

Stock code: 3021

**Welltend Technology Corporation
and Subsidiaries
Consolidated Financial Statements With
Independent Auditors' Review Report**

**For the Three-Month Periods Ended
March 31, 2025 and 2024**

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Independent Auditors' Review Report

To the Board of Directors of Welltend Technology Corporation:

Introduction

We have completed our review of the consolidated balance sheet of Welltend Technology Corporation and its Subsidiaries (Welltend Group) as of March 31, 2025 and 2024, and the consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the three-month periods ended March 31, 2025 and 2024, as well as the notes to the consolidated financial statements (including a summary of significant accounting policies). Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" as endorsed and became effective by Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the following paragraph, we conducted our reviews in accordance with TWSRE 2410 "Review of Financial Information" performed by the Independent Auditor. 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 audit conducted in accordance with auditing standards generally accepted in the Republic of China and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As explained in Note 4(2), the financial statements of certain insignificant subsidiaries were not reviewed by independent accountants. Those reflected total assets of NT\$ 277,302 thousand and NT\$ 37,212 thousand, constituting 8% and 1% of the consolidated total assets, and total liabilities of NT\$ 64,127 thousand and NT\$ 2,158 thousand, constituting 4% and 0% of the consolidated total liabilities as of March 31, 2025 and 2024, respectively; and total comprehensive income of NT\$ 4,450 thousand and NT\$ 3,986 thousand, constituting 16% and 6% of the consolidated total comprehensive income for the three-month period ended March 31, 2025 and 2024, respectively.

Qualified Conclusion

Based on our reviews, except for the effect of such adjustments, if any, as might have been determined to be necessary had the financial statements of certain joint ventures accounted for using equity method been reviewed by independent accountants, 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 Company and its subsidiaries as at March 31, 2025 and 2024, and their consolidated financial performance and cash flows for the three-month periods ended March 31, 2025 and 2024, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” as endorsed and became effective by Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors’ review report are Yu-Ting Hsin and Yiu-Kwan Au.

KPMG

Taipei, Taiwan (Republic of China)

May 12, 2025

Notes to Readers

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

The independent auditors’ report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors’ report and consolidated financial statements, the Chinese version shall prevail.

Welltend Technology Corporation and Subsidiaries
Consolidated Balance Sheet

31 March 2025, 31 December 2024 and 31 March 2024

Unit: NT\$ thousand

Assets		2025.3.31		2024.12.31		2024.3.31		Liabilities and equity		2025.3.31		2024.12.31		2024.3.31	
		Amount	%	Amount	%	Amount	%			Amount	%	Amount	%	Amount	%
Current assets:								Current liabilities:							
1100	Cash and cash equivalents (Note VI (I))	\$ 1,038,176	32	946,019	30	832,644	29	2100	Short-term borrowings (Notes VI (VIII), VII and VIII)	\$ 790,000	24	698,000	22	710,000	24
1170	Net notes and accounts receivable (Notes VI (II) and VI (XV))	729,514	22	829,391	26	820,929	28	2130	Current contract liabilities (Note VI (XV))	33,147	1	39,666	1	22,618	1
1300	Net inventories (Note VI (III))	636,884	19	608,764	19	580,025	20	2170	Notes and accounts payable	376,038	11	457,762	14	296,735	10
1470	Other current assets (Note VI (IV))	100,265	3	78,140	3	69,487	2	2200	Other payables (Notes VI (IX) and VII)	133,353	4	145,314	5	117,910	4
1476	Other financial assets - current (Note VI (I), VI (IX), and VIII)	57,742	2	98,273	3	47,932	2	2216	Dividends payable (Notes VI (XIII))	28,767	1	-	-	28,767	1
		2,562,581	78	2,560,587	81	2,351,017	81	2230	Current Tax Liabilities	38,530	1	34,172	1	53,162	2
								2280	Current lease liabilities (Notes VI (X) and VII)	31,591	1	13,387	-	18,943	1
Non-current assets:								2300	Other current liabilities	24,415	1	28,620	1	17,519	-
1600	Property, plant, and equipment (Notes VI (VI) and VIII)	417,339	13	416,867	13	410,033	14			1,455,841	44	1,416,921	44	1,265,654	43
1755	Right-of-use assets (Notes VI (VII) and VII)	123,694	4	37,297	1	36,723	1	Non-current liabilities:							
1780	Intangible assets	41,401	1	41,884	1	44,155	2	2570	Deferred tax liabilities	56,938	2	55,747	2	54,471	2
1840	Deferred tax assets	6,700	-	8,804	-	3,415	-	2580	Non-current lease liabilities (Notes VI (X) and VII)	93,080	3	24,661	1	18,635	1
1900	Other non-current assets (Note VI (IX), VI (VI), VII, and VIII)	140,129	4	106,988	4	54,343	2	2600	Other non-current liabilities	359	-	358	-	204	-
		729,263	22	611,840	19	548,669	19			150,377	5	80,766	3	73,310	3
										1,606,218	49	1,497,687	47	1,338,964	46
								Total liabilities							
								Equity attributable to owners of parent (Note VI (XIII)):							
								3100	Capital stock	958,900	29	958,900	30	958,900	33
								3200	Additional paid-in capital	7,675	-	7,525	-	7,525	-
								3300	Retained earnings (Note XII (III))	683,900	21	718,389	23	689,974	24
								3400	Other equity	(17,838)	(1)	(52,336)	(1)	(95,894)	(3)
										1,632,637	49	1,632,478	52	1,560,505	54
								36XX	Non-controlling interests	52,989	2	42,262	1	217	-
										1,685,626	51	1,674,740	53	1,560,722	54
								Total equity							
								Total liabilities and equity							
										\$ 3,291,844	100	3,172,427	100	2,899,686	100
Total assets		\$ 3,291,844	100	3,172,427	100	2,899,686	100								

