

Foxconn Technology Co., Ltd. and Subsidiaries
Consolidated Financial Statements and Independent
Auditors' Review Report
For the Nine Months Ended September 30, 2025 and 2024
(Stock Code: 2354)

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Consolidated Financial Statements and Independent Auditors' Review Report for the
Nine Months Ended September 30, 2025 and 2024
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Independent Auditor's Review Report

(114) Letter Cai-Sheng-Bao No. 25002299

To Foxconn Technology Co., Ltd.,

Introduction

We have reviewed the accompanying consolidated balance sheets of Foxconn Technology 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 period then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. It is the responsibility of the management to prepare properly expressed consolidated financial reports in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission and our responsibility is to conclude the consolidated financial reports based on the review results.

Scope of Review

Except as explained in the following paragraph, we conducted our reviews in accordance with the Statement of 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 Notes 4 (3) and 6 (7), we did not review the financial statements of certain insignificant consolidated subsidiaries and investments accounted for under equity method as well as the information disclosed in Note 13, which statements reflect total assets (including investments accounted for under equity method) of NT\$40,512,879 thousand and NT\$39,058,569 thousand, constituting 25% and 27% of the consolidated

total assets, and total liabilities of NT\$8,054,773 thousand and NT\$6,667,305 thousand, constituting 14% and 20% of the consolidated total liabilities as at September 30, 2025 and 2024, respectively, and total comprehensive income (loss) (including share of profit (loss) and other comprehensive income (loss) of associates accounted for under equity method) of NT\$75,703 thousand, NT\$760,975 thousand, NT\$1,226,456 thousand and NT\$1,337,719 thousand, constituting 1.02%, 29.92%, 21.53% and 18.72% 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, investments accounted for using equity method and the information disclosed in Note 13 been reviewed by independent auditors, that we might have become aware of had it not been for the situation described 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 period 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.

PricewaterhouseCoopers Taiwan

Chieh-Ju, Hsu

Name of CPA

Chih-Hua, Hu

Financial Supervisory Commission

Approval Document No.: Jin-Guan-Zheng-Shen-Zi No.
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1120348565

November 12, 2025

Foxconn Technology Co., Ltd. and Subsidiaries
Consolidated Balance Sheet
September 30, 2025, December 31, 2024 and September 30, 2024

Expressed in thousands of NTD

Assets			September 30, 2025		December 31, 2024		September 30, 2024				
			Amount	%	Amount	%	Amount	%			
Current assets											
1100	Cash and cash equivalents	6(1)	\$	21,288,738	13	\$	9,918,179	6	\$	19,015,448	13
1110	Financial assets at fair value through profit or loss - current	6(2)		9,332,200	6		17,327,463	10		8,968,258	6
1136	Financial assets at amortized cost - current	6(4) and 8		58,294,243	36		58,006,156	35		50,735,155	35
1170	Accounts receivable, net	6(5)		18,600,695	12		19,880,037	12		10,141,371	7
1180	Accounts receivable due from related parties, net	7		2,697,533	2		6,513,804	4		1,909,616	2
1200	Other receivables	7		12,600,776	8		14,890,042	9		7,116,869	5
130X	Inventories	6(6)		4,601,317	3		2,830,775	2		2,410,139	2
1470	Other current assets			612,997	-		497,514	-		388,725	-
11XX	Total current assets			128,028,499	80		129,863,970	78		100,685,581	70
Non-current assets											
1510	Non-current financial assets at fair value through profit or loss	6(2)		1,571,401	1		1,566,962	1		1,667,949	1
1517	Non-current financial assets at fair value through other comprehensive income	6(3)		18,281,656	11		20,679,803	12		26,650,578	19
1535	Non-current financial assets at amortized cost, net	6(4) and 8		1,073,581	1		2,381,350	1		2,057,250	1
1550	Investments accounted for using equity method	6(7)		4,300,638	3		4,968,196	3		4,944,011	3
1600	Property, plant, and equipment	6(8) and 7		2,067,757	1		2,448,047	2		2,735,482	2
1755	Right-of-use assets	6(9) and 7		705,899	-		774,661	-		855,646	1
1760	Investment property, net	6(11)		820,381	1		978,751	1		1,032,605	1
1780	Intangible assets	6(12)		1,671,596	1		1,733,131	1		1,943,419	1
1840	Deferred tax assets			805,863	1		916,501	1		879,107	1
1900	Other non-current assets			440,386	-		556,602	-		288,205	-
15XX	Total non-current assets			31,739,158	20		37,004,004	22		43,054,252	30
1XXX	Total assets		\$	159,767,657	100	\$	166,867,974	100	\$	143,739,833	100

(Continued on next page)

Foxconn Technology Co., Ltd. and Subsidiaries
Consolidated Balance Sheet
September 30, 2025, December 31, 2024 and September 30, 2024

Expressed in thousands of NTD

Liabilities and equity		Note	September 30, 2025		December 31, 2024		September 30, 2024	
			Amount	%	Amount	%	Amount	%
Current liabilities								
2100	Short-term loans	6(13) and 7	\$ 12,270,411	8	\$ 9,110,025	6	\$ 9,540,783	7
2120	Current financial liabilities at fair value through profit or loss	6(2)	751	-	1,038	-	358	-
2170	Accounts payable		15,446,048	10	11,900,126	7	9,380,242	6
2180	Accounts payable to related parties	7	21,621,826	13	27,070,070	16	6,724,522	5
2200	Other payables	6(14) and 7	5,750,885	4	5,449,993	3	5,806,664	4
2230	Current tax liabilities		586,036	-	1,794,165	1	621,324	-
2280	Current lease liabilities	7	23,843	-	31,091	-	82,428	-
2300	Other current liabilities		505,583	-	255,826	-	380,983	-
21XX	Total current liabilities		56,205,383	35	55,612,334	33	32,537,304	22
Non-current liabilities								
2570	Deferred tax liabilities		642,041	1	603,783	1	550,782	1
2580	Non-current lease liabilities	7	285,788	-	314,635	-	344,241	-
2600	Other non-current liabilities	6(15)	104,755	-	133,500	-	120,918	-
25XX	Total non-current liabilities		1,032,584	1	1,051,918	1	1,015,941	1
2XXX	Total liabilities		57,237,967	36	56,664,252	34	33,553,245	23
Equity attributable to owners of parent								
	Share capital	6(16)						
3110	Ordinary share		14,144,852	9	14,144,852	9	14,144,852	10
	Capital surplus	6(17)						
3200	Capital surplus		7,580,383	5	7,578,303	5	7,574,648	5
	Retained Earnings	6(18)						
3310	Legal reserve		14,952,923	9	14,144,852	8	14,144,852	10
3320	Special reserve		4,559,909	3	3,857,322	2	3,857,322	3
3350	Unappropriated retained earnings		74,265,393	46	75,384,488	45	70,234,068	49
	Other equity interest	6(19)						
3400	Other equity interest		(12,635,107)	(8)	(4,559,908)	(3)	441,507	-
31XX	Total equity attributable to owners of parent		102,868,353	64	110,549,909	66	110,397,249	77
36XX	Non-controlling interests	6(20)	(338,663)	-	(346,187)	-	(210,661)	-
3XXX	Total equity		102,529,690	64	110,203,722	66	110,186,588	77
	Commitments and Contingent Liabilities	9						
3X2X	Total liabilities and equity		\$ 159,767,657	100	\$ 166,867,974	100	\$ 143,739,833	100

The notes attached are part of the Consolidated Financial Statements and shall be read together.

Chairman: Chen Guo-Bao

Managerial Officers: Pan Yen-Jen

Chief Accounting Officer: Hsu Shao-Chun

Foxconn Technology Co., Ltd. and Subsidiaries
Consolidated Statement of Comprehensive Income
NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024

Expressed in thousands of NTD
(Except for earnings per share amount)

Items	Note	Three month ended September 30,				Nine month ended September 30,			
		2025		2024		2025		2024	
		Amount	%	Amount	%	Amount	%	Amount	%
4000 Operating revenue	6(21) and 7	\$ 42,331,575	100	\$ 20,225,644	100	\$ 113,555,634	100	\$ 42,583,129	100
5000 Operating cost	6(6) and 7	(40,799,203)	(96)	(18,880,680)	(93)	(109,507,697)	(96)	(39,097,759)	(92)
5900 Gross profit from operations		<u>1,532,372</u>	<u>4</u>	<u>1,344,964</u>	<u>7</u>	<u>4,047,937</u>	<u>4</u>	<u>3,485,370</u>	<u>8</u>
Operating expenses	6(25), 7 and 12(2)								
6100 Selling expenses		(211,113)	(1)	(161,817)	(1)	(566,776)	(1)	(400,361)	(1)
6200 Administrative expenses		(307,660)	(1)	(306,220)	(1)	(887,998)	(1)	(931,091)	(2)
6300 Research and development expenses		(414,880)	(1)	(378,886)	(2)	(1,068,166)	(1)	(988,022)	(2)
6450 Impairment (loss) gain determined in accordance with IFRS 9		(7,639)	-	9,841	-	(5,545)	-	(174,740)	(1)
6000 Total operating expenses		<u>(941,292)</u>	<u>(3)</u>	<u>(837,082)</u>	<u>(4)</u>	<u>(2,528,485)</u>	<u>(3)</u>	<u>(2,494,214)</u>	<u>(6)</u>
6900 Net operating income		<u>591,080</u>	<u>1</u>	<u>507,882</u>	<u>3</u>	<u>1,519,452</u>	<u>1</u>	<u>991,156</u>	<u>2</u>
Non-operating income and expenses									
7100 Interest income	6(22)	566,973	2	624,472	3	1,707,648	1	2,098,923	5
7010 Other income	6(23)	134,297	-	148,179	-	673,754	1	526,130	1
7020 Other gains and losses	6(24)	39,419	-	(8,071)	-	(68,705)	-	145,928	-
7050 Financial costs		(71,323)	-	(53,843)	-	(198,374)	-	(190,484)	-
7060 Share of profit and loss on associates and joint ventures accounted for using the equity method	6(7)	(53,734)	-	(29,655)	-	(198,123)	-	(85,058)	-
7000 Total non-operating income and expenses		<u>615,632</u>	<u>2</u>	<u>681,082</u>	<u>3</u>	<u>1,916,200</u>	<u>2</u>	<u>2,495,439</u>	<u>6</u>
7900 Profit before income tax		<u>1,206,712</u>	<u>3</u>	<u>1,188,964</u>	<u>6</u>	<u>3,435,652</u>	<u>3</u>	<u>3,486,595</u>	<u>8</u>
7950 Tax expense	6(27)	(342,468)	(1)	(245,280)	(1)	(1,100,937)	(1)	(874,421)	(2)
8200 Profit		<u>\$ 864,244</u>	<u>2</u>	<u>\$ 943,684</u>	<u>5</u>	<u>\$ 2,334,715</u>	<u>2</u>	<u>\$ 2,612,174</u>	<u>6</u>

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Foxconn Technology Co., Ltd. and Subsidiaries
Consolidated Statement of Comprehensive Income
NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024

Expressed in thousands of NTD
(Except for earnings per share amount)

Items		Note	Three month ended September 30,				Nine month ended September 30,			
			2025		2024		2025		2024	
			Amount	%	Amount	%	Amount	%	Amount	%
Components of other comprehensive income (loss) that will not be reclassified to profit or loss										
8316	Unrealized gains(losses) from investments in equity instruments measured at fair value through other comprehensive income	6(3) and (19)	\$ 2,558,695	6	\$ 2,140,969	11	(\$ 1,352,358)	(1)	\$ 674,831	2
8320	Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	6(7) and (19)	934	-	-	-	(16,087)	-	-	-
8310	Other comprehensive income (loss) that will not be reclassified to profit or loss		2,559,629	6	2,140,969	11	(1,368,445)	(1)	674,831	2
Components of other comprehensive income (loss)that will be reclassified to profit or loss										
8361	Exchange differences on translation	6(19) and (20)	3,836,781	9	(432,801)	(2)	(6,351,831)	(6)	3,728,993	9
8370	Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	6(7) and (19)	131,957	-	(107,686)	(1)	(310,272)	-	128,552	-
8360	Other comprehensive income (loss) that will be reclassified to profit or loss		3,968,738	9	(540,487)	(3)	(6,662,103)	(6)	3,857,545	9
8300	Other comprehensive income (loss), net		\$ 6,528,367	15	\$ 1,600,482	8	(\$ 8,030,548)	(7)	\$ 4,532,376	11
8500	Total comprehensive income (loss)		\$ 7,392,611	17	\$ 2,544,166	13	(\$ 5,695,833)	(5)	\$ 7,144,550	17
Profit (loss) attributable to:										
8610	Owners of parent		\$ 879,770	2	\$ 969,074	5	\$ 2,373,086	2	\$ 2,683,056	6
8620	Non-controlling interests		(15,526)	-	(25,390)	-	(38,371)	-	(70,882)	-
			\$ 864,244	2	\$ 943,684	5	\$ 2,334,715	2	\$ 2,612,174	6
Comprehensive income (loss) attributable to:										
8710	Owners of parent		\$ 7,430,778	17	\$ 2,553,456	13	(\$ 5,703,357)	(5)	\$ 7,229,126	17
8720	Non-controlling interests		(38,167)	-	(9,290)	-	7,524	-	(84,576)	-
			\$ 7,392,611	17	\$ 2,544,166	13	(\$ 5,695,833)	(5)	\$ 7,144,550	17
Earnings per share (in dollars)										
9750	Basic earnings per share	6(28)	\$ 0.62		\$ 0.69		\$ 1.68		\$ 1.90	
9850	Diluted earnings per share		\$ 0.62		\$ 0.68		\$ 1.67		\$ 1.89	

The notes attached are part of the Consolidated Financial Statements and shall be read together.

Chairman: Chen Guo-Bao

Managerial Officers: Pan Yen-Jen

Chief Accounting Officer: Hsu Shao-Chun

Foxconn Technology Co., Ltd. and Subsidiaries
Consolidated Statement of Changes in Equity
NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024

Expressed in thousands of NTD

Equity attributable to owners of parent										
Note	Ordinary share	Capital surplus	Retained Earnings			Other equity interest		Total	Non-controlling interests	Total equity
			Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income			
	\$ 14,144,852	\$ 7,571,060	\$ 14,108,409	\$ 3,823,676	\$ 69,495,587	(\$ 4,106,877)	\$ 249,556	\$ 105,286,263	(\$ 126,085)	\$ 105,160,178
6(19) and (20)	-	-	-	-	2,683,056	-	-	2,683,056	(70,882)	2,612,174
	-	-	-	-	-	3,871,239	674,831	4,546,070	(13,694)	4,532,376
	-	-	-	-	2,683,056	3,871,239	674,831	7,229,126	(84,576)	7,144,550
6(18)										
	-	-	36,443	-	(36,443)	-	-	-	-	-
	-	-	-	33,646	(33,646)	-	-	-	-	-
	-	-	-	-	(2,121,728)	-	-	(2,121,728)	-	(2,121,728)
6(7)										
	-	3,444	-	-	-	-	-	3,444	-	3,444
	-	144	-	-	-	-	-	144	-	144
6(19)										
	-	-	-	-	247,242	-	(247,242)	-	-	-
	\$ 14,144,852	\$ 7,574,648	\$ 14,144,852	\$ 3,857,322	\$ 70,234,068	(\$ 235,638)	\$ 677,145	\$ 110,397,249	(\$ 210,661)	\$ 110,186,588
	\$ 14,144,852	\$ 7,578,303	\$ 14,144,852	\$ 3,857,322	\$ 75,384,488	\$ 1,364,007	(\$ 5,923,915)	\$ 110,549,909	(\$ 346,187)	\$ 110,203,722
6(19) and (20)	-	-	-	-	2,373,086	-	-	2,373,086	(38,371)	2,334,715
	-	-	-	-	-	(6,707,998)	(1,368,445)	(8,076,443)	45,895	(8,030,548)
	-	-	-	-	2,373,086	(6,707,998)	(1,368,445)	(5,703,357)	7,524	(5,695,833)
6(18)										
	-	-	808,071	-	(808,071)	-	-	-	-	-
	-	-	-	702,587	(702,587)	-	-	-	-	-
	-	-	-	-	(1,980,279)	-	-	(1,980,279)	-	(1,980,279)
6(7)										
	-	1,941	-	-	(847)	-	847	1,941	-	1,941
6(7) and (19)										
	-	-	-	-	(397)	-	397	-	-	-
	-	139	-	-	-	-	-	139	-	139
	\$ 14,144,852	\$ 7,580,383	\$ 14,952,923	\$ 4,559,909	\$ 74,265,393	(\$ 5,343,991)	(\$ 7,291,116)	\$ 102,868,353	(\$ 338,663)	\$ 102,529,690

The notes attached are part of the Consolidated Financial Statements and shall be read together.

Chairman: Chen Guo-Bao

Managerial Officers: Pan Yen-Jen

Chief Accounting Officer: Hsu Shao-Chun

Foxconn Technology Co., Ltd. and Subsidiaries
Consolidated Statement of Cash Flows
NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024

Expressed in thousands of NTD

	Note	Nine-month ended September 30, 2025	2024
<u>Cash flow from operating activities</u>			
Profit before tax		\$ 3,435,652	\$ 3,486,595
Adjustments			
Income and expenses having no effect on cash flows			
Depreciation expense (including investment property and right-of-use assets)	6(25)	624,602	811,075
Amortization	6(25)	6,860	6,862
Expected credit loss	12(2)	5,545	174,740
Net gain on financial assets and liabilities at fair value through profit or loss	6(24)	(127,097)	(253,846)
Interest expense		198,374	190,484
Interest income	6(22)	(1,707,648)	(2,098,923)
Dividend income	6(23)	(189,731)	(7,242)
Share of loss of associates and joint ventures accounted for using equity method	6(7)	198,123	85,058
Gain on disposal of property, plant and equipment	6(24)	(19,639)	(27,143)
Gain on disposal of right-of-use assets	6(9)	(5)	-
Loss on disposal of investments		5,840	-
Impairment loss	6(24)	71,143	-
Changes in assets/liabilities related to operating activities			
Changes in operating assets			
Financial assets at fair value through profit or loss, mandatorily measured at fair value		-	(4,116)
Accounts receivable, net		870,191	(3,661,497)
Accounts receivable due from related parties		3,662,245	395,970
Other receivables		1,691,028	(1,510,903)
Inventories		(1,875,589)	649,597
Other current assets		(132,584)	(92,132)
Changes in operating liabilities			
Accounts payable		3,881,539	4,019,796
Accounts payable to related parties		(5,019,318)	2,367,323
Other payables		903,660	(1,736,241)
Other current liabilities		259,647	79,137
Cash inflow generated from operations		6,742,838	2,874,594
Income taxes paid		(2,179,006)	(911,532)
Net cash inflow from operating activities		4,563,832	1,963,062

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Foxconn Technology Co., Ltd. and Subsidiaries
Consolidated Statement of Cash Flows
NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024

Expressed in thousands of NTD

	Note	Nine-month ended September 30, 2025	2024
<u>Cash flow from investing activities</u>			
Acquisition of financial assets at fair value through profit or loss		(\$ 34,504,321)	(\$ 8,901,001)
Proceeds from disposal of financial assets at fair value through profit fair or loss		41,656,171	-
Capital reduction refund of financial assets measured at fair value through other comprehensive income		-	256,473
Acquisition of financial assets measured at fair value through other comprehensive income		(46,833)	-
Increase in financial assets at amortized cost - current		(3,887,707)	(39,662,410)
Increase in financial assets at amortized cost - non-current		(844,608)	-
Decrease in financial assets at amortized cost - non-current		2,029,449	18,232,856
Disposal of investments accounted for using the equity method		70,000	-
Acquisition of property, plant and equipment	6(29)	(319,392)	(273,785)
Proceeds from disposal of property, plant and equipment	6(29)	138,425	380,438
Decrease (increase) in refundable deposits		19,365	(2,326)
Decrease (increase) of other non-current assets		95,067	(12,878)
Interest received		1,557,919	1,708,272
Dividends received		198,419	6,665
Net cash flows from (used in) investing activities		6,161,954	(28,267,696)
<u>Cash flow from financing activities</u>			
Increase (decrease) in Short-term loans	6(30)	3,052,010	(821,257)
Payments of lease liabilities	6(30)	(21,242)	(132,213)
Decrease in other non-current liabilities		(24,065)	(9,019)
Interest paid		(206,110)	(192,173)
Cash dividends paid	6(18)	(1,980,279)	(2,121,728)
Net cash flows from (used in) financing activities		820,314	(3,276,390)
Effect of changes in foreign currency exchange rates on cash		(175,541)	1,342,873
Net increase (decrease) in cash and cash equivalents for the period		11,370,559	(28,238,151)
Cash and cash equivalents at beginning of period		9,918,179	47,253,599
Cash and cash equivalents at end of period		\$ 21,288,738	\$ 19,015,448

The notes attached are part of the Consolidated Financial Statements and shall be read together.

Chairman: Chen Guo-Bao

Managerial Officers: Pan Yen-Jen

Chief Accounting Officer: Hsu Shao-Chun

Foxconn Technology Co., Ltd. and Subsidiaries
Notes to Consolidated Financial Statements
For the Nine Months Ended September 30, 2025 and 2024

Expressed in thousands of NTD
(Except as otherwise indicated)

1. History and organization

The Company was formerly known as Q-Run Technology Co., Ltd., incorporated on April 26, 1990, and then merged with Foxconn Precision Components Co., Ltd. on March 1, 2004 and renamed Foxconn Technology Co., Ltd. The Company and its subsidiaries (collectively referred herein as “the Group”) mainly engage in the manufacturing, processing and trading of casings, thermal modules and consumer electronic products.

2. The date of authorization for issuance of the consolidated financial statements and procedures for authorization

These consolidated financial statements were reported to the Board of Directors and issued on November 12, 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”) and International Accounting Standards (“IAS”) that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)

The table below summarizes the new, revised and amended standards and interpretations of the IFRSs/IASs, which apply in 2025, as endorsed and issued into effect by the FSC:

New Standards, Interpretations and Amendments	Effective Date by International Accounting Standards Board
Amendments to IAS No. 21 “Lack of Exchangeability”	January 1, 2025

The above standards and interpretations do not have significant impact on the Group’s financial condition and financial performance based on its assessment.

(2) Effect of new issuances of or amendments to IASs/IFRSs 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
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
Amendments 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

Except for the following, the above standards and interpretations do not have significant impact on the Group’s financial condition and financial performance based on its assessment.

