Current</u>			
Time deposits with an original maturity of more than 3 months	\$ 23,000	\$ 125,912	\$ 66,092
Custody accounts	-	441	-
	<u>\$ 23,000</u>	<u>\$ 126,353</u>	<u>\$ 66,092</u>
<u>Non-current</u>			
Pledged time deposits	\$ 194,203	\$ 179,534	\$ 174,511
Restricted cash	150	150	150
	<u>\$ 194,353</u>	<u>\$ 179,684</u>	<u>\$ 174,661</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:

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Measured at amortized cost</u> <u>(current and non-current)</u>			
Gross carrying amount	\$ 217,353	\$ 306,037	\$ 240,753
Loss allowance	-	-	-
Amortized cost	<u>\$ 217,353</u>	<u>\$ 306,037</u>	<u>\$ 240,753</u>

The credit risk of financial instruments such as cash in banks is measured and monitored by the finance department. All counterparties and settlement parties selected by the Group are banks with good credit standing.

11. Notes Receivable, Trade Receivables, and Other Receivables

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Notes receivable</u>			
At amortized cost			
Gross carrying amount	\$ 110,862	\$ 134,003	\$ 135,085
Less: loss allowance	( <u>552</u> )	( <u>670</u> )	( <u>675</u> )
	<u>\$ 110,310</u>	<u>\$ 133,333</u>	<u>\$ 134,410</u>
Arising from operations	\$ 109,983	\$ 133,274	\$ 134,335
Not arising from operations	<u>327</u>	<u>59</u>	<u>75</u>
	<u>\$ 110,310</u>	<u>\$ 133,333</u>	<u>\$ 134,410</u>
<u>Trade receivables</u>			
At amortized cost			
Gross carrying amount	\$ 5,626,425	\$ 4,292,445	\$ 4,060,229
Less: loss allowance	( <u>41,321</u> )	( <u>28,495</u> )	( <u>25,330</u> )
	<u>\$ 5,585,104</u>	<u>\$ 4,263,950</u>	<u>\$ 4,034,899</u>
<u>Other receivables</u>			
VAT refundable	\$ 65,296	\$ 45,486	\$ 59,764
Others	<u>3,380</u>	<u>2,043</u>	<u>1,216</u>
	<u>\$ 68,676</u>	<u>\$ 47,529</u>	<u>\$ 60,980</u>

Notes receivable

As of September 30, 2025, December 31, 2024, and September 30, 2024, all notes receivable were 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 on sales of goods is 90 to 150 days. 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 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 that 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 forward-looking information. 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 between 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.

Trade receivables are written off when there is evidence that the counterparty is in severe financial difficulty and the Group has no reasonable expectation of recovery. The Group continues to engage in enforcement activities to recover amounts owed, and amounts recovered are recognized in profit or loss when received.

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

#### September 30, 2025

	Not past due	1 to 30 Days Past Due	31 to 60 Days Past Due	61 to 90 Days Past Due	Over 90 Days Past Due	Total
Expected credit loss rate	0.50%-2.52%	0.50%-34.32%	0.50%-50.68%	30.32%-64.25%	100.00%	
Gross carrying amount	\$ 5,589,445	\$ 23,316	\$ 3,225	\$ 1,303	\$ 9,136	\$ 5,626,425
Loss allowance (lifetime ECLs)	( 29,075 )	( 1,915 )	( 665 )	( 530 )	( 9,136 )	( 41,321 )
Amortized cost	<u>\$ 5,560,370</u>	<u>\$ 21,401</u>	<u>\$ 2,560</u>	<u>\$ 773</u>	<u>\$ -</u>	<u>\$ 5,585,104</u>

#### December 31, 2024

	Not past due	1 to 30 Days Past Due	31 to 60 Days Past Due	61 to 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	<u>\$ 4,233,306</u>	<u>\$ 27,116</u>	<u>\$ 2,562</u>	<u>\$ 966</u>	<u>\$ -</u>	<u>\$ 4,263,950</u>

#### September 30, 2024

	Not past due	1 to 30 Days Past Due	31 to 60 Days Past Due	61 to 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%	24.74%-61.77%	100.00%	
Gross carrying amount	\$ 4,046,331	\$ 8,691	\$ 2,725	\$ 1,285	\$ 1,197	\$ 4,060,229
Loss allowance (lifetime ECLs)	( 21,410 )	( 1,480 )	( 793 )	( 450 )	( 1,197 )	( 25,330 )
Amortized cost	<u>\$ 4,024,921</u>	<u>\$ 7,211</u>	<u>\$ 1,932</u>	<u>\$ 835</u>	<u>\$ -</u>	<u>\$ 4,034,899</u>

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

	For the nine months ended September 30	
	2025	2024
Opening balance	\$ 29,165	\$ 21,446
Add: Impairment loss recognized in the period	12,937	-
Add: Reclassification of overdue receivables in the period	99	9,551
Less: Actual write-offs in the period	-	( 80 )
Less: Reversal of impairment loss in the period	-	( 5,112 )
Foreign exchange differences	( 328 )	200
Closing balance	<u>\$ 41,873</u>	<u>\$ 26,005</u>

12. Inventories

	September 30, 2025	December 31, 2024	September 30, 2024
Goods	<u>\$ 2,251,304</u>	<u>\$ 2,459,022</u>	<u>\$ 2,125,356</u>

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

	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Cost of inventories sold	\$ 3,412,938	\$ 2,753,800	\$ 10,012,903	\$ 7,483,514
Gain on reversal of net realizable value of inventories	( 9,414 )	( 6,609 )	( 2,467 )	( 18,349 )
Inventory count loss	8	-	115	5
Loss on disposal of inventories	<u>244</u>	<u>3</u>	<u>244</u>	<u>3</u>
	<u>\$ 3,403,776</u>	<u>\$ 2,747,194</u>	<u>\$ 10,010,795</u>	<u>\$ 7,465,173</u>

13. Investments Accounted for Using the Equity Method

Investments in associates

	September 30, 2025	December 31, 2024	September 30, 2024
Individually insignificant associates			
Concord Advanced	<u>\$ 457,797</u>	<u>\$ 488,647</u>	<u>\$ 461,871</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 a total price of NT\$282,355 thousand. Following the acquisition, the Group's shareholding in Concord Advanced increased to 20.56%, representing significant influence. Therefore, the acquisition was reclassified from non-current financial assets at fair value through other comprehensive income to investments accounted for using the equity method.