Welltend Technology Corporation and Subsidiaries
Consolidated Statement of Comprehensive Income
For the three-month periods ended 31 March, 2025 and 2024

Unit: NT\$ thousand

		For the three-month periods ended 31 March			
		2025		2024	
		Amount	%	Amount	%
4110	Operating revenue (Note XV)	\$ 707,319	100	753,339	100
5110	Operating costs (Notes VI (III), VI (X), VI (XI), VII, and XII (I))	605,700	86	624,405	83
5910	Operating margin	101,619	14	128,934	17
	Operating expenses (Notes VI (X), VI (XI), VI (XVI), VII, and XII (I)):				
6100	Marketing expenses	35,163	5	33,242	4
6200	Management expenses	61,276	8	55,799	7
6450	Expected credit (gain) loss (Note VI (II))	483	-	(4,464)	-
		96,922	13	84,577	11
6900	Operating profit	4,697	1	44,357	6
	Non-operating income and expenses:				
7010	Other revenue	3,330	-	512	-
7100	Interest income	3,023	-	3,400	-
7230	Net foreign currency exchange gain (losses) (Note VI (XVII))	(402)	-	2,753	-
7510	Interest expense (Notes VI (X) and VII)	(3,812)	-	(3,063)	-
7590	Sundry expenses (Note XII (III))	(1,927)	-	(4,386)	-
		212	-	(784)	-
7900	Net profit before tax	4,909	1	43,573	6
7950	Less: Income tax expense (profit) (Note VI (XII))	11,922	2	16,479	2
	Net profit for the period	(7,013)	(1)	27,094	4
8300	Other comprehensive income:				
8360	Components of other comprehensive income subsequently reclassified to profit or loss				
8361	Exchange differences on translation of foreign financial statements	35,172	5	36,639	5
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Total Components of other comprehensive income subsequently reclassified to profit or loss	35,172	5	36,639	5
8300	Other comprehensive income for the period	35,172	5	36,639	5
	Total comprehensive income for the period	\$ 28,159	4	63,733	9
	Net profit for the period attributable to:				
8610	Owners of parent	\$ (5,722)	(1)	27,070	4
8620	Non-controlling interests	(1,291)	-	24	-
		\$ (7,013)	(1)	27,094	4
	Comprehensive income attributable to:				
8710	Owners of parent	\$ 28,776	4	63,709	9
8720	Non-controlling interests	(617)	-	24	-
		\$ 28,159	4	63,733	9
	Earnings per share (Note VI (XIV))				
9750	Basic earnings per share (Unit: NT\$)	\$ (0.06)		0.28	
9850	Diluted earnings per share (Unit: NT\$)	\$ (0.06)		0.28	

(Please refer to the attached notes to the parent company only financial statements)

Chairman: Yun-Teng Chang

Manager: Jia-Xiang Lin

Accounting Supervisor: Wen-Pin Chen

Welltend Technology Corporation and Subsidiaries
Consolidated Statement of Changes in Equity
For the three-month periods ended 31 March, 2025 and 2024