Specific provisions of amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”

- (a) Clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion, covering contractual terms that can change cash flows based on contingent events (for example, interest rates linked to the ESG targets), non-recourse features and contractually-linked instruments.
- (b) Add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets), including a qualitative description of the nature of the contingent event, quantitative information about the possible changes to contractual cash flows that could result from those contractual terms and the gross carrying amount of financial assets and amortized cost of financial liabilities subject to these contractual terms.
- (c) Clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception relating to the derecognition of a financial liability (or part of a financial liability) settled through an electronic cash transfer system. Applying the exception, an entity is permitted to derecognize a financial liability at an earlier date if, and only if, the entity has initiated a payment instruction and specific conditions are met.
 - A. the practical ability to withdraw, stop or cancel the payment instruction;
 - B. the practical ability to access the cash used for settlement; and
 - C. significant settlement risk
- (d) Update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI). The entity shall disclose the fair value of each class of investment and is no longer required to disclose the fair value of each investment. In addition, the amendments require the entity to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately the fair value gain or loss related to investments derecognized during the reporting period and the fair value gain or loss related to investments held at the end of the reporting period; and any transfers of the cumulative gain or loss within equity during the reporting period related to the investments derecognized during that reporting period.

(3) IASs/IFRSs issued by IASB but not yet endorsed by the FSC

The table below lists the new, revised and amended standards and interpretations of the IASs/IFRSs, released by the IASB but not yet endorsed by the FSC:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective Date by International Accounting Standards Board</u>
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: In the FSC press release dated September 25, 2025, it was announced that public companies will apply International Financial Reporting Standard 18 (IFRS 18) starting from the 2028 fiscal year. In addition, if a company needs to adopt IFRS 18 earlier, it may choose to do so after IFRS 18 is approved by the FSC.

Except for the following, the above standards and interpretations have no significant impact to the Group’s financial condition and financial performance based on 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 Significant Accounting Policies

The major accounting policies adopted in the preparation of the consolidated financial statements are described below. Unless otherwise stated, these policies apply consistently throughout all reporting periods.

(1) Compliance statement

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

(2) Basis of preparation

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

- (a) Financial assets and liabilities (including derivatives) measured at fair value through profit or loss.
- (b) Financial assets measured at fair value through other comprehensive income.

- (c) Defined benefit liabilities recognized at the net amount of pension fund assets, less the present value of defined benefit obligations.

B. The preparation of financial statements in compliance with the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC) and SIC Interpretations (SIC) (collectively referred to as “IFRSs”), endorsed by the Financial Supervisory Commission (FSC) of the Republic of China requires the use of some critical accounting estimates. In the process of applying the Group’s accounting policies, the management also needed to exercise its judgment. For items requiring meticulous judgment or involving complexity, or involving critical assumptions and estimates in the consolidated financial statements, please refer to Note 5 for details.

(3) Basis of consolidation

A. Principles for preparing consolidated financial statements

- (a) The Group includes all subsidiaries as entities in the preparation of the consolidated financial statements. A subsidiary refers to an entity under the control of the Group (including structured entities). When the Group is exposed to variable returns from the participation in the entity or is entitled to said variable returns, and has the ability to affect such returns through its power over the entity, the Group controls the entity. Subsidiaries are included in the consolidated financial statements from the day when the Group obtains control over them, and the consolidation is terminated on the day when the control is lost.
- (b) Significant transactions, balances and unrealized profits or losses between companies within the Group have been eliminated. The accounting policies of the subsidiaries have been adjusted as necessary and are consistent with the policies adopted by the Group.
- (c) The various components of profit or loss and other comprehensive income are attributable to the owners of the parent company and non-controlling interests; the total comprehensive income is also attributable to the owners of the parent company and non-controlling interests, even if the resulting loss of non-controlling interests occurs.
- (d) If the change in the ownership of a subsidiary does not result in the loss of control (transaction with non-controlling interests), it is treated as an equity transaction, that is, as a transaction with owners. The difference between the adjusted amount of non-controlling interests and the fair value of the consideration paid or received is directly recognized as equity.
- (e) When the Group loses control over a subsidiary, the remaining investment in said subsidiary is remeasured at fair value and used as the fair value of the financial asset initially recognized or as the cost of the investment in an associate or joint venture initially recognized; the difference between the fair value and the carrying amount is recognized as the current profit or loss. The amounts previously recognized in other comprehensive income related to the subsidiary will be reclassified from equity to profit or loss.

B. Subsidiaries included in consolidated financial statements:

Investor	Name of subsidiary	Nature of business	Ownership (%)			Note
			September 30, 2025	December 31, 2024	September 30, 2024	
Foxconn Technology Co., Ltd.	Foxconn Precision Components Holding Co., Ltd.	A holding company investing in businesses in Mainland China, Hong Kong and the Americas. Its investees mainly engage in the production, manufacturing, sales, and research and development of computer CPU cooling fans and computer components.	100	100	100	
Foxconn Technology Co., Ltd.	Q-Run Holdings Ltd.	A holding company investing in businesses in Mainland China, Hong Kong, Singapore and the Americas. Its investees mainly engage in the production, manufacturing, sales, and research and development of aluminum-magnesium alloy casings and computer components.	100	100	100	(1) (2)
Foxconn Technology Co., Ltd.	Q-Run Investment Co., Ltd.	Engaging in domestic investment.	100	100	100	(1) (2)
Foxconn Technology Co., Ltd.	Sotera Wireless, Inc.	Sales of wireless vital sign monitoring systems.	53.93	53.93	53.93	
Foxconn Technology Co., Ltd.	FTC Intelligent Technology Corporation	Wholesale and retail of medical devices and precision instruments.	100	100	100	(4)
Foxconn Technology Co., Ltd.	PKM Corporation	Distribution of game consoles.	91.12	91.12	91.12	(1) (2)
Foxconn Technology Co., Ltd.	FTC Japan Co., Ltd.	Production and sales of electronic products and medical supplies, provision of health management services, and long-term care equipment trading and leasing.	100	100	100	

Investor	Name of subsidiary	Nature of business	Ownership (%)			Note
			September 30, 2025	December 31, 2024	September 30, 2024	
Foxconn Technology Co., Ltd.	Ultimate Aluminum Magnesium Technology Co., Ltd.	Aluminum casting, aluminum and magnesium rolling, drawing, and extrusion, and manufacturing of metal structures and building components.	100	100	100	
Foxconn Technology Co., Ltd.	FTC Technology Vietnam Company Limited	Import, design, manufacturing and sales of electronic products and components, precision instruments and medical equipment.	-	-	100	(3)
FTC Intelligent Technology Corporation	Refront IoMT Corp.	Wholesale and retail of medical devices and precision instruments.	80	80	80	
Foxconn Precision Components Holding Co., Ltd.	Atkinson Holdings Ltd.	Engaging in holding business and investment in other entities.	100	100	100	
Q-Run Holdings Ltd.	Q-Run Far East Corporation	Engaging in holding business and investment in other entities.	100	100	100	(1) (2)
Q-Run Holdings Ltd.	World Trade Trading Ltd.	Engaging in holding business and investment in other entities.	100	100	100	
Q-Run Holdings Ltd.	High Tempo International Ltd.	Engaging in holding business and investment in other entities.	100	100	100	
Q-Run Holdings Ltd.	Foxconn Technology Pte.Ltd.	Engaging in sales, holding business and investment in other entities.	100	100	100	(1) (2)
Q-Run Holdings Ltd.	Foxconn Technology USA Holdings LLC	Engaging in holding business and investment in other entities.	100	-	-	(5)
Atkinson Holdings Ltd.	Kenny International Ltd.	Engaging in holding business and investment in other entities.	100	100	100	
Atkinson Holdings Ltd.	Double Wealth Profits Ltd.	Engaging in holding business and investment in other entities.	100	100	100	
Atkinson Holdings Ltd.	Precious Star International Ltd.	Engaging in holding business and investment in other entities.	100	100	100	(1) (2)
Q-Run Far East Corporation	Eastern Star Limited	Engaging in holding business and investment in other entities.	100	100	100	(1) (2)
Q-Run Far East Corporation	Topfry Industrial Ltd.	Engaging in holding business and investment in other entities.	100	100	100	

Investor	Name of subsidiary	Nature of business	Ownership (%)			Note
			September 30, 2025	December 31, 2024	September 30, 2024	
Q-Run Far East Corporation	Gold Glory International Ltd.	Engaging in holding business and investment in other entities.	100	100	100	
Q-Run Far East Corporation	New Glory Holdings Ltd.	Engaging in holding business and investment in other entities.	100	100	100	
Foxconn Technology Pte. Ltd.	FTP Technology Inc.	Engaging in holding business and investment in other entities.	100	100	100	
Foxconn Technology USA Holdings LLC	Foxconn Technology USA Corporation	Manufacture of consumer electronic products such as molds/stamping dies, metal components and television displays.	100	-	-	(6)
Kenny International Ltd.	FuYu Precision Components (Kunshan) Co., Ltd.	Production and sales of plugs and sockets, those whose voltage does not exceed 1 KV and other devices for carrier-current line systems.	22.76	22.76	22.76	
Double Wealth Profits Ltd.	FuZhun Precision Industry (Shenzhen) Co., Ltd	Production and sales of electronic computer parts (computer cooling fans).	100	100	100	
Eastern Star Limited	Hongfujin Precision Industry (Taiyuan) Co., Ltd.	Production and sales of electronic computer parts and accessories, computer casings and relevant stamped metal parts.	87.63	87.63	87.63	(1) (2)
Eastern Star Limited	FuZhun Precision Electronics (Hebi) Co., Ltd.	Production and sales of new alloy materials, precision instruments, new electronic components, portable computers, spare parts of the above products.	100	100	100	
Precious Star International Ltd.	Hongfujin Precision Industry (Taiyuan) Co., Ltd.	Production and sales of electronic computer parts and accessories, computer casings and relevant stamped metal parts.	12.37	12.37	12.37	(1) (2)

Investor	Name of subsidiary	Nature of business	Ownership (%)			Note
			September 30, 2025	December 31, 2024	September 30, 2024	
Hongfujin Precision Industry (Taiyuan) Co., Ltd.	Qingdao Hygen Innovative Alloy Materials Co., Ltd	Research and development, production, and sales of aluminum alloy materials, rail vehicle parts, automotive parts and electronic parts; manufacturing and sales of structural metal products and metal packaging containers (excluding precious metals or electroplating).	70	70	70	
Hongfujin Precision Industry (Taiyuan) Co., Ltd.	FuZhun Precision Industry (Shenyang) Co., Ltd.	Manufacturing and sales of automotive parts, aluminum alloy parts related to automobiles and electronics.	100	100	100	
Hongfujin Precision Industry (Taiyuan) Co., Ltd.	Hongfujin Precision Industrial (Jincheng) Co., Ltd.	Manufacturing and sales of medical devices, hygiene products, disposable medical supplies; production, wholesale, and import and export of pharmaceuticals.	100	100	100	
Hongfujin Precision Industry (Taiyuan) Co., Ltd.	Champ Tech Optical (Foshan) Corporation	Production and sales of electronic computer parts (computer cooling fans).	65	65	65	
Topfry Industrial Ltd.	Fuhuigang Industrial (Shenzhen) Co., Ltd.	Production and sales of computer case components, electronic components and power electronic components.	100	100	100	
Gold Glory International Ltd.	FuYu Precision Components (Kunshan) Co., Ltd.	Production and sales of plugs and sockets, those whose voltage does not exceed 1 KV and other devices for carrier-current line systems.	77.24	77.24	77.24	
FuYu Precision Components (Kunshan) Co., Ltd.	Champ Tech Optical (Foshan) Corporation	Production and sales of electronic computer parts (computer cooling fans).	35	35	35	
FuYu Precision Components (Kunshan) Co., Ltd.	Yantai FuZhun Precision Electronics Co., Ltd.	Production and sales of computer case components, electronic components and power electronic components.	50.62	50.62	50.62	

Investor	Name of subsidiary	Nature of business	Ownership (%)			Note
			September 30, 2025	December 31, 2024	September 30, 2024	
New Glory Holdings Ltd.	Yantai FuZhun Precision Electronics Co., Ltd.	Production and sales of computer case components, electronic components and power electronic components.	49.38	49.38	49.38	
New Glory Holdings Ltd.	Nanning Funing Precision Electronics Ltd.	Production and sales of electronic computer parts (computer cooling fans).	100	100	100	

- (a) The subsidiaries included in the consolidated financial statements for the third quarter of 2025 are listed above; as some of them meet the definition of important subsidiaries, their financial statements have been reviewed by CPAs.
- (b) The subsidiaries included in the consolidated financial statements for the third quarter of 2024 are listed above; as some of them meet the definition of important subsidiaries, their financial statements have been reviewed by CPAs.
- (c) The Group incorporated FTC Technology Vietnam Company Limited on September 8, 2023 and was included in the consolidated financial statements since the incorporation completion date. The injection of capital was completed on October 17, 2023. On October 17, 2024, the Group disposed a 100% of its shares in the company to Ennoconn Corporation, and ceased consolidating the financial statements from the date of loss of control.
- (d) On July 23, 2024, the Group's subsidiary, FTC Health Corporation changed its name to FTC Intelligent Technology Corporation.
- (e) The Group incorporated Foxconn Technology USA Holdings LLC on March 13, 2025, and was included in the consolidated financial statements since the incorporation completion date. However, no capital has been injected as of June 30, 2025.
- (f) The Group incorporated Foxconn Technology USA Corporation on April 28, 2025 and included it in the consolidated financial statements since the date of establishment. Capital injection was completed on July 3, 2025.

C. Subsidiaries not included in consolidated financial statements: None.

D. Adjustment and processing methods for subsidiaries' different accounting periods: None.

E. Material restrictions: None.

F. Subsidiaries with non-controlling interests in the Group: None.

(4) Currency translation adjustments

The consolidated financial statements are presented in New Taiwan dollars, which is the Company's functional and the Group's presentation currency.

A. Foreign currency transactions and balances

- (a) Each foreign currency transaction is translated into the functional currency at the spot exchange rate on the transaction date or the measurement date, and the exchange difference arising from the translation of the transaction is recognized in current profit or loss.

- (b) The balance of foreign currency monetary assets and liabilities is adjusted according to the spot exchange rate at the balance sheet date, and the translation difference arising from the adjustment shall be recognized in current profit or loss.
- (c) The balance of foreign currency non-monetary assets and liabilities is measured at fair value through profit and loss (FVTPL), and is adjusted based on the spot exchange rate at the balance sheet date. The translation difference arising from the adjustment is recognized in current profit and loss. For measurement at fair value through other comprehensive income, it is adjusted based on the spot exchange rate at the balance sheet date, while the translation difference arising from the adjustment is recognized in other comprehensive income. If it is not measured by fair value, it is measured at the historical exchange rate at the initial transaction date.
- (d) All exchange gains and losses are presented in “Other gains and losses” of the income statement.

B. Translation of foreign operations

- (a) For all entities in the Group, associates and joint arrangements whose functional currencies are different from the presentation one, their business results and financial positions shall be translated into the presentation currency in the following method:
 - i. The assets and liabilities presented at each balance sheet are translated at the closing exchange rate at the balance sheet date;
 - ii. The income and expenses expressed in each comprehensive income statement are translated at the average exchange rate of the current period; and
 - iii. All exchange differences arising from translation are recognized in other comprehensive income.
- (b) Where a foreign operation is partially disposed of or sold is an associate, the cumulative exchange differences recognized in other comprehensive income is reclassified to current profit or loss on a pro rata basis as part of the gain or loss on disposal. However, even if the Group still retains part of the equity of said associate but has lost the control over said foreign operation with a material impact on said associate, it shall be handled as disposal of the entire equity of the foreign operation.
- (c) Where a foreign operation is partially disposed of or sold is a subsidiary, the cumulative exchange differences recognized in other comprehensive income is reclassified to the foreign operation’s non-controlling interests on a pro rata basis. However, even if the Group still retains part of the equity of the former subsidiary but has lost control over said foreign operation that is also as subsidiary, it shall be handled as disposal of the entire equity of the foreign operation.
- (d) The goodwill and fair value adjustment arising from the acquisition of foreign entities are treated as the assets and liabilities of the foreign entity and translated at the exchange rates at the end of the period.

(5) Classification of current and non-current items

A. Assets that meet one of the following conditions are classified as current assets:

- (a) Assets expected to be realized in the ordinary course of business, or intended to be sold or consumed.
- (b) Assets held primarily for the purpose of trading.

- (c) Assets expected to be realized within 12 months after balance sheet date.
- (d) Cash or cash equivalents (excluding assets restricted from being exchanged or used to settle a liability for at least 12 months after balance sheet date).

The Group classifies all assets that do not meet the conditions above as non-current.

2. Liabilities that meet one of the following conditions are classified as current liabilities:

- (a) Liabilities expected to be settled in the ordinary course of business.
- (b) Assets held primarily for the purpose of trading.
- (c) Liabilities that are to be paid off within 12 months from the balance sheet date.
- (d) Liabilities with a repayment deadline that cannot be unconditionally deferred for at least 12 months after the balance sheet date.

The Group classifies all liabilities that do not meet the conditions above as non-current.

(6) Cash equivalents

Cash equivalents refer to short-term and highly liquid investments that can be converted into a certain amount of cash at any time, and the risk of value changes is very small. Time deposits and bonds under repurchase agreements in line with the above definitions and held for the purpose of fulfilling short-term cash commitments in business operations are classified as cash equivalents.

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

- A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortized cost or fair value through other comprehensive income. Regarding financial assets at fair value through profit or loss are financial assets that are not measured at amortized cost or fair value through other comprehensive income, when the inconsistency in the measurement or recognition can be eliminated or significantly reduced, the Group designates the financial asset as at fair value through profit or loss at the time of initial recognition.
- B. The Group adopts trade date accounting for financial assets at fair value through profit or loss for regular-way transactions.
- C. Upon the initial recognition, the Group measures the relevant transaction costs at fair value and recognizes them in profit or loss, while measuring them at fair value and recognizing gain or loss thereon in profit or loss.
- D. When the right to receive dividends is established, economic benefits related to dividends are likely to flow in, and when the amount of dividends can be reliably measured, the Group recognizes dividend income in profit or loss.

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

- A. The Group may, upon initial recognition, make an irrevocable election to recognize the fair value changes of equity instrument investments that are not held for trading in other comprehensive income; or debt instrument investments that meet the following conditions at the same time:
 - (a) The financial asset is held under an operating model for the purpose of collecting contractual cash flows and selling.

- (b) The contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.
 - B. The Group adopts trade date accounting for financial assets at fair value through other comprehensive income in compliance with the transaction practices.
 - C. The Group measures said asset at fair value plus transaction costs upon initial recognition, which are subsequently measured at fair value:

Changes in the fair value of equity instruments are recognized in other comprehensive income. Upon de-recognition, the accumulated gains or losses previously recognized in other comprehensive income shall not be subsequently reclassified to profit or loss and shall be transferred to retained earnings instead. When the right to receive dividends is established, economic benefits related to dividends are likely to flow in, and when the amount of dividends can be reliably measured, the Group recognizes dividend income in profit or loss.
- (9) Financial assets at amortized cost
- A. Those that meet all of the following criteria:
 - (a) Financial assets held under a business model for the purpose of collecting contractual cash flows.
 - (b) The contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.
 - B. The Group adopts trade date accounting for financial assets at amortized cost in compliance with transaction practices.
 - C. Upon initial recognition, the Group measures the financial assets at fair value plus transaction costs, and subsequently adopts the effective interest method to recognize said assets in interest revenue and in impairment loss during the outstanding period according to the amortization procedure. During de-recognition, the gains or losses thereof are recognized in profit or loss.
 - D. The Group holds time deposits that do not qualify as cash equivalents. Due to the short holding period, the impact of discounting is not material and is measured at investment amount.
- (10) Accounts and notes receivable
- A. It refers to accounts and notes that have been unconditionally received in exchange for the right to the amount of consideration for the delivery of goods or services as agreed in the contract.
 - B. The non-interest-bearing short-term accounts and notes receivable is barely affected by discounting, so the Group measures them based on the original invoice amount.
 - C. The Group's business model for accounts receivable expected to be factored aims to collect contractual cash flows and sell such receivable, and said receivable is subsequently measured at fair value, and any changes are recognized as other comprehensive income.
- (11) Impairment of financial assets
- The Group, at each balance sheet date, considers all reasonable and corroborative information (including forward-looking one) based on the financial assets at amortized cost. For those with no significant increase in credit risk since initial recognition, the loss allowance is measured at 12-month expected credit losses; for those with a significant increase in credit risk since initial

recognition, the loss allowance is measured at the lifetime expected credit losses. For accounts receivable that do not contain significant financial components, the loss allowance is measured at the lifetime expected credit losses.

(12) Derecognition of financial assets

When the Group's contractual right to receive cash flows from financial assets has expired, said financial assets will be de-recognized.

(13) Leasing arrangements (lessor) – operating leases

The rental income from operating lease, after any incentives given to the lessee are deducted, is amortized using the straight-line method over the lease term and recognized in current profit or loss.

(14) Inventories

An inventory is measured at the lower of cost or net realizable value and cost is determined using the weighted average method. The cost of finished goods and work-in-progress includes raw materials, direct labor, other direct costs and production overhead (amortized based on normal production capacity) without including borrowing costs. When the cost and the net realizable value are compared to see which is lower, the item-by-item comparison method is adopted. The net realizable value refers to the balance of the estimated selling price in the ordinary course of business less the estimated cost needed for completion and necessary to make the sale.

(15) Investments accounted for under equity method / associates

- A. Associates refer to all entities over which the Group has a significant influence on without control. Generally, the Company holds at least 20% of their voting shares directly or indirectly. The Group adopts the equity method to treat the investment in associates, which is recognized at cost of acquisition.
- B. The Group recognizes the share of profit or loss on associates after acquired in current profit or loss, and recognizes the share of other comprehensive income on subsidiaries after acquired as other comprehensive income. If the Group's share of losses on an associate equals or exceeds its equity in the associate (including any other unsecured receivables), the Group will not recognize further losses unless it has incurred legal obligations or constructive obligations to said associate, or made payments on behalf of said associate.
- C. When equity changes occur to an associate, which are not related to profit or loss and other comprehensive income, and said changes do not affect the shareholding percentage of the associate, the Company recognizes all equity changes in "capital surplus" based on the shareholding percentage.
- D. Unrealized gains or losses arising from transactions between the Group and associates have been eliminated based on the proportion of its equity of the associates; unless evidence shows that the assets transferred have been impaired, the unrealized losses are also eliminated. The accounting policies of the associates have been adjusted as necessary and are consistent with the policies adopted by the Group.
- E. In the case that an associate issues new shares and the Group does not subscribe for or acquire new shares in proportion to its shareholding, which results in a change in the Group's shareholding in the associate but maintains significant influence on the associate, then "capital surplus" and "investments under equity method" shall be adjusted for the increase

or decrease of the net worth of the ownership. If the above condition causes a decrease in the Group's ownership in the associate, in addition to the above adjustment, the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss in proportion to its shareholding on the same basis as would be required if the relevant assets or liabilities were disposed of.

