KUNG LONG BATTERIES INDUSTRIAL CO.,LTD. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AND

INDEPENDENT AUDITORS' REVIEW REPORT

SEPTEMBER 30, 2025 AND 2024

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

INDEPENDENT AUDITORS' REVIEW REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Kung Long Batteries Industrial Co., Ltd.

Introduction

We have reviewed the accompanying consolidated balance sheets of Kung Long Batteries Industrial Co., Ltd. and subsidiaries (the "Group") as at September 30, 2025 and 2024, and the related consolidated statements of comprehensive income for the three-month and nine-month periods then ended, as well as the consolidated statements of changes in equity and of cash flows for the nine-month periods then ended, and notes to the consolidated financial statements, including a summary of material accounting policies. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" that came into effect as endorsed by the Financial Supervisory Commission. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the following paragraph, we conducted our reviews in accordance with the Standard on Review Engagements 2410 "Review of Financial Information Performed by the Independent Auditor of the Entity" of the Republic of China. A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As explained in Note 4(3), the financial statements of certain insignificant consolidated subsidiaries were not reviewed by independent auditors. Total assets of these subsidiaries amounted to NT$703,688 thousand and NT$764,474 thousand, constituting 12.44% and 12.96% of the consolidated total assets as at September 30, 2025 and 2024, respectively, total liabilities amounted to NT$37,537 thousand and NT$24,212 thousand, constituting 2.46% and 1.63% of the consolidated total liabilities as at September 30, 2025 and 2024, respectively, and the total comprehensive income (loss) amounted to (NT$3,721) thousand, (NT$5,669) thousand, NT$5,369 thousand and NT$47,714 thousand, constituting (1.33%), (2.74%), 2.00% and 5.7% of the consolidated total comprehensive income (loss) for the three-month and nine-month periods then ended, respectively.

Qualified Conclusion

Except for the adjustments to the consolidated financial statements, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries been reviewed by independent auditors as described in the *Basis for qualified conclusion* section above, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at September 30, 2025 and 2024, and of its consolidated financial performance for the three-month and nine-month periods then ended and its consolidated cash flows for the nine-month periods then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" that came into effect as endorsed by the Financial Supervisory Commission.

Wu, Sung-Yuan | Lai, Chih-Wei

For and on behalf of PricewaterhouseCoopers, Taiwan

November 10, 2025

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

KUNG LONG BATTERIES INDUSTRIAL CO.,LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2025, DECEMBER 31, 2024 AND SEPTEMBER 30, 2024
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	September 30, 2025 AMOUNT	%	December 31, 2024 AMOUNT	%	September 30, 2024 AMOUNT	%
	Current assets							
1100	Cash and cash equivalents	6(1)	$ 1,956,793	34	$ 1,912,728	30	$ 1,416,860	24
1110	Financial assets at fair value through profit or loss - current	6(2)	41,550	1	50,616	1	57,913	1
1136	Current financial assets at amortised cost	6(4)	112,390	2	91,798	1	101,280	2
1150	Notes receivable, net	6(5)	34,743	1	31,646	-	28,669	-
1170	Accounts receivable, net	6(5)	732,152	13	1,060,490	17	1,176,026	20
130X	Inventories	6(6)	1,638,603	29	2,016,667	32	1,988,433	34
1410	Prepayments		55,446	1	39,647	1	40,448	1
1470	Other current assets		54,181	1	46,319	1	61,682	1
11XX	**Current Assets**		4,625,858	82	5,249,911	83	4,871,311	83
	Non-current assets							
1517	Non-current financial assets at fair value through other comprehensive income	6(3)	77,602	1	113,126	2	111,089	2
1535	Non-current financial assets at amortised cost	6(4)	50,000	1	50,000	1	50,000	1
1600	Property, plant and equipment	6(7) and 8	689,792	12	699,172	11	672,869	11
1755	Right-of-use assets	6(8)	43,295	1	48,345	1	47,226	1
1760	Investment property - net	6(9) and 8	50,998	1	51,084	1	51,113	1
1780	Intangible assets		5,834	-	4,360	-	2,518	-
1840	Deferred income tax assets		38,661	1	21,820	-	24,376	-
1900	Other non-current assets	6(10)	76,370	1	80,152	1	69,948	1
15XX	**Non-current assets**		1,032,552	18	1,068,059	17	1,029,139	17
1XXX	**Total assets**		$ 5,658,410	100	$ 6,317,970	100	$ 5,900,450	100

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KUNG LONG BATTERIES INDUSTRIAL CO.,LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2025, DECEMBER 31, 2024 AND SEPTEMBER 30, 2024
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	September 30, 2025 AMOUNT	%	December 31, 2024 AMOUNT	%	September 30, 2024 AMOUNT	%
	Current liabilities							
2100	Short-term borrowings	6(11)	$ 194,673	3	$ 48,614	1	$ 55,000	1
2150	Notes payable		6,110	-	5,280	-	6,713	-
2170	Accounts payable		263,351	5	338,842	5	336,298	6
2200	Other payables	6(12)	271,249	5	340,608	6	292,096	5
2230	Current income tax liabilities		374,029	7	340,154	5	313,623	5
2250	Provisions for liabilities - current	6(14)	8,648	-	8,761	-	8,482	-
2300	Other current liabilities	6(20)	31,433	-	71,118	1	58,337	1
21XX	**Current Liabilities**		1,149,493	20	1,153,377	18	1,070,549	18
	Non-current liabilities							
2570	Deferred income tax liabilities		367,908	7	431,055	7	406,533	7
2600	Other non-current liabilities	6(13)	10,957	-	11,467	-	10,377	-
25XX	**Non-current liabilities**		378,865	7	442,522	7	416,910	7
2XXX	**Total Liabilities**		1,528,358	27	1,595,899	25	1,487,459	25
	Equity attributable to owners of parent							
	Share capital	6(16)						
3110	Share capital - common stock		820,628	15	820,628	13	820,628	14
	Capital surplus	6(17)						
3200	Capital surplus		701,478	12	701,478	11	701,478	12
	Retained earnings	6(18)						
3310	Legal reserve		1,265,482	22	1,169,215	19	1,169,215	20
3350	Unappropriated retained earnings		1,299,663	23	1,784,834	28	1,578,581	27
	Other equity interest	6(19)						
3400	Other equity interest		42,801	1	245,916	4	143,089	2
31XX	**Equity attributable to owners of the parent**		4,130,052	73	4,722,071	75	4,412,991	75
3XXX	**Total equity**		4,130,052	73	4,722,071	75	4,412,991	75
	Significant contingent liabilities and unrecognized contract commitments	9						
3X2X	**Total liabilities and equity**		$ 5,658,410	100	$ 6,317,970	100	$ 5,900,450	100

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

KUNG LONG BATTERIES INDUSTRIAL CO.,LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
THREE MONTHS AND NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except earnings per share amount)

			Three months ended September 30				Nine months ended September 30			
			2025		2024		2025		2024	
	Items	Notes	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
4000	Sales revenue	6(20)	$ 1,603,746	100	$ 2,203,915	100	$ 5,017,791	100	$ 6,059,370	100
5000	Operating costs	6(6)	(1,299,837)	(81)	(1,669,409)	(76)	(3,969,861)	(79)	(4,691,454)	(77)
5900	Net operating margin		303,909	19	534,506	24	1,047,930	21	1,367,916	23
	Operating expenses	6(25)(26)								
6100	Selling expenses		(66,113)	(4)	(101,357)	(5)	(208,312)	(4)	(252,072)	(4)
6200	General and administrative expenses		(54,961)	(3)	(62,972)	(3)	(167,924)	(3)	(179,997)	(3)
6300	Research and development expenses		(10,946)	(1)	(11,453)	-	(31,351)	(1)	(33,815)	(1)
6450	Expected credit impairment (loss) gain	12(2)	40	-	12	-	60	-	-	-
6000	Total operating expenses		(131,980)	(8)	(175,770)	(8)	(407,527)	(8)	(465,884)	(8)
6900	Operating profit		171,929	11	358,736	16	640,403	13	902,032	15
	Non-operating income and expenses									
7100	Interest income	6(21)	5,820	-	4,312	-	22,614	-	25,409	-
7010	Other income	6(22)	7,172	-	2,684	-	10,961	-	6,070	-
7020	Other gains and losses	6(23)	44,396	3	11,661	1	(22,504)	-	100,738	2
7050	Finance costs	6(24)	(576)	-	(53)	-	(1,250)	-	(116)	-
7000	Total non-operating revenue and expenses		56,812	3	18,604	1	9,821	-	132,101	2
7900	**Profit before income tax**		228,741	14	377,340	17	650,224	13	1,034,133	17
7950	Income tax expense	6(27)	(59,397)	(4)	(99,095)	(5)	(177,469)	(4)	(277,716)	(4)
8200	**Profit for the period**		$ 169,344	10	$ 278,245	12	$ 472,755	9	$ 756,417	13
	Other comprehensive income									
	Components of other comprehensive income that will not be reclassified to profit or loss									
8316	Unrealised losses from investments in equity instruments measured at fair value through other comprehensive income	6(3)(19)	$ 4,497	-	$ 1,096	-	($ 4,825)	-	($ 110)	-
8310	Components of other comprehensive income that will not be reclassified to profit or loss		4,497	-	1,096	-	(4,825)	-	(110)	-
	Components of other comprehensive income that will be reclassified to profit									
8361	Financial statements translation differences of foreign operations	6(19)	123,898	8	(95,130)	(4)	(260,659)	(5)	98,077	1
8367	Unrealised gains (losses) from investments in debt instruments measured at fair value through other comprehensive income	6(3)(19)	6,116	-	3,330	-	8,853	-	1,589	-
8399	Income tax relating to the components of other comprehensive income	6(19)(27)	(24,780)	(1)	19,026	1	52,131	1	(19,615)	-
8360	Components of other comprehensive income that will be reclassified to profit or loss		105,234	7	(72,774)	(3)	(199,675)	(4)	80,051	1
8300	**Other comprehensive (loss) income for the period**		$ 109,731	7	($ 71,678)	(3)	($ 204,500)	(4)	$ 79,941	1
8500	**Total comprehensive (loss) income for the period**		$ 279,075	17	$ 206,567	9	$ 268,255	5	$ 836,358	14
	Profit, attributable to:									
8610	Owners of the parent		$ 169,344	10	$ 278,245	12	$ 472,755	9	$ 756,417	13
			$ 169,344	10	$ 278,245	12	$ 472,755	9	$ 756,417	13
	Comprehensive (loss) income attributable to:									
8710	Owners of the parent		$ 279,075	17	$ 206,567	9	$ 268,255	5	$ 836,358	14
			$ 279,075	17	$ 206,567	9	$ 268,255	5	$ 836,358	14
	Basic earnings per share	6(28)								
9750	Total basic earnings per share		$ 2.06		$ 3.39		$ 5.76		$ 9.23	
9850	Total diluted earnings per share		$ 2.06		$ 3.38		$ 5.74		$ 9.19	