Unit: NT\$ thousand

	Equity Attributable to the Parent Company									
							Other equity			
			Retained earnings							
	Share capital from common stock	Additional paid-in capital	Legal reserve	Special reserve	Undistributed surplus earnings	Total	Exchange differences on translation of foreign financial statements	Total equity attributable to owners of the parent company	Non-controlling interests	Total equity
Balance on January 1, 2024	\$ 958,900	7,525	112,009	120,028	459,634	691,671	(132,533)	1,525,563	202	1,525,765
Earnings allocation and distribution:										
Common stock cash dividend	-	-	-	-	(28,767)	(28,767)	-	(28,767)	-	(28,767)
	-	-	-	-	(28,767)	(28,767)	-	(28,767)	-	(28,767)
Net profit for the period	-	-	-	-	27,070	27,070	-	27,070	24	27,094
Other comprehensive income for the period	-	-	-	-	-	-	36,639	36,639	-	36,639
Total comprehensive income for the period	-	-	-	-	27,070	27,070	36,639	63,709	24	63,733
Common stock cash dividend of non-controlling interests	-	-	-	-	-	-	-	-	(9)	(9)
Balance on March 31, 2024	\$ 958,900	7,525	112,009	120,028	457,937	689,974	(95,894)	1,560,505	217	1,560,722
Balance on January 1, 2025	\$ 958,900	7,525	124,615	132,533	461,241	718,389	(52,336)	1,632,478	42,262	1,674,740
Earnings allocation and distribution:										
Common stock cash dividend	-	-	-	-	(28,767)	(28,767)	-	(28,767)	-	(28,767)
	-	-	-	-	(28,767)	(28,767)	-	(28,767)	-	(28,767)
Net profit for the period	-	-	-	-	(5,722)	(5,722)	-	(5,722)	(1,291)	(7,013)
Other comprehensive income for the period	-	-	-	-	-	-	34,498	34,498	674	35,172
Total comprehensive income for the period	-	-	-	-	(5,722)	(5,722)	34,498	28,776	(617)	28,159
The difference between the actual price of equity acquired or disposed of by the subsidiary and the book value	-	150	-	-	-	-	-	150	(150)	-
Change in non-controlling interests	-	-	-	-	-	-	-	-	11,494	11,494
Balance on March 31, 2025	\$ 958,900	7,675	124,615	132,533	426,752	683,900	(17,838)	1,632,637	52,989	1,685,626

(Please refer to the attached notes to the parent company only financial statements)

Chairman: Yun-Teng Chang

Manager: Jia-Xiang Lin

Accounting Supervisor: Wen-Pin Chen

Welltend Technology Corporation and Subsidiaries
Consolidated Statement of Cash Flows
For the three-month periods ended 31 March, 2025 and 2024

Unit: NT\$ thousand

For the three-month periods ended
31 March

	2025	2024
Cash flows from operating activities:		
Net profit before tax for the period	\$ 4,909	43,573
Adjustments:		
Adjustments to reconcile profit (loss)		
Depreciation expense	18,934	20,787
Amortization expense	584	749
Expected credit loss (gain)	483	(4,464)
Interest expense	3,812	3,063
Interest income	(3,023)	(3,400)
Other item	2,872	-
Total adjustments to reconcile profit (loss)	23,662	16,735
Changes in assets and liabilities related to operating activities:		
Net changes in assets related to operating activities, net:		
Notes and accounts receivable	99,037	7,393
Inventories	(28,120)	22,387
Other current assets	(20,927)	(5,128)
Other financial assets	(124)	82
Total net changes in assets related to operating activities	49,866	24,734
Changes in liabilities related to operating activities, net:		
Contract liabilities	(6,519)	(3,756)
Notes and accounts payable	(81,724)	(75,869)
Other payables	(11,931)	(17,598)
Other current liabilities	(4,205)	(3,658)
Other liabilities related to operating activities	(104,379)	(100,881)
Net changes in assets and liabilities related to operating activities	(54,513)	(76,147)
Total adjustments	(30,851)	(59,412)
Cash outflow generated from operations	(25,942)	(15,839)
Interest received	3,139	3,387
Interest paid	(3,842)	(3,103)
Income tax paid	(4,862)	(11,024)
Net cash outflow from operating activities	(31,507)	(26,579)
Cash flows from investing activities:		
Acquisition of property, plant, and equipment	(9,174)	(3,247)
Disposal of property, plant, and equipment	228	-
Decrease in refundable deposits	2,580	4,470
Acquisition of intangible assets	(101)	(996)
Decrease (Increase) in other financial assets	37,399	(10,200)
(Increase) Decrease in other non-current assets	(32,581)	80
Net cash outflows from investing activities	(1,649)	(9,893)
Cash flows from financing activities:		
Increase in short-term borrowings	92,000	14,000
Decrease in other non-current liabilities	-	(98)
Repayment of lease liability principal	(8,073)	(8,128)
Change in non-controlling interests	11,494	-
Net cash inflows from financing activities	95,421	5,774
Effect of exchange rate changes on cash and cash equivalents	29,892	35,982
Net increase in cash and cash equivalents for the period	92,157	5,284
Cash and cash equivalents at start of period	946,019	827,360
Cash and cash equivalents at end of period	\$ 1,038,176	832,644