- F. Upon loss of significant influence over an associate, the Group remeasures any investment retained in the former associate at its fair value. Any difference between fair value and carrying amount is recognized in profit or loss.
- G. Where the Group disposes of an associate and if it loses significant influence on the associate, for all amounts previously recognized in other comprehensive income related to the associate, the accounting treatment is on the same basis as if the Group directly disposes of the relevant assets or liabilities, that is, the gains or losses previously recognized in other comprehensive income will be reclassified to profit or loss when the relevant assets or liabilities are disposed of, so when the significant influence on the associate is lost, the gains or losses will be reclassified from equity to profit or loss. If the Group still has a significant influence on the associate, only the amount previously recognized in other comprehensive income is transferred out in the manner above on a pro rata basis.
- H. As of the balance sheet date, the Group conducts impairment testing for affiliates showing indications of impairment by treating the total carrying amount of the investment (including goodwill) as a single asset. The recoverable amount (the higher of value in use or fair value less costs of disposal) is compared with the carrying amount, and any recognized impairment loss is included in the carrying amount of the investment. Reversal of impairment losses is recognized to the extent that the recoverable amount of the investment subsequently increases.

(16) Property, plant, and equipment

- A. Property, plant and equipment are accounted for on the basis of acquisition cost, and the relevant interest during the acquisition and construction period is capitalized.
- B. Subsequent costs are included in the carrying amount of the assets or recognized as a separate asset only when the future economic benefits related to an item are likely to flow into the Group and the cost of the item can be reliably measured. The carrying amount of the part replaced shall be de-recognized. All other repairs and maintenance costs are recognized in current profit or loss when incurred.
- C. The subsequent measurement of property, plant and equipment is based on a cost model. Except for land that is not depreciated, other assets in this regard are depreciated on a straight-line basis based on the estimated useful lives. If the components of property, plant and equipment are significant, they shall be separately depreciated.
- D. The Group conducts at least one annual review at the end of each year to assess the estimated useful lives, residual value and depreciation methods. If the estimated residual value and useful lives are different from the previous estimates, or the estimated consumption pattern of future economic benefits contained in an asset has changed significantly, the Group shall adjust it in accordance with the provisions of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" regarding changes in accounting estimates. Regarding the useful life of each asset, it is 4~55 years for buildings, 1~9 years for machinery and equipment, and 1~6 years for other equipment.

(17) Lessee's lease transactions – right-of-use assets/lease liabilities

A. Leased assets are recognized in right-of-use assets and lease liabilities on the date they are available for use by the Group. When a lease contract is a short-term lease or lease of a low-value asset, the lease payment is recognized as an expense during the lease term using the straight-line method.

B. Lease liabilities are recognized at the present value of the lease payments that have not been paid at the commencement date of a lease at the discounted interest rate of the Group's incremental borrowings. The lease payments include fixed payments, less any rental incentives that can be collected.

Subsequently, the interest approach is adopted to measure said payments at amortized cost, while interest expenses are recognized during the lease term. When changes in the lease term or lease payment due to non-contract modification, the lease liabilities will be reassessed and the right-of-use assets will be adjusted in the remeasurement.

C. The right-of-use asset is recognized at cost at the commencement date of a lease, and the cost includes:

- (a) The original measured amount of the lease liability;
- (b) Any lease payments paid on or before the commencement date; and
- (c) Any original direct costs incurred.

Subsequently, the measurement is based on the cost model, while the depreciation expense is recognized when the useful life of the right-of-use asset expires or the lease term expires, whichever is earlier. When the lease liability is reassessed, the remeasurement of the lease liability will be adjusted for the right-of-use asset.

4. For lease modifications with the scope of a reduced lease, the lessee will reduce the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease, and the difference between said carrying amount and the remeasured amount of the lease liability is recognized in profit or loss; in addition, all other lease modifications shall have the right-of-use assets to be adjusted corresponding to the remeasured amount of lease liabilities.

(18) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Except for land, investment property is depreciated on a straight-line basis over its estimated useful life of 10 ~ 55 years.

(19) Intangible assets

A. Goodwill arises in a business combination accounted for by applying the acquisition method.

B. Patent rights and technical skill are amortized on a straight-line basis over their estimated useful lives of 5 years.

C. Computer software is amortized on a straight-line basis over their estimated useful lives of 3 years.

(20) Impairment of non-financial assets

A. The Group, on the balance sheet date, estimates the recoverable amount of an asset with a sign of impairment and recognizes it in impairment loss when the recoverable amount is lower than its book value. The recoverable amount is the fair value of an asset less the cost of disposal or its value in use, whichever is higher. Except for goodwill, when the recognition

in asset impairment in previous years does not exist or decreases, the impairment loss shall be reversed, but the increase in the carrying amount of the asset due to the reversal of impairment loss shall not exceed the carrying amount of the asset less depreciation or after amortization, if it was not recognized in impairment loss.

- B. The recoverable amount of goodwill is estimated on a regular basis. When the recoverable amount is lower than its book value, an asset is recognized in impairment loss. Impairment loss for the impaired goodwill shall not be reversed in subsequent years.
- C. Goodwill is allocated to cash generating units for the purpose of impairment testing. Based on the identification by segments, goodwill is allocated to cash generating units or of cash-generating groups that are expected to benefit from the business combination in which the goodwill arises.

(21) Loans

Borrowings comprise long-term and short-term loans and other long-term and short-term loans. Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.

(22) Accounts and notes payable

- A. It refers to the debts incurred due to the purchase of raw materials, commodities or services on credit, and the notes payable for operating and non-operating purposes.
- B. The non-interest-bearing short-term accounts and notes payables are barely affected by discounting, so the Group measures them based on the original invoice amount.

(23) Financial liabilities at fair value through profit or loss

- A. It refers to the financial liabilities held for trading as derivatives whose main purpose is for repurchase in the near future and which are not designated as hedging instruments in line with hedge accounting.
- B. Upon the initial recognition, the Group measures relevant transaction costs at fair value and recognizes them in profit or loss, while measuring them at fair value and recognizing gain or loss thereon in profit or loss.

(24) De-recognition of the financial liabilities

The Group de-recognizes their financial liabilities when the obligations specified in a contract are fulfilled, cancelled or expired.

(25) Offsetting of financial instruments

The financial assets and liabilities may be offset and the net amount is presented in the balance sheet when there is a legally enforceable right to offset the recognized amounts of the financial assets and liabilities, and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

(26) Non-hedging derivative instruments

- A. Non-hedging derivatives are measured at the fair value on the date of contract signing upon initial recognition and are recognized as financial assets or liabilities at fair value through

profit or loss, and subsequently measured at fair value, and gains or losses thereof are recognized in profit or loss.

- B. The hybrid financial asset contracts embedded with derivatives are classified as financial assets at fair value through profit and loss, financial assets at fair value through other comprehensive income and financial assets at amortized costs, according to the contract terms upon initial recognition.
- C. Under the non-financial assets, whether or not the hybrid contracts embedded with derivatives are accounted for separately at initial recognition is based on whether the economic characteristics and risks of an embedded derivative are closely related in the host contract. When they are closely related, the entire hybrid instrument is accounted for by its nature in accordance with the applicable standards. When they are not closely related, the derivative is accounted for differently from the host contract as derivative while the host contract is accounted for by its nature in accordance with the applicable standards. Alternatively, the entire hybrid instrument is designated as financial liabilities at fair value through profit or loss upon initial recognition.

(27) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured by the expected non-discounted amount of cash paid and are recognized as expenses when the relevant services are provided.

B. Pension

(a) Defined contribution plan

Regarding the defined contribution plan, the amount of the pension fund that shall be contributed is recognized as current pension cost on an accrual basis. Prepaid contributions are recognized as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plan

- i. The net obligation under the defined benefit plan is calculated by discounting the amount of future benefits earned by employees in the current or past service period, with the present value of the defined benefit obligation at the balance sheet date less the fair value of the plan assets. The net obligation under the defined benefit plan is calculated annually by actuaries using the projected unit benefit method. The discount rate is the market yield rate of government bonds (at the balance sheet date) with the currency and period consistent with those of the defined benefit plan at the balance sheet date.
- ii. The remeasurement generated by the defined benefit plan is recognized in other comprehensive income in the current period and presented in retained earnings.
- iii. The pension cost for the interim period is calculated from the beginning of the year to the end of the current period at the pension cost rate actuarially determined at the end of the prior fiscal year. If there is a major change in the market, major reduction, settlement or other major one-off events after the closing date, adjustments will be made accordingly, and the relevant information will be disclosed in accordance with the above policy.

C. Employee remuneration and director and supervisor remuneration

Employee remuneration, and director and supervisor remuneration are recognized as expenses and liabilities when there are legal or constructive obligations and the amount can be reasonably estimated. If there is a difference between the amount actually distributed as resolved by the Group and the estimated amount, it shall be treated as a change in accounting estimates. In addition, if employee remuneration is paid in stocks, the number of shares is calculated based the closing price on the day before the board of directors' resolution.

(28) Income tax

- A. Income tax expenses include the current and deferred income taxes. Except for income tax related to items included in other comprehensive income or directly included in equity recognized in comprehensive income or in equity directly, income tax is recognized in profit and/or loss.
- B. The Group calculates current income tax based on the tax rates that have been enacted or substantively enacted at the balance sheet date in the country where the taxable income is generated and the business is operated. The management regularly evaluates the status of income tax filings with respect to the applicable income tax regulations and, where applicable, estimates the income tax liabilities based on the expected taxes to be paid to the taxation authority. A surtax is imposed on the undistributed earnings in accordance with the Income Tax Act. In the year following the year in which the earnings are generated, after the shareholders' meeting has passed the earnings distribution proposal, the income tax expense on the undistributed earnings will be recognized based on the earnings actually distributed.
- C. Deferred income tax is recognized, using the balance sheet liability method, for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. Deferred tax liabilities from goodwill arising from initial recognition are not recognized. If the deferred tax is derived from initial recognition of the asset or liability in a transaction (excluding business combinations), and if the accounting profit or taxable income (tax losses) is not affected at the time of the transaction and does not generate an equivalent taxable and deductible temporary difference, then the liabilities will not be recognized. With temporary differences caused by the investment in a subsidiary or an associate, if the Group can control the timing of the reversal of the temporary differences, and it is probable that temporary differences will not be reversed in the foreseeable future, the liabilities will not be recognized. Deferred tax is determined using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date, and are expected to apply when the relevant deferred tax asset is realized or the deferred tax liability is settled.
- D. Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognized and recognized deferred tax assets are reassessed.
- E. Current income tax assets and liabilities are offset, and the net amount recognized in the balance sheet when there is a legally enforceable right to offset the recognized amounts, and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis, or realize the asset and settle the liability simultaneously.

- F. The income tax expense for the interim period is calculated based on the pre-tax profit and loss for the interim period at the estimated annual average effective tax rate, with the relevant information disclosed in accordance with the above policy.

(29) Dividends

Dividends to the Company's shareholders are recognized as liabilities when the board of directors resolves the distribution of the dividends; stock dividends to the Company's shareholders are recognized as dividends to be distributed when the shareholders' meeting resolves the distribution of the stock dividends and reclassified to ordinary shares on the record date of issuance of new shares.

(30) Revenue recognition

A. The Group mainly produces and sells consumer electronic products. The sales revenue is recognized when the control of a product is transferred to a customer, that is, when the product is delivered to the customer, who then has the discretion to determine the product distribution channels and the price, and the Group has no outstanding performance obligations that may affect the customer's acceptance of the product. When a product is delivered to the designated location, the risk of obsolescence and loss has been transferred to the customer, and the customer accepts the product per the sales contract, or when objective evidence show that all criteria for acceptance have been met, the product has been delivered.

B. Sales revenue is recognized at the net amount of contract price less estimated sales discount. Revenue is recognized to the extent that it is highly probable that no significant reversal will occur in the future and the Group updates the estimate at each balance sheet date. As the period between the transfer of the promised goods or services to the customers and the payments by the customers has not exceeded one year, the Group did not adjust transaction price to reflect the time value of money.

C. Accounts receivable is recognized when goods are delivered to customers because at which time the Group's right to the consideration for contracts from customers is unconditional, except for the passage of time.

(31) Government grants

Government grants are recognized at fair value when it is reasonably confirmed that an enterprise will abide by the conditions for government grants and will be able to receive such grants. If the nature of a government grant is to compensate for the expenses incurred by the Group, the government grant will be recognized as current profit or loss in a systematic manner during the period in which such expenses are incurred.

(32) Operating segments

The Group's information on operating segments is reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is responsible for allocating resources to the operating segments and assessing their performance.

5. Critical accounting judgements, estimates and key sources of assumption uncertainty

During the preparation of the consolidated financial statements, the management has exercised its judgments to adopt the accounting policies to be used, and made accounting estimates and assumptions based on reasonable expectations of future events with reference to the circumstances at

the balance sheet date. If there is any difference between any critical accounting estimates and assumption made, and actual results, assessment and adjustment will be conducted continuously by taking into account the historical experience and other factors. Such assumptions and estimates have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next fiscal year. Please refer to the description of the uncertainties of critical accounting judgments, assumptions and estimation uncertainty below:

(1) Critical judgements in applying the Group's accounting policies

Revenue recognition

The Group judges that it has the control over specific goods or services before they are transferred to a customer based on the indicators below:

- A. It is responsible for fulfilling the commitment to providing specific goods or services.
- B. It assumes an inventory risk before specific goods or services are transferred to a customer, or after the control is transferred.
- C. Its the discretion to set prices for specific goods or services.

(2) Critical accounting estimates and assumptions

Inventory valuation

As an inventory must be calculated at the lower of cost or net realizable value, the Group must exercise judgment and make estimation to determine the net realizable value of inventory at the balance sheet date. Due to the rapid changes in technology, the Group assesses the value of an inventory due to normal wear and tear, obsolescence or market sales value not available at the balance sheet date, and reduces the cost of the inventory to the net realizable value. This inventory valuation is susceptible to rapid changes in technology, a short life cycle and market price fluctuations, so material changes may occur. For inventories with an aging period beyond a specific period and each obsolete inventory identified, the net realizable value is estimated based on historical information on the sales of inventories.

Please refer to Note 6 (6) for the carrying amount of the Group's inventories as of September 30, 2025.

Impairment evaluation of investments accounted for under equity method

When there is indication of impairment that an investment under equity method may have been impaired to such an extent that the book value cannot be recovered, the Group shall assess the impairment of such investment immediately. The Group evaluates the recoverable amount based on the discounted present value of the expected future cash flows of the investee, and analyzes the reasonableness of the relevant assumptions. For the impairment assessment of the investments under equity method, please refer to the descriptions in Note 6, (7).

Goodwill impairment assessment

The assessment process of goodwill impairment relies on the Group's subjective judgment, including identifying the cash-generating unit and apportioning assets, liabilities, and goodwill to the relevant cash-generating units, and determining the recoverable amount of the relevant cash-generating units. For the assessment of goodwill impairment, please refer to the descriptions in Note 6, (12).

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	\$ 46	\$ 10	\$ 34
Checking accounts and demand deposit	18,012,928	9,326,413	13,664,959
Cash equivalents			
Time deposit	3,275,764	62,295	5,350,455
Bond with repurchase agreements	-	529,461	-
	<u>\$ 21,288,738</u>	<u>\$ 9,918,179</u>	<u>\$ 19,015,448</u>

A. The financial institutions the Group deals with have high credit ratings. The Group also deals with various financial institutions at the same time to diversify credit risks. Therefore, the expected risk of default is rather low.

B. The Group reclassifies time deposits with initial duration of more than three months and restricted time deposits to “financial assets at amortized cost - current” and “financial assets at amortized cost - non-current” on September 30, 2025, December 31, 2024 and September 30, 2024.

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

Items	September 30, 2025	December 31, 2024	September 30, 2024
Current items:			
Financial assets at fair value through profit or loss, mandatorily measured at fair value			
Derivative instruments	\$ -	\$ -	\$ 658
Hybrid instruments	<u>9,332,200</u>	<u>17,327,463</u>	<u>8,967,600</u>
	<u>\$ 9,332,200</u>	<u>\$ 17,327,463</u>	<u>\$ 8,968,258</u>
Non-current items:			
Financial assets at fair value through profit or loss, mandatorily measured at fair value			
Beneficiary certificate	\$ 1,056,870	\$ 1,135,178	\$ 1,135,307
Hybrid instruments	433,229	365,705	474,225
Unlisted shares	66,079	66,079	58,417
Simple Agreement for Future Equity	<u>15,223</u>	<u>-</u>	<u>-</u>
	<u>\$ 1,571,401</u>	<u>\$ 1,566,962</u>	<u>\$ 1,667,949</u>

Items	September 30, 2025	December 31, 2024	September 30, 2024
Current items:			
Financial liabilities mandatorily measured at fair value through profit or loss			
Derivative instruments-			
Convertible bonds	<u>\$ 751</u>	<u>\$ 1,038</u>	<u>\$ 358</u>

A. The details of financial assets and liabilities measured at fair value through profit or loss recognized in profit or loss are as follows:

	Three months ended September 30,	
	2025	2024
Financial assets and liabilities mandatorily measured at fair value through profit or loss		
Derivative instruments	\$ 186	\$ 428
Beneficiary certificate	45,808	43,807
Hybrid instruments	<u>30,739</u>	<u>49,430</u>
Total	<u>\$ 76,733</u>	<u>\$ 93,665</u>

	Nine months ended September 30,	
	2025	2024
Financial assets and liabilities mandatorily measured at fair value through profit or loss		
Derivative instruments	\$ 218	\$ 5,070
Beneficiary certificate	(151,144)	199,628
Hybrid instruments	<u>278,023</u>	<u>53,264</u>
Total	<u>\$ 127,097</u>	<u>\$ 257,962</u>

B. The Group's derivatives and contracts not subject to hedge accounting are described as follows:

	September 30, 2024	
Derivative instruments	Contract amount nominal Principal (thousands of NTD)	Contract period
Current items:		
Forward exchange contracts	USD(sell) 13,900	2024/09-2024/10
	CNH(buy) 97,473	

The Group had no outstanding derivative transactions as of September 30, 2025 and December 31, 2024.

(a) Forward exchange contracts

The forward exchange agreements signed by the Group are to hedge the exchange rate risk from the following:

- A. Operating activities: Costs of imported raw materials and proceeds from exports.
- B. Investing activities: Costs of imported machinery and equipment.
- C. Financial activities: Foreign currency assets and liabilities (loans) from long-term and Short-term loans.
- C. The counterparties of the derivatives traded by the Group are banks with great credit ratings or financial institutions at the investment grade or above, and their credit ratings are rated as A or above.
- D. The Group did not pledge financial assets at fair value through profit or loss.
- E. Convertible corporate bond derivatives refer to the separated conversion and redemption options of the convertible corporate bonds issued by Sotera Wirelss, Inc., subsidiary of the Company. The Group has written off the convertible corporate bonds issued by its subsidiary Sotera Wireless, Inc. and derivatives thereof.
- F. The structured time deposit contract signed between the Group and the bank includes an embedded derivative that is not closely related to the host contract. Since the host contract included in the hybrid contract is an asset within the scope of IFRS 9, it should be mandatorily categorized as a financial asset at fair value through profit or loss based on the assessment of the overall hybrid contract.
- G. On April 30, 2025, the Group entered into a Simple Agreement for Future Equity (SAFE) with Serelix Robotics, Inc., with an investment amount of USD 500 thousand.

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

Item	September 30, 2025	December 31, 2024	September 30, 2024
Non-current items:			
Equity instruments	<u>\$ 18,281,656</u>	<u>\$ 20,679,803</u>	<u>\$ 26,650,578</u>

- A. The Group has elected to classify strategic equity instrument investments as financial assets at fair value through other comprehensive income.
- B. The Group did not pledge financial assets at fair value through other comprehensive income as collateral.
- C. The details of financial assets measured at fair value through other comprehensive income recognized in profit or loss and other comprehensive income are as follows:

	Three months ended September 30,	
	2025	2024
Fair value change recognized in other comprehensive income	<u>\$ 2,558,695</u>	<u>\$ 2,140,969</u>
Dividend income recognized in profit or loss held at end of year	<u>\$ 1,188</u>	<u>\$ 7,242</u>
	Nine months ended September 30,	
	2025	2024
Fair value change recognized in other comprehensive income	<u>(\$ 1,352,358)</u>	<u>\$ 674,831</u>
Dividend income recognized in profit or loss held at end of year	<u>\$ 189,269</u>	<u>\$ 7,242</u>
Cumulative gain reclassified to retained earnings due to derecognition	<u>\$ -</u>	<u>\$ 247,242</u>

Please refer to Table 2 for information financial assets measured at fair value through other comprehensive income.

(4) Financial assets at amortized cost

Items	September 30, 2025	December 31, 2024	September 30, 2024
Current items:			
Time deposits with maturity in excess of three months	\$ 58,286,757	\$ 57,998,306	\$ 50,048,811
Pledged time deposits	7,486	7,850	7,927
Financial bonds - trust funds	<u>-</u>	<u>-</u>	<u>678,417</u>
	<u>\$ 58,294,243</u>	<u>\$ 58,006,156</u>	<u>\$ 50,735,155</u>
Non-current items:			
Time deposits with maturity in excess of one year	\$ -	\$ 2,131,350	\$ 2,057,250
Financial bonds - corporate bonds	<u>1,073,581</u>	<u>250,000</u>	<u>-</u>
	<u>\$ 1,073,581</u>	<u>\$ 2,381,350</u>	<u>\$ 2,057,250</u>

A. Please refer to Note 6 (22) for information on recognized gains and losses on financial assets at amortized cost.

B. In March 2018 and December 2017, the Group invested in the trust fund named Guangdong Finance Trust - Peng Yun Tian Hua Collection Fund Trust for RMB 500 million and RMB 1 billion, respectively. The fund was mainly created for the investment in Guangzhou Guangyin Nanyue Intelligent Technology Industrial Investment Partnership. This investment was included in “financial assets at amortized cost - current” on September 30, 2024. The

Group had fully recovered the amount in the fourth quarter of 2024 in accordance with the investment agreement.

C. Details of the Group's financial assets at amortized cost pledged to others as collateral as of September 30, 2025, December 31, 2024, and September 30, 2024 are provided in Note 8.