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

KUNG LONG BATTERIES INDUSTRIAL CO.,LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except earnings per share amount)

		Equity attributable to owners of the parent					
				Retained Earnings			
	Notes	Share capital - common stock	Total capital	Legal reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Total equity
2024							
Balance at January 1		$ 820,648	$ 701,741	$ 1,108,046	$ 1,457,334	$ 56,607	$ 4,144,376
Profit for the year		-	-	-	756,417	-	756,417
Other comprehensive income	6(3)(19)	-	-	-	-	79,941	79,941
Total comprehensive income		-	-	-	756,417	79,941	836,358
Appropriation and distribution of 2023 retained earnings	6(18)						
Legal reserve		-	-	61,169	(61,169)	-	-
Cash dividends		-	-	-	(574,001)	-	(574,001)
Share-based payments	6(15)(19)	(20)	(263)	-	-	6,541	6,258
Balance at September 30		$ 820,628	$ 701,478	$ 1,169,215	$ 1,578,581	$ 143,089	$ 4,412,991
2025							
Balance at January 1		$ 820,628	$ 701,478	$ 1,169,215	$ 1,784,834	$ 245,916	$ 4,722,071
Profit for the period		-	-	-	472,755	-	472,755
Other comprehensive loss	6(3)(19)	-	-	-	-	(204,500)	(204,500)
Total comprehensive income (loss)		-	-	-	472,755	(204,500)	268,255
Appropriation and distribution of 2024 retained earnings	6(18)						
Legal reserve		-	-	96,267	(96,267)	-	-
Cash dividends		-	-	-	(861,659)	-	(861,659)
Share-based payments	6(15)(19)	-	-	-	-	1,385	1,385
Balance at September 30		$ 820,628	$ 701,478	$ 1,265,482	$ 1,299,663	$ 42,801	$ 4,130,052

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

KUNG LONG BATTERIES INDUSTRIAL CO.,LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Nine month ended September 30 2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 650,224	$ 1,034,133
Adjustments			
Adjustments to reconcile profit (loss)			
Expected credit impairment (gain) loss	12(2)	(37)	15
Depreciation expense	6(25)	82,229	87,011
Amortisation charge	6(25)	2,852	1,712
Gain on financial assets at fair value through profit or loss, mandatorily measured at fair value	6(2)(23)	9,072	(12,821)
Gains on disposals of property, plant and equipment	6(23)	(2,352)	(314)
Loss on disposal of investments	6(23)	6,427	-
Compensation cost of employee restricted shares	6(15)(19)	1,385	6,278
Interest income	6(21)	(22,614)	(25,409)
Dividend income	6(22)	(2,738)	(1,475)
Finance costs	6(24)	1,250	116
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets at fair value through profit or loss, mandatorily measured at fair value		(6)	(21,127)
Notes receivable, net		(3,097)	(2,156)
Accounts receivable, net		328,409	(380,823)
Inventories		378,064	(176,661)
Prepayments		(15,799)	(15,499)
Other current assets		(7,862)	(28,415)
Changes in operating liabilities			
Notes payable		830	(2,001)
Accounts payable		(75,491)	62,931
Other payables		(94,034)	21,172
Provisions		(113)	(1,233)
Other current liabilities		(39,685)	12,065
Other non-current liabilities		(483)	(8,509)
Cash inflow generated from operations		1,196,431	548,990
Interest received		22,614	25,409
Interest paid		(1,250)	(130)
Income taxes paid		(169,424)	(408,785)
Dividends received		2,738	1,475
Net cash flows from operating activities		1,051,109	166,959

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KUNG LONG BATTERIES INDUSTRIAL CO.,LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

	Notes	Nine month ended September 30 2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at amortised cost		($ 30,131)	$ -
Disposal of financial assets at amortised cost		-	50,125
Proceeds from disposal of financial assets at fair value through other comprehensive income		28,353	-
Acquisition of property, plant and equipment	6(29)	(74,936)	(82,202)
Proceeds from disposal of property, plant and equipment		2,369	334
Acquisition of intangible assets		(4,326)	(1,056)
Decrease in guarantee deposits paid		69	1,741
Increase in other non-current assets		(9,847)	(4,391)
Net cash flows used in investing activities		(88,449)	(35,449)
CASH FLOWS FROM FINANCING ACTIVITIES			
Changes in short-term borrowings	6(30)	149,529	39,641
Decrease in guarantee deposits received	6(30)	(27)	2
Cash dividends paid	6(18)(30)	(861,659)	(574,001)
Retirement of employees’ restricted stock	6(15)	-	(20)
Net cash flows used in financing activities		(712,157)	(534,378)
Effect of exchange rate changes		(206,438)	70,002
Net increase (decrease) in cash and cash equivalents		44,065	(332,866)
Cash and cash equivalents at beginning of period		1,912,728	1,749,726
Cash and cash equivalents at end of period		$ 1,956,793	$ 1,416,860

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

KUNG LONG BATTERIES INDUSTRIAL CO.,LTD. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
NINE MONTH PERIODS ENDED SEPTEMBER 30, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. History and Organisation
   A. The Company was incorporated as a company limited by shares under the provisions of the Company Law of the Republic of China (R.O.C.) on January 25, 1990. The Company and its subsidiaries (collectively referred herein as the "Group") are primarily engaged in manufacturing and sales of lead-acid batteries.
   B. On January 22, 2002, the Company's common stock was officially listed on the Taiwan Stock Exchange Corporation.
2. The Date of Authorisation for Issuance of the Financial Statements and Procedures for Authorisation
   These consolidated statements were authorised for issuance by the Board of Directors on November 10, 2025.
3. Application of New Standards, Amendments and Interpretations
   (1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards ("IFRS®") Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission ("FSC")
   New standards, interpretations and amendments endorsed by the FSC and became effective from 2025 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IAS 21, 'Lack of exchangeability'	January 1, 2025

   The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.
   (2) Effect of new issuances of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted by the Group
   New standards, interpretations and amendments endorsed by the FSC effective from 2026 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Specific provisions of Amendments to IFRS 9 and IFRS 7, 'Amendments to the classification and measurement of financial instruments'	January 1, 2026

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 9 and IFRS 7, 'Contracts referencing nature-dependent electricity'	January 1, 2026
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 – comparative information'	January 1, 2023
Annual Improvements to IFRS Accounting Standards—Volume 11	January 1, 2026

The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

(3) IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRS Accounting Standards as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
IFRS 18, 'Presentation and disclosure in financial statements'	January 1, 2027 (Note)
IFRS 19, 'Subsidiaries without public accountability: disclosures'	January 1, 2027

Note：The FSC has announced in a press release on September 25, 2025 that public companies will apply IFRS 18 starting from the fiscal year 2028. Additionally, entities can choose to adopt IFRS 18 earlier based on their requirements after the FSC endorses IFRS 18.

Except for the following, the above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

IFRS 18, 'Presentation and disclosure in financial statements'

IFRS 18, 'Presentation and disclosure in financial statements' replaces IAS 1. The standard introduces a defined structure of the statement of profit or loss, disclosure requirements related to management-defined performance measures, and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes.

4. Summary of Material Accounting Policies

The principal accounting policies adopted are consistent with Note 4 in the consolidated financial statements for the year ended December 31, 2024, except for the compliance statement, basis of preparation, basis of consolidation and additional policies as set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

A. The consolidated financial statements of the Group have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Accounting Standard 34, 'Interim financial reporting' that came into effect as endorsed by the FSC.

B. These consolidated financial statements are to be read in conjunction with the consolidated financial statements for the year ended December 31, 2024.

(2) Basis of preparation

A. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:

(a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

(b) Financial assets at fair value through other comprehensive income.

(c) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.

B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC® Interpretations, and SIC® Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the "IFRSs") requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

Basis for preparation of these consolidated financial statements is the same as that for the preparation of the consolidated financial statements for the year ended December 31, 2024.

B. Subsidiaries included in the consolidated financial statements

			Ownership (%)			
Name of investor	Name of subsidiary	Main business activities	September 30, 2025	December 31, 2024	September 30, 2024	Description
The Company	Le Long (Vietnam) Co., Ltd.	Manufacture and sales of home and industrial storage batteries	100%	100%	100%	
The Company	Kung Long International Ltd.	General investment	100%	100%	100%	Note
Kung Long International Ltd.	Kung Tay Plastic Co., Ltd.	General investment	100%	100%	100%	Note
Kung Tay Plastic Co., Ltd.	Kung Tay (Vietnam) Co., Ltd.	Manufacture and sales of plastics products	100%	100%	100%	Note

Note: The financial statements of the entity as of and for the nine-month periods ended September 30, 2025 and 2024 were not reviewed by the independent auditors as the entity did not meet the definition of a significant subsidiary.

C. Subsidiaries not included in the consolidated financial statements:

None.

D. Adjustments for subsidiaries with different balance sheet dates:

Not applicable.

E. Significant restrictions:

None.

F. Subsidiaries that have non-controlling interests that are material to the Group: None.

(4) Classification of current and non-current items

A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

(a) Assets that are expected to be realised, or are intended to be sold or consumed in the normal operating cycle;

(b) Assets that are held primarily for the purpose of trading;

(c) Assets that are expected to be realised within twelve months after the reporting period;

(d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities for at least twelve months after the reporting period.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

(a) Liabilities that are expected to be settled in the normal operating cycle;

(b) Liabilities that are held primarily for the purpose of trading;

(c) Liabilities that are due to be settled within twelve months after the reporting period;

(d) It does not have the right at the end of the reporting period to defer settlement of the liability at least twelve months after the reporting period.