The aforementioned investment is 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 company 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	-	-	9,667	9,667
Disposals/derecognition	-	-	( 8,955 )	( 8,955 )
Net exchange differences	-	( 3,395 )	( 288 )	( 3,683 )
Balance at September 30, 2025	<u>\$ 477,370</u>	<u>\$ 270,874</u>	<u>\$ 23,980</u>	<u>\$ 772,224</u>

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(Continued)

	Land	Buildings	Other Equipment	Total
<u>Accumulated depreciation</u>				
Balance at January 1, 2025	\$ -	\$ 91,871	\$ 12,793	\$ 104,664
Depreciation expense	-	5,243	3,458	8,701
Disposals/derecognition	-	-	( 7,801 )	( 7,801 )
Net exchange differences	-	( 1,767 )	( 147 )	( 1,914 )
Balance at September 30, 2025	<u>\$ -</u>	<u>\$ 95,347</u>	<u>\$ 8,303</u>	<u>\$ 103,650</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 September 30, 2025	<u>\$ 477,370</u>	<u>\$ 175,527</u>	<u>\$ 15,677</u>	<u>\$ 668,574</u>
<u>Cost</u>				
Balance at January 1, 2024	\$ 477,370	\$ 271,794	\$ 28,059	\$ 777,223
Additions	-	-	2,685	2,685
Disposals/derecognition	-	-	( 1,142 )	( 1,142 )
Net exchange differences	-	3,214	255	3,469
Balance at September 30, 2024	<u>\$ 477,370</u>	<u>\$ 275,008</u>	<u>\$ 29,857</u>	<u>\$ 782,235</u>
<u>Accumulated depreciation</u>				
Balance at January 1, 2024	\$ -	\$ 83,597	\$ 15,173	\$ 98,770
Depreciation expense	-	5,317	4,314	9,631
Disposals/derecognition	-	-	( 1,101 )	( 1,101 )
Net exchange differences	-	1,551	132	1,683
Balance at September 30, 2024	<u>\$ -</u>	<u>\$ 90,465</u>	<u>\$ 18,518</u>	<u>\$ 108,983</u>
Carrying amount at September 30, 2024	<u>\$ 477,370</u>	<u>\$ 184,543</u>	<u>\$ 11,339</u>	<u>\$ 673,252</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

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Carrying amount of right-of-use assets			
Buildings	\$ 191,595	\$ 21,485	\$ 24,328
Other Equipment	<u>3,337</u>	<u>-</u>	<u>-</u>
	<u>\$ 194,932</u>	<u>\$ 21,485</u>	<u>\$ 24,328</u>

	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Additions to right-of-use assets	\$ -	\$ -	\$ 188,756	\$ -
Depreciation expense of right-of-use assets				
Buildings	\$ 6,858	\$ 2,645	\$ 13,520	\$ 7,860
Other Equipment	323	-	538	-
	<u>\$ 7,181</u>	<u>\$ 2,645</u>	<u>\$ 14,058</u>	<u>\$ 7,860</u>

Except for the aforementioned additions and recognized depreciation expense, there were no material subleases or impairment of the Group's right-of-use assets during the periods from January 1 to September 30 of 2025 and 2024.

(2) Lease liabilities

	September 30, 2025	December 31, 2024	September 30, 2024
Carrying amount of lease liabilities			
Current	\$ 24,354	\$ 5,600	\$ 7,221
Non-current	\$ 172,763	\$ 17,484	\$ 18,702

The range of discount rates for lease liabilities is as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Buildings	2.0100%–6.2000%	1.2000%–3.5500%	1.2000%–3.5500%
Other Equipment	4.8972%	-	-

(3) Important leasing activities and terms

The Group has signed leases for buildings to be used as warehouses and offices 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 September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Expenses relating to short-term leases	\$ 1,410	\$ 1,453	\$ 4,216	\$ 4,205
Expenses relating to low-value asset leases	\$ 59	\$ 61	\$ 179	\$ 181
Total cash outflow of leases			\$ 20,093	\$ 12,401

16. Investment Properties

	For the nine months ended September 30	
	2025	2024
<u>Cost</u>		
Opening balance	\$ 225,306	\$ 224,687
Net exchange differences	( 849 )	803
Closing balance	<u>\$ 224,457</u>	<u>\$ 225,490</u>
<u>Accumulated depreciation</u>		
Opening balance	\$ 36,159	\$ 34,465
Depreciation expense	940	950
Net exchange differences	( 606 )	556
Closing balance	<u>\$ 36,493</u>	<u>\$ 35,971</u>
Opening net amount	<u>\$ 189,147</u>	<u>\$ 190,222</u>
Closing net amount	<u>\$ 187,964</u>	<u>\$ 189,519</u>

The investment properties are leased out for 1 to 5 years. The lessees do not have bargain purchase options for the investment properties at the end of the lease terms.

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

	September 30, 2025	December 31, 2024	September 30, 2024
Less than a year	\$ 8,624	\$ 7,489	\$ 6,312
1–5 years	<u>18,343</u>	<u>16,238</u>	<u>16,058</u>
	<u>\$ 26,967</u>	<u>\$ 23,727</u>	<u>\$ 22,370</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 December 31, 2024 and 2023 was NT\$5,799 thousand and NT\$5,872 thousand, respectively. The management of the Group has assessed that there were no significant changes in fair value as of September 30, 2025 and 2024, compared with December 31, 2024 and 2023.

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



17. Goodwill

	For the nine months ended September 30	
	2025	2024
Opening and closing balance	<u>\$ 21,805</u>	<u>\$ 21,805</u>

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

	September 30, 2025	December 31, 2024	September 30, 2024
Koho	<u>\$ 21,805</u>	<u>\$ 21,805</u>	<u>\$ 21,805</u>

18. Other Intangible Assets

	Computer Software	Supplier Contracts	Total
<u>Cost</u>			
Balance at January 1, 2025	\$ 2,760	\$ 37,000	\$ 39,760
Additions	1,966	-	1,966
Derecognition	( 942)	-	( 942)
Net exchange differences	( 17)	-	( 17)
Balance at September 30, 2025	<u>\$ 3,767</u>	<u>\$ 37,000</u>	<u>\$ 40,767</u>
<u>Accumulated amortization</u>			
Balance at January 1, 2025	\$ 1,322	\$ 10,792	\$ 12,114
Amortization expenses	827	2,775	3,602
Derecognition	( 942)	-	( 942)
Net exchange differences	( 7)	-	( 7)
Balance at September 30, 2025	<u>\$ 1,200</u>	<u>\$ 13,567</u>	<u>\$ 14,767</u>
Carrying amount at December 31, 2024 and January 1, 2025	<u>\$ 1,438</u>	<u>\$ 26,208</u>	<u>\$ 27,646</u>
Carrying amount at September 30, 2025	<u>\$ 2,567</u>	<u>\$ 23,433</u>	<u>\$ 26,000</u>
<u>Cost</u>			
Balance at January 1, 2024	\$ 2,546	\$ 37,000	\$ 39,546
Additions	1,196	-	1,196
Derecognition	( 1,039)	-	( 1,039)
Net exchange differences	7	-	7
Balance at September 30, 2024	<u>\$ 2,710</u>	<u>\$ 37,000</u>	<u>\$ 39,710</u>

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	Computer Software	Supplier Contracts	Total
<u>Accumulated amortization</u>			
Balance at January 1, 2024	\$ 1,601	\$ 7,092	\$ 8,693
Amortization expenses	653	2,775	3,428
Derecognition	( 1,039)	-	( 1,039)
Net exchange differences	<u>3</u>	<u>-</u>	<u>3</u>
Balance at September 30, 2024	<u>\$ 1,218</u>	<u>\$ 9,867</u>	<u>\$ 11,085</u>
Carrying amount at September 30, 2024	<u>\$ 1,492</u>	<u>\$ 27,133</u>	<u>\$ 28,625</u>

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

	Computer Software Supplier Contracts	1–5 years 10 years	
19. <u>Other Assets</u>			
	September 30, 2025	December 31, 2024	September 30, 2024
<u>Current</u>			
Prepayments	\$ 5,490	\$ 6,148	\$ 6,574
Others	<u>3,029</u>	<u>2,472</u>	<u>2,524</u>
	<u>\$ 8,519</u>	<u>\$ 8,620</u>	<u>\$ 9,098</u>
<u>Non-current</u>			
Overdue receivables (Note)	\$ 70,300	\$ 70,399	\$ 69,844
Less: Loss allowance	( <u>70,300</u> )	( <u>70,399</u> )	( <u>69,844</u> )
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Note: The Group reclassified receivables that are individually assessed for impairment and their related loss allowances to overdue receivables.