D. All of the Group's investments have high credit quality.

(5) Notes and accounts receivables

	September 30, 2025	December 31, 2024	September 30, 2024
Notes receivable	\$ 447,660	\$ 420,876	\$ 326,227
Accounts receivable	<u>18,570,019</u>	<u>19,891,687</u>	<u>10,254,061</u>
	19,017,679	20,312,563	10,580,288
Less: Allowance for uncollectible accounts	(<u>416,984</u>)	(<u>432,526</u>)	(<u>438,917</u>)
	<u>\$ 18,600,695</u>	<u>\$ 19,880,037</u>	<u>\$ 10,141,371</u>

A. The Group did not hold any collateral for such receivables.

B. Please refer to Note 12 (2) for the information on credit risk.

(6) Inventories

	September 30, 2025	December 31, 2024	September 30, 2024
Raw materials	\$ 419,480	\$ 660,105	\$ 412,948
Work in progress	409,783	343,733	342,704
Finished goods	<u>3,795,877</u>	<u>1,859,850</u>	<u>1,678,924</u>
	4,625,140	2,863,688	2,434,576
Less: Allowance for inventory obsolescence and market price decline	(<u>23,823</u>)	(<u>32,913</u>)	(<u>24,437</u>)
	<u>\$ 4,601,317</u>	<u>\$ 2,830,775</u>	<u>\$ 2,410,139</u>

Inventory cost recognized as expenses by the Group for this period:

	Three months ended September 30,	
	2025	2024
Cost of inventory sold	\$ 40,863,013	\$ 18,916,036
Gain on value recovery from obsolescence and market price decline	(7,810)	(15,921)
Income from sales of scrap	(<u>56,000</u>)	(<u>19,435</u>)
	<u>\$ 40,799,203</u>	<u>\$ 18,880,680</u>

	Nine months ended September 30,	
	2025	2024
Cost of inventory sold	\$ 109,665,036	\$ 39,470,777
Gain on value recovery from obsolescence and market price decline	(7,766)	(268,419)
Income from sales of scrap	(149,573)	(104,599)
	<u>\$ 109,507,697</u>	<u>\$ 39,097,759</u>

As the Group sold and disposed some inventory with net realizable value lower than its cost, the net realizable value for inventory was reversed for the three months period and the nine months period ended September 30, 2025 and 2024.

(7) Investments accounted for using equity method

	2025	2024
At January 1	\$ 4,968,196	\$ 4,532,071
Addition of investments accounted for using equity method	-	365,002
Disposal of investments accounted for using the equity method	(75,840)	-
Share of loss of investment accounted for using the equity method	(198,123)	(85,058)
Change in retained earnings	(1,244)	-
Changes in capital surplus	1,941	3,444
Impairment loss	(69,177)	-
Change in other equity interest (Note 6(19))	(325,115)	128,552
At September 30	<u>\$ 4,300,638</u>	<u>\$ 4,944,011</u>

	September 30, 2025	December 31, 2024	September 30, 2024
Associates	<u>\$ 4,300,638</u>	<u>\$ 4,968,196</u>	<u>\$ 4,944,011</u>

A. The share of the operating performance of each non-material associate of the Group is summarized as follows:

	Three-months period ended September 30,	
	2025	2024
Loss for the period from continuing operations	(\$ 53,734)	(\$ 29,655)
Other comprehensive income (loss), net of tax	<u>132,891</u>	<u>(107,686)</u>
Total comprehensive income (loss)	<u>\$ 79,157</u>	<u>(\$ 137,341)</u>
	Nine-months period ended September 30,	
	2025	2024
Loss for the period from continuing operations	(\$ 198,123)	(\$ 85,058)
Other comprehensive income (loss), net of tax	<u>(326,359)</u>	<u>128,552</u>
Total comprehensive income (loss)	<u>(\$ 524,482)</u>	<u>\$ 43,494</u>

B. The Group's investment, Productive Technologies Company Limited (Original name: IDG Energy Investment Limited), has quoted market prices. As of September 30, 2025, December 31, 2024 and September 30, 2024, the fair value was \$1,627,025, \$1,341,709 and \$1,301,046, respectively. Based on the Group's assessment on the future recoverable amounts, the Group recognized impairment losses of \$69,177 and \$0 were recognized for nine months ended September 30, 2025 and 2024, respectively.

C. The Group held a 3.25% equity interest in CyberTAN Technology Inc., and obtained seats in the Board of Directors of the company on June 25, 2024. Therefore, the Group had significant influence over the company based on the Group's assessment. Financial assets at fair value through other comprehensive income originally held by the Company were remeasured and transferred to investments accounted for using equity method amounting to \$365,002.

D. For the nine months ended September 30, 2025 and 2024, the Group's investments accounted for using the equity method were measured based on the unaudited financial statements prepared by the affiliates for the same periods.

(8) Property, plant, and equipment

	2025					
	Land	Buildings and structures	Machinery and equipment	Other equipment	Construction in progress and equipment under acceptance	Total
January 1						
Cost	\$ 60,269	\$ 5,092,632	\$ 6,215,569	\$ 1,962,385	\$ 37,643	\$ 13,368,498
Accumulated depreciation and impairment	-	(3,934,445)	(5,309,245)	(1,676,761)	-	(10,920,451)
	<u>\$ 60,269</u>	<u>\$ 1,158,187</u>	<u>\$ 906,324</u>	<u>\$ 285,624</u>	<u>\$ 37,643</u>	<u>\$ 2,448,047</u>
January 1	\$ 60,269	\$ 1,158,187	\$ 906,324	\$ 285,624	\$ 37,643	\$ 2,448,047
Additions	-	5,382	138,455	42,333	125,707	311,877
Reclassification and transfer	-	4,693	439	642	(527)	5,247
Disposal	-	(18)	(14,255)	(2,458)	(98,181)	(114,912)
Impairment loss	(1,966)	-	-	-	-	(1,966)
Depreciation	-	(168,942)	(217,384)	(87,959)	-	(474,285)
Net exchange difference	(74)	(51,125)	(41,044)	(12,262)	(1,746)	(106,251)
September 30	<u>\$ 58,229</u>	<u>\$ 948,177</u>	<u>\$ 772,535</u>	<u>\$ 225,920</u>	<u>\$ 62,896</u>	<u>\$ 2,067,757</u>
September 30						
Cost	\$ 60,105	\$ 4,876,768	\$ 6,000,351	\$ 1,886,087	\$ 62,896	\$ 12,886,207
Accumulated depreciation and impairment	(1,876)	(3,928,591)	(5,227,816)	(1,660,167)	-	(10,818,450)
	<u>\$ 58,229</u>	<u>\$ 948,177</u>	<u>\$ 772,535</u>	<u>\$ 225,920</u>	<u>\$ 62,896</u>	<u>\$ 2,067,757</u>

2024						
	Land	Buildings and structures	Machinery and equipment	Other equipment	Construction in progress and equipment under acceptance	Total
January 1						
Cost	\$ 60,562	\$ 4,847,414	\$ 6,175,549	\$ 1,906,033	\$ 76,392	\$ 13,065,950
Accumulated depreciation and impairment	-	(3,556,692)	(5,095,096)	(1,545,856)	-	(10,197,644)
	<u>\$ 60,562</u>	<u>\$ 1,290,722</u>	<u>\$ 1,080,453</u>	<u>\$ 360,177</u>	<u>\$ 76,392</u>	<u>\$ 2,868,306</u>
January 1	\$ 60,562	\$ 1,290,722	\$ 1,080,453	\$ 360,177	\$ 76,392	\$ 2,868,306
Additions	-	3,706	58,522	176,829	49,536	288,593
Reclassification and transfer	-	36,956	-	8,134	(41,618)	3,472
Disposal	-	(105)	(13,782)	(8,524)	(572)	(22,983)
Depreciation	-	(200,411)	(231,440)	(105,298)	-	(537,149)
Net exchange difference	205	71,618	45,362	14,468	3,590	135,243
September 30	<u>\$ 60,767</u>	<u>\$ 1,202,486</u>	<u>\$ 939,115</u>	<u>\$ 445,786</u>	<u>\$ 87,328</u>	<u>\$ 2,735,482</u>
September 30						
Cost	\$ 60,767	\$ 5,127,203	\$ 6,226,534	\$ 2,121,753	\$ 87,328	\$ 13,623,585
Accumulated depreciation and impairment	-	(3,924,717)	(5,287,419)	(1,675,967)	-	(10,888,103)
	<u>\$ 60,767</u>	<u>\$ 1,202,486</u>	<u>\$ 939,115</u>	<u>\$ 445,786</u>	<u>\$ 87,328</u>	<u>\$ 2,735,482</u>

The major components of the Group's buildings and structures are mainly buildings, and are depreciated over 4 to 55 years.

(9) Leasing arrangements - lessee

A. The Group leases various assets including land use right, buildings and structures as well as other equipment. Except for the rental period of land use right which is 50 years, rental contracts are typically made for periods of 2 to 6 years. Lease contracts are negotiated individually, and contain various terms and conditions.

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

	September 30, 2025	December 31, 2024	September 30, 2024
	Book value	Book value	Book value
Land use rights	\$ 464,692	\$ 499,105	\$ 507,950
Buildings and structures	239,143	272,490	344,098
Other equipment	2,064	3,066	3,598
	<u>\$ 705,899</u>	<u>\$ 774,661</u>	<u>\$ 855,646</u>
Three months ended September 30,			
	2025	2024	
	Depreciation	Depreciation	
Land use rights	\$ 3,677	\$ 3,962	
Buildings and structures	6,946	42,815	
Other equipment	290	485	
	<u>\$ 10,913</u>	<u>\$ 47,262</u>	
Nine months ended September 30,			
	2025	2024	
	Depreciation	Depreciation	
Land use rights	\$ 11,395	\$ 11,724	
Buildings and structures	21,648	130,485	
Other equipment	1,135	1,436	
	<u>\$ 34,178</u>	<u>\$ 143,645</u>	

C. Information on profit or loss in relation to lease contracts is as follows:

	Three months ended September 30,	
	2025	2024
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 3,607	\$ 8,566
Expenses on short-term lease contracts	34,525	15,656
Expense on leases of low-value assets	312	270
	Nine months ended September 30,	
	2025	2024
<u>Items affecting profit or loss</u>		
Interest expense on lease liabilities	\$ 11,397	\$ 27,816
Expenses on short-term lease contracts	115,047	42,835
Expense on leases of low-value assets	791	888
Gain on disposal of right-of-use assets	5	-

D. The additions to the Group's right-of-use assets for the three months and nine months ended September 30, 2025 and 2024 amounted to \$231, \$0, \$1,669, and \$0, respectively.

E. For the three-month and nine-month period ended September 30, 2025 and 2024, the Group's total cash outflow for leases were \$45,401, \$68,728, \$148,477 and \$203,752, respectively.

(10) Lease transactions - lessor

A. The underlying assets leased out by the Group include buildings, as well as machinery and equipment. The terms of such lease contracts usually range from one to five years. The lease contracts are negotiated individually, and contain various terms and conditions.

B. The Group recognized rental income of \$102,703, \$111,094, \$327,931 and \$335,838 based on operating lease contracts for the three months and nine months ended September 30, 2025 and 2024, respectively, and none of them were variable lease payments.

C. The analysis of the due dates of the Group's lease payments under operating leases is as follows:

	September 30, 2025		December 31, 2024		September 30, 2024
2025	\$ 82,080	2025	\$ 217,123	2024	\$ 78,588
2026	201,334	2026	90,408	2025	106,037
2027	197,965	2027	40,840	2026	90,760
2028	51,310	2028	40,807	2027	621
2029 and thereafter	3,652	2029 and thereafter	-	2028 and thereafter	155
	<u>\$ 536,341</u>		<u>\$ 389,178</u>		<u>\$ 276,161</u>

The Group's rental income under operating leases is calculated based on the areas used by the lessees. The above information is based on the areas used by the lessees on the balance sheet dates.

(11) Investment property

		2025		
		Land	Buildings and structures	Total
January 1				
Cost		\$ 95,910	\$3,529,458	\$3,625,368
Accumulated depreciation and impairment		-	(2,646,617)	(2,646,617)
		<u>\$ 95,910</u>	<u>\$ 882,841</u>	<u>\$ 978,751</u>
January 1		\$ 95,910	\$ 882,841	\$ 978,751
Transfer-out		-	(3,463)	(3,463)
Depreciation		-	(116,139)	(116,139)
Net exchange difference		-	(38,768)	(38,768)
September 30		<u>\$ 95,910</u>	<u>\$ 724,471</u>	<u>\$ 820,381</u>
September 30				
Cost		\$ 95,910	\$ 3,362,797	\$ 3,458,707
Accumulated depreciation and impairment		-	(2,638,326)	(2,638,326)
		<u>\$ 95,910</u>	<u>\$ 724,471</u>	<u>\$ 820,381</u>
		2024		
		Land	Buildings and structures	Total
At January 1				
Cost		\$ 95,910	\$ 3,425,475	\$ 3,521,385
Accumulated depreciation and impairment		-	(2,398,078)	(2,398,078)
		<u>\$ 95,910</u>	<u>\$ 1,027,397</u>	<u>\$ 1,123,307</u>
At January 1		\$ 95,910	\$ 1,027,397	\$ 1,123,307
Transfer-out		-	(3,472)	(3,472)
Depreciation		-	(130,281)	(130,281)
Net exchange difference		-	43,051	43,051
At September 30		<u>\$ 95,910</u>	<u>\$ 936,695</u>	<u>\$ 1,032,605</u>
At September 30				
Cost		\$ 95,910	\$ 3,568,230	\$ 3,664,140
Accumulated depreciation and impairment		-	(2,631,535)	(2,631,535)
		<u>\$ 95,910</u>	<u>\$ 936,695</u>	<u>\$ 1,032,605</u>

A. Rental income and direct operating expenses from investment property:

	Three months ended September 30,	
	2025	2024
Rental income from investment property	\$ 97,775	\$ 103,418
Direct operating expenses from investment property that generates rental income during this period	\$ 36,127	\$ 44,020
	Nine months ended September 30,	
	2025	2024
Rental income from investment property	\$ 309,531	\$ 311,812
Direct operating expenses from investment property that generates rental income during this period	\$ 116,139	\$ 130,281

B. The fair values of the investment property held by the Group as of September 30, 2025, December 31, 2024, and September 30, 2024 were \$2,366,712, \$2,432,680 and \$2,174,661, respectively. Valuations were made using the comparative approach which is categorized within Level 3 in the fair value hierarchy.

(12) Intangible assets

	2025			
	Patent rights and technical skills	Computer software	Goodwill	Total
At January 1				
Cost	\$ 626,763	\$ 5,794	\$ 1,905,544	\$ 2,538,101
Accumulated amortization and impairment	(605,008)	(3,459)	(196,503)	(804,970)
	<u>\$ 21,755</u>	<u>\$ 2,335</u>	<u>\$ 1,709,041</u>	<u>\$ 1,733,131</u>
At January 1	\$ 21,755	\$ 2,335	\$ 1,709,041	\$ 1,733,131
Amortization	(5,438)	(1,422)	-	(6,860)
Net exchange difference	-	-	(54,675)	(54,675)
At September 30	<u>\$ 16,317</u>	<u>\$ 913</u>	<u>\$ 1,654,366</u>	<u>\$ 1,671,596</u>

2025				
	Patent rights and technical skills	Computer software	Goodwill	Total
At September 30				
Cost	\$ 599,384	\$ 5,794	\$ 1,850,869	\$ 2,456,047
Accumulated amortization and impairment	(583,067)	(4,881)	(196,503)	(784,451)
	<u>\$ 16,317</u>	<u>\$ 913</u>	<u>\$ 1,654,366</u>	<u>\$ 1,671,596</u>
2024				
	Patent rights and technical skills	Computer software	Goodwill	Total
At January 1				
Cost	\$ 606,714	\$ 5,794	\$ 1,865,509	\$ 2,478,017
Accumulated amortization	(577,707)	(1,563)	-	(579,270)
	<u>\$ 29,007</u>	<u>\$ 4,231</u>	<u>\$ 1,865,509</u>	<u>\$ 1,898,747</u>
At January 1	\$ 29,007	\$ 4,231	\$ 1,865,509	\$ 1,898,747
Amortization	(5,439)	(1,423)	-	(6,862)
Net exchange difference	-	-	51,534	51,534
At September 30	<u>\$ 23,568</u>	<u>\$ 2,808</u>	<u>\$ 1,917,043</u>	<u>\$ 1,943,419</u>
At September 30				
Cost	\$ 632,520	\$ 5,794	\$ 1,917,043	\$ 2,555,357
Accumulated amortization	(608,952)	(2,986)	-	(611,938)
	<u>\$ 23,568</u>	<u>\$ 2,808</u>	<u>\$ 1,917,043</u>	<u>\$ 1,943,419</u>

- A. As of September 30, 2025, December 31, 2024, and September 30, 2024, the amounts of goodwill apportioned to the cash-generating units of the mechanism, spare parts production, and sales and operations were \$1,654,366, \$1,709,041 and \$1,917,043, respectively.
- B. The Group has generated goodwill from the acquisition of Sotera Wireless, Inc. for NT\$724,029. The impairment test of goodwill is based on the fair value as the recoverable amount. According to the assessment results, the Group's impairment loss recognized on September 30, 2025 was NT\$196,503.
- C. For goodwill arising from the acquisition of Champ Tech Optical (Foshan) Corporation, the recoverable amount of all cash-generating units calculated using the value-in-use exceeded

their carrying amount based on the Group's assessment. Management determined budgeted gross margin based on past performance and their expectations of market development. The weighted average growth rates used are consistent with the projection included in industry reports. The discount rates used were pre-tax and reflected specific risks relating to the relevant operating segments.

(13) Short-term loans

Type of loans	September 30, 2025	Interest rate	Collateral
Bank loans			
Unsecured loans	\$ 12,269,650	0.90%-1.78%	None
Other unsecured loans	<u>761</u>	5%	None
	<u>\$ 12,270,411</u>		
Type of loans	December 31, 2024	Interest rate	Collateral
Bank loans			
Unsecured loans	<u>\$ 9,110,025</u>	0.62%-4.95%	None
Type of loans	September 30, 2024	Interest rate	Collateral
Bank loans			
Unsecured loans	<u>\$ 9,540,783</u>	0.52%~5.55%	None

(14) Other payables

	September 30, 2025	December 31, 2024	September 30, 2024
Awards and salaries payable	\$ 1,249,601	\$ 1,055,755	\$ 1,127,269
Employees' compensation payable	793,310	798,139	746,984
Consumption goods expense payable	572,672	577,537	581,657
Payable on module expense	553,977	582,583	947,952
General operating expenses payable	491,211	502,581	521,345
Others	<u>2,090,114</u>	<u>1,933,398</u>	<u>1,881,457</u>
	<u>\$ 5,750,885</u>	<u>\$ 5,449,993</u>	<u>\$ 5,806,664</u>

(15) Pension

A. Defined benefit plan

- (a) The Company established the defined benefit pension regulations in accordance with the provisions of the Labor Standards Act, which were applicable to all formal employees

who were employed prior to the enforcement of the Labor Pension Act on July 1, 2005 and to the formal employees who still chose the old fund mechanism under the Labor Standards Act after the Labor Pension Act took effect. 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.

(b) The Group estimated that the contribution to the pension plan for 2025 is \$864.

B. Defined contribution plan

(a) Since July 1, 2005, the Company and domestic subsidiaries have established the defined contribution pension regulations in accordance with the Labor Pension Act, which are applicable to employees with the ROC nationality. For the pension plan under the Labor Pension Act chosen by the employees, the Company and domestic subsidiaries make monthly contributions to employees' individual pension accounts, equal to 6% of their monthly salaries. Based on the employee's individual pension accounts and the cumulative amount of income from the annual investment and utilization plan, the payment of employee pension is made on a monthly basis or in a lump sum.

(b) The subsidiaries of the Group in China make monthly contributions, equal to a certain percentage of the local employees' salaries, in accordance with the pension system stipulated by the government of the People's Republic of China. The percentages vary from 14% to 20% depending on the employees' registered households and the contributions are deposited in employees' independent accounts. Each employee's pension is managed and administered by the government, and the Group has no further obligations other than the monthly contributions.

C. The pension costs recognized by the Group in accordance with the above pension schemes during the three months and nine months ended September 30, 2025 and 2024 were \$97,469, \$82,025, \$262,268 and \$226,779, respectively.

(16) Share capital

As of September 30, 2025, the Company's registered capital was \$20,000,000 (including employee stock warrants or shares that can be subscribed for with corporate bonds with stock options of 50,000 shares). There are 1,414,485 thousand common shares issued and outstanding, with a par value of NT\$10 per share; therefore the paid-in capital amounted to \$14,144,852.

The number of the Company's issued ordinary shares at the beginning and the end of the period is adjusted as follows (in thousands):

	2025	2024
January 1 (September 30)	<u>1,414,485</u>	<u>1,414,485</u>

(17) Capital surplus

In accordance with the Company Act, the premium from the issuance of shares in excess of the par value and the capital surplus from the receipt of gifts can be used to compensate deficit losses, or to issue new shares or pay out cash in proportion to the shareholders' shares when

there is no cumulative deficit. In addition, per the relevant regulations of the Securities and Exchange Act, when the above capital surplus is allocated to capital, the total amount shall not exceed 10% of the paid-in capital each year. The Company shall not use the capital surplus to compensate the capital losses, unless the surplus reserve is insufficient to compensate such losses.

(18) Retained Earnings

A. The Company's earnings distribution should be handled in accordance with the Articles of Incorporation below:

If the Company has net profits, it shall be allocated in the following procedures:

- (a) Offsetting losses;
- (b) Providing ten percent of such profits as a legal reserve. However, when the legal reserve amounts to the authorized capital, this shall not apply.
- (c) Providing or reversing special reserve pursuant to the applicable laws or regulations.

As to the earnings available for appropriation to shareholders including accumulated un-appropriated earnings and earnings available for appropriation of this year, the board of directors is authorized to draft an appropriation plan in accordance with the dividend policy in Section 4 of this Article.

The distributable dividends and bonuses, capital reserve or legal reserve in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors, and shall be exempt from the application of the provisions set out in the resolutions of Shareholders' meeting.

The Company is currently at a developing stage. The Company's dividend distribution policy is subject to the Company's current and future investment environment, fund requirements, competition from local and abroad, and capital budgets, as well as taking into consideration of the interests of shareholders and the long-term financial planning. Shareholder dividends are set aside on accumulated un-appropriated earnings, which shall not be less than 15% of earnings available for appropriation for the year and cash dividends shall not be less 10% of total dividends.

B. According to related regulations, 10% of the balance of earnings after tax less the accumulated loss of prior years should be set aside as legal reserve, until the legal reserve equals the paid-in. 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.