(5) Employee benefits

Pension cost for the interim period is calculated on a year-to-date basis by using the pension cost rate derived from the actuarial valuation at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events. Also, the related information is disclosed accordingly.

(6) Income tax

The interim period income tax expense is recognised based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and the related information is disclosed accordingly.

5. Critical Accounting Judgements, Assumptions and Key Sources of Estimate Uncertainty

There have been no significant changes as of September 30, 2025. Please refer to Note 5 in the consolidated financial statements for the year ended December 31, 2024.

6. Details of Significant Accounts

(1) Cash and cash equivalents

	September 30, 2025	December 31, 2024	September 30, 2024
Cash on hand and revolving funds	$ 863	$ 1,092	$ 1,219
Checking accounts and demand deposits	1,556,986	1,569,594	1,241,566
Time deposit	398,944	342,042	174,075
	$ 1,956,793	$ 1,912,728	$ 1,416,860

A. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote.

B. The Group has no cash and cash equivalents pledged to others.

(2) Financial assets at fair value through profit or loss

Items	September 30, 2025	December 31, 2024	September 30, 2024
Current items:			
Financial assets mandatorily measured at fair value through profit or loss			
Listed stocks	$ 37,713	$ 37,707	$ 37,477
Valuation adjustment	3,837	12,909	20,436
	$ 41,550	$ 50,616	$ 57,913

A. Amounts recognised in profit or loss in relation to financial assets at fair value through profit or loss are listed below:

	For the three-month periods ended September 30	
	2025	2024
Equity instruments mandatorily measured at fair value through profit or loss		
Gain on disposal	$ -	$ -
Changes in fair value	(3,595)	7,950
	($ 3,595)	$ 7,950

	For the nine-month periods ended September 30	
	2025	2024
Equity instruments mandatorily measured at fair value through profit or loss		
Gain on disposal	$ -	$ 7
Changes in fair value	(9,072)	12,814
	($ 9,072)	$ 12,821

B. The Group has no financial assets at fair value through profit or loss pledged to others.

C. Information relating to price risk and fair value of financial assets at fair value through profit or loss is provided in Notes 12(2) and (3).

(3) Financial assets at fair value through other comprehensive income

Items	September 30, 2025	December 31, 2024	September 30, 2024
Non-current items:			
Debt instrument			
Corporate bond	$ -	$ 37,211	$ 35,923
Financial market bond	30,445	32,786	31,650
Valuation adjustment	(111)	(8,964)	(6,164)
	$ 30,334	$ 61,033	$ 61,409
Equity instrument			
Listed stocks	$ 20,000	$ 20,000	$ 20,000
Valuation adjustment	27,268	32,093	29,680
	$ 47,268	$ 52,093	$ 49,680
	$ 77,602	$ 113,126	$ 111,089

A. The Group has elected to classify corporate bond and financial market bond investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income. Details of fair value of such investments are as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Financial assets at fair value through other comprehensive income			
Fair value	$ 30,334	$ 61,033	$ 61,409

B. The Group has elected to classify list stocks investments that are considered to be strategic investments as financial assets at fair value through other comprehensive income. Details of fair value of such investments are as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Financial assets at fair value through other comprehensive income			
Fair value	$ 47,268	$ 52,093	$ 49,680

C. Amounts recognised in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	For the three-month periods ended September 30	
	2025	2024
Debt instruments at fair value through other comprehensive income		
Fair value change recognised in other comprehensive income (loss)	$ 6,116	$ 3,330
Cumulative other comprehensive incomereclassified to profit or loss Reclassified due to derecognition	($ 6,427)	$ -
Interest income	$ 534	$ 671
Equity instruments at fair value through other comprehensive income		
Fair value change recognised in other comprehensive income (loss)	$ 4,497	$ 1,096
Dividend income recognised in profit or loss	$ 877	$ 307

	For the nine-month periods ended September 30	
	2025	2024
Debt instruments at fair value through other comprehensive income		
Fair value change recognised in other comprehensive income (loss)	$ 8,853	$ 1,589
Cumulative other comprehensive incomereclassified to profit or loss Reclassified due to derecognition	($ 6,427)	$ -
Interest income	$ 1,856	$ 1,995
Equity instruments at fair value through other comprehensive income		
Fair value change recognised in other comprehensive income (loss)	($ 4,825)	($ 110)
Dividend income recognised in profit or loss	$ 877	$ 307

D. The Group has no financial assets at fair value through other comprehensive income pledged to others.

E. Information relating to price risk, credit risk and fair value of financial assets at fair value through other comprehensive income is provided in Notes 12(2) and (3).

(4) Financial assets at amortised cost

Items	September 30, 2025	December 31, 2024	September 30, 2024
Current items:			
Time deposits mature in excess of three months	$ 112,390	$ 91,798	$ 101,280
Non-current items:			
Corporate bond	$ 50,000	$ 50,000	$ 50,000

A. Amounts recognised in profit or loss in relation to financial assets at amortised cost are listed below:

	For the three-month periods ended September 30	
	2025	2024
Interest income	$ 1,775	$ 1,848

	For the nine-month periods ended September 30	
	2025	2024
Interest income	$ 4,968	$ 6,274

B. The Group has no financial assets at amortised cost pledged to others.

C. Information relating to credit risk of financial assets at amortised cost is provided in Note 12(2). The counterparties of the Group's investments in certificates of deposit are financial institutions with high credit quality, so the Group expects that the probability of counterparty default is remote.

(5) Notes and accounts receivable

	September 30, 2025	December 31, 2024	September 30, 2024
Notes receivable	$ 34,743	$ 31,646	$ 28,669
Accounts receivable	$ 736,630	$ 1,065,039	$ 1,177,710
Less: Allowance for uncollectible accounts	(4,478)	(4,549)	(1,684)
	$ 732,152	$ 1,060,490	$ 1,176,026

A. The ageing analysis of accounts receivable and notes receivable that were past due but not impaired is as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Not past due	$ 733,328	$ 982,407	$ 1,139,435
1 to 30 days	30,579	106,073	58,031
31 to 60 days	4,896	5,809	4,425
61 to 90 days	5	-	2,083
Over 90 days	2,565	2,396	2,405
	$ 771,373	$ 1,096,685	$ 1,206,379

The above ageing analysis was based on past due date.

B. The Group has no notes and accounts receivable pledged to others.

C. The Group insures accounts receivable, and the insurance company reviews and grants the amount on a case-by-case basis. The amount of accounts receivable that are not past due is as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Insurance amount on accounts receivable that are not past due	$ 546,552	$ 676,033	$ 800,536

When assessing such insured accounts receivable, the Group provides a loss allowance by taking into consideration the recoverable amount of the accounts receivable and its insurance.

D. As of September 30, 2025, December 31, 2024 and September 30, 2024, accounts receivable were all from contracts with customers. And as of January 1, 2024, the balance of receivables from contracts with customers amounted to $817,447 thousand.

E. As at September 30, 2025, December 31, 2024 and September 30, 2024, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's accounts receivable was the carrying amount of accounts receivable.

F. Information relating to credit risk of accounts receivable and notes receivable is provided in Note 12(2).

(6) Inventories

	September 30, 2025		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 946,672	($ 72,832)	$ 873,840
Work in progress	509,796	(20,523)	489,273
Finished goods	342,751	(67,261)	275,490
	$ 1,799,219	($ 160,616)	$ 1,638,603

	December 31, 2024		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 1,012,185	($ 82,945)	$ 929,240
Work in progress	552,994	(29,659)	523,335
Finished goods	641,296	(77,204)	564,092
	$ 2,206,475	($ 189,808)	$ 2,016,667

	September 30, 2024		
	Cost	Allowance for valuation loss	Book value
Raw materials	$ 953,866	($ 52,856)	$ 901,010
Work in progress	553,507	(4,587)	548,920
Finished goods	583,120	(44,617)	538,503
	$ 2,090,493	($ 102,060)	$ 1,988,433

The cost of inventories recognised as expense for the period:

	For the three-month periods ended September 30	
	2025	2024
Cost of goods sold	$ 1,305,920	$ 1,672,774
Loss on market value decline and obsolete and slow-moving inventories	-	2,887
Revenue from sale of scraps	(6,083)	(6,252)
	$ 1,299,837	$ 1,669,409

	For the nine-month periods ended September 30	
	2025	2024
Cost of goods sold	$ 4,005,179	$ 4,705,335
(Gain from reversal) loss on market value decline and obsolete and slow-moving inventories	(16,973)	2,424
Revenue from sale of scraps	(18,345)	(16,305)
	$ 3,969,861	$ 4,691,454

The Group reversed a previous inventory write-down because it disposed certain inventories which were previously provided with allowance and obsolete inventories for the nine-month periods ended September 30, 2025.

(7) Property, plant and equipment

	2025					
Cost	At January 1	Additions	Decrease	Transfers	Net exchange differences	At September 30
Land	$ 87,272	$ -	$ -	$ -	$ -	$ 87,272
Buildings and structures	703,689	2,000	-	3,062	(42,820)	665,931
Machinery and equipment	2,108,932	17,512	(52,493)	80,063	(150,176)	2,003,838
Other equipment	117,393	4,389	-	1,420	(7,533)	115,669
Construction in progress and equipment to be inspected	110,354	89,270	-	(84,545)	(7,994)	107,085
	$ 3,127,640	$ 113,171	($ 52,493)	$ -	($ 208,523)	$ 2,979,795
Accumulated depreciation						
Buildings and structures	($ 439,163)	($ 14,507)	$ -	$ -	$ 25,992	($ 427,678)
Machinery and equipment	(1,882,070)	(62,119)	52,476	-	133,513	(1,758,200)
Other equipment	(107,235)	(3,877)	-	-	6,987	(104,125)
	($ 2,428,468)	($ 80,503)	$ 52,476	$ -	$ 166,492	($ 2,290,003)
Book value	$ 699,172					$ 689,792

	2024					
Cost	At January 1	Additions	Decrease	Transfers	Net exchange differences	At September 30
Land	$ 87,272	$ -	$ -	$ -	$ -	$ 87,272
Buildings and structures	660,970	-	-	4,977	17,033	682,980
Machinery and equipment	1,978,966	4,832	(23,796)	7,564	62,181	2,029,747
Other equipment	106,878	1,533	(214)	1,522	2,892	112,611
Construction in progress and equipment to be inspected	30,521	64,196	-	(14,063)	318	80,972
	$ 2,864,607	$ 70,561	($ 24,010)	$ -	$ 82,424	$ 2,993,582
Accumulated depreciation						
Buildings and structures	($ 397,724)	($ 14,590)	$ -	$ -	($ 9,644)	($ 421,958)
Machinery and equipment	(1,699,929)	(66,439)	23,776	-	(53,545)	(1,796,137)
Other equipment	(96,009)	(4,213)	214	-	(2,610)	(102,618)
	($ 2,193,662)	($ 85,242)	$ 23,990	$ -	($ 65,799)	($ 2,320,713)
Book value	$ 670,945					$ 672,869

A. Amount of borrowing costs capitalised as part of property, plant and equipment and the range of the interest rates for such capitalisation are as follows: None.