20. <u>Borrowings</u>			
<u>Short-term borrowings</u>			
	September 30, 2025	December 31, 2024	September 30, 2024
<u>Secured loans</u>			
Bank credit loans	\$ 3,153,217	\$ 2,310,994	\$ 2,077,620
Secured bank loans	<u>-</u>	<u>-</u>	<u>5,874</u>
	<u>\$ 3,153,217</u>	<u>\$ 2,310,994</u>	<u>\$ 2,083,494</u>

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

	September 30, 2025	December 31, 2024	September 30, 2024
Bank credit loans	1.037000%– 5.050300%	0.698000%– 5.820000%	0.631078%– 6.258000%
Secured bank loans	-	-	1.750000%– 1.850000%

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

21. Notes Payable and Trade Payables

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Notes payable</u>			
Not arising from operations	\$ 2,202	\$ 179	\$ 267
<u>Trade payables</u>			
Arising from operations	\$ 1,429,985	\$ 1,287,387	\$ 1,132,475

22. Other Liabilities

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Current</u>			
Other payables			
Salaries and bonuses payable	\$ 212,121	\$ 239,786	\$ 195,384
Restricted shares for employees payable	122,147	924	924
Marketing and sales expenses payable	39,561	30,545	27,599
Interest payable	16,264	11,451	3,922
Annual leave payable	11,951	11,999	12,366
Business tax payable	668	2,953	2,133
Others	54,794	43,332	43,906
	<u>\$ 457,506</u>	<u>\$ 340,990</u>	<u>\$ 286,234</u>
Other liabilities			
Refund liabilities	\$ 37,251	\$ 33,824	\$ 38,908
Others	6,437	2,628	5,812
	<u>\$ 43,688</u>	<u>\$ 36,452</u>	<u>\$ 44,720</u>

23. Retirement Benefit Plans

The pension expenses related to defined benefit plans recognized for the three months and nine months ended September 30, 2025 and 2024 were calculated based on the pension cost rates actuarially determined as of December 31, 2024 and 2023, amounting to NT\$216 thousand, NT\$265 thousand, NT\$647 thousand, and NT\$796 thousand, respectively.

24. Equity

(1) Share capital

Ordinary shares

	September 30, 2025	December 31, 2024	September 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)	216,567	212,597	212,657
Shares awaiting retirement (in thousands)	<u>-</u>	<u>-</u>	<u>( 60)</u>
Ordinary shares (in thousands)	<u>216,567</u>	<u>212,597</u>	<u>212,597</u>
Issued capital	\$ 2,165,672	\$ 2,125,972	\$ 2,126,572
Share capital awaiting retirement	<u>-</u>	<u>-</u>	<u>( 600)</u>
Ordinary shares	<u>\$ 2,165,672</u>	<u>\$ 2,125,972</u>	<u>\$ 2,125,972</u>

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

Out of the authorized capital, 10,000 thousand shares are reserved for issuance of convertible bonds with share options, preferred shares with share options, and shares converted from share option certificates.

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 has resolved to approve WT Microelectronics to be the subscriber for the private placement of ordinary shares, 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 has raised a total of NT\$1,320,600 thousand cash proceeds, and the registration for change was 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 ordinary shares.

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

On May 4, 2023, the Company's Board of Directors resolved to issue the first tranche of restricted shares for employees for 2023, totaling 4,000 thousand new shares, which was approved for issuance by the Chairperson on April 23, 2025. A total of 3,970 thousand shares were actually issued, with the record date for the capital increase set for August 15, 2025, and the registration for change was completed.

On July 15, 2025, the Company's Board of Directors resolved to cooperate with WT Microelectronics through a 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 record date for the share exchange is October 1, 2025, and the registration for change was completed on October 27, 2025.

(2) Capital surplus

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
<u>May be used to offset deficit, distributed as cash dividends, or transferred to share capital (Note)</u>			
Share issuance premium	\$ 1,397,005	\$ 1,353,609	\$ 1,353,609
Convertible bond premium	111,200	111,200	111,200
Treasury share transactions	19,455	19,455	19,455
Difference between actual consideration and carrying amount of subsidiaries acquired or disposed of	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>1,547,097</u>	<u>1,503,701</u>	<u>1,503,701</u>
<u>Available only for offsetting deficits</u>			
Changes in ownership interests in subsidiaries	42,656	42,656	42,656
Others	<u>2,597</u>	<u>1,860</u>	<u>1,836</u>
	<u>45,253</u>	<u>44,516</u>	<u>44,492</u>
<u>Not available for any purpose</u>			
Restricted shares for employees	<u>112,396</u>	<u>79,528</u>	<u>79,528</u>
	<u>\$ 1,704,746</u>	<u>\$ 1,627,745</u>	<u>\$ 1,627,721</u>

Note: This category of capital surplus may be used to offset deficits, and when the Company has no accumulated deficit, it may also be distributed in

cash 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, stipulating that if there is a surplus in the Company's annual final accounts, it shall first be used to pay taxes and offset prior years' accumulated deficits, then 10% shall be set aside as legal reserve, except when the legal reserve has already reached the amount of the Company's paid-in capital. Additionally, after appropriating or reversing special reserve based on the Company's operational needs and regulatory requirements, 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 be used to pay taxes and offset prior years' accumulated deficits, then 10% shall be set aside as legal reserve, except when the legal reserve has already reached the amount of the Company's paid-in capital. Additionally, after appropriating or reversing special reserve based on the Company's operational needs and regulatory requirements, 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 the shareholders' meeting.

The Company will consider the operating environment and development stage to meet 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 for 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 Company's total paid-in capital. Legal reserve may be used to offset accumulated deficits. When the Company has no accumulated deficits, 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	<u>\$ 113,451</u>	<u>\$ 73,072</u>
Reversal of special reserve	<u>\$ -</u>	<u>\$ 40,925</u>
Special reserve appropriated	<u>\$ 60,114</u>	<u>\$ -</u>
Cash dividends	<u>\$ 892,908</u>	<u>\$ 723,034</u>
Cash dividends per share (NT\$)	<u>\$ 4.20</u>	<u>\$ 3.40</u>

The above cash dividends were distributed by resolution of 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 nine months ended September 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	<u>-</u>	( <u>40,925</u> )
Closing balance	<u>\$ 71,064</u>	<u>\$ 10,950</u>

The special reserve appropriated for exchange differences on translation of the financial statements of foreign operations (including subsidiaries) shall be reversed proportionately upon the Company's disposal of such operations, and the entire amount shall be reversed when the Company loses significant influence. When distributing earnings, an additional special reserve shall be appropriated for the difference between the net deductions in other equity items at the end of the reporting period and the special reserve appropriated upon first-time adoption of IFRS Accounting Standards. Subsequently, if the net deductions in 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 nine months ended September 30	
	2025	2024
Opening balance	( <u>\$ 20,722</u> )	( <u>\$ 41,401</u> )
Arising in the period		
Exchange differences on translation of the financial statements of foreign operations	( <u>27,359</u> )	<u>25,780</u>
Other comprehensive income for the period	( <u>27,359</u> )	<u>25,780</u>
Closing balance	( <u>\$ 48,081</u> )	( <u>\$ 15,621</u> )

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

	For the nine months ended September 30	
	2025	2024
Opening balance	(\$ 50,342)	\$ 36,018
Arising in the period		
Unrealized gains (losses)		
Equity Instruments	377,710	73,616
Related income tax	( 8,442)	3,395
Other comprehensive income for the period	369,268	77,011
Accumulated gains (losses) from disposal of equity investments transferred to retained earnings	-	( 184,038)
Closing balance	\$ 318,926	(\$ 71,009)

(6) Non-controlling interests

	For the nine months ended September 30	
	2025	2024
Opening balance	\$ 49,318	\$ 40,068
Net profit for the period	15,207	14,613
Other comprehensive income		
Unrealized gains (losses) on financial assets at fair value through other comprehensive income	280	( 113)
Related income tax	( 56)	23
Cash dividends distributed by subsidiaries	( 16,797)	( 8,883)
Others	24	10
Closing balance	\$ 47,976	\$ 45,718

25. Revenue

	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Revenue from contracts with customers				
Revenue from the sale of goods	\$ 4,050,479	\$ 3,294,066	\$ 11,912,439	\$ 8,987,429

(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 customers' historical ordering patterns. All other goods are sold at contractually agreed fixed prices.