C. 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 may be included in the distributable earnings.

D. The appropriations of earnings for 2024 and 2023 had been resolved at the stockholders' meeting on May 29, 2025 and May 31, 2024, respectively. Details are summarized below:

	2024		2023	
	Amount	Dividend per share (NTD)	Amount	Dividend per share (NTD)
Legal reserve	\$ 808,071		\$ 36,443	
Special reserve	702,587		33,646	
Cash dividends	<u>1,980,279</u>	\$ 1.4	<u>2,121,728</u>	\$ 1.5
	<u>\$ 3,490,937</u>		<u>\$ 2,191,817</u>	

The information on distribution of earnings will be posted in the “Market Observation Post System” of the TWSE.

(19) Other equity interest

	2025		
	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Currency translation adjustments	Total
At January 1	(\$ 5,923,915)	\$ 1,364,007	(\$ 4,559,908)
Revaluation of fair value			
- Group	(1,352,358)	-	(1,352,358)
- Associates	(16,087)	-	(16,087)
Changes in equity of associates and joint ventures accounted for using equity method	847	-	847
Associate disposed the investment in equity instruments designated as at fair value through other comprehensive income	397	-	397
Currency translation differences			
- Group	-	(6,397,726)	(6,397,726)
- Associates	-	(310,272)	(310,272)
At September 30	<u>(\$ 7,291,116)</u>	<u>(\$ 5,343,991)</u>	<u>(\$ 12,635,107)</u>

	2024		
	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Currency translation adjustments	Total
At January 1	\$ 249,556	(\$ 4,106,877)	(\$ 3,857,321)
Revaluation of fair value	674,831	-	674,831
Disposal of investments in equity instruments designated at fair value through other comprehensive income	(247,242)	-	(247,242)
Currency translation differences			
- Group	-	3,742,687	3,742,687
- Associates	-	128,552	128,552
At September 30	<u>\$ 677,145</u>	<u>(\$ 235,638)</u>	<u>\$ 441,507</u>

(20) Non-controlling interests

	Nine months ended September 30,	
	2025	2024
Opening balance	(\$ 346,187)	(\$ 126,085)
Share attributable to non- controlling interests:		
Net loss for this period	(38,371)	(70,882)
Exchange differences on translation	45,895	(13,694)
Ending balance	<u>(\$ 338,663)</u>	<u>(\$ 210,661)</u>

(21) Operating revenue

	Three months ended September 30,	
	2025	2024
Revenue from contracts with customers	<u>\$ 42,331,575</u>	<u>\$ 20,225,644</u>
	Nine months ended September 30,	
	2025	2024
Revenue from contracts with customers	<u>\$ 113,555,634</u>	<u>\$ 42,583,129</u>

The Group's revenue from goods and services transferred at a certain point in time can be divided into the following categories:

From July 1, 2025 through September 30, 2025	Electronic products trading services	Production and sales of mechanical components	Others	Total
Revenue from contracts with customers	<u>\$ 37,021,156</u>	<u>\$ 4,864,704</u>	<u>\$ 445,715</u>	<u>\$ 42,331,575</u>
From July 1, 2024 through September 30, 2024	Electronic products trading services	Production and sales of mechanical components	Others	Total
Revenue from contracts with customers	<u>\$ 16,945,914</u>	<u>\$ 3,147,721</u>	<u>\$ 132,009</u>	<u>\$ 20,225,644</u>
From January 1, 2025 through September 30, 2025	Electronic products trading services	Production and sales of mechanical components	Others	Total
Revenue from contracts with customers	<u>\$ 101,384,816</u>	<u>\$ 11,323,700</u>	<u>\$ 847,118</u>	<u>\$ 113,555,634</u>
From January 1, 2024 through September 30, 2024	Electronic products trading services	Production and sales of mechanical components	Others	Total
Revenue from contracts with customers	<u>\$ 34,111,973</u>	<u>\$ 8,114,797</u>	<u>\$ 356,359</u>	<u>\$ 42,583,129</u>

(22) Interest income

	Three months ended September 30,	
	2025	2024
Interest income on cash in banks	\$ 46,248	\$ 168,480
Interest income on financial assets at amortized cost	518,862	455,992
Interest income on corporate bonds	1,863	-
	<u>\$ 566,973</u>	<u>\$ 624,472</u>
	Nine months ended September 30,	
	2025	2024
Interest income on cash in banks	\$ 143,682	\$ 707,402
Interest income on financial assets at amortized cost	1,558,325	1,391,521
Interest income on corporate bonds	5,641	-
	<u>\$ 1,707,648</u>	<u>\$ 2,098,923</u>

(23) Other income

Three months ended September 30,			
2025		2024	
Rental income	\$ 102,703	\$ 111,094	
Government grants revenue	12,336	14,181	
Dividend income	1,650	7,242	
Others	17,608	15,662	
	<u>\$ 134,297</u>	<u>\$ 148,179</u>	
Nine months ended September 30,			
2025		2024	
Rental income	\$ 327,931	\$ 335,838	
Government grants revenue	42,621	68,625	
Dividend income	189,731	7,242	
Others	113,471	114,425	
	<u>\$ 673,754</u>	<u>\$ 526,130</u>	

(24) Other gains and losses

Three months ended September 30,			
2025		2024	
Gains on disposal of property, plant and equipment through profit or loss	\$ 7,867	\$ 6,502	
Net currency exchange gain (loss)	38,189	(70,571)	
Gain on financial assets at fair value through profit or loss	76,733	93,665	
Others	(83,370)	(37,667)	
	<u>\$ 39,419</u>	<u>(\$ 8,071)</u>	
Nine months ended September 30,			
2025		2024	
Gains on disposal of property, plant and equipment through profit or loss	\$ 19,639	\$ 27,143	
Net currency exchange gains	106,806	64,828	
Gain on financial assets at fair value through profit or loss	127,097	257,962	
Impairment loss	(71,143)	-	
Others	(251,104)	(204,005)	
	<u>(\$ 68,705)</u>	<u>\$ 145,928</u>	

(25) Additional information on the nature of the expenses

	Three months ended September 30,	
	2025	2024
Employee benefit expenses	\$ 1,405,220	\$ 1,290,008
Depreciation	213,136	274,800
Amortization	2,287	2,287
	<u>\$ 1,620,643</u>	<u>\$ 1,567,095</u>
	Nine months ended September 30,	
	2025	2024
Employee benefit expenses	\$ 3,611,376	\$ 3,487,388
Depreciation	624,602	811,075
Amortization	6,860	6,862
	<u>\$ 4,242,838</u>	<u>\$ 4,305,325</u>

(26) Employee benefit expenses

	Three months ended September 30,	
	2025	2024
Wages and salaries	\$ 1,003,560	\$ 955,777
Pension costs	97,469	82,025
Labor and health insurance fees	58,216	54,946
Other personnel expenses	245,975	197,260
	<u>\$ 1,405,220</u>	<u>\$ 1,290,008</u>
	Nine months ended September 30,	
	2025	2024
Wages and salaries	\$ 2,746,930	\$ 2,610,119
Pension costs	262,268	226,779
Labor and health insurance fees	154,829	147,440
Other personnel expenses	447,349	503,050
	<u>\$ 3,611,376</u>	<u>\$ 3,487,388</u>

A. According to the Articles of Incorporation adopted by the Board, 4-6% of the company profit (surplus refers to profit before tax deducted appropriated employee compensation and director remuneration) is set aside for employee remuneration.

B. The Company's employee remuneration estimated for the three and nine months ended September 30, 2025 and 2024 was NT\$50,598 and NT\$50,187, \$159,979, and \$163,281, respectively, and was recognized as salary and wages.

C. The employee remuneration for 2024 and 2023 resolved by the board of directors is consistent with the amount recognized in the 2024 and 2023 financial statements. The

employee remuneration for 2024 and 2023 was paid out in cash, totaling \$218,788 and \$255,874, respectively.

D. The information on employee remuneration approved by the Company's board of directors is available on the MOPS.

(27) Income tax

A. Tax expense

Components of income tax expense:

	Three months ended September 30,	
	2025	2024
Current tax:		
Income taxes arising from revenue for this period	\$ 85,228	\$ 260,744
Prior year income tax overestimation	421	(19,481)
Total current income taxes	85,649	241,263
Deferred taxes:		
Initial and reversed temporary differences	256,819	4,017
Tax expense	\$ 342,468	\$ 245,280
	Nine months ended September 30,	
	2025	2024
Current tax:		
Income taxes arising from revenue for this period	\$ 842,662	\$ 660,280
Tax on undistributed surplus earnings	229,489	107,675
Prior year income tax overestimation	(3,452)	(22,584)
Total current income taxes	1,068,699	745,371
Deferred taxes:		
Initial and reversed temporary differences	32,238	129,050
Tax expense	\$ 1,100,937	\$ 874,421

B. The Company's profit-seeking enterprise income tax returns filed have been approved by the tax authorities up to 2022.

C. The Group's risk exposure to Pillar 2 income tax arising from the Pillar 2 rule is described below.

The Group falls within the scope of the Pillar 2 model rules issued by the Organization for Economic Cooperation and Development. The Pillar 2 rule has been enacted in certain regions where our subsidiaries are registered, including Japan, and will be effective from FY2024. For certain subsidiaries registered in Singapore, legislation has been substantively enacted in Singapore and will come in effect from the 2025 fiscal year. As of September 30, 2025, the Group has no significant risk exposure to current income tax.

According to the rule, the Group will be obliged to pay the supplementary tax on the difference between the effective tax rate calculated under the GloBE system and the minimum tax rate of 15% in each jurisdiction.

Due to the complexity of the Pillar 2 rule, for the aforementioned jurisdictions of Japan and Singapore, it is likely to have a different effective tax rate from the average effective tax rate calculated in accordance with IAS 12 “Income Tax” due to the impact of specific adjustments in the Pillar 2 rule. The Group has commissioned a tax expert to assist in the continuous evaluation of the related matters regarding the application of the Pillar 2 rule.

(28) Earnings per share

	Three-month period ended September 30, 2025		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (NTD)
<u>Basic earnings per share</u>			
Net income for this period attributable to ordinary shareholders of the parent	<u>\$ 879,770</u>	1,414,485	<u>\$ 0.62</u>
<u>Diluted earnings per share</u>			
Net income for this period attributable to ordinary shareholders of the parent	\$ 879,770		
Effect of dilutive potential ordinary shares			
Remuneration to employees	-	2,276	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 879,770</u>	<u>1,416,761</u>	<u>\$ 0.62</u>

Three-month period ended September 30, 2024			
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (NTD)
<u>Basic earnings per share</u>			
Net income for this period attributable to ordinary shareholders of the parent	<u>\$ 969,074</u>	1,414,485	<u>\$ 0.69</u>
<u>Diluted earnings per share</u>			
Net income for this period attributable to ordinary shareholders of the parent	\$ 969,074		
Effect of dilutive potential ordinary shares			
Remuneration to employees	-	2,459	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 969,074</u>	<u>1,416,944</u>	<u>\$ 0.68</u>
Nine-month period ended September 30, 2025			
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (NTD)
<u>Basic earnings per share</u>			
Net income for this period attributable to ordinary shareholders of the parent	<u>\$ 2,373,086</u>	1,414,485	<u>\$ 1.68</u>
<u>Diluted earnings per share</u>			
Net income for this period attributable to ordinary shareholders of the parent	\$ 2,373,086		
Effect of dilutive potential ordinary shares			
Remuneration to employees	-	3,064	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 2,373,086</u>	<u>1,417,549</u>	<u>\$ 1.67</u>

Nine-month period ended September 30, 2024			
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (NTD)
<u>Basic earnings per share</u>			
Net income for this period attributable to ordinary shareholders of the parent	<u>\$ 2,683,056</u>	1,414,485	<u>\$ 1.90</u>
<u>Diluted earnings per share</u>			
Net income for this period attributable to ordinary shareholders of the parent	\$ 2,683,056		
Effect of dilutive potential ordinary shares			
Remuneration to employees	-	3,692	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 2,683,056</u>	<u>1,418,177</u>	<u>\$ 1.89</u>

(29) Supplemental cash flow information

A. Investing activities with only partial cash payments:

	Nine months ended September 30,	
	2025	2024
Acquisition of property, plant and equipment	\$ 311,877	\$ 288,593
Add: Business facilities payable at the beginning of the period	100,924	40,472
Less: Business facilities payable at the end of the period	(93,409)	(55,280)
Cash paid during this period	<u>\$ 319,392</u>	<u>\$ 273,785</u>
	Nine months ended September 30,	
	2025	2024
Disposal of property, plant and equipment	\$ 134,551	\$ 50,126
Add: Business facilities receivable at the beginning of the period	23,943	348,226
Less: Business facilities receivable at the end of the period	(20,069)	(17,914)
Cash received during this period	<u>\$ 138,425</u>	<u>\$ 380,438</u>

(30) Changes in liabilities from financing activities

	2025		
	Short-term loans	Lease liabilities	Total liabilities from financing activities
At January 1	\$ 9,110,025	\$ 345,726	\$ 9,455,751
Changes in cash flows from financing activities	3,052,010	(32,639)	3,019,371
Amortization of interest expense	-	11,397	11,397
Additions	-	1,669	1,669
Disposal	-	(987)	(987)
Effect of changes in exchange rates	108,376	(15,535)	92,841
At September 30	<u>\$ 12,270,411</u>	<u>\$ 309,631</u>	<u>\$ 12,580,042</u>
	2024		
	Short-term loans	Lease liabilities	Total liabilities from financing activities
At January 1	\$ 10,351,090	\$ 546,128	\$ 10,897,218
Changes in cash flows from financing activities	(821,257)	(160,029)	(981,286)
Amortization of interest expense	-	27,816	27,816
Effect of changes in exchange rates	10,950	12,754	23,704
At September 30	<u>\$ 9,540,783</u>	<u>\$ 426,669</u>	<u>\$ 9,967,452</u>

7. Related Party Transactions

(1) Name of related party and relationship

Name of related parties	Relationship with the Group
Hon Hai Precision Industry Co., Ltd. and Other Subsidiaries (Hon Hai and Subsidiaries)	Entities with significant influence to the Group
Fulian Technology (Shanxi) Co., Ltd. (Fulian Technology (Shanxi))	Entities with significant influence to the Group's subsidiaries
Hongfujin Precision Electrons (Yantai) Co., Ltd. (Hongfujin Yantai)	"
Hongfutai Precision Electronics (Yantai) Co., Ltd. (Hongfutai (Yantai))	"
Foxconn Precision Electronics (Taiyuan) Co., Ltd. (Foxconn (Taiyuan))	"
Cloud Network Technology Singapore Pte. Ltd.	"
CyberTAN Technology Inc. and its subsidiaries	Associates (Note)

Name of related parties	Relationship with the Group
Sharp Corporation and its subsidiaries	Other related party
iCare Diagnostics International Co. Ltd.	"
ZAP Medical System, Ltd.	"

Note: The Company obtained significant influence over the associate in the second quarter of 2024. Thus, the entity was listed as the Group's associate since the second quarter of 2024.

(2) Significant transactions with related parties

A. Operating revenue

	Three months ended September 30,	
	2025	2024
Sales of goods and services:		
Entities with significant influence to the Group		
- Hon Hai and Subsidiaries	\$ 2,215,171	\$ 1,959,699
Other related parties	-	643
	<u>\$ 2,215,171</u>	<u>\$ 1,960,342</u>
	Nine months ended September 30,	
	2025	2024
Sales of goods and services:		
Entities with significant influence to the Group		
- Hon Hai and Subsidiaries	\$ 5,946,139	\$ 4,534,766
Other related parties	-	99,337
	<u>\$ 5,946,139</u>	<u>\$ 4,634,103</u>

Except in case there is no similar transaction available for comparison, and the prices and credit period are determined through negotiation between both parties, the Group's selling prices to the above related parties are close to those offered to general customers; the Group's collection period for related parties is about 30–90 days. As for the transactions, in which the Group sells raw materials to some of the above related parties and buys back partial finished goods, the Group has eliminated the sales of raw materials based on the nature of the transactions.

B. Purchases

		Three months ended September 30,	
		2025	2024
Purchases of goods and services:			
Entities with significant influence to the Group			
- Hongfujin (Yantai)	\$	32,214,585	\$ 12,551,866
- Hon Hai and Other Subsidiaries		788,441	336,217
Other related parties		-	-
	\$	<u>33,003,026</u>	<u>\$ 12,888,083</u>
		Nine months ended September 30,	
		2025	2024
Purchases of goods and services:			
Entities with significant influence to the Group			
- Hongfujin (Yantai)	\$	91,674,769	\$ 26,599,630
- Hon Hai and Other Subsidiaries		1,785,310	629,812
Other related parties		-	1,299,225
	\$	<u>93,460,079</u>	<u>\$ 28,528,667</u>

Except in case there is no similar transaction available for comparison, and the prices and payment terms are determined through negotiation between both parties. The Group purchases goods from related parties at real-time prices. The Group's payment terms offered by related parties are about 30–90 days.

C. Receivables from related parties

	September 30, 2025	December 31, 2024	September 30, 2024
Accounts receivable:			
Entities with significant influence to the Group			
-Hon Hai	\$ 1,049,175	\$ 688,366	\$ 816,169
- Hongfutai (Yantai)	511,705	271,663	192,502
- Hongfujin (Yantai)	416,676	4,872,501	200,828
-Cloud Network Technology Singapore Pte. Ltd.	230,779	257,317	247,856
- Hon Hai Other Subsidiaries	489,198	423,957	451,646
Other related parties	-	-	55,280
	2,697,533	6,513,804	1,964,281
Less: Allowance for losses	-	-	(54,665)
Subtotal	2,697,533	6,513,804	1,909,616
Other receivables - purchases for related parties:			
Entities with significant influence to the Group			
- Hongfutai (Yantai)	-	9,611,998	3,881,640
- Hongfujin (Yantai)	10,411,599	2,682,248	577,494
- Hon Hai Other Subsidiaries	6,298	-	-
Other receivables - others:			
Entities with significant influence to the Group			
- Hon Hai and Other Subsidiaries	57,618	241,313	271,687
- Fulian Technology (Shanxi)	487,082	901,044	813,498
Other related parties	16	9,549	205
Subtotal	10,962,613	13,446,152	5,544,524
Total	\$ 13,660,146	\$ 19,959,956	\$ 7,454,140

The receivables from related parties are mainly from the sales of goods and the payments for the sales are due three months after the invoice dates. The receivables are not secured nor interest-bearing.

D. Payables to related parties

	September 30, 2025	December 31, 2024	September 30, 2024
Accounts payable:			
Entities with significant influence to the Group			
- Hon Hai and Other Subsidiaries	\$ 889,098	\$ 407,159	\$ 417,280
- Hongfujin (Yantai)	<u>20,732,728</u>	<u>26,662,911</u>	<u>6,307,242</u>
Subtotal	<u>21,621,826</u>	<u>27,070,070</u>	<u>6,724,522</u>
Other payables:			
Entities with significant influence to the Group			
- Hon Hai and Other Subsidiaries			
Payables for equipment	21,036	45,864	30,753
Others	212,954	235,588	290,883
Other related parties			
Others	<u>-</u>	<u>20,045</u>	<u>20,775</u>
Subtotal	<u>233,990</u>	<u>301,497</u>	<u>342,411</u>
Total	<u>\$ 21,855,816</u>	<u>\$ 27,371,567</u>	<u>\$ 7,066,933</u>

The payables to related parties are mainly from purchases and processing transactions, and the payment terms are the same as those for general suppliers. The Group's payment terms for general suppliers are 30-90 days. The payables are not interest-bearing.

E. Purchases of raw materials for others

	Three months ended September 30,	
	2025	2024
Entities with significant influence to the Group		
- Hon Hai and Subsidiaries		
Purchases of raw materials for related parties	\$ 20,875,000	\$ 8,632,972
Other related parties		
Purchases of raw materials for related parties	<u>-</u>	<u>2,304</u>
	<u>\$ 20,875,000</u>	<u>\$ 8,635,276</u>

Nine months ended September 30,

	2025	2024
Entities with significant influence to the Group		
- Hon Hai and Subsidiaries		
Purchases of raw materials for related parties	\$ 48,925,336	\$ 14,752,437
Other related parties		
Purchases of raw materials for related parties	-	556,292
	<u>\$ 48,925,336</u>	<u>\$ 15,308,729</u>

F. Property transactions

(a) Acquisition of property, plant and equipment:

	Three months ended September 30,	
	2025	2024
Acquisition of property, plant and equipment:		
Entities with significant influence to the Group		
- Hon Hai and Subsidiaries	<u>\$ 26,135</u>	<u>\$ 74,473</u>
	Nine months ended September 30,	
	2025	2024
Acquisition of property, plant and equipment:		
Entities with significant influence to the Group		
- Hon Hai and Subsidiaries	<u>\$ 59,236</u>	<u>\$ 83,808</u>

(b) Proceeds from sale of property, plant and equipment:

Three months ended September 30,				
2025		2024		
Selling price	Gain on disposal	Selling price	Gain on disposal	
Sale of property, plant and equipment:				
Entities with significant influence to the Group				
- Hon Hai and Subsidiaries	\$ 1,278	\$ 896	\$ -	\$ -
Nine months ended September 30,				
2025		2024		
Selling price	Gain on disposal	Selling price	Gain on disposal	
Sale of property, plant and equipment:				
Entities with significant influence to the Group				
- Hon Hai and Subsidiaries	\$ 26,730	\$ 4,751	\$ 7,073	\$ 157

(c) Acquisition of financial assets

No such situation from January 1 to September 30, 2025.

Nine-month periods ended September 30, 2024					
Counterparty	General ledger account	No. of shares	Objects	Amount	Note
Other related parties	Financial assets at fair value through profit or loss - non-current	-	Convertible corporate bonds of ZAP Medical System, LTD.	\$ 62,440	

G. Leasing arrangements - lessee

- (a) The Group has leased plant buildings from groups with a significant influence on the Group. The lease terms range from one to six years and the rents are paid at the end of each month or at the beginning of each month.

(b) Lease liabilities:

i. Ending balance

	September 30, 2025	December 31, 2024	September 30, 2024
Current:			
Entities with significant influence to the Group	<u>\$ 2,859</u>	<u>\$ 2,814</u>	<u>\$ 36,796</u>
Non-current:			
Entities with significant influence to the Group	<u>\$ 3,661</u>	<u>\$ 5,811</u>	<u>\$ 6,520</u>

ii. Interest expense

	Three months ended September 30,	
	2025	2024
Entities with significant influence to the Group	<u>\$ 37</u>	<u>\$ 727</u>
	Nine months ended September 30,	
	2025	2024
Entities with significant influence to the Group	<u>\$ 122</u>	<u>\$ 3,303</u>

H. Rental income

Foxconn Precision Electronics (Taiyuan) Co., Ltd. (Foxconn Taiyuan), a subsidiary of Hon Hai, signed an agreement with the Group to lease in some plant buildings, offices and dormitories in Taiyuan. The rent was negotiated by both parties and Foxconn Taiyuan pays a monthly rent to the Group according to the agreement. The rental income received under the above operating leases during the three months and nine months ended September 30, 2025 and 2024 was \$40,400, \$46,308, \$125,323 and \$141,896, respectively.