B. Information about the property, plant and equipment that were pledged to others as collaterals is provided in Note 8.

C. The abovementioned property, plant and equipment were all for the Group’s own use.

(8) Leasing arrangements－lessee

A. The Group leases various assets including land. On February 15, 2006, the Group's subsidiary, Le Long (Vietnam) Co., Ltd., engaged a land use right contract with Phu My Trading Construction Joint Stock Company. Rental contracts are typically made for periods of 50 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants for limitation of use, but leased assets may not be used as pledge for borrowing purposes.

B. The carrying amount of right-of-use assets and the depreciation charge are as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
	Carrying amount	Carrying amount	Carrying amount
Land	$ 43,295	$ 48,345	$ 47,226

	For the three-month periods ended September 30	
	2025	2024
	Depreciation expense	Depreciation expense
Land	$ 524	$ 566

	For the nine-month periods ended September 30	
	2025	2024
	Depreciation expense	Depreciation expense
Land	$ 1,640	$ 1,683

(9) Investment property

	2025		
Cost	At January 1	Additions	At September 30
Land	$ 47,990	$ -	$ 47,990
Buildings and structures	16,443	-	16,443
	$ 64,433	$ -	$ 64,433
Accumulated depreciation			
Buildings and structures	($ 13,349)	($ 86)	($ 13,435)
Book value	$ 51,084		$ 50,998

	2024		
Cost	At January 1	Additions	At September 30
Land	$ 47,990	$ -	$ 47,990
Buildings and structures	16,443	-	16,443
	$ 64,433	$ -	$ 64,433
Accumulated depreciation			
Buildings and structures	($ 13,234)	($ 86)	($ 13,320)
Book value	$ 51,199		$ 51,113

A. Rental income from investment property:

	For the three-month periods ended September 30	
	2025	2024
Rental income from investment property	$ 1,331	$ 903
Direct operating expenses arising from the investment property that generated rental income during the period	($ 29)	($ 29)

	For the nine-month periods ended September 30	
	2025	2024
Rental income from investment property	$ 3,992	$ 2,707
Direct operating expenses arising from the investment property that generated rental income during the period	($ 86)	($ 86)

B. The fair value of investment property held by the Group which was based on recent market quoted prices of similar objectives in the neighboring area. Valuations are categorised within Level 3 in the fair value hierarchy. The fair value of investment property is as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
The fair value of investment property	$ 330,029	$ 302,802	$ 301,918

C. As of September 30, 2025, December 31, 2024 and September 30, 2024, there was no impairment on the investment property.

D. Information about the investment property that was pledged to others as collaterals is provided in Note 8.

(10) Other non-current assets

	September 30, 2025	December 31, 2024	September 30, 2024
Prepayment for equipment	$ 33,697	$ 47,257	$ 38,274
Guarantee deposits paid	261	330	329
Others	42,412	32,565	31,345
	$ 76,370	$ 80,152	$ 69,948

(11) Short-term borrowings

Type of borrowings	September 30, 2025	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowings	$ 124,673	1.85% ~4.70%	None
Secured borrowings	70,000	1.80%	Property, plant and equipment (including investment property)
	$ 194,673		

Type of borrowings	December 31, 2024	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowings	$ 48,614	3.72%	None

Type of borrowings	September 30, 2024	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowings	$ 35,000	0.50%	None
Secured borrowings	20,000	1.80%	Property, plant and equipment (including investment property)
	$ 55,000		

(12) Other payables

	September 30, 2025	December 31, 2024	September 30, 2024
Salary and bonus payable	$ 94,410	$ 148,980	$ 121,259
Payable on employees' compensation and directors' remuneration	76,067	97,340	81,958
Payable on commission expense	32,667	38,098	31,752
Payable on equipment	37,388	12,713	9,863
Other accrued expenses	30,717	43,477	47,264
	$ 271,249	$ 340,608	$ 292,096

(13) Pensions

A.(a) The Company has a defined benefit pension plan in accordance with the Labor Standards Act, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Labor Standards Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the

Company would assess the balance in the aforementioned labor pension reserve account by the end of December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contributions for the deficit by next March.

(b) The pension costs under defined contribution pension plans of the Company is as follows:

	For the three-month periods ended September 30	
	2025	2024
The pension costs	($ 19)	$ 16

	For the nine-month periods ended September 30	
	2025	2024
The pension costs	($ 58)	$ 49

(c) Expected contributions to the defined benefit pension plans of the Group for the year ending December 31, 2025 amount to $827 thousand.

B. (a) Effective July 1, 2005, the Company has established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contributes monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

(b) The pension costs under defined contribution pension plans of the Company is as follows:

	For the three-month periods ended September 30	
	2025	2024
The pension costs	$ 987	$ 906

	For the nine-month periods ended September 30	
	2025	2024
The pension costs	$ 2,954	$ 2,653

(c) The Group's subsidiaries, Le Long (Vietnam) Co., Ltd., and Kung Tay (Vietnam) Co., Ltd., are bound under local relevant regulations. Monthly contributions to a regulatory authority in accordance with the pension regulations in the local government are based on a certain percentage of employees' monthly salaries and wages. Other than the monthly contributions, the Group has no further obligations. For the aforementioned pension plan, the Group recognised pension costs are as follows:

	For the three-month periods ended September 30	
	2025	2024
The pension costs	$ 13,746	$ 17,011

	For the nine-month periods ended September 30	
	2025	2024
The pension costs	$ 44,739	$ 46,580

C. For the appointed manager of the Company starting from 2016, two units are accrued for each year of service and one unit for each additional year thereafter. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for service in excess of 15 years until the year of retirement, subject to a maximum of 45 units. The amount is calculated on a half year basis if less than half year, and on a year basis if more than half year. As of September 30, 2025, the reserve was provided for the appointed manager amounting to $8,168 thousand.

(14) Provisions

	2025	2024
At January 1	$ 8,761	$ 9,410
Additional provisions	21,191	19,103
Used during the period	(20,666)	(20,336)
Exchange differences	(638)	305
At September 30	$ 8,648	$ 8,482

The Group gives warranties of after-sale service on lead-acid batteries products sold. Provision for warranty is estimated based on historical warranty data of lead-acid batteries products.

(15) Share-based payment

A. For the nine-month periods ended September 30, 2025 and 2024, the Group's share-based payment arrangements were as follows:

Type of arrangement	Grant date	Quantity granted (in thousand shares)	Contract period	Vesting conditions
Restricted stocks to employees	2020.12.15	283 units	December 2020 to February 2025	Note

Note : Employees who are still working for the Group as of February 20 of the following year after the date of issuance of the employee restricted shares, who have not violated their labor contracts, work rules, or other major misconduct and who have received a grade of B+ or higher in the most recent annual assessment will receive new shares in accordance with the following schedule and in proportion to the number of shares allocated to the employees:

Vesting period	Vesting ratio
Still working for the Group as of February 20 of the following year after the date of issuance of the employee restricted shares	20%
Still working for the Group as of February 20 of the second year after the date of issuance of the employee restricted shares	20%
Still working for the Group as of February 20 of the third year after the date of issuance of the employee restricted shares	20%
Still working for the Group as of February 20 of the fourth year after the date of issuance of the employee restricted shares	20%
Still working for the Group as of February 20 of the fifth year after the date of issuance of the employee restricted shares	20%

Except for inheritance, the restricted stocks issued by the Group cannot be transferred during the vesting period. Additionally, before meeting the vesting condition, except for not participating in the stocks and dividends distributed, other rights are the same as the Group's issued ordinary shares. If employees resign or retire during the vesting period, shares not yet vested in that year shall be purchased and cancelled by the Group at the original issue price in accordance with the law.

B. The fair value of granted on grant date is measured using the quoted market prices. Relevant information is as follows:

(a) The 1st restricted employees share for 2020

	For the nine-month periods ended September 30			
	2025		2024	
	No. of options (share in thousands)	Weighted-average exercise price (in dollars)	No. of options (share in thousands)	Weighted-average exercise price (in dollars)
Options outstanding at January 1	62	$ 10	128	$ 10
Employee restricted shares vested	(62)	10	(64)	10
Retirement of employee restricted shares	-	-	(2)	10
Options outstanding at September 30	-	-	62	10

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C. The fair value of granted on grant date is measured using the quoted market prices. Relevant information is as follows:

Type of arrangement	Grant date	Stock price (in dollars)	Exercise price (in dollars)	Expected price volatility	Expected option life	Expected dividends (in dollars)	Risk-free interest rate	Fair value per unit (in dollars)
Restricted stocks to employees	2020.12.15	$141.5	$ 10	-	-	$ -	-	$ 131.5

D. Expenses incurred on share-based payment transactions are shown below:

	For the three-month periods ended September 30	
	2025	2024
Equity-settled	$ -	$ 2,078

	For the nine-month periods ended September 30	
	2025	2024
Equity-settled	$ 1,385	$ 6,278

(16) Share capital

A. As of September 30, 2025, December 31, 2024 and September 30, 2024, the Company's authorised capital was $1,000,000 thousand, consisting of 100,000 thousand shares of ordinary stock (including 8,200 thousand shares reserved for employee stock options), and the paid-in capital was $820,628 thousand with a par value of $10 (in dollars) per share, and ordinary shares outstanding as at September 30, 2025 amounted to 82,062 thousand shares. All proceeds from shares issued have been collected.