(2) Contract balance

	September 30, 2025	December 31, 2024	September 30, 2024	January 1, 2024
Trade receivables from unrelated parties, net (Note 11)	<u>\$ 5,585,104</u>	<u>\$ 4,263,950</u>	<u>\$ 4,034,899</u>	<u>\$ 3,289,314</u>
Trade receivables from related parties (Note 33)	<u>\$ 7,101</u>	<u>\$ 1,953</u>	<u>\$ 685</u>	<u>\$ -</u>
Contract liabilities – current				
Advance sales receipts	<u>\$ 3,814</u>	<u>\$ 6,020</u>	<u>\$ 6,820</u>	<u>\$ 6,311</u>

(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

	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Cash in banks	\$ 3,816	\$ 6,762	\$ 13,010	\$ 27,652
Others	<u>634</u>	<u>1,406</u>	<u>2,189</u>	<u>3,396</u>
	<u>\$ 4,450</u>	<u>\$ 8,168</u>	<u>\$ 15,199</u>	<u>\$ 31,048</u>

(2) Other income

	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Rental income				
Investment property	\$ 2,036	\$ 2,037	\$ 6,327	\$ 6,091
Depreciation expense for investment property	<u>( 310 )</u>	<u>( 318 )</u>	<u>( 940 )</u>	<u>( 950 )</u>
	<u>1,726</u>	<u>1,719</u>	<u>5,387</u>	<u>5,141</u>
Dividend income	<u>65,978</u>	<u>2,429</u>	<u>65,978</u>	<u>2,429</u>
Remuneration of directors and supervisors	<u>14,473</u>	<u>9,416</u>	<u>14,473</u>	<u>9,416</u>
Others	<u>3,076</u>	<u>563</u>	<u>6,084</u>	<u>1,739</u>
	<u>\$ 85,253</u>	<u>\$ 14,127</u>	<u>\$ 91,922</u>	<u>\$ 18,725</u>

(3) Other gains and losses

	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Gains (losses) from financial assets and financial liabilities				
Financial assets through profit or loss, mandatorily measured at fair value	\$ 272	\$ 2,973	\$ 272	\$ 1,889
Financial liabilities held for trading	( 2,125 )	( 869 )	( 2,201 )	( 4,648 )
Net foreign exchange gains (losses)	61,530	( 21,144 )	( 87,803 )	60,614
(Loss) gain on disposal of property, plant, and equipment	( 9 )	( 11 )	580	( 11 )
Others	( 22 )	( 61 )	( 184 )	( 287 )
	<u>\$ 59,646</u>	<u>( \$ 19,112 )</u>	<u>( \$ 89,336 )</u>	<u>\$ 57,557</u>

(4) Finance costs

	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Interest on bank loans	\$ 32,513	\$ 22,199	\$ 84,708	\$ 63,659
Interest on lease liabilities	1,698	224	2,302	708
Interest on rental deposits	5	4	16	14
	<u>\$ 34,216</u>	<u>\$ 22,427</u>	<u>\$ 87,026</u>	<u>\$ 64,381</u>

(5) Depreciation and amortization

	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Property, plant and equipment	\$ 2,758	\$ 3,841	\$ 8,701	\$ 9,631
Right-of-use assets	7,181	2,645	14,058	7,860
Investment properties	310	318	940	950
Other intangible assets	<u>1,232</u>	<u>1,151</u>	<u>3,602</u>	<u>3,428</u>
	<u>\$ 11,481</u>	<u>\$ 7,955</u>	<u>\$ 27,301</u>	<u>\$ 21,869</u>
Depreciation expense summarized by function				
Operating expenses	\$ 9,939	\$ 6,486	\$ 22,759	\$ 17,491
Non-operating income and expenses	<u>310</u>	<u>318</u>	<u>940</u>	<u>950</u>
	<u>\$ 10,249</u>	<u>\$ 6,804</u>	<u>\$ 23,699</u>	<u>\$ 18,441</u>
Amortization expense summarized by function				
Operating expenses	<u>\$ 1,232</u>	<u>\$ 1,151</u>	<u>\$ 3,602</u>	<u>\$ 3,428</u>

(6) Employee benefits expense

	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Post-employment benefits				
Defined contribution plans	\$ 4,060	\$ 3,920	\$ 12,319	\$ 11,733
Defined benefit plans (Note 23)	<u>216</u>	<u>265</u>	<u>647</u>	<u>796</u>
	4,276	4,185	12,966	12,529
Share-based payments (Note 29)				
Equity settlement	8,724	2,919	16,493	20,587
Other employee benefits	<u>155,815</u>	<u>124,232</u>	<u>401,789</u>	<u>359,404</u>
	<u>\$ 168,815</u>	<u>\$ 131,336</u>	<u>\$ 431,248</u>	<u>\$ 392,520</u>
Summarized by function				
Operating expenses	<u>\$ 168,815</u>	<u>\$ 131,336</u>	<u>\$ 431,248</u>	<u>\$ 392,520</u>

(7) Remuneration of employees and directors

If the Company makes a profit in a 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 deficits, an amount sufficient to cover such deficits shall be reserved in advance. The recipients of aforementioned remuneration of employees, distributed as stock or cash, may include employees of subsidiaries meeting 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 director. However, if the Company has accumulated deficits, an amount sufficient to cover such deficits shall 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 July 1 to September 30, 2025 and 2024, and from January 1 to September 30, 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 September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Remuneration of employees	<u>\$ 33,229</u>	<u>\$ 21,135</u>	<u>\$ 72,588</u>	<u>\$ 60,971</u>
Remuneration of directors	<u>\$ 7,121</u>	<u>\$ 4,529</u>	<u>\$ 15,555</u>	<u>\$ 13,065</u>

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, 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 the 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 September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Current tax				
Arising in the period	\$ 37,160	\$ 94,840	\$ 200,542	\$ 191,442
Additional tax levied on unappropriated earnings	-	-	3,402	-
Adjustments for prior year	<u>108</u>	<u>129</u>	<u>( 228 )</u>	<u>674</u>
	37,268	94,969	203,716	192,116
Deferred tax				
Arising in the period	<u>51,453</u>	<u>( 20,503 )</u>	<u>18,707</u>	<u>10,733</u>
Income tax expense recognized in profit or loss	<u>\$ 88,721</u>	<u>\$ 74,466</u>	<u>\$ 222,423</u>	<u>\$ 202,849</u>

### (2) Income tax recognized in other comprehensive income

	For the three months ended September 30		For the nine months ended September 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	<u>\$ 6,064</u>	<u>( \$ 6,274 )</u>	<u>\$ 8,498</u>	<u>( \$ 3,418 )</u>
Tax expense (income) recognized in other comprehensive income	<u>\$ 6,064</u>	<u>( \$ 6,274 )</u>	<u>\$ 8,498</u>	<u>( \$ 3,418 )</u>