(Please refer to the attached notes to the parent company only financial statements)

Chairman: Yun-Teng Chang

Manager: Jia-Xiang Lin

Accounting Supervisor: Wen-Pin Chen

Welltend Technology Corporation and Subsidiaries
Notes to the Consolidated Financial Statements
For the three-month periods ended 31 March, 2025 and 2024
(Amounts in Thousands of New Taiwan Dollars unless Specified Otherwise)

I. Company history

Welltend Technology Corporation (“the Company”) was established in June 1993. Its main businesses are the sale of wires and connectors and the integrated planning and implementation of information systems and consulting services. The composition of the Company's consolidated financial statements includes the Company and subsidiaries of the Company (hereinafter collectively referred to as “the Group”). Please refer to Note IV (II) for an explanation of the main businesses of the Group.

II. Approval date and procedures of the consolidated financial statements

The consolidated financial statements were authorized for issuance by the Board of Directors on May 12, 2025.

III. New standards, amendments and interpretations adopted

(I) The impact of the IFRS Accounting Standards endorsed by the Financial Supervisory Commission, R.O.C. which have already been adopted.

The Group has initially adopted the new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2025 :

- Amendments to IAS21 “Lack of Exchangeability”

(II) The impact of IFRS endorsed by the FSC but not yet effective

The Group assesses that the adoption of the (following) new amendments, effective for annual period beginning on January 1, 2026, would not have a significant impact on its consolidated financial statements:

- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” regarding the application guidance requirements for Section 4.1 of IFRS 9 and the related disclosure requirements of IFRS 7.

(II) The impact of IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

The following new and amended standards, which may be relevant to the Group, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

Standards or Interpretations	Content of amendment	Effective date per IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities. The amendment clarifies how an enterprise should classify liabilities that are paid off by issuing its own equity instruments (such as convertible bonds). • A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined ‘operating profit’ subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities. • Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards. • Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.	January 1, 2027
Annual Improvements to IFRS Accounting Standards	The amendments set out: 1. IFRS 1 “First-time Adoption of International Financial Reporting Standards”: The amendments address a potential confusion arising from an inconsistency in wording between paragraph B6 of IFRS 1 and requirements for hedge accounting in IFRS 9 Financial Instruments. 2. IFRS 7 “Financial Instruments: Disclosures”: The amendments address a potential confusion in IFRS 7 arising from an obsolete reference to a paragraph that was deleted from the standard when IFRS 13 Fair Value Measurement was issued. 3. IFRS 9 “Financial Instruments”: Derecognition of a lease liability The IASB’s amendment states that if a lease liability is derecognized, then the derecognition will be accounted for under IFRS 9, (i.e. the difference between the carrying amount and the consideration paid is recognized in profit or loss). However, when a lease liability is modified, the modification will be accounted for under IFRS 16 Leases.	January 1, 2026

**Notes to the Consolidated Financial Statements of Welltend Technology Corporation
and Subsidiaries (continued)**

Standards or Interpretations	Content of amendment	Effective date per IASB
Annual Improvements to IFRS Accounting Standards	Transaction price The amendments require companies to initially measure a trade receivable without a significant financing component at the amount determined by applying IFRS 15 Revenue from Contracts with Customers. The amendments remove the conflict between IFRS 9 and IFRS 15 over the amount at which a trade receivable is initially measured. 4. IFRS 10 “Consolidated Financial Statements”: The amendments clarify the determination of a ‘de facto agent’. 5. IAS 7 “Statement of Cash Flows”: The amendments address a potential confusion in applying paragraph 37 of IAS 7 that arises from the use of the term ‘cost method’.	January 1, 2026

The Group is evaluating the impact on its consolidated financial position and consolidated financial performance upon the initial adoption of the abovementioned standards or interpretations. The results thereof will be disclosed when the Group completes its evaluation.