Movements in the number of the Company's ordinary shares outstanding (unit: in thousands) are as follows:

	2025	2024
At January 1	82,062	82,064
Retirement of employee stocks	-	(2)
At September 30	82,062	82,062

B. On March 15, 2024, the Board of Directors resolved to retire restricted stocks to employees in the total amount of 2,000 shares and the record date for the capital reduction was set on March 15, 2024. The registration for abovementioned capital reduction was completed.

(17) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the

Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

	2025					
	Share premium	Treasury share transactions	Restricted employee shares	Difference between consideration and carrying amount of subsidiaries acquired or disposed	Consolidation surplus arising from share conversion	Total
At January 1	$ 642,523	$ 4,485	$ 8,233	$ 24,091	$ 22,146	$701,478
Share-based payment transactions	8,233	-	(8,233)	-	-	-
At September 30	$ 650,756	$ 4,485	$ -	$ 24,091	$ 22,146	$701,478

	2024					
	Share premium	Treasury share transactions	Restricted employee shares	Difference between consideration and carrying amount of subsidiaries acquired or disposed	Consolidation surplus arising from share conversion	Total
At January 1	$ 634,160	$ 4,485	$ 16,859	$ 24,091	$ 22,146	$701,741
Share-based payment transactions	8,363	-	(8,626)	-	-	(263)
At September 30	$ 642,523	$ 4,485	$ 8,233	$ 24,091	$ 22,146	$701,478

(18) Retained earnings

A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve. After the provision or reversal of special reserve, the appropriation of the remaining earnings along with the beginning unappropriated earnings shall be proposed by the Board of Directors and approved by the shareholders.

B. The Company's dividend policy is summarised below:

As the Company is in the growth stage, and taking into consideration of shareholders' interest, financial structure and Company's long-term development, the total amount of bonus distributed to shareholders shall be 20% to 80% of the accumulated distributable earnings. Cash dividends shall not be less than 10% of the bonus distributed to shareholders.

C. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.

D. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

E. On June 18, 2024, the Company's shareholders resolved to distribute cash dividends amounting to $574,001 thousand at a price of $7 (in dollars) per share.

F. On June 19, 2025, the Company's shareholders resolved to distribute cash dividends amounting to $861,659 thousand at a price of $10.5 (in dollars) per share.

G. For the information relating to employees' compensation and directors' remuneration, please refer to Note 6(26).

(19) Other equity

	2025				
	Unrealised gains (losses) on valuation of investments in equity instruments at fair value through other comprehensive income	Unrealised (losses) gains on valuation of investments in debt instruments at fair value through other comprehensive income	Foreign currency translation	Unearned employee compensation	Total
At January 1	$ 32,093	($ 8,964)	$ 224,172	($ 1,385)	$ 245,916
Employee restricted shares	-	-	-	1,385	1,385
Valuation adjustment	(4,825)	8,853	-	-	4,028
Currency translation:					
–Group	-	-	(260,659)	-	(260,659)
–Tax on Group	-	-	52,131	-	52,131
At September 30	$ 27,268	($ 111)	$ 15,644	$ -	$ 42,801

	2024				
	Unrealised gains (losses) on valuation of investments in equity instruments at fair value through other comprehensive income	Unrealised (losses) gains on valuation of investments in debt instruments at fair value through other comprehensive income	Foreign currency translation	Unearned employee compensation	Total
At January 1	$ 29,790	($ 7,753)	$ 44,575	($ 10,005)	$ 56,607
Employee restricted shares	-	-	-	6,541	6,541
Valuation adjustment	(110)	1,589	-	-	1,479
Currency translation:					
–Group	-	-	98,077	-	98,077
–Tax on Group	-	-	(19,615)	-	(19,615)
At September 30	$ 29,680	($ 6,164)	$ 123,037	($ 3,464)	$ 143,089

(20) Operating revenue

	For the three-month periods ended September 30	
	2025	2024
Revenue from contracts with customers	$ 1,603,746	$ 2,203,915

	For the nine-month periods ended September 30	
	2025	2024
Revenue from contracts with customers	$ 5,017,791	$ 6,059,370

A. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods at a point in time and revenue can be classified by geographic, and the disclosure information is provided in the Note 14(3).

B. Contract liabilities

The Group has recognised the following revenue-related contract liabilities which was prepayment (shown as other current liabilities) as follows:

(a) Contract liabilities

	September 30, 2025	December 31, 2024	September 30, 2024	January 1, 2024
Contract liabilities	$ 30,813	$ 46,243	$ 57,808	$ 45,811

(b) Revenue recognised that was included in the contract liability balance at the beginning of the period

	For the three-month periods ended September 30	
	2025	2024
Revenue recognised that was included in the contract liability balance	$ 594	$ 4

	For the nine-month periods ended September 30	
	2025	2024
Revenue recognised that was included in the contract liability balance	$ 26,193	$ 11,274

(21) Interest income

	For the three-month periods ended September 30	
	2025	2024
Interest income from bank deposits	$ 3,511	$ 1,793
Interest income from financial assets measured at amortised cost	1,775	1,848
Interest income from financial assets at fair value through other comprehensive income	534	671
	$ 5,820	$ 4,312

	For the nine-month periods ended September 30	
	2025	2024
Interest income from bank deposits	$ 15,790	$ 17,140
Interest income from financial assets measured at amortised cost	4,968	6,274
Interest income from financial assets at fair value through other comprehensive income	1,856	1,995
	$ 22,614	$ 25,409

(22) Other income

	For the three-month periods ended September 30	
	2025	2024
Rent income	$ 1,358	$ 928
Dividend income	2,610	1,332
Other income, others	3,204	424
	$ 7,172	$ 2,684

	For the nine-month periods ended September 30	
	2025	2024
Rent income	$ 4,073	$ 2,787
Dividend income	2,738	1,475
Other income, others	4,150	1,808
	$ 10,961	$ 6,070

(23) Other gains and losses

	For the three-month periods ended September 30	
	2025	2024
Gains on disposals of property, plant and equipment	$ 146	$ 146
Losses on disposal of investments	(6,427)	-
Foreign exchange gains	54,658	4,106
(Losses) gains on financial assets at fair value through profit or loss	(3,595)	7,950
Other losses	(386)	(541)
	$ 44,396	$ 11,661

	For the nine-month periods ended September 30	
	2025	2024
Gains on disposals of property, plant and equipment	$ 2,352	$ 314
Losses on disposal of investments	(6,427)	-
Foreign exchange (losses) gains	(8,078)	89,086
(Losses) gains on financial assets at fair value through profit or loss	(9,072)	12,821
Other losses	(1,279)	(1,483)
	($ 22,504)	$ 100,738

(24) Finance costs

	For the three-month periods ended September 30	
	2025	2024
Interest expense	$ 576	$ 53

	For the nine-month periods ended September 30	
	2025	2024
Interest expense	$ 1,250	$ 116

(25) Expenses by nature

	For the three-month periods ended September 30	
	2025	2024
Employee benefit expense	$ 206,002	$ 284,047
Depreciation expense	26,540	28,577
Amortisation expense	925	586
	$ 233,467	$ 313,210

	For the nine-month periods ended September 30	
	2025	2024
Employee benefit expense	$ 646,540	$ 758,224
Depreciation expense	82,229	87,011
Amortisation expense	2,852	1,712
	$ 731,621	$ 846,947

(26) Employee benefit expense

	For the three-month periods ended September 30	
	2025	2024
Wages and salaries	$ 171,789	$ 241,741
Labour and health insurance fees	4,571	4,952
Pension costs	14,714	17,933
Directors' remuneration	4,438	6,908
Other personnel expenses	10,490	12,513
	$ 206,002	$ 284,047

	For the nine-month periods ended September 30	
	2025	2024
Wages and salaries	$ 540,881	$ 640,806
Labour and health insurance fees	15,463	14,916
Pension costs	47,635	49,282
Directors' remuneration	11,710	18,700
Other personnel expenses	30,851	34,520
	$ 646,540	$ 758,224

A. According to the Company's Articles of Incorporation, the profit (pre-tax profit before deduction of employees' compensation and directors' remuneration) of the current year shall be distributed as employees' compensation shall not be less than 2% and directors' remuneration shall be no higher than 5%.

B. The estimated and accrued employees' compensation and directors' remuneration were as follows:

	For the three-month periods ended September 30	
	2025	2024
Employees' compensation	$ 8,163	$ 12,845
Directors' remuneration	4,403	6,868
	$ 12,566	$ 19,713

	For the nine-month periods ended September 30	
	2025	2024
Employees' compensation	$ 21,424	$ 34,610
Directors' remuneration	11,555	18,505
	$ 32,979	$ 53,115

The abovementioned amounts were recognised in salary expenses. The employees' compensation will be distributed in the form of cash. For the nine-month periods ended September 30, 2025 and 2024, the employees' compensation and directors' remuneration were estimated and accrued based on distributable profit of current year as of the end of reporting period. The estimated and accrued percentages are as follows:

	For the nine-month periods ended September 30	
	2025	2024
Percentages of employees' compensation	3.43%	3.46%
Percentages of directors' remuneration	1.85%	1.85%

C. Employees' compensation and directors' remuneration of 2024 as resolved by the Board of Directors were in agreement with those amounts recognised in the 2024 financial statements.

D. Information about employees' compensation and directors' remuneration of the Company as resolved by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(27) Income tax

A. Income tax expense

(a) Components of income tax expense:

	For the three-month periods ended September 30	
	2025	2024
Current tax:		
Current tax on profits for the period	$ 131,453	$ 166,572
Total current tax	$ 131,453	$ 166,572
Deferred tax:		
Origination and reversal of temporary differences	(72,056)	(67,477)
Total deferred tax	($ 72,056)	($ 67,477)
Income tax expense	$ 59,397	$ 99,095

	For the nine-month periods ended September 30	
	2025	2024
Current tax:		
Current tax on profits for the period	$ 205,243	$ 298,304
Prior year income tax (over) underestimation	83	(20)
Total current tax	$ 205,326	$ 298,284
Deferred tax:		
Origination and reversal of temporary differences	(27,857)	(20,568)
Total deferred tax	($ 27,857)	($ 20,568)
Income tax expense	$ 177,469	$ 277,716

(b) The income tax (charge)/credit relating to components of other comprehensive income is as follows:

	For the three-month periods ended September 30	
	2025	2024
Currency translation differences	($ 24,780)	$ 19,026

	For the nine-month periods ended September 30	
	2025	2024
Currency translation differences	$ 52,131	($ 19,615)

B. The Company's income tax returns through 2023 have been assessed and approved by the Tax Authority.

C. Applicable tax rate are as follows:

Name of subsidiaries and second-tier subsidiaries	Applicable tax rate	Applicable income tax act
Le Long (Vietnam) Co., Ltd.	The permanent applicable tax rate for Ben Luc Factory is 10%.	Law on investment regulated by Vietnam government
	The applicable tax rate for Duc Hoa Factory is 20% since 2016.	
Kung Tay (Vietnam) Co., Ltd.	The applicable tax rate for plastic products is 20% since 2016.	Law on investment regulated by Vietnam government
	The applicable tax rate for mold products is 20% since 2021.	