(3) Income tax examination

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

28. Earnings Per Share

	For the three months ended		For the nine months ended	
	September 30		September 30	
	2025	2024	2025	2024
Basic earnings per share	\$ 1.97	\$ 1.24	\$ 4.21	\$ 3.54
Diluted earnings per share	\$ 1.95	\$ 1.22	\$ 4.15	\$ 3.49

Unit: NT\$ per Share

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		For the nine months ended	
	September 30		September 30	
	2025	2024	2025	2024
Earnings used to calculate basic and diluted earnings per share	\$ 417,089	\$ 259,585	\$ 886,057	\$ 740,137

Number of Shares

	For the three months ended		For the nine months ended	
	September 30		September 30	
	2025	2024	2025	2024
Weighted average number of ordinary shares used to calculate basic earnings per share	211,219	209,892	210,620	209,072
Effect of dilutive potential ordinary shares:				
Remuneration of employees	963	983	1,250	1,255
Restricted shares for employees	1,230	1,438	1,418	1,859
Weighted average number of ordinary shares used to calculate diluted earnings per share	213,412	212,313	213,288	212,186

Unit: In thousands of shares

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 have a dilutive effect in order to calculate diluted earnings per share. Such dilutive effect of the potential shares is included in the calculation 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

The Company's restricted shares for employees plan

On March 23, 2022, the Company's Board of Directors resolved to issue the first tranche of restricted shares for employees 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. The issue price was 50% of the closing price of ordinary shares on the issuance date. The aforementioned resolution became effective upon filing with the FSC on July 12, 2022, and was approved for issuance by the Board of Directors on July 14, 2022. The base date for this capital increase through restricted shares for employees was July 22, 2022, with an issue price of NT\$21.93 per share and a fair value of NT\$21.92 per share on the grant date. After being granted restricted shares for employees, 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 shares for employees have lapsed due to employees leaving the Company or failure to meet vesting conditions during the vesting period; 96 thousand restricted shares for employees have been vested early by resolution of the Board of Directors on March 13, 2025 for employees' special contributions. As of September 30, 2025, there were 1,122 thousand unvested restricted shares for employees.

On May 4, 2023, the Company's Board of Directors resolved to issue the first tranche of restricted shares for employees for 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. The issue price was 50% of the closing price of ordinary shares on the issuance date. The aforementioned resolution became effective upon filing with the FSC on October 11, 2023. The actual issuance date was determined by the Chairperson as authorized by the Board of Directors, and has been approved for issuance by the Chairperson on April 23, 2025. The base date for this capital increase through restricted shares for employees was August 15, 2025, with an issue price of NT\$30.55 per share, a fair value of NT\$30.68 per share on the grant date, and an actual issuance of 3,970 thousand shares. After being granted restricted shares for employees, 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. As of September 30, 2025, there were 3,970 thousand unvested restricted shares for employees.

The summary of the changes in the accounting items related to the aforementioned restricted shares for employees is as follows:

	Ordinary shares	Capital surplus – restricted shares	Capital surplus – issue of shares at premium	Unappropriated earnings	Other equity – Unearned employee benefits
Grant date of restricted shares for employees – 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 )
Recognition of share-based payments	-	-	-	-	24,260
Vested restricted shares for employees	-	( 51,994 )	51,994	-	-
Adjustment for turnover rate changes	-	4,438	-	-	( 2,218 )
Redemption of restricted shares for employees	( 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 )
Grant date of restricted shares for employees – August 15, 2025	39,700	76,144	-	-	( 115,844 )
Recognition of share-based payments	-	-	-	-	16,493
Vested restricted shares for employees	-	( 43,396 )	43,396	-	-
Adjustment for turnover rate changes	-	120	-	-	( 60 )
Recognition of dividends received under unvested conditions	-	-	-	141	-
Balance at September 30, 2025	\$ 79,100	\$ 112,396	\$ 95,390	\$ 1,050	( \$ 113,053 )

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

- (1) The restricted shares for employees 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.
- (2) The voting rights of the shareholders meeting shall be exercised by trust custodians in accordance with relevant laws and regulations.
- (3) The restricted shares for employees that have not yet meet the vesting conditions are still entitled to receive stock and dividend distributions, the same as the Company's issued ordinary shares, but they are not entitled to rights to subscribe for new shares in a cash capital increase.

30. Cash Flows Information

Changes in Liabilities from Financing Activities

January 1 to September 30, 2025

	January 1, 2025	Cash Flows	Non-cash Changes Lease changes	Exchange rate changes	September 30, 2025
<u>Cost</u>					
Lease liabilities (current and non-current)	\$ 23,084	( \$ 13,396 )	\$ 188,756	( \$ 1,327 )	\$ 197,117

January 1 to September 30, 2024

	January 1, 2024	Cash Flows	Non-cash Changes Exchange rate changes	September 30, 2024
<u>Cost</u>				
Short-term borrowings	\$ 1,554,378	\$ 528,713	\$ 403	\$ 2,083,494
Guarantee deposits received	5,521	( 145 )	4	5,380
Lease liabilities (current and non-current)	31,887	( 7,307 )	1,343	25,923
	<u>\$ 1,591,786</u>	<u>\$ 521,261</u>	<u>\$ 1,750</u>	<u>\$ 2,114,797</u>

31. Capital Risk Management

The Group manages its capital to ensure that each entity within the Group 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

September 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	\$ 1,545,500	\$ -	\$ -	\$ 1,545,500
Foreign listed shares	108,280	-	-	108,280
	<u>\$ 1,653,780</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,653,780</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	65,790	-	-	65,790
	<u>\$ 1,275,790</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,275,790</u>

Financial liabilities at fair value through profit or loss

Forward exchange contracts	\$ -	\$ 230	\$ -	\$ 230
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September 30, 2024

	Level 1	Level 2	Level 3	Total
<u>Financial assets at fair value</u>				
<u>through profit or loss</u>				
Forward exchange contracts	\$ -	\$ 513	\$ -	\$ 513

Financial assets at fair value through other comprehensive income

Investments in equity instruments				
Domestic listed shares	\$ 590,800	\$ -	\$ -	\$ 590,800
Foreign listed shares	74,755	-	-	74,755
	<u>\$ 665,555</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 665,555</u>

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

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

January 1 to September 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	<u>\$ -</u>

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

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 measurement

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

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
<u>Financial Assets</u>			
Measured at fair value through profit or loss			
Mandatorily measured at fair value through profit or loss	\$ -	\$ -	\$ 513
Measured at amortized cost			
Cash and cash equivalents	945,098	888,588	1,438,066
Notes receivable, net	110,310	133,333	134,410
Trade receivables from unrelated parties, net	5,585,104	4,263,950	4,034,899
Trade receivables from related parties	7,101	1,953	685
Other receivables from unrelated parties	3,380	2,043	1,216
Refundable deposits	11,598	4,028	3,996

(Continued)

(Continued)

	<u>September 30, 2025</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>
Overdue receivables (included in other non-current assets)	\$ -	\$ -	\$ -
Financial assets at amortized cost (current and non-current)	217,353	306,037	240,753
Financial assets at fair value through other comprehensive income (current and non-current)			
Investments in equity instruments	1,653,780	1,275,790	665,555
<u>Financial liabilities</u>			
Measured at fair value through profit or loss			
Held for trading	-	230	-
Measured at amortized cost			
Short-term borrowings	3,153,217	2,310,994	2,083,494
Notes payable	2,202	179	267
Trade payables to unrelated parties	1,429,985	1,287,387	1,132,475
Trade payables to related parties	619	717	479
Other payables to unrelated parties	110,619	85,328	75,427
Guarantee deposits received	5,379	5,379	5,380

(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 derivative financial instruments 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 derivative 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 foreign currencies. The Group's exchange rate exposures are managed with foreign exchange forward contracts that are 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 the 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 the US dollar increases and decreases by 5%. The sensitivity analysis includes only outstanding foreign currency denominated monetary 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 nine months ended September 30	
	2025	2024
Profit or loss	<u>\$ 51,615</u>	<u>\$ 51,323</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 exposed to interest rate risk at the balance sheet date are as follows.