The Group does not expect the (following) other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments” regarding the application guidance requirements for Sections 3.1 and 3.3 of IFRS 9 and the related disclosure requirements of IFRS 7
- Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”

IV. Summary of significant accounting policies

(I) Statement of compliance

These consolidated financial statements have been prepared in accordance with

**Notes to the Consolidated Financial Statements of Welltend Technology Corporation
and Subsidiaries (continued)**

the preparation and guidelines of IAS 34 “Interim Financial Reporting” which are endorsed and issued into effect by FSC, and do not include all of the information required by the Regulations and International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the FSC (hereinafter referred to IFRS endorsed by the FSC) for a complete set of the annual consolidated financial statements.

Except the following accounting policies mentioned below, the significant accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2024. For the related information, please refer to note IV of the consolidated financial statements for the year ended December 31, 2024.

(II) Basis of consolidation

The basis for preparation of these consolidated financial statements is consistent with these for the preparation of these consolidated financial statements for the year ended December 31, 2024, the related information refers to the Note IV.

Subsidiaries included in these consolidated financial statements include:

Investing company name	Subsidiary name	Nature of business	Shareholding ratio			Note
			March 31, 2025	December 31, 2024	March 31, 2024	
The Company	A-Team Tech Inc. (A-Team)	Investment, trading, and holding company	100.00%	100.00%	100.00%	Note 1
The Company	JIUN TAI CORPORATION LIMITED (JIUN TAI)	Holding company	100.00%	100.00%	100.00%	
The Company	CELERAISE ELECTRONIC CORPORATION (CELERAISE)	Manufacture and sale of wire and cable connectors and connectors	100.00%	100.00%	100.00%	Note 2
The Company	CELERAISE (THAILAND) CO., LTD (THAILAND)	Manufacture and sale of wire and cable connectors and connectors	100.00%	100.00%	100.00%	Note 3
The Company	KING HONG Co., Ltd. (KING HONG)	International trade and other wholesale and retail trade	51.00%	51.00%	-%	Note 1、4
The Company	HONG YI CABLE CO., LTD. (HONG YI)	International trade and other wholesale and retail trade	52.00%	52.00%	-%	Note 1、6

**Notes to the Consolidated Financial Statements of Welltend Technology Corporation
and Subsidiaries (continued)**

Investing company name	Subsidiary name	Nature of business	Shareholding ratio			Note
			March 31, 2025	December 31, 2024	March 31, 2024	
The Company and JIUN TAI	Celeraise Investments Limited (Celeraise Hong Kong)	Manufacture and sale of wire and cable connectors and connectors	100.00%	100.00%	100.00%	
The Company	Leadpak Industrial Co., Ltd. (Leadpak Industrial)	International trade and other wholesale and retail trade	100.00%	99.36%	99.36%	Note 1、7
The Company	Celeraise Technology Corporation (Celeraise Technology)	Automatic control equipment engineering industry, computer equipment installation industry, etc.	100.00%	100.00%	100.00%	
A-Team	Minshi Computer Technology (Shanghai) Co., Ltd. (Shanghai Minshi)	R&D and production of industrial automation control, product quality control, communication, and electronic network computer software	100.00%	100.00%	100.00%	Note 1
JIUN TAI	Shanghai Zhansheng Electronics Co., Ltd. (Shanghai Zhansheng)	Production of electronics, wire connectors, telephone spare parts and small household appliances; sale of the company's own products	100.00%	100.00%	100.00%	
JIUN TAI	Welltrend Technology Co., Ltd. (Welltrend)	Manufacture and sale of wire and cable connectors and connectors	80.00%	80.00%	-%	Note 1、5
Celeraise Hong Kong	Yield Profit International Enterprise Limited (Yield Profit International)	Investment, trading, and holding company	100.00%	100.00%	100.00%	
Celeraise Hong Kong	Jet Success Technology Development Limited (Jet Success)	Investment, trading, and holding company	100.00%	100.00%	100.00%	
Celeraise Hong Kong	Shenzhen Zhansheng Electric Power Co., Ltd. (Shenzhen Zhansheng)	Manufacture and sale of wire and cable connectors and connectors	100.00%	100.00%	100.00%	

**Notes to the Consolidated Financial Statements of Welltend Technology Corporation
and Subsidiaries (continued)**

Investing company name	Subsidiary name	Nature of business	Shareholding ratio			Note
			March 31, 2025	December 31, 2024	March 31, 2024	
Yield Profit International	Zhan Mao Electronics Enterprise (Huizhou) Co., Ltd. (Huizhou Zhan Mao)	Manufacture and sale of wire and cable connectors and connectors	100.00%	100.00%	100.00%	
Jet Success	Kunshan Yiguan Electronic Technology Co., Ltd. (Kunshan Yiguan)	Manufacture and sale of wire and cable connectors and connectors	100.00%	100.00%	100.00%	

Note1: The financial statements of certain non-significant subsidiaries were not reviewed by independent auditors.