(28) Earnings per share

	For the three-month periods ended September 30, 2025		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 169,344	82,062	$ 2.06
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 169,344	82,062	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	166	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 169,344	82,228	$ 2.06

	For the three-month periods ended September 30, 2024		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 278,245	82,000	$ 3.39
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 278,245	82,000	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	231	
Employee restricted shares	-	19	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 278,245	82,250	$ 3.38

	For the nine-month periods ended September 30, 2025		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 472,755	82,062	$ 5.76
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 472,755	82,062	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	243	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 472,755	82,305	$ 5.74

	For the nine-month periods ended September 30, 2024		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 756,417	81,988	$ 9.23
Diluted earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 756,417	81,988	
Assumed conversion of all dilutive potential ordinary shares			
Employees' compensation	-	287	
Employee restricted shares	-	31	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 756,417	82,306	$ 9.19

A. The weighted-average number of shares outstanding for the nine-month periods ended September 30, 2024 were calculated by taking into account the weighted-average number of restricted employee stocks.

B. When calculating earnings per share, it is assumed that employee compensation, which was fully paid in the form of shares for the period, and the ordinary shares are included in the weighted average number of shares outstanding when it is diluted.

(29) Supplemental cash flow information

Investing activities with partial cash payments:

	For the nine-month periods ended September 30	
	2025	2024
Purchase of property, plant and equipment	$ 113,171	$ 70,561
Add: Opening balance of payable on equipment	12,713	6,904
Less: Ending balance of payable on equipment	(37,388)	(9,863)
Less: Opening balance of prepayments for equipment	(47,257)	(23,674)
Add: Ending balance of prepayments for equipment	33,697	38,274
Cash paid during the period	$ 74,936	$ 82,202

(30) Changes in liabilities from financing activities

	Short-term borrowings	Guarantee deposits received	Dividend payable	Liabilities from financing activities-gross
January 1, 2025	$ 48,614	$ 743	$ -	$ 49,357
Changes in cash flow from financing activities	149,529	(27)	(861,659)	(712,157)
Impact of changes in foreign exchange rate	(3,470)	-	-	(3,470)
Changes in other non-cash items	-	-	861,659	861,659
September 30, 2025	$ 194,673	$ 716	$ -	$ 195,389

	Short-term borrowings	Guarantee deposits received	Dividend payable	Liabilities from financing activities-gross
January 1, 2024	$ 15,359	$ 728	$ -	$ 16,087
Changes in cash flow from financing activities	39,641	2	(574,001)	(534,358)
Changes in other non-cash items	-	-	574,001	574,001
September 30, 2024	$ 55,000	$ 730	$ -	$ 55,730

7. Related Party Transactions

Key management compensation

	For the three-month periods ended September 30	
	2025	2024
Short-term employee benefits	$ 7,195	$ 10,264
Post-employment benefits	43	41
Share-based payments	-	201
	$ 7,238	$ 10,506

	For the nine-month periods ended September 30	
	2025	2024
Short-term employee benefits	$ 19,621	$ 28,294
Post-employment benefits	130	116
Share-based payments	134	603
	$ 19,885	$ 29,013

8. Pledged Assets

	Book value			
Pledged Assets	September 30, 2025	December 31, 2024	September 30, 2024	Purpose
Property, plant and equipment	$ 112,237	$ 112,990	$ 113,243	Short-term borrowings
Investment property	50,998	51,084	51,113	Short-term borrowings
	$ 163,235	$ 164,074	$ 164,356	

9. Significant Contingent Liabilities and Unrecognised Contract Commitments

Capital expenditure contracted for at the balance sheet date but not yet incurred is as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Plant and equipment	$ 46,402	$ 47,870	$ 38,468

10. Significant Disaster Loss

None.

11. Significant Events after the Balance Sheet Date

None.

12. Others

(1) Capital management

The Group's objectives when managing capital are based on the industrial scale, considering industrial future growth and product development, and setting appropriate market share, as well as plan on corresponding capital expenditure, calculation of operating capital needed for financial operations, and considering operating profit and cash inflows arise from product competitiveness, to determine appropriate capital structure.

The Group monitors its capital by periodically reviewing the debt ratio. As of September 30, 2025, December 31, 2024 and September 30, 2024, the Group's debt ratio was as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Total liabilities	$ 1,528,358	$ 1,595,899	$ 1,487,459
Total assets	5,658,410	6,317,970	5,900,450
Debt to asset ratio	27.01%	25.26%	25.21%

(2) Financial instruments

A. Financial instruments by category

	September 30, 2025	December 31, 2024	September 30, 2024
Financial assets			
Financial assets at fair value through profit or loss	$ 41,550	$ 50,616	$ 57,913
Financial assets at fair value through other comprehensive income			
Designation of equity instrument	$ 47,268	$ 52,093	$ 49,680
Qualifying debt instrument	30,334	61,033	61,409
	$ 77,602	$ 113,126	$ 111,089
Financial assets at amortised cost			
Cash and cash equivalents	1,956,793	1,912,728	1,416,860
Financial assets at amortised cost	162,390	141,798	151,280
Notes receivable	34,743	31,646	28,669
Accounts receivable	732,152	1,060,490	1,176,026
Guarantee deposits paid	261	330	329
	$ 2,886,339	$ 3,146,992	$ 2,773,164
Financial liabilities			
Financial liabilities at amortised cost			
Short-term borrowings	$ 194,673	$ 48,614	$ 55,000
Notes payable	6,110	5,280	6,713
Accounts payable	263,351	338,842	336,298
Other accounts payable	271,249	340,608	292,096
Guarantee deposits received	716	743	730
Other current financial liabilities	620	605	529
	$ 736,719	$ 734,692	$ 691,366

B. Financial risk management policies

(a) The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk.

(b) Group treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Exchange rate risk

i. The Group operates internationally and is exposed to exchange rate risk arising from the transactions of the Company and its subsidiaries used in various functional currency, primarily with respect to the USD. Foreign exchange rate risk arises from future commercial transactions and recognised assets and liabilities.

ii. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The companies are required to hedge their entire foreign exchange risk exposure with the Group treasury.

iii. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: USD and VND). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	September 30, 2025		
(Foreign currency: functional currency)	Foreign currency amount (In thousands)	Exchange rate	Carrying amount (NTD)
Financial assets			
Cash and cash equivalents			
USD: NTD	$ 33,104	30.445	$ 1,007,851
VND: USD	75,624,682	0.00004	92,096
Accounts receivable			
USD: NTD	$ 19,038	30.445	$ 579,612
VND: USD	140,534,273	0.00004	171,131
Financial liabilities			
Accounts payable			
USD: NTD	$ 3,469	30.445	$ 105,614
VND: USD	222,170,943	0.00004	270,565

(Foreign currency: functional currency)	December 31, 2024			
	Foreign currency amount (In thousands)	Exchange rate	Carrying amount (NTD)	
Financial assets				
Cash and cash equivalents				
USD: NTD	$ 16,828	32.785	$	551,706
VND: USD	159,628,076	0.00004		209,332
Accounts receivable				
USD: NTD	$ 25,714	32.785	$	843,033
VND: USD	127,785,727	0.00004		167,564
Financial liabilities				
Accounts payable				
USD: NTD	$ 1,950	32.785	$	63,931
VND: USD	246,614,039	0.00004		323,424

(Foreign currency: functional currency)	September 30, 2024			
	Foreign currency amount (In thousands)	Exchange rate	Carrying amount (NTD)	
Financial assets				
Cash and cash equivalents				
USD: NTD	$ 12,677	31.650	$	401,227
VND: USD	110,301,060	0.00004		139,640
Accounts receivable				
USD: NTD	$ 29,257	31.650	$	925,984
VND: USD	61,116,930	0.00004		77,384
Financial liabilities				
Accounts payable				
USD: NTD	$ 1,752	31.650	$	55,451
VND: USD	288,179,114	0.00004		364,830

iv. Analysis of foreign currency market risk arising from significant foreign exchange variation:

(Foreign currency: functional currency)	For the nine-month periods ended September 30, 2025		
	Sensitivity analysis		
	Degree of variation	Effect from profit or loss	Effect on other comprehensive income
Financial assets			
Cash and cash equivalents			
USD: NTD	3%	$ 30,236	$ -
VND: USD	3%	2,763	-
Accounts receivable			
USD: NTD	3%	$ 17,388	$ -
VND: USD	3%	5,134	-
Financial liabilities			
Accounts payable			
USD: NTD	3%	$ 3,168	$ -
VND: USD	3%	8,117	-

(Foreign currency: functional currency)	For the nine-month periods ended September 30, 2024		
	Sensitivity analysis		
	Degree of variation	Effect from profit or loss	Effect on other comprehensive income
Financial assets			
Cash and cash equivalents			
USD: NTD	3%	$ 12,037	$ -
VND: USD	3%	4,189	-
Accounts receivable			
USD: NTD	3%	$ 27,780	$ -
VND: USD	3%	2,322	-
Financial liabilities			
Accounts payable			
USD: NTD	3%	$ 1,664	$ -
VND: USD	3%	10,945	-

v. The total exchange loss and gain, including realised and unrealised, arising from significant foreign exchange variation on the monetary items held by the Group for the three-month and nine-month periods ended September 30, 2025 and 2024, amounted to exchange gains of $54,658 thousand, gains of $4,106 thousand, losses of $8,078 thousand and gains of $89,086 thousand, respectively.