	September 30, 2025	December 31, 2024	September 30, 2024
Fair value interest rate risk			
– Financial assets	\$ 519,286	\$ 722,645	\$ 905,118
– Financial liabilities	2,603,452	1,790,271	1,488,376
Cash flow interest rate risk			
– Financial assets	641,595	470,915	772,442
– Financial liabilities	746,882	543,807	621,041

#### Sensitivity analysis

The sensitivity analysis below is determined based on the exposure to interest rate risk for non-derivative instruments at the balance sheet date. For floating rate liabilities, the analysis assumes that the amount of liabilities outstanding at the 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 September 30, 2025 and 2024 would have (decreased) increased by NT\$(395) thousand and NT\$568 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 the 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 September 30, 2025 and 2024 would increase by NT\$16,538 thousand and NT\$6,656 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 the 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 the balance sheet date to ensure that appropriate impairment losses have been provided for irrecoverable receivables. In this regard, the management believes that 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.

In the Group's balance of trade receivables as of September 30, 2025, December 31, 2024, and September 30, 2024, the amounts due from Company A were NT\$1,097,201 thousand, NT\$369,264 thousand, and NT\$188,124 thousand, respectively, and those from Company B were NT\$472,640 thousand, NT\$587,377 thousand, and NT\$544,280 thousand, respectively. The Group has a wide customer base in which customers are unrelated to 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, the 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 agreed repayment dates.

For interest cash flows paid at floating rates, the amounts of undiscounted interest are derived from the yield curve at the 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.

### September 30, 2025

	On demand or < 1 Month	1–6 Months	7 Months to 1 Year	1–5 years	5+ Years
Lease liabilities	\$ 2,698	\$ 13,224	\$ 12,993	\$ 91,721	\$ 99,067
Floating rate instruments	120,816	637,160	-	-	-
Fixed rate instruments	122,211	2,318	-	-	-
	<u>\$ 245,725</u>	<u>\$ 652,702</u>	<u>\$ 12,993</u>	<u>\$ 91,721</u>	<u>\$ 99,067</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	226,164	1,567,654	-	-	-
	<u>\$ 371,264</u>	<u>\$ 1,975,051</u>	<u>\$ 2,824</u>	<u>\$ 18,346</u>	<u>\$ -</u>

### September 30, 2024

	On demand or < 1 Month	1–6 Months	7 Months to 1 Year	1–5 years	5+ Years
Lease liabilities	\$ 939	\$ 3,529	\$ 3,301	\$ 19,731	\$ -
Floating rate instruments	32,757	599,000	-	-	-
Fixed rate instruments	413,771	1,064,611	-	-	-
	<u>\$ 447,467</u>	<u>\$ 1,667,140</u>	<u>\$ 3,301</u>	<u>\$ 19,731</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 the balance sheet date.

#### (ii) Liquidity and interest risk rate 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.

### 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	( 32,809)	-	-	-	-
	<u>(\$ 230)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

### September 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	\$ 47,964	\$ -	\$ -	\$ -	\$ -
– Outflows	( 47,451)	-	-	-	-
	<u>\$ 513</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(5) Transfers of financial assets

The Group has entered into commercial bill receivable discounting agreements with banks. The agreements stipulate 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 all of these commercial bills and treats these commercial bills that have been transferred as collateral for borrowings in Note 20.

As of September 30, 2025 and December 31, 2024, there are no transferred commercial bill receivables and related liabilities that have not been derecognized. As of September 30, 2024, the carrying amount of the transferred commercial bill receivables that have not been derecognized was NT\$5,874 thousand, and the carrying amount of related liabilities was NT\$5,874 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	Associate (Note)

Note: On March 13, 2024, the Group's Board of Directors 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 significant influence; therefore, the profit and loss have been disclosed since April 1, 2024.

(2) Operating revenue

<u>Related party category</u>	<u>For the three months ended September 30</u>		<u>For the nine months ended September 30</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Associate	<u>\$ 7,041</u>	<u>\$ 823</u>	<u>\$ 13,064</u>	<u>\$ 1,257</u>

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

(3) Purchases of goods

<u>Related party category</u>	<u>For the three months ended September 30</u>		<u>For the nine months ended September 30</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Associate	<u>\$ 1,617</u>	<u>\$ 559</u>	<u>\$ 4,808</u>	<u>\$ 695</u>

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



(4) Receivables from related parties

Account item	Related party category	September 30, 2025	December 31, 2024	September 30, 2024
Trade receivables	Associate	<u>\$ 7,101</u>	<u>\$ 1,953</u>	<u>\$ 685</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 September 30 of 2025 and 2024.

(5) Payables to related parties

Account item	Related party category	September 30, 2025	December 31, 2024	September 30, 2024
Trade payables	Associate	<u>\$ 619</u>	<u>\$ 717</u>	<u>\$ 479</u>

The outstanding payables to related parties are unsecured.

(6) Remuneration of key management

	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Short-term employee benefits	\$ 41,174	\$ 31,145	\$ 96,875	\$ 87,411
Post-employment benefits	375	409	1,124	1,277
Share-based payments	<u>1,107</u>	<u>2,291</u>	<u>6,904</u>	<u>15,984</u>
	<u>\$ 42,656</u>	<u>\$ 33,845</u>	<u>\$ 104,903</u>	<u>\$ 104,672</u>

The remuneration of directors and key management is determined by the Remuneration Committee or management based on the individual 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:

	September 30, 2025	December 31, 2024	September 30, 2024
Financial assets at amortized cost – non-current	\$ 194,353	\$ 179,684	\$ 174,661
Property, plant and equipment	72,712	72,882	72,939
Investment properties	15,768	15,797	15,806
Notes receivable	<u>-</u>	<u>-</u>	<u>5,874</u>
	<u>\$ 282,833</u>	<u>\$ 268,363</u>	<u>\$ 269,280</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:

Significant Commitments

- (1) The Group has issued letters of credit that remain unused for purchases of inventories amounting to US\$538 thousand.
- (2) As of September 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:

September 30, 2025

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Foreign currency assets</u>			
<u>Monetary items</u>			
USD	\$ 191,157	30.4450 (USD: NTD)	\$ 5,819,761
USD	8	7.1152 (USD: RMB)	249
USD	256	7.7805 (USD: HKD)	7,795
<u>Foreign currency liabilities</u>			
<u>Monetary items</u>			
USD	152,892	30.4450 (USD: NTD)	4,654,798
USD	4,566	7.1152 (USD: RMB)	138,752
USD	57	7.7805 (USD: HKD)	1,733

December 31, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Foreign currency assets</u>			
<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
<u>Foreign currency liabilities</u>			
<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