(3) Remuneration of key management personnel

	Three months ended September 30,	
	2025	2024
Salary and short-term employee benefits	\$ 5,970	\$ 4,039
Post-employment benefits	<u>97</u>	<u>76</u>
	<u>\$ 6,067</u>	<u>\$ 4,115</u>

	Nine months ended September 30,	
	2025	2024
Salary and short-term employee benefits	\$ 19,022	\$ 17,977
Post-employment benefits	205	262
	<u>\$ 19,227</u>	<u>\$ 18,239</u>

8. Pledged assets

As of September 30, 2025, December 31, 2024 and September 30, 2024, the book value of the Group's assets pledged as collateral is as follows:

Assets	Book value			Purpose of collateral
	September 30, 2025	December 31, 2024	September 30, 2024	
Pledged time deposits (shown as "financial assets at amortized cost - current" and "financial assets at amortized cost - non-current")	<u>\$ 7,486</u>	<u>\$ 7,850</u>	<u>\$ 7,927</u>	Customs guarantee

9. Commitments and Contingent Liabilities

(1) Contingencies

None.

(2) Commitments

Expenditure from contracts signed but not yet incurred

	September 30, 2025	December 31, 2024	September 30, 2024
Property, plant, and equipment	<u>\$ 14,212</u>	<u>\$ 27,579</u>	<u>\$ 53,000</u>

10. Significant disaster loss

None.

11. Significant events after the balance sheet date

None.

12. Others

(1) Capital management

The Group's capital management objectives are to ensure that the Group can continue as a going concern, maintain the best capital structure to meet the needs for equipment and provide dividends to shareholders. To maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or

sell assets to reduce debts. The Group monitors its capital per the debt ratio, which is calculated with net debt divided by total capital. Net amount of debts is calculated based on the total borrowings (including “current and non-current borrowings” presented in the consolidated balance sheet), less cash and cash equivalents. Total net amount is calculated based on the equity presented in the consolidated balance sheet, less total intangible assets.

The Group’s strategy for 2025 remains the same as for 2024 and aims to keep the debt ratio below 70%.

(2) Financial instruments

A. Categories of financial instruments

Please refer to Note 6 and the consolidated balance sheet for the Company’s and subsidiaries’ financial assets (financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income, financial assets at amortized cost, cash and cash equivalents, accounts receivable (including related parties), other receivables, and guarantee deposits paid) and financial liabilities (Short-term loans, financial liabilities at fair value through profit or loss, accounts payable (including related parties), other payables, lease liabilities, and guarantee deposits received).

B. Risk management policies

(a) Types of risks:

The Group adopts a comprehensive financial risk management and control system to clearly identify, measure and control various financial risks, including market (including exchange rate, interest rate, and price risks), credit and liquidity risks.

(b) Managerial goals

- i. Except for the market risk subject to external factors, the above risks can be eliminated through the internal control or operating processes, so the Group aims to reduce each risk to zero through management approaches.
- ii. Regarding market risk, the Group aims to optimize the overall position through meticulous analysis, suggestion, execution and process, with consideration for external trends, internal operating conditions and the impact of market fluctuations.
- iii. The Group’s risk management policy is focused on unpredictable events in the financial market, and seeks to reduce potential adverse effects on the Group’s financial position and performance.
- iv. Please refer to Note 6 (2) for details of the Group’s use of derivative financial instruments.

(c) Management system:

- i. The risk management is conducted by the Group’s finance department in accordance with the policies approved by the board of directors. The finance department is responsible for identifying, assessing and avoiding financial risks through close collaboration with the Group’s operating units.
- ii. The board of directors has written principles in place for risk management, and also written policies on a specific scope and matters, including exchange rate, interest rate and credit risks, use of derivative and non-derivative financial instruments, and investment of remaining liquidity.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Exchange rate risk

i. Nature:

The Group is an electronics foundry, operating multinational business and most of the exchange rate risk in the operating activities arises from:

- (i) Non-functional foreign currency accounts receivable and payable are accounted for at different points in time, and the exchange rates thereof are different from the functional currency, resulting in exchange rate risk. As the amount of assets and liabilities offset is not large, the amount of gain and loss is not large. (Note: The Group has offices in many countries around the world, so the exchange rate risk arises from various currencies, mainly USD and RMB.)
- (ii) Different exchange rates of the functional currency to the presentation currency at different points in time will cause another exchange rate risk.
- (iii) In addition to the commercial transactions (operating activities) in the above income statement, the assets and liabilities recognized in the balance sheet, and the net investment in foreign operations result in exchange rate risk.

ii. Management:

- (i) The Group has established policies on such risks requiring each company in the Group to manage the exchange rate risk in relation to its functional currency.
- (ii) The exchange rate risk arising from the presentation currency of the consolidated financial statements in relation to each functional currency is managed by the Group's finance department.

iii. Sources of risks

(i) USD and NTD:

Exchange risk mainly arises from the exchange losses or gains on cash and cash equivalents, accounts receivable, other receivables, and time deposits with a duration of more than three months, or liabilities, such as loans, accounts payable and other payables in USD translated into NTD.

(ii) USD and RMB:

Exchange risk mainly arises from the exchange losses or gains on cash and cash equivalents, accounts receivable and other receivables, or liabilities, such as loans, accounts payable and other payables in USD translated into RMB.

(iii) USD and JPY:

Exchange risk mainly arises from the exchange losses or gains on cash and cash equivalents, and accounts receivable, or liabilities, such as loans, accounts payable and other payables in USD translated into RMB.

iv. Information on foreign currency assets and liabilities affected by significant exchange rate fluctuations is as follows:

September 30, 2025					
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)	Degree of variation	Effect on profit or loss
(Foreign currency: Functional currency)					
<u>Financial assets</u>					
<u>Monetary item</u>					
USD: NTD	1,154,166	30.45	\$ 35,138,584	1%	\$ 351,386
USD: RMB	127,107	7.1055	3,869,773	1%	38,698
USD: JPY	852,440	147.0588	25,952,536	1%	259,525
<u>Non-monetary items</u>					
<u>Foreign operations</u>					
USD: NTD	3,416,475	30.45	104,014,596		
<u>Financial liabilities</u>					
<u>Monetary item</u>					
USD: NTD	1,124,916	30.45	\$ 34,248,068	1%	\$ 342,481
USD: RMB	22,821	7.1055	694,785	1%	6,948
USD: JPY	845,603	147.0588	25,744,383	1%	257,444
December 31, 2024					
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)	Degree of variation	Effect on profit or loss
(Foreign currency: Functional currency)					
<u>Financial assets</u>					
<u>Monetary item</u>					
USD: NTD	1,246,476	32.79	\$ 40,871,948	1%	\$ 408,719
USD: RMB	59,007	7.1884	1,934,840	1%	19,348
USD: JPY	872,083	156.2500	28,595,602	1%	285,956
<u>Non-monetary items</u>					
<u>Foreign operations</u>					
USD: NTD	3,366,273	32.79	110,380,076		
<u>Financial liabilities</u>					
<u>Monetary item</u>					
USD: NTD	774,787	32.79	\$ 25,405,266	1%	\$ 254,053
USD: RMB	18,258	7.1884	598,680	1%	5,987
USD: JPY	879,849	156.2500	28,850,249	1%	288,502

September 30, 2024

	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)	Degree of variation	Effect on profit or loss
(Foreign currency: Functional currency)					
<u>Financial assets</u>					
<u>Monetary item</u>					
USD: NTD	465,300	31.65	\$ 14,726,745	1%	\$ 147,267
USD: RMB	65,250	7.0074	2,065,163	1%	20,652
USD: JPY	382,193	142.8571	12,096,408	1%	120,964
<u>Non-monetary items</u>					
<u>Foreign operations</u>					
USD: NTD	3,430,369	31.65	108,571,165		
<u>Financial liabilities</u>					
<u>Monetary item</u>					
USD: NTD	378,625	31.65	\$ 11,983,481	1%	\$ 119,835
USD: RMB	22,440	7.0074	710,226	1%	7,102
USD: JPY	380,076	142.8571	12,029,405	1%	120,294

- v. The Group's monetary items have a significant impact due to exchange rate fluctuations. The total amounts of all exchange gains (losses) (including realized and unrealized) recognized for the three months and nine months ended September 30, 2025 and 2024 are gains of \$38,189, losses of \$70,571, gains of \$106,806 and gains of \$64,828, respectively.

Price risk

i. Nature

The Group has long invested in domestic and overseas listed and unlisted equity instruments, which are recognized as financial assets at fair value through other comprehensive income. The prices of such equity instruments vary depending on the values of the investments in the future.

ii. Extent

If the prices of such equity instruments increased or decreased by 1%, with all other factors remaining unchanged, the other comprehensive income due to the gains or losses on equity investments at fair value through other comprehensive income for the nine months ended September 30, 2025 and 2024 would have increased or decreased by \$182,817 and \$266,506, respectively.

Cash flow and fair value interest rate risk

The Group's interest rate risk mainly arises from Short-term loans. The Short-term loans at floating rates have exposed the Group to cash flow interest rate risk. However, most of the risk is offset by cash and cash equivalents held by the Group at floating rates.

If the Short-term loans increased or decreased by 1%, with all other factors remaining unchanged, the net income after tax for the three months ended September 30, 2025 and 2024 would have decreased or increased by \$4,038 and \$2,009, respectively.

(b) Credit risk

- i. The Group's credit risk is the risk of financial loss suffered by the Group arising from the failure of clients or counterparties of financial instruments to fulfill contractual obligations.

In accordance with the internal credit policy, each operating entity within the Group must conduct management and credit risk analysis of each new customer before deciding on payment and delivery terms and conditions. The internal risk control system evaluates the credit quality of customers by considering their financial positions, past experience and other factors.

Individual risk limits are set by the board of directors based on internal or external ratings, and the drawdown of credit limits is regularly monitored. The main credit risk mainly arises from cash and cash equivalents, derivative financial instruments, cash in banks or financial institutions, short-term wealth management products purchased from banks or financial institutions, and other financial instruments. As the Group's transaction counterparties and contract counterparties are all banks, financial institutions and government agencies with great credit ratings at the investment grade or above, there is no major concern about default, so there is no major credit risk.

- ii. The Group assumes that when a contract payment is past due for more than 30 days according to the agreed payment term, it is deemed that the credit risk from the financial asset has increased significantly since the initial recognition; if is past due for more than 90 days according to the agreed upon payment term, it is deemed in default.
- iii. The indicators used by the Group to determine investment in debt instruments as credit impairment are as follows:
 - (i) The issuer has encountered major financial difficulties, or has the increasing possibility of going into bankruptcy or other financial restructuring;
 - (ii) The active market for the financial asset disappears due to the issuer's financial difficulties;
 - (iii) The issuer's delay or non-payment of interest or principal;
 - (iv) Unfavorable changes in national or regional economic conditions related to the issuer's breach of contract.

- iv. The aging analysis of notes and accounts receivable (including related parties) is as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Not past due	\$ 21,151,881	\$ 23,685,970	\$ 11,842,320
0-90 days	160,265	2,716,844	168,658
91-180 days	18,040	16,226	60,414
181-270 days	3,511	7,203	-
271-360 days	2,404	-	21,185
Over 361 days	379,111	400,124	451,992
	<u>\$ 21,715,212</u>	<u>\$ 26,826,367</u>	<u>\$ 12,544,569</u>

The aging analysis stated above is based on the number of days past due.

- v. The balances of accounts receivable (including related parties) and notes receivable as of September 30, 2025, December 31, 2024, and September 30, 2024 were all from contracts with customers, and the balance of receivables (including related parties) from contracts with customers on January 1, 2024 is \$8,841,322.
- vi. The Group's method of assessing the expected credit risk of accounts receivable (including related parties) is as follows:
- Estimate the expected credit loss for each account receivable in material default;
 - Group the remaining customers based on their accounts receivable per the Group's credit rating standard; adopt different loss ratio methods or provision matrices for different groups to estimate expected credit losses;
 - Adjust loss ratios established per the historical and current information for a specific period based on future forward-looking considerations of the Business Indicators DataBase, National Development Council, and Basel Committee on Banking Supervision.
 - The allowance for losses on accounts receivable (including related parties) estimated for individuals using the loss ratio method or a provision matrix as of September 30, 2025, December 31, 2024 and September 30, 2024 are as follows:

	Individual	Groups 1 and 2	Group 3	Group 4	Total
<u>September 30, 2025</u>					
Expected loss ratio	100%	0.0500%	0.0700%	0.0700%~8.4469%	
Total book value	\$ 381,346	\$ 20,637,869	\$ 399,570	\$ 296,427	\$ 21,715,212
Allowance for losses	\$ 381,346	\$ 10,319	\$ 280	\$ 25,039	\$ 416,984
<u>December 31, 2024</u>					
Expected loss ratio	100%	0.0475%	0.0665%	0.0665% ~ 1.1242%	
Total book value	\$ 414,758	\$ 25,628,896	\$ 302,991	\$ 479,722	\$ 26,826,367
Allowance for losses	\$ 414,758	\$ 12,174	\$ 201	\$ 5,393	\$ 432,526

	Individual	Groups 1 and 2	Group 3	Group 4	Total
<u>September 30, 2024</u>					
Expected loss ratio	100%	0.045%	0.063%	0.063% ~ 0.8643%	
Total book value	\$ 478,440	\$ 10,521,270	\$ 367,641	\$ 1,177,218	\$ 12,544,569
Allowance for losses	\$ 478,440	\$ 4,735	\$ 232	\$ 10,175	\$ 493,582

Group 1: Those rated as A by Standard & Poor's, Fitch, or Moody's, or by the Group based on its credit standards (for those who are not rated by an external institution).

Group 2: Those rated as BBB by Standard & Poor's or Fitch or Baa by Moody's, or B or C by the Group based on its credit standards.

Group 3: Those rated as BB+ or below by Standard & Poor's or Fitch or Ba1 or below by Moody's.

Group 4: Those rated as A, B or C by the Group based on its credit standards (for those who are not rated by an external institution).

- vii. As of September 30, 2025, the Group calculated the expected loss rate based on historical overdue repayment to assess receivables - related parties impairment losses and no allowance for uncollectible accounts was recognized.
- viii. As of September 30, 2025, the Group calculated expected loss rate based on historical overdue repayment to assess other receivables – related parties impairment losses and no allowance for uncollectible accounts was recognized.
- ix. The financial assets measured at amortized cost by the Group are considered to have low credit risk; therefore, the allowance for expected credit losses for the period is measured based on twelve-month expected credit losses, and no significant allowance for impairment loss has been recognized.
- x. The table of changes in allowance for losses on accounts receivable (including related parties) in a simplified approach adopted by the Group is as follows:

	2025	2024
At January 1	\$ 432,526	\$ 304,863
Provision for impairment loss	5,545	174,740
Effect of exchange rate	(21,087)	13,979
At September 30	\$ 416,984	\$ 493,582

(c) Liquidity risk

- i. The cash flow forecast is executed by each operating entity in the Group and is compiled by the Group's finance department. The Group's finance department monitors the forecast of the Group's liquidity requirements to ensure that it has sufficient funds to meet operational needs and maintains sufficient available credit limits at all times, so that the Group does not violate the relevant borrowing limits or terms. The forecast considers the Group's debt financing plan, compliance with debt terms, compliance with the financial ratio targets of the internal balance sheet, and the requirements of the external regulatory laws, such as foreign exchange regulations.

- ii. The Group's non-derivative financial liabilities and derivative financial liabilities settled on a net or gross basis are grouped per the relevant maturity dates. Non-derivative financial liabilities are analyzed based on the remaining period from the balance sheet date to the contract maturity date. Derivative financial liabilities are analyzed based on the remaining period from the balance sheet date to the expected maturity date.

In addition to the lease liabilities listed in the table below, the Group's non-derivative financial liabilities (including Short-term loans, accounts payable, and others) and derivative financial liabilities (including foreign exchange contracts, currency swaps contracts, and forward exchange agreements) as of September 30, 2025, December 31, 2024, and September 30, 2024 are less than one year to their maturity dates.

September 30, 2025	Less than 1 year	Between 1 to 2 years	Over 2 years	Total
Lease liabilities	<u>\$ 35,021</u>	<u>\$ 34,851</u>	<u>\$ 332,105</u>	<u>\$ 401,977</u>
December 31, 2024	Less than 1 year	Between 1 to 2 years	Over 2 years	Total
Lease liabilities	<u>\$ 37,955</u>	<u>\$ 35,861</u>	<u>\$ 374,834</u>	<u>\$ 448,650</u>
September 30, 2024	Less than 1 year	Between 1 to 2 years	Over 2 years	Total
Lease liabilities	<u>\$ 100,062</u>	<u>\$ 61,824</u>	<u>\$ 387,567</u>	<u>\$ 549,453</u>

(3) Fair value information

A. The fair value levels of the financial instruments and non-financial instruments measured using the valuation technique are defined as follows:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities on the measurement date. An active market refers to 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 values of the Group's investments in TWSE/TPEX-listed stocks belong to this level.

Level 2: Inputs, other than quoted market prices within level 1 that are observable, either directly or indirectly for assets or liabilities. The fair values of the derivatives invested by the Group belong to this level.

Level 3: Unobservable inputs of assets or liabilities, including overseas investment funds invested by the Group, stocks without active market, stocks with an active market during the lock-up period and convertible corporate bonds, belong to this level.

B. Please refer to Note 6 (11) for information on the fair value of investment property measured at cost.

C. Financial and non-financial instruments at fair value are classified by the Group per the nature, characteristics and risks of assets and liabilities, and the fair value level. The details are as follows:

(a) The information on the classification based on the nature of assets and liabilities is as follows:

September 30, 2025	Level 1	Level 2	Level 3	Total
Assets				
<u>Fair value on a recurring basis</u>				
Financial assets at fair value through profit or loss - current				
Hybrid instruments	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,332,200</u>	<u>\$ 9,332,200</u>
Financial assets at fair value through profit or loss - non-current				
Beneficiary certificate	\$ -	\$ -	\$ 1,056,870	\$ 1,056,870
Hybrid instruments	-	-	433,229	433,229
Unlisted shares	-	-	66,079	66,079
Simple Agreement for Future Equity	-	-	15,223	15,223
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,571,401</u>	<u>\$ 1,571,401</u>
Financial assets at fair value through other comprehensive income				
Equity instruments	<u>\$ 16,167,361</u>	<u>\$ -</u>	<u>\$ 2,114,295</u>	<u>\$ 18,281,656</u>
Liabilities				
<u>Fair value on a recurring basis</u>				
Financial liabilities at fair value through profit or loss				
Derivative instruments	<u>\$ -</u>	<u>\$ -</u>	<u>(\$ 751)</u>	<u>(\$ 751)</u>
December 31, 2024	Level 1	Level 2	Level 3	Total
Assets				
<u>Fair value on a recurring basis</u>				
Financial assets at fair value through profit or loss - current				
Hybrid instruments	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,327,463</u>	<u>\$ 17,327,463</u>
Financial assets at fair value through profit or loss - non-current				
Beneficiary certificate	\$ -	\$ -	\$ 1,135,178	\$ 1,135,178
Hybrid instruments	-	-	365,705	365,705
Unlisted shares	-	-	66,079	66,079
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,566,962</u>	<u>\$ 1,566,962</u>
Financial assets at fair value through other comprehensive income				
Equity instruments	<u>\$ 18,355,578</u>	<u>\$ -</u>	<u>\$ 2,324,225</u>	<u>\$ 20,679,803</u>
Liabilities				
<u>Fair value on a recurring basis</u>				
Financial liabilities at fair value through profit or loss				
Derivative instruments	<u>\$ -</u>	<u>\$ -</u>	<u>(\$ 1,038)</u>	<u>(\$ 1,038)</u>

September 30, 2024	Level 1	Level 2	Level 3	Total
Assets				
<u>Fair value on a recurring basis</u>				
Financial assets at fair value through profit or loss - current				
Derivative instruments	\$ -	\$ 658	\$ -	\$ 658
Hybrid instruments	-	-	8,967,600	8,967,600
	<u>\$ -</u>	<u>\$ 658</u>	<u>\$ 8,967,600</u>	<u>\$ 8,968,258</u>
Financial assets at fair value through profit or loss - non-current				
Beneficiary certificate	\$ -	\$ -	\$ 1,135,307	\$ 1,135,307
Hybrid instruments	-	-	474,225	474,225
Unlisted shares	-	-	58,417	58,417
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,667,949</u>	<u>\$ 1,667,949</u>
Financial assets at fair value through other comprehensive income				
Equity instruments	<u>\$ 22,050,641</u>	<u>\$ -</u>	<u>\$ 4,599,937</u>	<u>\$ 26,650,578</u>
Liabilities				
<u>Fair value on a recurring basis</u>				
Financial liabilities at fair value through profit or loss				
Derivative instruments	<u>\$ -</u>	<u>\$ -</u>	<u>(\$ 358)</u>	<u>(\$ 358)</u>

(b) The methods and assumptions adopted by the Group to measure the fair value are stated below:

- i. Where the Group adopts quoted prices in the market as the input of the fair value (that is, Level 1), it is classified by the characteristics of the instruments. The details are as follows:

	Listed shares
Quoted prices in the market	Closing price

- ii. The fair values of overseas investment funds are based on the quoted prices from the counterparties.
- iii. When measuring non-standardized and less complex financial instruments, such as currency swaps or foreign exchange swap, the Group adopts valuation techniques widely used by market participants. The parameters used in the valuation models of such financial instruments are usually market observable information.
- iv. The derivative financial instruments are measured using a valuation model widely accepted by market users, such as discounting method and option pricing model. Forward exchange agreements are usually valued based on the real-time forward exchange rates.
- v. The output of the valuation model is an estimated value, and the valuation technique may not reflect all the relevant factors of the financial and non-financial instruments held by the Group. Therefore, the estimated value of the valuation model will be appropriately adjusted according to additional parameters, such as liquidity risk. Per the Group's fair value valuation model management policy and relevant control

procedures, the management believes that value adjustments is necessary in order to appropriately present the fair values of financial instruments and non-financial instruments in the consolidated balance sheet. The price information and parameters used in the valuation process have been prudently assessed and appropriately adjusted per the current market conditions.

- vi. The Group incorporated the credit risk valuation adjustment into the measurement of the fair value of financial instruments and non-financial instruments to reflect counterparties' credit risk and the Group's credit quality.