Price risk

i. The Group's equity securities, which are exposed to price risk, are the held financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

ii. The Group's investments in equity securities comprise domestic listed stocks and debt instruments. The prices of financial instruments would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 3% with all other variables held constant, post-tax profit for the nine-month periods ended September 30, 2025 and 2024 would have increased/decreased by $748 thousand and $1,042 thousand, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity securities would have increased/decreased by $1,397 thousand and $2,000 thousand, respectively, as a result of other comprehensive income classified as equity investment at fair value through other comprehensive income.

Cash flow and fair value interest rate risk

i. The Group's main interest rate risk arises from borrowings with variable rates, which expose the Group to cash flow interest rate risk.

ii. Group policy is to maintain at least certain percentage of its borrowings at fixed rate. During the nine-month periods ended September 30, 2025 and 2024, the Group's borrowings were fixed rates.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. The main factor is that counterparties could not repay in full the accounts receivable based on the agreed terms, and the contract cash flows of debt instruments stated at fair value through other comprehensive income and at amortised cost.

ii. The Group manages their credit risk taking into consideration the entire group's concern. The credits of deposits are evaluated by external credit rating agencies (if there is no rating, financial information such as loan-to-deposit ratio, non-performing loan ratios, capital adequacy ratio, etc.), and the bank is assessed to have a good credit rating before it is accepted as a counterparty. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored.

iii. In line with credit risk management procedure, if the contract payments were past due over 30 days based on the terms, there has been a significant increase in credit risk on that instrument since initial recognition and the default occurs when the contract payments are past due over 90 days.

iv. The following indicators are used to determine whether the credit impairment of debt instruments has occurred:

(i) It becomes probable that the issuer will enter bankruptcy or other financial reorganisation due to their financial difficulties;

(ii) The disappearance of an active market for that financial asset because of financial difficulties;

(iii) Default or delinquency in interest or principal repayments;

(iv) Adverse changes in national or regional economic conditions that are expected to cause a default.

v. The Group classifies customers' notes receivable and accounts receivable in accordance with credit rating of customers. The Group applies the modified approach using a provision matrix to estimate the expected credit loss.

vi. The Group wrote-off the financial assets, which cannot be reasonably expected to be recovered, after initiating recourse procedures. However, the Group will continue executing the recourse procedures to secure their rights. On September 30, 2025, December 31, 2024 and September 30, 2024, the Group had no written-off financial assets that are still under recourse procedure.

vii. The Group used the forecastability to adjust historical and timely information to assess the default possibility of notes receivable and accounts receivable. On September 30, 2025, December 31, 2024 and September 30, 2024, the provision matrix is as follows:

	Not past due	Up to 30 days past due	31~60 days past due	61~90 days past due	Over 90 days past due	Total
September 30, 2025						
Expected loss rate	0.10%	1.53%	17.40%	60.00%	95.67%	
Total book value	$ 733,328	$ 30,579	$ 4,896	$ 5	$ 2,565	$ 771,373
Loss allowance	$ 701	$ 468	$ 852	$ 3	$ 2,454	$ 4,478

	Not past due	Up to 30 days past due	31~60 days past due	61~90 days past due	Over 90 days past due	Total
December 31, 2024						
Expected loss rate	0.054%	0.96%	10.45%	0.00%	100%	
Total book value	$ 982,407	$ 106,073	$ 5,809	$ -	$ 2,396	$ 1,096,685
Loss allowance	$ 532	$ 1,014	$ 607	$ -	$ 2,396	$ 4,549

	Not past due	Up to 30 days past due	31~60 days past due	61~90 days past due	Over 90 days past due	Total
September 30, 2024						
Expected loss rate	0.021%	0.00%	0.00%	0.00%	60%	
Total book value	$ 1,139,435	$ 58,031	$ 4,425	$ 2,083	$ 2,405	$ 1,206,379
Loss allowance	$ 238	$ 1	$ -	$ -	$ 1,445	$ 1,684

viii. Movements in relation to the Group applying the modified approach to provide loss allowance for accounts receivable and notes receivable are as follows:

	2025	
	Notes receivable	Accounts receivable
At January 1	$ -	$ 4,549
Reversal of impairment loss	-	(37)
Effect of exchange rate changes	-	(34)
At September 30	$ -	$ 4,478

	2024	
	Notes receivable	Accounts receivable
At January 1	$ -	$ 1,666
Provision for impairment	-	15
Effect of exchange rate changes	-	3
At September 30	$ -	$ 1,684

(c) Liquidity risk

i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times.

ii. Group treasury invests surplus cash in interest bearing current accounts, time deposits and listed stocks, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts. The cash and cash equivalents and financial assets at fair value through profit or loss held by the Group are as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Cash and cash equivalents	$ 1,956,793	$ 1,912,728	$ 1,416,860
Financial assets at fair value through profit or loss	$ 41,550	$ 50,616	$ 57,913

It is expected to readily generate cash inflows for managing liquidity risk.

iii. The Group has the following undrawn borrowing facilities:

	September 30, 2025		December 31, 2024		September 30, 2024	
Floating rate:						
Expiring within one year	$	2,476,452	$	2,781,011	$	2,896,250
Expiring beyond one year		-		-		-
	$	2,476,452	$	2,781,011	$	2,896,250

iv. The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial liabilities

September 30, 2025	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Short-term borrowings	$ 180,286	$ 14,692	$ -	$ -	$ -
Notes payable	4,286	1,824	-	-	-
Accounts payable	263,351	-	-	-	-
Other payables	238,270	32,979	-	-	-
Guarantee deposits received	-	-	716	-	-
Other current financial liabilities	620	-	-	-	-

December 31, 2024	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Short-term borrowings	$ 49,070	$ -	$ -	$ -	$ -
Notes payable	4,578	702	-	-	-
Accounts payable	338,842	-	-	-	-
Other payables	271,651	68,957	-	-	-
Guarantee deposits received	-	600	143	-	-
Other current financial liabilities	605	-	-	-	-

September 30, 2024	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Short-term borrowings	$ 20,051	$ 35,121	$ -	$ -	$ -
Notes payable	6,011	702	-	-	-
Accounts payable	336,298	-	-	-	-
Other payables	238,981	53,115	-	-	-
Guarantee deposits received	-	600	130	-	-
Other current financial liabilities	529	-	-	-	-

(3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed stocks and derivative instruments with quoted market prices is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's investment in corporate bonds and most derivative instruments is included in Level 2.

Level 3: Unobservable inputs for the asset or liability.

B. Fair value information of investment property at cost is provided in Note 6(9).

C. Financial instruments not measured at fair value

The carrying amounts of cash and cash equivalents, financial assets at amortised cost, notes receivable, accounts receivable, other receivables, short-term borrowings, notes payable, accounts payable and other payables are approximate to their fair values.

D. The related information of financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities at September 30, 2025, December 31, 2024 and September 30, 2024 are as follows:

(a) The related information of natures of the assets and liabilities is as follows:

September 30, 2025	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
-Equity securities	$ 41,550	$ -	$ -	$ 41,550
Financial assets at fair value through other comprehensive income				
-Financial market bond	30,334	-	-	30,334
-Equity securities	47,268	-	-	47,268
	$ 119,152	$ -	$ -	$ 119,152

December 31, 2024	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
-Equity securities	$ 50,616	$ -	$ -	$ 50,616
Financial assets at fair value through other comprehensive income				
-Corporate bond	29,344	-	-	29,344
-Financial market bond	31,689	-	-	31,689
-Equity securities	52,093	-	-	52,093
	$ 163,742	$ -	$ -	$ 163,742

September 30, 2024	Level 1	Level 2	Level 3	Total
Assets				
Recurring fair value measurements				
Financial assets at fair value through profit or loss				
-Equity securities	$ 57,913	$ -	$ -	$ 57,913
Financial assets at fair value through other comprehensive income				
-Corporate bond	30,213	-	-	30,213
-Financial market bond	31,196	-	-	31,196
-Equity securities	49,680	-	-	49,680
	$ 169,002	$ -	$ -	$ 169,002

(b) The methods and assumptions the Group used to measure fair value are as follows:

The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	Listed shares	Corporate bonds
Market quoted price	Closing price	Weighted average quoted price

E. For the nine-month periods ended September 30, 2025 and 2024, there was no transfer between Level 1 and Level 2.

F. For the nine-month periods ended September 30, 2025 and 2024, there was no transfer into or out from Level 3.

13. Supplementary Disclosures

(1) Significant transactions information

A. Loans to others: None.

B. Provision of endorsements and guarantees to others: None.

C. Holding of significant marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 1.

D. Purchases or sales of goods from or to related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 2.

E. Receivables from related parties reaching $100 million or 20% of paid-in capital or more: Please refer to table 3.

F. Significant inter-company transactions during the reporting periods (only disclosed the information on transactions reaching NT$20 million): Please refer to table 4.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China): Please refer to table 5.

(3) Information on investments in Mainland China

A. Basic information: None.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: None.

14. Segment Information

(1) General information

The Company and its subsidiaries are primarily engaged in manufacture and sales of lead-acid batteries. The chief operating decision-maker allocates resources and assesses performance based on geographic type. Management has determined the reportable operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions.

(2) Measurement of segment information

The Company and its subsidiaries evaluate the performance of operating segments based on profit (loss) before tax.