September 30, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
<u>Foreign currency assets</u>			
<u>Monetary items</u>			
USD	\$ 131,222	31.6500 (USD: NTD)	\$ 4,153,163
USD	8	7.0354 (USD: RMB)	260
USD	315	7.7669 (USD: HKD)	9,963
<u>Foreign currency liabilities</u>			
<u>Monetary items</u>			
USD	95,713	31.6500 (USD: NTD)	3,029,315
USD	3,336	7.0354 (USD: RMB)	106,151
USD	64	7.7669 (USD: HKD)	2,036

Net foreign exchange gains (losses) (including realized and unrealized) of the Group for the periods from July 1 to September 30, 2025 and 2024, and from January 1 to September 30, 2025 and 2024, are NT\$61,530 thousand, NT\$(21,144) thousand, NT\$(87,803) thousand, and NT\$60,614 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 intercompany 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 the 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 operations results by reportable segments are as follows:

	Segment Revenue		Segment Profit or Loss	
	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
Taiwan region				
Revenue from external customers	\$ 11,362,542	\$ 8,440,278		
Revenue from other segments	<u>1,881,084</u>	<u>1,272,024</u>		
	<u>13,243,626</u>	<u>9,712,302</u>	\$ 1,109,755	\$ 833,358
Other regions				
Revenue from external customers	549,897	547,151		
Revenue from other segments	<u>101,008</u>	<u>80,006</u>		
	<u>650,905</u>	<u>627,157</u>	52,312	49,816
Elimination of inter-segment transactions	( <u>1,982,092</u> )	( <u>1,352,030</u> )	<u>13,459</u>	<u>19,856</u>
	<u>\$ 11,912,439</u>	<u>\$ 8,987,429</u>	1,175,526	903,030
Interest income			15,199	31,048
Other income			91,922	18,725
Other gains and losses			( 89,336 )	57,557
Finance costs			( 87,026 )	( 64,381 )
Share of profit of associates			<u>17,402</u>	<u>11,620</u>
Net profit before income tax			<u>\$ 1,123,687</u>	<u>\$ 957,599</u>

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

Segment profit represents the profit earned by each segment, excluding interest income, other income, other gains and losses, finance costs, share of profit of associates, and tax expense. This 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

	September 30, 2025	December 31, 2024	September 30, 2024
<u>Segment assets</u>			
Assets in Taiwan region	\$ 11,647,124	\$ 10,141,848	\$ 9,373,230
Assets in other regions	<u>843,936</u>	<u>739,922</u>	<u>810,945</u>
Consolidated total assets	<u>\$ 12,491,060</u>	<u>\$ 10,881,770</u>	<u>\$ 10,184,175</u>
<u>Segment liabilities</u>			
Liabilities in Taiwan region	\$ 5,312,292	\$ 4,151,191	\$ 3,618,432
Liabilities in other regions	<u>173,079</u>	<u>76,037</u>	<u>144,285</u>
Consolidated total liabilities	<u>\$ 5,485,371</u>	<u>\$ 4,227,228</u>	<u>\$ 3,762,717</u>

Nichidenbo Corporation and Subsidiaries

FINANCING PROVIDED TO OTHERS

FOR THE NINE MONTHS ENDED SEPTEMBER 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	\$ 190,000	1.85	(2)	\$ -	Operational needs	\$ -	—	\$ -	\$ 2,087,313 (Note 1)	\$ 2,783,085 (Note 1)
0	Nichidenbo Corporation	Lipers	Other receivables from related parties	Yes	300,000	300,000	300,000	1.85	(2)	-	Operational needs	-	—	-	2,087,313 (Note 1)	2,783,085 (Note 1)
0	Nichidenbo Corporation	Koho	Other receivables from related parties	Yes	80,000	-	-	-	(2)	-	Operational needs	-	—	-	2,087,313 (Note 1)	2,783,085 (Note 1)
1	NDB (Shenzhen)	NDB (Suzhou)	Other receivables from related parties	Yes	81,820 (RMB20,000 thousand)	42,710 (RMB10,000 thousand) (Note 6)	42,710 (RMB10,000 thousand) (Note 6)	3.00	(2)	-	Operational needs	-	—	-	275,419 (Notes 2 and 6)	275,419 (Notes 2 and 6)
1	NDB (Shenzhen)	Lipers Electronic (SZ)	Other receivables from related parties	Yes	21,460 (RMB5,000 thousand)	21,355 (RMB5,000 thousand) (Note 6)	-	-	(2)	-	Operational needs	-	—	-	275,419 (Notes 2 and 6)	275,419 (Notes 2 and 6)
2	Vic-Dawn	Lipers	Other receivables from related parties	Yes	70,000	70,000	40,000	2.00	(2)	-	Operational needs	-	—	-	104,764 (Note 3)	139,686 (Note 3)
3	AES	Lipers	Other receivables from related parties	Yes	80,000	80,000	80,000	1.98	(2)	-	Operational needs	-	—	-	189,713 (Note 4)	252,951 (Note 4)

Note 1: The total lending limit is capped at 40% of the Company’s net worth as stated in its 2025 Q3 financial statements. For loans made for necessary short-term financing purposes, the individual lending limit is 30% 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 September 30, 2025, at RMB 1=NT\$4.271.

Note 7: The above transactions have been eliminated.

Nichidenbo Corporation and Subsidiaries

ENDORSEMENTS/GUARANTEES PROVIDED FOR OTHER PARTIES  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025  
(In thousands of New Taiwan Dollars, unless stated otherwise)

No.	Endorser/ Guarantor	Counterparty		Limit on Endorsement/ Guarantee Given on Behalf of Each Party (Note 2)	Maximum Amount Endorsed/Guaranteed During the Period	Outstanding Endorsement/Guar antee at the 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	\$ 10,436,569	\$ 130,000	\$ 130,000	\$ 130,000	\$ -	1.87	\$ 20,873,139	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 directly and indirectly holds 90% or more of the voting shares.
- (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 Q3 financial statements, and the limit for endorsements/guarantees to any single entity is 150% of the same.

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

Nichidenbo Corporation and Subsidiaries

MARKETABLE SECURITIES HELD AT END OF PERIOD

SEPTEMBER 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	SEPTEMBER 30, 2025				Note
				Shares/Unit	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 – non-current	11,000,000	\$ 1,545,500	0.88	\$ 1,545,500	
Lipers	<u>Shares</u> Nippon Chemi-Con Corporation	—	Financial assets at fair value through other comprehensive income – current	321,800	108,280	1.47	108,280	

Note 1: This table presents the marketable securities that Nichidenbo Corporation has determined that 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 NINE MONTHS ENDED SEPTEMBER 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 Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Lipers	Scope	Sister company	Sales	( \$ 154,113 )	( 5.43 )	90 days from end of month	\$ -	—	\$ 59,835	3.63	
Scope	Lipers	Sister company	Purchases	154,113	3.72	90 days from end of month	-	—	( 59,835 )	( 10.82 )	
Lipers	AES	Sister company	Sales	( 153,698 )	( 5.42 )	90 days from end of month	-	—	44,314	2.69	
AES	Lipers	Sister company	Purchases	153,698	9.96	90 days from end of month	-	—	( 44,314 )	( 9.79 )	
Scope	Lipers	Sister company	Sales	( 236,188 )	( 4.83 )	90 days from end of month	-	—	105,467	4.53	
Lipers	Scope	Sister company	Purchases	236,188	9.30	90 days from end of month	-	—	( 105,467 )	( 21.20 )	
Scope	AES	Sister company	Sales	( 302,158 )	( 6.18 )	90 days from end of month	-	—	144,963	6.22	
AES	Scope	Sister company	Purchases	302,158	19.58	90 days from end of month	-	—	( 144,985 )	( 32.05 )	
AES	Nichidenbo Corporation	Subsidiary	Sales	( 132,317 )	( 7.52 )	90 days from end of month	-	—	63,510	8.31	
Nichidenbo Corporation	AES	Subsidiary	Purchases	132,317	8.37	90 days from end of month	-	—	( 63,510 )	( 18.10 )	
AES	Lipers	Sister company	Sales	( 271,990 )	( 15.46 )	90 days from end of month	-	—	128,262	16.79	
Lipers	AES	Sister company	Purchases	271,990	10.71	90 days from end of month	-	—	( 128,263 )	( 25.78 )	
AES	Scope	Sister company	Sales	( 222,407 )	( 12.64 )	90 days from end of month	-	—	102,139	13.37	
Scope	AES	Sister company	Purchases	222,407	5.38	90 days from end of month	-	—	( 102,139 )	( 18.46 )	