D. The table below shows the changes in Level 3 during the three months ended September 30, 2025 and 2024:

	2025	2024
At January 1	\$ 21,217,612	\$ 6,080,814
Gain recognized in profit or loss	127,097	253,200
Losses recognized in other comprehensive income	(97,078)	(232,633)
Purchases during this period	34,551,154	8,901,001
Disposal	(41,656,171)	-
Effect of exchange rate	(1,125,469)	232,746
At September 30	<u>\$ 13,017,145</u>	<u>\$ 15,235,128</u>

E. For the year ended December 31, 2024, as the lock-up period of EirGenix Inc. had been lifted in October 2024, therefore, the Company transferred the fair value from Level 3 to Level 1 at the end of month when the event occurred. For the Nine Months Ended September 30, 2025 and 2024, there was no transfer between Level 1 and Level 2.

F. There was no transfer in or out from Level 3 during the three months ended September 30, 2025 and 2024.

G. The quantitative information on the significant unobservable inputs of the valuation model used in the Level 3 fair value measurement and the sensitivity analysis of the significant unobservable input change are explained as follows:

	Fair value at September 30, 2025	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship between input and fair value
Non-derivative equity instruments:					
Private equity fund investment	\$ 836,215	Net asset value approach	Composite discount rate	9.56%	The higher the composite discount rate, the lower the fair value
"	199,343	Net asset value approach	Expected equity value volatility rate	26.03~31.11%	The higher the expected equity value volatility, the lower the fair value
"	21,312	The latest transaction price	Not applicable	Not applicable	Not applicable

	Fair value at September 30, 2025	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship between input and fair value
Unlisted shares	1,962,673	Net asset value approach	Composite discount rate	1%	The higher the composite discount rate, the lower the fair value
"	105,835	Market price method	Not applicable	Not applicable	Not applicable
"	31,688	Asset value approach	Composite discount rate	5%	The higher the composite discount rate, the lower the fair value
"	118	Market price method	Composite discount rate	25%	The higher the composite discount rate, the lower the fair value
Unlisted preferred shares	34,391	Income approach	Composite discount rate	30%	The higher the composite discount rate, the lower the fair value
"	45,669	The latest transaction price	Not applicable	Not applicable	Not applicable
Hybrid instruments:					
Unlisted convertible preferred shares	282,982	Market price method	Expected equity value volatility rate	48.26% ~ 51.56%	The higher the expected equity value volatility, the lower the fair value
"	91,181	Income approach	Composite discount rate	20%	The higher the composite discount rate, the lower the fair value
Unlisted convertible corporate bonds	59,066	Discounted cash flow approach	Not applicable	Not applicable	Not applicable
Structured deposits	9,332,200	Depending on terms of individual contract	Depending on terms of individual contract	Not applicable	Depending on terms of individual contract
Others:					
Simple Agreement for Future Equity	15,223	The latest transaction price	Not applicable	Not applicable	Not applicable
Derivative instruments:					
Derivative instruments- Convertible bonds	(751)	Market price method	Expected equity value volatility rate	77.77%	The higher the expected equity value volatility, the lower the fair value

	Fair value at December 31, 2024	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship between input and fair value
Non-derivative equity instruments:					
Private equity fund investment	\$987,359	Net asset value approach	Composite discount rate	13.76%	The higher the composite discount rate, the lower the fair value
"	147,819	Net asset value approach	Expected equity value volatility rate	26.03~31.11%	The higher the expected equity value volatility, the lower the fair value
Unlisted shares	2,249,374	Net asset value approach	Composite discount rate	1%	The higher the composite discount rate, the lower the fair value
"	74,733	Market price method	Not applicable	Not applicable	Not applicable
"	31,688	Asset value approach	Composite discount rate	5%	The higher the composite discount rate, the lower the fair value
"	118	Market price method	Composite discount rate	25%	The higher the composite discount rate, the lower the fair value
Unlisted preferred shares	34,391	Income approach	Composite discount rate	30%	The higher the composite discount rate, the lower the fair value
Hybrid instruments:					
Unlisted convertible preferred shares	211,101	Market price method	Expected equity value volatility rate	48.66%~50.49%	The higher the expected equity value volatility, the lower the fair value
"	88,443	Income approach	Composite discount rate	20%	The higher the composite discount rate, the lower the fair value
Unlisted convertible corporate bonds	66,161	Market price method	Not applicable	Not applicable	Not applicable
Structured deposits	17,327,463	Depending on terms of individual contract	Depending on terms of individual contract	Not applicable	Depending on terms of individual contract

	Fair value at December 31, 2024	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship between input and fair value
Derivative instruments:					
Derivative instruments- Convertible bonds	(1,038)	Market price method	Expected equity value volatility rate	72%	The higher the expected equity value volatility, the lower the fair value
	Fair value at September 30, 2024	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship between input and fair value
Non-derivative equity instruments:					
Private equity fund investment	\$1,010,981	Net asset value approach	Composite discount rate	15.02%	The higher the composite discount rate, the lower the fair value
"	124,326	Net asset value approach	Expected equity value volatility rate	10.93%~ 25.30%	The higher the expected equity value volatility, the lower the fair value
Listed company shares in the lock-up period	2,288,000	Market price method	Discount for lack of marketability	6.31%	The higher the discount for lack of marketability, the lower the fair value
Unlisted shares	2,230,067	Net asset value approach	Composite discount rate	1%	The higher the composite discount rate, the lower the fair value
"	111,724	Market price method	Not applicable	Not applicable	Not applicable
"	146	Market price method	Composite discount rate	25%	The higher the composite discount rate, the lower the fair value
Unlisted preferred shares	\$28,417	Income approach	Composite discount rate	30%	The higher the composite discount rate, the lower the fair value
Hybrid instruments:					
Unlisted convertible preferred shares	326,820	Market price method	Expected equity value volatility rate	48.45%~ 52.29%	The higher the expected equity value volatility, the lower the fair value
"	84,105	Income approach	Composite discount rate	25.00%	The higher the composite discount rate, the lower the fair value

	Fair value at September 30, 2024	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship between input and fair value
Unlisted convertible corporate bonds	63,300	Market price method	Not applicable	Not applicable	Not applicable
Structured deposits	8,967,600	Depending on terms of individual contract	Depending on terms of individual contract	Not applicable	Depending on terms of individual contract
Derivative instruments:					
Derivative instruments- Convertible bonds	(358)	Market price method	Expected equity value volatility rate	111.46%	The higher the expected equity value volatility, the lower the fair value

G. The Group has selected valuation model and valuation parameters after careful evaluation, but different valuation results may occur due to the use of different valuation models or valuation parameters. For financial assets classified as Level 3, if the valuation parameters change, the effect on the current profit or loss or other comprehensive income is as follows:

			September 30, 2025			
			Recognized in profit or loss		Recognized in other comprehensive income	
	Inputs	Change	Favorable change	Unfavorable change	Favorable change	Unfavorable change
Financial assets						
Hybrid instruments and Derivative instruments	Expected equity value volatility rate or comprehensive discount rate	±1%	<u>\$ 1,829</u>	<u>(\$ 1,840)</u>	<u>\$ -</u>	<u>\$ -</u>
Equity instrument and Beneficiary certificate	Expected equity value volatility rate or comprehensive discount or discount for lack of marketability	±1%	<u>\$ 10,404</u>	<u>(\$ 10,400)</u>	<u>\$ 20,334</u>	<u>(\$ 20,334)</u>
			December 31, 2024			
			Recognized in profit or loss		Recognized in other comprehensive income	
	Inputs	Change	Favorable change	Unfavorable change	Favorable change	Unfavorable change
Financial assets						
Hybrid instruments and Derivative instruments	Expected equity value volatility rate or comprehensive discount rate	±1%	<u>\$ 951</u>	<u>(\$ 1,005)</u>	<u>\$ -</u>	<u>\$ -</u>
Equity instrument and Beneficiary certificate	Expected equity value volatility rate or comprehensive discount or discount for lack of marketability	±1%	<u>\$ 12,607</u>	<u>(\$ 12,603)</u>	<u>\$ 22,253</u>	<u>(\$ 22,253)</u>

			September 30, 2024			
			Recognized in profit or loss		Recognized in other comprehensive income	
	Inputs	Change	Favorable change	Unfavorable change	Favorable change	Unfavorable change
Financial assets						
Hybrid instruments and Derivative instruments	Expected equity value volatility rate or comprehensive discount rate	±1%	\$ 2,364	(\$ 2,368)	\$ -	\$ -
Equity instrument and Beneficiary certificate	Expected equity value volatility rate or comprehensive discount or discount for lack of marketability	±1%	\$ 12,420	(\$ 12,394)	\$ 46,998	(\$ 47,273)

13. Supplementary disclosures

(1) Significant transactions information

A. Loans to others: Table 1.

B. Provision of endorsements and guarantees to others: Table 2.

C. Holding of marketable securities at the end of the period (excluding investment in subsidiaries, associates and joint ventures): Table 3.

D. Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 4.

E. Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 5.

F. Business relations and important transactions between the parent company and subsidiaries: Table 6.

(2) Information on investees

Information on name and location of investees (excluding investees in Mainland China): Table 7.

(3) Information on investment in Mainland China

A. Basic information: Table 8.

B. Significant transactions with investees in Mainland China, either directly or indirectly, through a business in a third region: Table 6.

14. Segment information

(1) General information

The Group mainly engages in the assembly and sales of casings, thermal modules and consumer electronics products. The chief operating decision-makers operate various business divisions based on business categories, including electronic product trading services and mechanism, and spare part production and sales.

The Group's chief operating decision-makers took the adjusted imputed internal costs based on income from operating segments and net operating income, and segment profit and loss for expense apportionment as reference for evaluating the operating segment performance and making decisions about resource apportionment.

(2) Measurement of segment information

The information on reportable segments provided to the chief decision maker is as follows:

	Three-month periods ended September 30, 2025		
	Trading of electronic products	Production and sales of mechanical components	Total
External income	\$ 37,021,156	\$ 4,864,704	\$ 41,885,860
Internal segment income	52,137,040	483,584	52,620,624
Segment income	<u>\$ 89,158,196</u>	<u>\$ 5,348,288</u>	<u>\$ 94,506,484</u>
Measured amount of segment profit and loss	<u>\$ 125,439</u>	<u>\$ 303,773</u>	<u>\$ 429,212</u>
Depreciation and amortization	<u>\$ 935</u>	<u>\$ 214,488</u>	<u>\$ 215,423</u>
Interest income	<u>\$ 51,412</u>	<u>\$ 515,561</u>	<u>\$ 566,973</u>
Interest expense	<u>\$ 59,427</u>	<u>\$ 11,896</u>	<u>\$ 71,323</u>
Total segment assets (Note)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	Three-month periods ended September 30, 2024		
	Trading of electronic products	Production and sales of mechanical components	Total
External income	\$ 16,945,914	\$ 3,147,721	\$ 20,093,635
Internal segment income	22,826,818	457,499	23,284,317
Segment income	<u>\$ 39,772,732</u>	<u>\$ 3,605,220</u>	<u>\$ 43,377,952</u>
Measured amount of segment profit and loss	<u>\$ 526,500</u>	<u>\$ 345,530</u>	<u>\$ 872,030</u>
Depreciation and amortization	<u>\$ 2,368</u>	<u>\$ 274,719</u>	<u>\$ 277,087</u>
Interest income	<u>\$ 33,755</u>	<u>\$ 590,717</u>	<u>\$ 624,472</u>
Interest expense	<u>\$ 45,086</u>	<u>\$ 8,757</u>	<u>\$ 53,843</u>
Total segment assets (Note)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Nine-month periods ended September 30, 2025			
	Trading of electronic products	Production and sales of mechanical components	Total
External income	\$ 101,384,816	\$ 11,323,700	\$ 112,708,516
Internal segment income	151,930,758	1,410,459	153,341,217
Segment income	<u>\$ 253,315,574</u>	<u>\$ 12,734,159</u>	<u>\$ 266,049,733</u>
Measured amount of segment profit and loss	<u>\$ 624,394</u>	<u>\$ 911,418</u>	<u>\$ 1,535,812</u>
Depreciation and amortization	<u>\$ 2,815</u>	<u>\$ 628,647</u>	<u>\$ 631,462</u>
Interest income	<u>\$ 99,601</u>	<u>\$ 1,608,047</u>	<u>\$ 1,707,648</u>
Interest expense	<u>\$ 179,326</u>	<u>\$ 19,048</u>	<u>\$ 198,374</u>
Total segment assets (Note)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Nine-month periods ended September 30, 2024			
	Trading of electronic products	Production and sales of mechanical components	Total
External income	\$ 34,111,973	\$ 8,114,797	\$ 42,226,770
Internal segment income	49,703,898	1,633,757	51,337,655
Segment income	<u>\$ 83,815,871</u>	<u>\$ 9,748,554</u>	<u>\$ 93,564,425</u>
Measured amount of segment profit and loss	<u>\$ 714,068</u>	<u>\$ 782,686</u>	<u>\$ 1,496,754</u>
Depreciation and amortization	<u>\$ 4,740</u>	<u>\$ 813,197</u>	<u>\$ 817,937</u>
Interest income	<u>\$ 119,206</u>	<u>\$ 1,979,717</u>	<u>\$ 2,098,923</u>
Interest expense	<u>\$ 156,563</u>	<u>\$ 33,921</u>	<u>\$ 190,484</u>
Total segment assets (Note)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Note: As the measured amounts of the assets of the operating segments were not provided to the chief operating decision-makers, the measured amounts of the assets disclosed is zero.

(3) Reconciliation information on segment profit and loss

Sales between segments are carried out based on the fair trade principle. External revenue reported to the chief operating decision-makers is measured in the same way as that for the revenue in the income statement.

The reconciliation between the segment profit and loss, and continuing operations' pre-tax profit and loss for the three months and nine months ended September 30, 2025 and 2024 is as follows:

	Three months ended September 30,	
Operating revenue	2025	2024
Total income from reportable operating segments	\$ 94,506,484	\$ 43,377,952
Income from other operating segments	445,715	132,009
Inter-segment income eliminated	(52,620,624)	(23,284,317)
Business income	<u>\$ 42,331,575</u>	<u>\$ 20,225,644</u>
	Nine months ended September 30,	
Operating revenue	2025	2024
Total income from reportable operating segments	\$ 266,049,733	\$ 93,564,425
Income from other operating segments	847,118	356,359
Inter-segment income eliminated	(153,341,217)	(51,337,655)
Business income	<u>\$ 113,555,634</u>	<u>\$ 42,583,129</u>
	Three months ended September 30,	
Profit and loss	2025	2024
Reportable operating segment profit or loss	\$ 429,212	\$ 872,030
Profit or loss on other operating segments	<u>435,032</u>	<u>71,654</u>
Profit or loss on continuing operations after tax	<u>\$ 864,244</u>	<u>\$ 943,684</u>
	Nine months ended September 30,	
Profit and loss	2025	2024
Reportable operating segment profit or loss	\$ 1,535,812	\$ 1,496,754
Profit or loss on other operating segments	<u>798,903</u>	<u>1,115,420</u>
Profit or loss on continuing operations after tax	<u>\$ 2,334,715</u>	<u>\$ 2,612,174</u>

Foxconn Technology Co., Ltd. and Subsidiaries
Loans to others
For the Nine Months Ended September 30, 2025

Expressed in thousands of NTD
(Except as otherwise indicated)

Table 1

No.	Lender	Borrower	Account	Is a related party	Maximum outstanding balance during the period	Ending balance	Actual amount drawn	Interest rate	Nature of loan	Amount of transactions with the borrower	Reasons for the need for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party	Ceiling on total loans granted	Note
													Item	Value			
0	Foxconn Technology Co., Ltd.	FTC Japan Co., Ltd.	Other receivables	Yes	\$67,260	\$20,580	\$ -	2.500%	Short-term financing	\$ -	Business operation	\$ -	None	\$ -	\$10,286,835	\$41,147,340	Note 1
1	Hongfujin Precision Industry (Taiyuan) Co., Ltd.	FuZhun Precision Industry (Shenyang) Co., Ltd.	Other receivables	Yes	146,336	51,252	51,252	2.700%	Short-term financing	-	Business operation	-	None	-	65,253,602	130,507,204	Note 2

Note 1: The ceiling on total loans granted by the Company to all parties is 40% of the net assets value of the Company; the ceiling on single loan granted by the Company to a single party is 10% of the net assets value of Company.

Note 2: When the Company directly or indirectly holds 100% of the voting shares in a foreign company that indirectly provides loans to others, the total amount of the loans should not exceed 400% of the net worth of the subsidiary; the limit for each borrower should not exceed 200% of the net worth of the subsidiary.

Foxconn Technology Co., Ltd.
Provision of endorsements and guarantees to others
For the Nine Months Ended September 30, 2025

Expressed in thousands of NTD
(Except as otherwise indicated)

Table 2

No.	Endorser/ guarantor	Endorsed and guaranteed party		Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount as of September 30, 2025	Outstanding endorsement/ guarantee amount as of September 30, 2025	Actual amount drawn down	Amount of endorsement/ guarantee secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorsement/ guarantee company	Ceiling on total amount of endorsements/g uarantees provided	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements /guarantees by subsidiary to parent company	Provision of endorsements /guarantees to the party in Mainland China	Note
		Company name	Relationship with the Endorser/ guarantor											
0	Foxconn Technology Co., Ltd.	Ultimate Aluminum Magnesium Technology Co., Ltd.	2	\$ 47,716,790	\$ 367,080	\$ 365,340	\$ 365,340	\$ -	0.36%	\$102,868,353	Y	N	N	

Note 1: Having business relationship.

Note 2: The endorser/guarantor parent company owns directly more than 50% voting shares of the endorsed/guaranteed subsidiary.

Note 3: The total endorsements and guarantees of the Company to others should not be in excess of 100% of the Company's net assets, and for a single party should not be in excess of 50% of the Company's net assets.

The total endorsements and guarantees of the Company and its subsidiaries to others as a whole should not be in excess of 100% of the Company's net assets, and for a single enterprise should not be in excess of 50% of the Company's net asset.

Note 4: The net assets referred to above are based on the latest audited or reviewed financial statements.

Foxconn Technology Co., Ltd. and Subsidiaries

Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)

September 30, 2025

Expressed in thousands of NTD
(Except as otherwise indicated)

Table 3

				As of September 30, 2025				
Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	Number of shares	Book value	Ownership (%)	Fair value	Note
Foxconn Technology Co., Ltd.	Ordinary shares in Innolux Corporation	None	Financial assets measured at fair value through other comprehensive income - non-current	96,506,581	\$ 1,389,695	1.21	\$ 1,389,695	
"	Ordinary shares in EirGenix Inc.	"	"	27,500,000	1,933,250	8.98	1,933,250	
"	Convertible preferred shares of ZAP Medical System, Ltd.	Other related parties	Financial assets at fair value through profit or loss - non-current	10,032,773	215,524	3.05	215,524	
"	Convertible corporate bonds of Sotera Wireless, Inc.	Subsidiary	"	-	423,929	-	423,929	
"	Lakestar Growth II Fund L.P.	None	"	-	117,952	1.70	117,952	
"	GTM Capital Healthcare Fund L.P.	Other related party	"	-	836,215	50.00	836,215	
"	Common corporate bonds of Microelectronics Technology, Inc.	None	Financial assets at amortized cost - non-current	-	250,000	-	250,000	
Q-Run Investment Co., Ltd.	Ordinary shares in Innolux Corporation	"	Financial assets measured at fair value through other comprehensive income - non-current	91,574,021	1,318,666	1.15	1,318,666	
Q-RUN HOLDINGS LTD.	Ordinary shares in FE Holdings USA, Inc.	Subsidiary with significant influence on the Group	"	8,040	1,962,673	10.74	1,962,673	
"	Yosemite Fund I, L.P.	None	Financial assets at fair value through profit or loss - non-current	-	81,391	3.05	81,391	
"	Convertible Preferred Shares of Acoustic Wave Cell Therapy, Inc.	"	"	637,694	91,181	7.64	91,181	
"	JPMorgan Chase&co. Fixed-Floating Rate Notes	"	Financial assets at amortized cost - non-current	-	272,291	-	272,291	
"	Fixed-coupon bonds of Saudi Government International	"	"	-	277,285	-	277,285	
"	DEUTSCHE BANK 5 Year Callable Fixed Rate Note	"	"	-	274,005	-	274,005	
FOXCONN TECHNOLOGY PTE. LTD.	Ordinary shares in Sharp Corporation	Other related party	Financial assets measured at fair value through other comprehensive income - non-current	64,640,000	11,105,855	9.96	11,105,855	
Champ Tech Optical (Foshan) Corporation	China Guangfa Bank - "Xinjiaxin No.16" Type W 2025 Phase 370 Customized RMB Structured Deposits (Accumulated Linked EUR to USD Interval) (XJXCKJ61849)	None	Financial assets at fair value through profit or loss - current	-	556,503	-	556,503	
"	China Merchants Bank - Zhihui Series Aggressive Interval Accumulated 91-day Structured Deposit (WFS00004)	"	"	-	393,693	-	393,693	
"	China Guangfa Bank - "Xinjiaxin No.16" Type W 2025 Phase 406 Customized RMB Structured Deposits (Accumulated Linked EUR to USD Interval) (XJXCKJ61892)	"	"	-	555,739	-	555,739	
Fuhuigang Industrial (Shenzhen) Co., Ltd.	China Merchants Bank - Zhihui Series Aggressive Interval Accumulated 91-day Structured Deposit (WSZ00025)	"	"	-	247,977	-	247,977	