(3) Information about segment profit or loss

The segment information provided to the chief operating decision-maker for the reportable segments is as follows:

	For the three-month periods ended September 30, 2025			
	Taiwan	Vietnam	Others	Total
Revenue				
Revenue from external customers	$ 1,271,754	$ 331,992	$ -	$ 1,603,746
Inter-segment revenue	(57,333)	1,123,676	-	1,066,343
Total revenue	$ 1,214,421	$ 1,455,668	$ -	$ 2,670,089
Segment profit before tax	$ 211,680	$ 93,077	($ 6,866)	$ 297,891

	For the three-month periods ended September 30, 2024			
	Taiwan	Vietnam	Others	Total
Revenue				
Revenue from external customers	$ 1,563,422	$ 640,493	$ -	$ 2,203,915
Inter-segment revenue	157,791	1,542,449	-	1,700,240
Total revenue	$ 1,721,213	$ 2,182,942	$ -	$ 3,904,155
Segment profit (loss) before tax	$ 347,493	$ 186,021	($ 4,038)	$ 529,476

	For the nine-month periods ended September 30, 2025			
	Taiwan	Vietnam	Others	Total
Revenue				
Revenue from external customers	$ 3,481,111	$ 1,536,680	$ -	$ 5,017,791
Inter-segment revenue	265,022	3,001,425	-	3,266,447
Total revenue	$ 3,746,133	$ 4,538,105	$ -	$ 8,284,238
Segment profit (loss) before tax	$ 591,015	$ 314,635	($ 8,508)	$ 897,142

	For the nine-month periods ended September 30, 2024			
	Taiwan	Vietnam	Others	Total
Revenue				
Revenue from external customers	$ 4,254,252	$ 1,805,118	$ -	$ 6,059,370
Inter-segment revenue	512,524	3,988,349	-	4,500,873
Total revenue	$ 4,766,776	$ 5,793,467	$ -	$ 10,560,243
Segment profit (loss) before tax	$ 945,146	$ 498,716	($ 5,349)	$ 1,438,513

(4) Reconciliation for segment income (loss)

A. A reconciliation of adjusted revenue to the revenue from continuing operations is provided as follows:

	For the three-month periods ended September 30	
	2025	2024
Revenue of reportable segements before adjustments	$ 2,670,089	$ 3,904,155
Inter-segment revenue	(1,066,343)	(1,700,240)
Total consolidated operating revenue	$ 1,603,746	$ 2,203,915

	For the nine-month periods ended September 30	
	2025	2024
Revenue of reportable segements before adjustments	$ 8,284,238	$ 10,560,243
Inter-segment revenue	(3,266,447)	(4,500,873)
Total consolidated operating revenue	$ 5,017,791	$ 6,059,370

B. A reconciliation of adjusted income or loss to the income before tax from continuing operations is provided as follows:

	For the three-month periods ended September 30	
	2025	2024
Income before tax of reportable segments before adjustments	$ 297,891	$ 529,476
Inter-segment profit eliminated	(69,150)	(152,136)
Income before tax from continuing operations	$ 228,741	$ 377,340

	For the nine-month periods ended September 30	
	2025	2024
Income before tax of reportable segments before adjustments	$ 897,142	$ 1,438,513
Inter-segment profit eliminated	(246,918)	(404,380)
Income before tax from continuing operations	$ 650,224	$ 1,034,133

KUNG LONG BATTERIES INDUSTRIAL CO., LTD. AND SUBSIDIARIES

HOLDING OF SIGNIFICANT MARKETABLE SECURITIES AT THE END OF THE PERIOD (NOT INCLUDING SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES)

SEPTEMBER 30, 2025

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As of September 30, 2025 Number of shares	Book value	Ownership (%)	Fair value	Footnote
Kung Long Batteries Industrial Co., Ltd.	Stocks-CAREER TECHNOLOGY MFG. CO., LTD.	-	Financial assets at fair value through profit or loss - current	7,522	$ 302		$ 114	Note 1
	Stocks-SINON CORPORATION	-	Financial assets at fair value through profit or loss - current	51,000	879		2,257	Note 1
	Stocks-TAIWAN HON CHUAN ENTERPRISE CO., LTD.	-	Financial assets at fair value through profit or loss - current	79,734	4,308		10,166	Note 1
	Stocks-SUNSPRING METAL CORPORATION	-	Financial assets at fair value through profit or loss - current	657,000	16,030		14,553	Note 1
	Stocks-KINGCAN HOLDINGS LIMITED		Financial assets at fair value through profit or loss - current	1,121,000	16,194		14,460	Note 1
			Add: valuation adjustment		3,837		-	
					$ 41,550		$ 41,550	
Kung Long Batteries Industrial Co., Ltd.	Stocks-AKER TECHNOLOGY CO., LTD.	-	Financial assets at fair value through other comprehensive income - non-current	2,193,396	$ 20,000	4.39%	$ 47,268	Note 1
			Add: valuation adjustment		27,268			
					$ 47,268			
Kung Tay Plastic Co., Ltd.	Foreign financial market bond-CITIGROUP	-	Financial assets at fair value through other comprehensive income-non-current		30,445		$ 30,334	Note 1
			Add: valuation adjustment		(111)			
					$ 30,334			
Kung Long Batteries Industrial Co., Ltd.	Corporate - the bonds China Life Insurance Co., Ltd. 1st cumulative perpetual subordinated debts for the year ended December 31, 2020	-	Finanicial assets at amortized cost - non-current		$ 50,000			

Note 1: The fair value was based on the quoted market prices of stocks and corporate bonds on the balance sheet date.

KUNG LONG BATTERIES INDUSTRIAL CO., LTD. AND SUBSIDIARIES

PURCHASES OR SALES OF GOODS FROM OR TO RELATED PARTIES REACHING NT$100 MILLION OR 20% OF PAID-IN CAPITAL OR MORE

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2025

Table 2

Expressed in thousands of NTD

(Except as otherwise indicated)

			Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
Kung Long Batteries Industrial Co., Ltd.	Le Long (Vietnam) Co., Ltd.	Subsidiaries	Purchases	$ 2,996,924	69.40%	Paid within 120 days after the delivery.	Note 1	Payment term for general customers is 60~90 days after monthly billings	($ 325,172)	(77.24%)	Note 2
Kung Long Batteries Industrial Co., Ltd.	Le Long (Vietnam) Co., Ltd.	Subsidiaries	Transaction of purchases on behalf of others	1,341,858	41.87%	Collected within 120 days after the delivery.	Note 1	Payment term for general customers is 60~90 days after monthly billings	-	-	Note 2
Le Long (Vietnam) Co., Ltd.	Kung Tay (Vietnam) Co., Ltd.	Same as the ultimate parent company	Purchases	182,101	5.68%	Paid within 120 days after the delivery.	Note 1	Payment term for general customers is 60~90 days after monthly billings	(72,683)	(9.38%)	Note 2

Note 1: The calculation was based on the price agreed by both parties. It is difficult to compare with non-related parties.
Note 2: The transaction had been eliminated in the consolidated financial statements.

KUNG LONG BATTERIES INDUSTRIAL CO., LTD. AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES REACHING NT$100 MILLION OR 20% OF PAID-IN CAPITAL OR MORE

SEPTEMBER 30, 2025

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at September 30, 2025	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date (Note 1)	Allowance for doubtful accounts	Footnote
					Amount	Action taken			
Le Long (Vietnam) Co., Ltd.	Kung Long Batteries Industrial Co., Ltd.	Subsidiary	$ 325,172	3.57	$ -		$ 222,356	$ -	Note 2
Kung Tay (Vietnam) Co., Ltd.	Le Long (Vietnam) Co., Ltd.	Same as the ultimate parent company	72,683	2.63	-		20,134	-	Note 2

Note 1: It pertained to the amount collected as of October 28, 2025.
Note 2: The transaction had been eliminated in the consolidated financial statements.

KUNG LONG BATTERIES INDUSTRIAL CO., LTD. AND SUBSIDIARIES

SIGNIFICANT INTER-COMPANY TRANSACTIONS DURING THE REPORTING PERIODS (ONLY DISCLOSED THE INFORMATION ON TRANSACTIONS REACHING NT$20 MILLION)

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2025

Table 4

Expressed in thousands of NTD
(Except as otherwise indicated)

				Transaction			
Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	General ledger account	Amount (Note 3)	Transaction terms	Percentage of consolidated total operating revenues or total assets
0	Kung Long Batteries Industrial Co., Ltd.	Le Long (Vietnam) Co., Ltd.	1	Purchases	$ 2,996,924	Paid within 120 days after the delivery.	59.73%
0	Kung Long Batteries Industrial Co., Ltd.	Le Long (Vietnam) Co., Ltd.	1	Transaction of purchases on behalf of others	1,341,858	Collected within 120 days after the delivery.	26.74%
0	Kung Long Batteries Industrial Co., Ltd.	Le Long (Vietnam) Co., Ltd.	1	Accounts payable	325,172	-	5.75%
1	Le Long (Vietnam) Co., Ltd.	Kung Tay (Vietnam) Co., Ltd.	3	Purchases	182,101	Paid within 120 days after the delivery.	3.63%
1	Le Long (Vietnam) Co., Ltd.	Kung Tay (Vietnam) Co., Ltd.	3	Accounts payable	72,683	-	1.28%

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

(1)Parent company is ‘0’.

(2)The subsidiaries are numbered in order starting from ‘1’.

Note 2: Relationship between transaction company and counterparty is classified into the following three categories; fill in the number of category each case belongs to:

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

Note 3: The transaction had been eliminated in the consolidated financial statements.

KUNG LONG BATTERIES INDUSTRIAL CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTEES

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2025

Table 5

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount: Balance as at September 30, 2025	Initial investment amount: Balance as at December 31, 2024	Shares held as at September 30, 2025: Number of shares	Shares held as at September 30, 2025: Ownership (%)	Shares held as at September 30, 2025: Book value	Net profit of the investee for the nine-month period ended September 30, 2025	Investment income recognised by the Company for the nine-month periods ended September 30, 2025	Footnote
Kung Long Batteries Industrial Co., Ltd.	Le Long (Vietnam) Co., Ltd.	Vietnam	Manufacture and sales of domestic and industrial storage batteries	$ 1,193,925	$ 1,193,925	37,400,000	100	$ 2,339,785	$ 263,026	$ 286,032	Note 1 Note 3
Kung Long Batteries Industrial Co., Ltd.	Kung Long International Ltd.	British Virgin Islands	General investment	70,464	70,464	2,170,000	100	666,151	5,369	5,369	Note 1 Note 3
Kung Long International Ltd.	Kung Tay Plastic Co., Ltd.	Samoa	General investment	136,590	136,590	3,600,000	100	530,819	2,175	-	Note 2 Note 3
Kung Tay Plastic Co., Ltd.	Kung Tay (Vietnam) Co., Ltd.	Vietnam	Manufacture and sales of plastics products	207,883	207,883	6,600,000	100	299,598	10,012	-	Note 2 Note 3

Note 1: Investment income (loss) recognised for the nine-month periods ended September 30, 2025 included the investee company’s eliminating and realised amount of gains and losses which are arising from upstream and sidestream intercompany transaction.
Note 2: It pertained to the investment income (loss) not presented by the second-tier subsidiary.
Note 3: The transaction had been eliminated in the consolidated financial statements.