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  
SEPTEMBER 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	\$ 321,675 (Note 1)	4.44	\$ -	—	\$ 107,473	\$ -
Nichidenbo Corporation	Scope	Subsidiary	208,946 (Note 2)	3.99	-	—	199,526	-
Scope	Lipers	Sister company	106,087	3.92	-	—	31,450	-
Scope	AES	Sister company	145,136	4.05	-	—	36,344	-
AES	Lipers	Sister company	208,587 (Note 3)	3.79	-	—	31,272	-
AES	Scope	Sister company	102,139	3.82	-	—	36,661	-

Note 1: Includes trade receivables of NT\$17,512 thousand and other receivables of NT\$304,163 thousand (mainly NT\$300,000 thousand in financing provided to others). Other receivables are excluded from the turnover ratio calculation.

Note 2: Includes trade receivables of NT\$14,671 thousand and other receivables of NT\$194,275 thousand (mainly NT\$190,000 thousand of financing provided to others). Other receivables are excluded from the turnover ratio calculation.

Note 3: Includes trade receivables of NT\$128,262 thousand and other receivables of NT\$80,325 thousand (mainly NT\$80,000 thousand in financing provided to others). Other receivables are excluded from the turnover ratio calculation.

Note 4: The above transactions have been eliminated.

Nichidenbo Corporation and Subsidiaries

**INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS  
FOR THE NINE MONTHS ENDED SEPTEMBER 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 Terms	% of Total Sales or Assets (Note 3)
0	Nichidenbo Corporation	Lipers	1	Trade receivables from related parties	\$ 17,512	Comparable to general transaction terms	-
			1	Operating revenue	59,784	Internal transfer pricing	1
			1	Other receivables from related parties	304,163	—	2
		Scope	1	Trade receivables from related parties	14,671	Comparable to general transaction terms	-
			1	Operating revenue	48,463	Internal transfer pricing	-
			1	Other receivables from related parties	194,275	—	2
		Vic-Dawn	1	Operating revenue	14,033	Internal transfer pricing	-
		Koho	1	Operating revenue	15,836	Internal transfer pricing	-
		Lipers Electronic (SZ)	1	Operating revenue	27,083	Internal transfer pricing	-
		Nichidenbo Corporation	2	Operating revenue	16,224	Internal transfer pricing	-
1	Lipers	Scope	3	Trade receivables from related parties	59,835	Comparable to general transaction terms	-
			3	Operating revenue	154,113	Internal transfer pricing	1
		AES	3	Trade receivables from related parties	44,314	Comparable to general transaction terms	-
			3	Operating revenue	153,698	Internal transfer pricing	1
		Lipers Electronic (SZ)	3	Trade receivables from related parties	15,793	Comparable to general transaction terms	-
			3	Operating revenue	41,321	Internal transfer pricing	-
		Scope	2	Operating revenue	18,161	Internal transfer pricing	-
			3	Trade receivables from related parties	105,467	Comparable to general transaction terms	1
		AES	3	Operating revenue	236,188	Internal transfer pricing	2
			3	Trade receivables from related parties	144,963	Comparable to general transaction terms	1
2	Scope	Nichidenbo Corporation	3	Operating revenue	302,158	Internal transfer pricing	3
			2	Trade receivables from related parties	63,510	Comparable to general transaction terms	1
		Lipers	2	Operating revenue	132,317	Internal transfer pricing	1
			3	Trade receivables from related parties	128,262	Comparable to general transaction terms	1
		AES	3	Operating revenue	271,990	Internal transfer pricing	2
			3	Other receivables from related parties	80,325	—	1
		Scope	3	Trade receivables from related parties	102,139	Comparable to general transaction terms	1
			3	Operating revenue	222,407	Internal transfer pricing	2
		NDB (Suzhou)	3	Trade receivables from related parties	39,058	Comparable to general transaction terms	-
			3	Operating revenue	49,372	Internal transfer pricing	-

(Continued)

(Continued)

No. (Note 1)	Investee Company	Counterparty	Relationship (Note 2)	Transaction Details			
				Financial Statement Account	Amount (Note 4)	Payment Terms	% of Total Sales or Assets (Note 3)
4	Vic-Dawn	Lipers	3	Operating revenue	\$ 15,004	Internal transfer pricing	-
			3	Other receivables from related parties	40,142	—	-
5	Tonsam	NDB (Suzhou)	3	Operating revenue	10,401	Internal transfer pricing	-
6	Koho	Nichidenbo Corporation	2	Operating revenue	10,220	Internal transfer pricing	-
7	NDB (Shenzhen)	Lipers Electronic (SZ)	3	Trade receivables from related parties	14,795	Comparable to general transaction terms	-
			3	Operating revenue	34,881	Internal transfer pricing	-
		NDB (Suzhou)	3	Other receivables from related parties	42,742	—	-
		NDB (Shenzhen)	3	Trade receivables from related parties	12,411	Comparable to general transaction terms	-
8	NDB (Suzhou)		3	Operating revenue	31,804	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 NINE MONTHS ENDED SEPTEMBER 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 September 30, 2025			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				September 30, 2025	December 31, 2024	Number of Shares	Percentage (%)	Carrying Amount			
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	\$ 311,875	\$ 79,122	\$ 75,424 (Note 1)	Subsidiary (Note 5)
	NDB (Mauritius)	Mauritius	Investment activities	154,382	154,382	5,050,000	100.00	465,115	22,780	22,780	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	712,851	114,883	113,059 (Note 2)	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	1,206,703	255,185	255,319 (Note 1)	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	599,990	122,552	121,341 (Note 1)	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	286,144	13,981	13,967 (Note 2)	Subsidiary (Note 5)
	Lipers (HK)	Hong Kong	Import and export trade of electronic components	140,373	140,373	11,000,000	100.00	124,071	15,540	15,540	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	170,351	73,370	60,377 (Note 2)	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	457,797	85,987	17,402 (Note 3)	Associate

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 NINE MONTHS ENDED SEPTEMBER 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 September 30, 2025	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 1)	Carrying Amount as of September 30, 2025 (Note 1)	Accumulated Repatriation of Investment Income as of September 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	\$ 18,045	100	\$ 18,045	\$ 293,532	\$ 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	4,934	100	4,934	169,221	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	16,929	100	16,929	112,015	76,187

Accumulated Outward Remittance for Investment in Mainland China as of September 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)	\$ 4,203,413 (Note 2)

Note 1: Current period recognized investment gain/loss and investment carrying amount at the end of the 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 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 amount of paid-in capital are translated into NTD at the historical exchange rate.

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