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	Note
Yantai FuZhun Precision Electronics Co., Ltd.	China Merchants Bank - Zhihui Series Aggressive Interval Accumulated 92-day Structured Deposit (WYT00005)	None	Financial assets at fair value through profit or loss - current	-	\$ 363,810	-	\$ 363,810	
"	China Everbright Bank - In 2025, Phase VIII product of customized structured deposits with pegged exchange rate to companies No. 294 (20251010447J4)	"	"	-	299,535	-	299,535	
FuYu Precision Components (Kunshan) Co., Ltd.	Minsheng Bank-Juying Exchange Rate - Linked EUR to USD Structured Deposits (SDGA252763Z)	"	"	-	257,371	-	257,371	
"	Minsheng Bank-Juying Exchange Rate - Linked EUR to USD Structured Deposits (SDGA252841Z)	"	"	-	257,294	-	257,294	
"	Bank of Jiangsu - Corporate RMB Structured Deposit, 2025 Issue No. 34, 3-month Type P (JGCK20250341030P)	"	"	-	642,068	-	642,068	
Nanning Funing Precision Electronics Ltd.	China Guangfa Bank - "Xinjiixin No.16" Type W 2025 Phase 398 Customized RMB Structured Deposits XJXCKJ61884	"	"	-	769,754	-	769,754	
Nanning Funing Precision Electronics Ltd.	Minsheng Bank-Juying Exchange Rate - Linked EUR to USD Structured Deposits (SDGA253541Z)	"	"	-	427,620	-	427,620	
"	China Merchants Bank - Zhihui Series Aggressive Interval Accumulated 101-day Structured Deposit (WSZ00021)	"	"	-	214,535	-	214,535	
Hongfujin Precision Industry (Taiyuan) Co., Ltd.	Minsheng Bank-Juying Exchange Rate - Linked EUR to USD Structured Deposits (SDGA253587Z)	"	"	-	641,397	-	641,397	
"	China Guangfa Bank - "Xinjiixin No.16" Type W 2025 Phase 367 Customized RMB Structured Deposits (Accumulated Linked EUR to USD Interval) (XJXCKJ61902)	"	"	-	555,484	-	555,484	
"	China Guangfa Bank - "Xinjiixin No.16" Type W 2025 Phase 367 Customized RMB Structured Deposits (Accumulated Linked EUR to USD Interval) (XJXCKJ61843)	"	"	-	428,261	-	428,261	
"	Minsheng Bank-Juying Exchange Rate - Linked EUR to USD Structured Deposits (SDGA253284Z)	"	"	-	428,204	-	428,204	
"	SPD Bank - Profit Enrichment Company's Stable Profit No. 25JG8327 (three-tier bullish) CNY structured deposit to companies (1201258327)	"	"	-	642,179	-	642,179	
"	Minsheng Bank-Juying Exchange Rate - Linked EUR to USD Structured Deposits (SDGA253382Z)	"	"	-	427,901	-	427,901	
"	China Everbright Bank - In 2025, Phase VII product of customized structured deposits with pegged exchange rate to companies No. 351 (20251010441D8)	"	"	-	257,248	-	257,248	
"	China Merchants Bank - Zhihui Series Aggressive Interval Accumulated 99-day Structured Deposit (WSZ00020)	"	"	-	321,835	-	321,835	
"	SPD Bank - Profit Enrichment Company's Stable Profit No. 25JG7547 (three-tier bullish) CNY structured deposit to companies	"	"	-	643,792	-	643,792	

Table 3, Page 2

Foxconn Technology Co., Ltd. and Subsidiaries

Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital

For the Nine Months Ended September 30, 2025

Expressed in thousands of NTD
(Except as otherwise indicated)

Table 4

Purchaser/seller	Counterparty	Relationship	Transaction		Percentage of total purchases (sales)	Credit term	Differences in transaction terms compared to third party transactions		Notes and accounts receivable (payable)		Note
			Purchases (sales)	Amount			Unit price	Credit term	Balance	Percentage of total notes/ accounts receivable (payable)	
Foxconn Technology Co., Ltd.	Hon Hai Precision Industry Co., Ltd.	Investment companies adopting the equity method to evaluate the Company	Sales	\$ 146,259	-	Within 90 days after the end of a month	Note 1	Note 1	\$ 40,815	-	
"	FTP Technology Inc.	Subsidiaries indirectly invested by the Company	Sales	486,270	-	Within 30 days after the end of a month	Note 1	Note 1	147,716	1	
"	PKM Corporation	Subsidiaries directly invested by the Company	Sales	93,156,266	91	Within 50 days after the end of a month	Note 1	Note 1	17,790,936	90	
Hongfujin Precision Industry (Taiyuan) Co., Ltd.	Foxconn Technology Pte. Ltd.	Both the investee and the transaction counterparties are subsidiaries indirectly invested by the Company	Sales	542,655	78	Within 90 days after the invoice date	Note 1	Note 1	236,281	75	
FuYu Precision Components (Kunshan) Co., Ltd.	"	"	Sales	2,252,830	74	Within 60 days after the end of a month	Note 1	Note 1	1,357,135	74	
"	Foxconn (Far East) Ltd. and its subsidiaries	The transaction counterparties of the investee are Hon Hai' subsidiaries and their subsidiaries.	Sales	509,081	17	Within 90 days after the end of a month	Note 1	Note 1	417,941	23	
FTP Technology Inc.	"	"	Sales	506,654	93	Within 90 days after the end of a month	Note 1	Note 1	224,877	100	
Nanning Funing Precision Electronics Ltd.	Hon Hai Precision Industry Co., Ltd.	The counterparties of the investee are investment companies adopting the equity method to evaluate the Company	Sales	1,296,297	37	Within 90 days after the end of a month	Note 1	Note 1	370,817	35	
Yantai FuZhun Precision Electronics Co., Ltd.	Foxconn (Far East) Ltd. and its subsidiaries	The transaction counterparties of the investee are Hon Hai' subsidiaries and their subsidiaries.	Sales	1,088,373	92	Within 90 days after the invoice date	Note 1	Note 1	322,111	78	
Champ Tech Optical (Foshan) Corporation	"	"	Sales	978,482	17	Within 90 days after the invoice date	Note 1	Note 1	572,976	27	
"	Hon Hai Precision Industry Co., Ltd.	The counterparties of the investee are investment companies adopting the equity method to evaluate the Company	Sales	1,142,812	20	Within 90 days after the end of a month	Note 1	Note 1	635,582	30	
Hongfujin Precision Industrial (Jincheng) Co., Ltd.	Foxconn (Far East) Ltd. and its subsidiaries	The transaction counterparties of the investee are Hon Hai' subsidiaries and their subsidiaries.	Sales	135,187	85	Within 90 days after the invoice date	Note 1	Note 1	70,128	97	

Purchaser/seller	Counterparty	Relationship	Transaction				Differences in transaction terms compared to third party transactions		Notes and accounts receivable (payable)		Note
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/ accounts receivable (payable)	
Foxconn Technology Co., Ltd.	Foxconn (Far East) Ltd. and its subsidiaries	Hon Hai' subsidiaries and their subsidiaries	Purchase	\$ 91,821,358	91	Within 90 days after the invoice date	Note 1	Note 1	(\$ 20,793,334)	84	
"	Nanning Funing Precision Electronics Ltd.	Subsidiaries indirectly invested by the Company	Purchase	1,391,945	1	Within 30 days after the invoice date	Note 1	Note 1	(199,197)	1	
"	Champ Tech Optical (Foshan) Corporation	"	Purchase	2,333,469	2	Within 30 days after the end of the month on which invoice date	Note 1	Note 1	(193,587)	1	
"	Hon Hai Precision Industry Co., Ltd.	Investment companies adopting the equity method to evaluate the Company	Purchase	755,651	1	Within 90 days after the end of the month on which invoice date	Note 1	Note 1	(465,686)	2	
FuYu Precision Components (Kunshan) Co., Ltd.	"	The counterparties of the investee are investment companies adopting the equity method to evaluate the Company	Purchase	149,464	6	Within 90 days after the invoice date	Note 1	Note 1	(17,112)	2	
Champ Tech Optical (Foshan) Corporation	"	"	Purchase	388,243	8	Within 60 days after the invoice date	Note 1	Note 1	(98,074)	6	
Foxconn Technology Pte.Ltd.	"	"	Purchase	306,339	10	Within 90 days after the invoice date	Note 1	Note 1	(180,453)	9	

Note 1: Except in case there is no similar transaction available for comparison, and the prices and credit period are determined through negotiation between both parties, the Group's selling prices to the above related parties are close to those offered to general customers; the Group's collection period for related parties is about 30–90 days.

Foxconn Technology Co., Ltd. and Subsidiaries

Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital

September 30, 2025

Expressed in thousands of NTD
(Except as otherwise indicated)

Table 5

Creditor	Counterparty	Relationship	Balance as at September 30, 2025	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action taken		
Foxconn Technology Co., Ltd.	Foxconn (Far East) Ltd. and its subsidiaries	Hon Hai' subsidiaries and their subsidiaries	\$ 8,386,128	Not applicable				
			(under other receivables) (Note 1)					
"	FTP Technology Inc.	Subsidiaries indirectly invested by the Company	147,716	3.67	\$ 63,830	Aggressive collection	\$ -	\$ -
"	PKM Corporation	Subsidiaries directly invested by the Company	17,790,936	6.27	305,917	Recovery after the balance sheet date	305,917	-
Hongfujin Precision Industry (Taiyuan) Co., Ltd.	Foxconn Technology Pte.Ltd.	Both the investee and the transaction counterparties are subsidiaries indirectly invested by the Company	236,281	4.95	120,575	Recovery after the balance sheet date	120,575	-
FuYu Precision Components (Kunshan) Co., Ltd.	"	"	1,357,135	3.80	405,336	Recovery after the balance sheet date	405,336	-
"	Foxconn (Far East) Ltd. and its subsidiaries	The transaction counterparties of the investee are Hon Hai' subsidiaries and their subsidiaries.	417,941	2.32				
FTP Technology Inc.	"	"	224,877	2.81				
Nanning Funing Precision Electronics Ltd.	Foxconn Technology Co., Ltd.	The ultimate parent company of the Company	199,197	11.20				
"	Hon Hai Precision Industry Co., Ltd.	The counterparties of the investee are investment companies adopting the equity method to evaluate the Company	370,817	6.12	66,004	Recovery after the balance sheet date	66,004	-
Yantai FuZhun Precision Electronics Co., Ltd.	Foxconn (Far East) Ltd. and its subsidiaries	The transaction counterparties of the investee are Hon Hai' subsidiaries and their subsidiaries.	322,111	5.04				
Champ Tech Optical (Foshan) Corporation	"	"	572,976	2.52	3,561	Recovery after the balance sheet date	3,561	-
"	Foxconn Technology Co., Ltd.	The ultimate parent company of the Company	193,587	14.13				
"	Hon Hai Precision Industry Co., Ltd.	The counterparties of the investee are investment companies adopting the equity method to evaluate the Company	635,582	2.83				
PKM Corporation	Foxconn Technology Co., Ltd.	The ultimate parent company of the Company	9,822,052	Not applicable				
			(under other receivables) (Note 1)					
"	Foxconn (Far East) Ltd. and its subsidiaries	The transaction counterparties of the investee are Hon Hai' subsidiaries and their subsidiaries.	2,031,769	Not applicable				
			(under other receivables) (Note 1)					

Note 1: It is the account receivable of the investee purchasing raw materials for its ultimate parent company.

Foxconn Technology Co., Ltd. and Subsidiaries
Business relations and important transactions between the parent company and subsidiaries
For the Nine Months Ended September 30, 2025

Expressed in thousands of NTD
(Except as otherwise indicated)

Table 6

No. (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction situation			Percentage of consolidated total operating revenues or total assets
				General ledger account	Amount	Transaction terms	
0	Foxconn Technology Co., Ltd.	Nanning Funing Precision Electronics Ltd.	1	Purchase	\$ 1,391,945	Note 4	1
0	"	"	1	Accounts payable	199,197	"	-
0	"	Champ Tech Optical (Foshan) Corporation	1	Purchase	2,333,469	"	2
0	"	"	1	Accounts payable	193,587	"	-
0	"	FTP Technology Inc.	1	Sales	486,270	"	-
0	"	"	1	Accounts receivable	147,716	"	-
0	"	PKM Corporation	1	Sales	93,156,266	"	82
0	"	"	1	Accounts receivable	17,790,936	"	11
0	"	"	1	Other payables	9,822,052	"	6
1	Hongfujin Precision Industry (Taiyuan) Co., Ltd.	Foxconn Technology Pte. Ltd.	3	Sales	542,655	"	-
1	"	"	3	Accounts receivable	236,281	"	-
2	FuYu Precision Components (Kunshan) Co., Ltd.	"	3	Sales	2,252,830	"	2
2	"	"	3	Accounts receivable	1,357,135	"	1

Note 1: The types of business transactions between the parent and subsidiaries are indicated by the following numbers shown in the No. column:

(1) The parent company is coded "0."

(2) The subsidiaries are coded sequentially beginning from "1" one after another.

Note 2: There are the three types of relations with the counterparty, and it is sufficient to just indicate the type (if it is the same transaction between the parent and a subsidiary or between subsidiaries, there is no need to disclose it repeatedly. For example, if the parent has disclosed a transaction with a subsidiary, the subsidiary does not need to disclose the same transaction again; if a subsidiary has disclosed a transaction with another subsidiary, the other subsidiary does not need to disclose the same transaction again):

(1) Parent to subsidiary.

(2) Subsidiary to parent.

(3) Subsidiary to another subsidiary.

Note 3: The standard for disclosure of information on business transactions between the parent and a subsidiary is that the amount of purchases, sales or receivables (payables) from related parties is NT\$100 million, or 20% or more of the paid-in capital, while transactions with related parties will not be disclosed.

Note 4: Except in case there is no similar transaction available for comparison, and the prices and credit period are determined through negotiation between both parties, the Group's selling prices to the above related parties are close to those offered to general customers; the Group's collection period for related parties is about 30-90 days.

Note 5: The transaction amount as a percentage of the total consolidated revenue or total assets, it is calculated based on the ending balance as a percentage of the total consolidated assets if the transaction is under the assets and liabilities account; if it is under the profit and loss account, it is calculated based on the cumulative amount as a percentage of the total consolidated revenue.

Note 6: Please refer to Table 1 for the details of loans to others.

Foxconn Technology Co., Ltd. and Subsidiaries
Information on name and location of investees (excluding investees in Mainland China)
For the Nine Months Ended September 30, 2025

Expressed in thousands of NTD
(Except as otherwise indicated)

Table 7

Investor	Investee	Location	Main business activities	Initial investment amount		Held at the end of period			Net income of investee for the nine-month period ended September 30, 2025	Investment income (loss) recognized by the Company for the nine-month period ended September 30, 2025	Note
				Balance as at September 30, 2025	Balance as at December 31, 2024	Number of shares	Ownership (%)	Book value			
Foxconn Technology Co., Ltd.	Q-Run Holdings Ltd.	Cayman Islands	Engaging in investment in other entities and holding business	\$ 1,971,512	\$ 1,971,512	96,077,600	100	\$ 90,226,958	\$ 1,732,758	\$ 1,467,092	Note 1
Foxconn Technology Co., Ltd.	Foxconn Precision Components Holding Co., Ltd.	Cayman Islands	Engaging in investment in other entities and holding business	97,358	97,358	26,839,643	100	13,767,386	393,882	393,882	Note 1
Foxconn Technology Co., Ltd.	Q-Run Investment Co., Ltd.	Taiwan	Engaging in investment	1,254,780	1,254,780	125,478,000	100	1,889,131	96,046	96,046	
Foxconn Technology Co., Ltd.	Syntrend Creative Park Co., Ltd.	Taiwan	Retail of computer, multi-function printers, appliances and information software services	490,322	490,322	49,032,250	20	321,677	84,571	16,889	
Foxconn Technology Co., Ltd.	Sotera Wireless, Inc.	United States	Sales of wireless vital sign monitoring systems	1,335	1,335	10,003,082	53.93	20,252	(94,636)	99,672	Note 2
Foxconn Technology Co., Ltd.	FTC Intelligent Technology Corporation	Taiwan	Wholesale and retail of medical devices and precision instruments	100,000	60,000	10,000,000	100	156,679	27,550	27,550	Note 1
Foxconn Technology Co., Ltd.	PKM Corporation	Japan	Distribution of game consoles.	115,075	115,075	8,200	91.12	180,706	69,774	63,578	

Investor	Investee	Location	Main business activities	Initial investment amount		Held at the end of period			Net income of investee for the nine-month period ended September 30, 2025	Investment income (loss) recognized by the Company for the nine-month period ended September 30, 2025	Note
				Balance as at September 30, 2025	Balance as at December 31, 2024	Number of shares	Ownership (%)	Book value			
Foxconn Technology Co., Ltd.	FTC Japan Co., Ltd.	Japan	Production and sales of electronic products and medical supplies, provision of health management services, and long-term care equipment trading and leasing	\$ 69,554	\$ 69,554	6,000	100	\$ 8,070	(\$ 5,460)	(\$ 5,460)	
Foxconn Technology Co., Ltd.	Ultimate Aluminum Magnesium Technology Co., Ltd.	Taiwan	Aluminum casting, aluminum and magnesium rolling, drawing, and extrusion, and manufacturing of metal structures and building components.	835,000	835,000	83,500,000	100	843,168	7,543	7,543	
Foxconn Technology Co., Ltd.	CyberTAN Technology Inc.	Taiwan	Wired communication machinery and equipment, manufacturing of electronic parts and components, and broadband Internet access routers, gateways, VPNs, firewalls, Layer 3 and Layer 4 switches, wired broadband network security routers, and wireless broadband network security R&D, and development and sales of routers.	341,202	341,202	10,035,348	3.04	332,398	497,479	15,082	

Note 1: Besides FOXCONN PRECISION COMPONENTS HOLDING CO., LTD., Q-Run HOLDINGS LTD., Q-Run Investment Co., Ltd., Sotera Wireless, Inc., FTC Intelligent Technology Corporation, PKM CORPORATION, FTC JAPAN CO., LTD., Aluminum Magnesium Technology Co., Ltd are subsidiaries of the Company, Atkinson Holdings Ltd., Q-Run Far East Corporation, World Trade Trading Ltd., High Tempo International Ltd., FTP Technology Inc., Foxconn Technology Pte. Ltd., Kenny International Ltd., Double Wealth Profits Ltd., Precious Star International Ltd., Eastern Star Limited, Gold Glory International Ltd., New Glory Holdings Ltd., Foxconn Technology USA Holdings LLC, Foxconn Technology USA Corporation, FuZhun Precision Industry (Shenzhen) Co., Ltd., Champ Tech Optical (Foshan) Corporation, Hongfujin Precision Industry (Taiyuan) Co., Ltd., FuZhun Precision Electronics (Hebi) Co., Ltd., Qingdao Hygen Innovative Alloy Materials Co., Ltd., Fuhuigang Industry (Shenzhen) Co., Ltd., Fu Yu Precision Components (Kunshan) Co., Ltd., YanTai Fuzhun Precision Electronics Co., Ltd., Nanning Funing Precision Electronics Ltd., Hongfujin Precision Industry (Jincheng) Co., Ltd., FuZhun Precision Industry (Shenyang) Co., Ltd. and Refront IoMT Corp. are subsidiaries of the Company as well.

Note 2: Investment income (loss) recognised by the Company for the six months ended September 30, 2025 included the revaluation of fair value of the convertible corporate bonds issued by Sotera Wireless, Inc. and derivatives.

Note 3: Foxconn Technology USA Holdings LLC was registered and incorporated on March 13, 2025, and the capital injection was completed on July 3, 2025.

Note 4: Foxconn Technology USA Corporation was registered on April 28, 2025, and the capital injection was completed on July 3, 2025.

Foxconn Technology Co., Ltd. and Subsidiaries
Information on investment in Mainland China- basic information
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Expressed in thousands of NTD
(Except as otherwise indicated)

Table 8

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland Taiwan to	Amount remitted from Taiwan to Mainland China / Amount remitted back to Taiwan for the nine-month period ended September 30, 2025		Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2025	Net income of investee for the nine- month period ended September 30, 2025	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for the nine-month period ended September 30, 2025 (Note 2)	Book value of investments in Mainland China as of September 30, 2025	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2025	Note
				Mainland China as of January 1, 2025	Remitted to Mainland China	Remitted back to Taiwan							
Fuhuigang Industrial (Shenzhen) Co., Ltd.	Production and sales of computer case components, electronic components and power electronic components	\$ 236,162	2	\$ 236,162	\$ -	\$ -	\$ 236,162	\$ 15,881	100	\$ 15,881	\$ 534,165	\$ -	
FuYu Precision Components (Kunshan) Co., Ltd.	Manufacturing and marketing of power plug and wall socket, micro ribbon connectors for terminals, etc.	1,192,652	2	839,369	-	-	839,369	340,933	100	340,933	6,172,013	57,639	
FuZhun Precision Industry (Shenzhen) Co., Ltd	Production and sales of electronic computer parts (computer cooling fans)	593,678	2	60,890	-	-	60,890	11,653	100	11,653	1,272,998	-	
Hongfujin Precision Industry (Taiyuan) Co., Ltd.	Production and sales of electronic computer parts and accessories, computer casings and relevant stamped metal parts	12,482,450	2	4,247,078	-	-	4,247,078	519,277	100	519,277	32,626,801	96,524	
Nanning Funing Precision Electronics Ltd.	Production and sales of electronic computer parts (computer cooling fans)	298,361	2	-	-	-	-	343,416	100	343,416	2,731,201	176,033	
Yantai FuZhun Precision Electronics Co., Ltd.	Production and sales of computer case components, electronic components and power electronic components	2,435,600	2	1,202,578	-	-	1,202,578	80,290	100	80,290	2,066,587	-	

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2025	Amount remitted from Taiwan to Mainland China / Amount remitted back to Taiwan for the nine-month period ended September 30, 2025		Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2025	Net income of investee for the nine-month period ended September 30, 2025	Ownership held by the Company (direct or indirect)	Investment income (loss) recognized by the Company for the nine-month period ended September 30, 2025 (Note 2)	Book value of investments in Mainland China as of September 30, 2025	Accumulated amount of investment income remitted back to Taiwan as of September 30, 2025	Note
					Remitted to Mainland China	Remitted back to Taiwan							
FuZhun Precision Electronics (Hebi) Co., Ltd.	Production and sales of new alloy materials, precision instruments, new electronic components, portable computers and spare parts of the above products	\$ 4,496,727	2	\$ 1,513,117	\$ -	\$ -	\$ 1,513,117	\$ 34,886	100	\$ 34,886	\$ 4,553,563	\$ -	

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of September 30, 2025	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA (Note 3)
Foxconn Technology Co., Ltd.	\$ 8,099,194	\$ 22,948,406	\$ -

Note 1: The investment methods are divided into the three types below, and just indicate the code:

- (1) Direct investment in entities in Mainland China;
- (2) Indirect investment in entities in Mainland China through Q-Run Holdings Ltd. or Foxconn Precision Components Holding Co., Ltd.
- (3) Other methods.

Note 2: Except for Hongfujin Precision Industrial (Taiyuan) Co., Ltd., the investment income and loss recognized for this period is recognized according to the financial statements prepared by the investees in Mainland China for the same periods, not reviewed by CPAs.

Note 3: Per the Principles for the Review of Investments or Technical Cooperation in Mainland China amended on December 30, 2020, the Company has obtained a certificate issued by the Industrial Development Bureau, Ministry of Economic Affairs, indicating the conformity with the scope of business of the headquarters. Thus, the Company does not need to calculate the investment limit from December 4, 2024 through December 3, 2027.

Note 4: The Company indirectly invested in the investees: Qingdao Hygen Innovative Alloy Materials Co., Ltd, FuZhun Precision Industry (Shenyang) Co., Ltd., Hongfujin Precision Industrial (Jincheng) Co., Ltd., and Champ Tech Optical (Foshan) Corporation through certain companies in China without a need to gain approval from the Investment Commission.