Note2: CELRAISE was established in March 2015, 0.01% of the equity acquired in CELRAISE is held in the name of third party considering the relevant regulations of Philippines.

Note3: THAILAND was established in June 2017, 0.01% of the equity acquired in THAILAND is held in the name of third party considering the relevant regulations of Thailand.

Note4: KING HONG was established in April 2024.

Note5: Welltrend was established in July 2024.

Note6: HONG YI was established in November 2024.

Note7: The Company purchased all the shares of Leadpak Industrial from the non-controlling interests in February 2025, increasing its shareholding to 100%.

(III) Income taxes

The income tax expenses have been prepared and disclosed in accordance with paragraph B12 of International Financial Reporting Standards 34, Interim Reporting.

Income tax expenses for the period are best estimated by multiplying pre-tax income for the interim reporting period using the effective annual tax rate as forecasted by the management. This should be recognized fully as tax expense for the current period (and allocated to current and deferred taxes based on its proportionate size).

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases shall be measured based on the tax rates that have been enacted or substantively enacted at the time of the asset or liability is recovered or settled and be recognized directly in equity or other comprehensive income as tax expense.

V. Significant accounting assumptions and judgments, and major sources of estimation uncertainty

The preparation of the consolidated financial statements in conformity with the Regulations and IFRSs (in accordance with IAS 34 "Interim Financial Reporting" and

**Notes to the Consolidated Financial Statements of Welltend Technology Corporation
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endorsed by the FSC) requires management to make judgments and estimates about the future, including climate-related risks and opportunities, and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The preparation of the consolidated interim financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with the consolidated financial statements for the year ended December 31, 2024. For related information, please refer to note V of the consolidated financial statements for the year ended December 31, 2024.

VI. Explanation of significant accounts

Except for the following disclosures, there were no material differences in the disclosures of significant accounts between the interim consolidated financial statements for the current period and the 2024 consolidated financial statements. Please refer to note VI to the 2024 annual consolidated financial statements.

(I) Cash and cash equivalents

	March 31, 2025	December 31, 2024	March 31, 2024
Cash on hand	\$ 1,189	1,447	1,258
Demand and foreign currency deposits	884,027	653,886	611,567
Time deposits	152,960	290,686	219,819
	<u>\$ 1,038,176</u>	<u>946,019</u>	<u>832,644</u>

As of March 31, 2025 and December 31, 2024, time deposits with original maturity more than 3 months amounting to NT\$ 22,855 thousand and NT\$ 44,788 thousand, respectively, were recognized as other financial assets – current.

Please refer to Note VI (XVII) for the fair value sensitivity analysis and interest and exchange rate risk of the Group's financial assets and liabilities.

(II) Notes and accounts receivable

	March 31, 2025	December 31, 2024	March 31, 2024
Notes receivable	\$ 1,613	1,028	748
Accounts receivable	748,491	848,113	845,795
	750,104	849,141	846,543
Less: Loss allowance	(20,590)	(19,750)	(25,614)
	<u>\$ 729,514</u>	<u>829,391</u>	<u>820,929</u>

**Notes to the Consolidated Financial Statements of Welltend Technology Corporation
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The Group uses a simplified approach to estimate expected credit losses for all notes and accounts receivable, i.e., they are measured by lifetime expected credit losses. For measurement purpose, these notes and accounts receivable are grouped by common credit risk characteristics that represent the customer's ability to pay all amounts due in accordance with the contractual terms. Forward-looking information such as historical credit loss experience and reasonable forecast of future economic conditions has been incorporated. Analysis of the expected credit loss of the notes receivable and accounts receivable of the Group is as follows:

Credit rating	March 31, 2025		
	Carrying amount of notes and accounts receivable	Weighted average expected credit loss ratio	Allowance for lifetime expected credit losses
Level A	\$ 722,457	0.04%	286
Level B	27,647	73.44%	20,304
	<u>\$ 750,104</u>		<u>20,590</u>

Credit rating	December 31, 2024		
	Carrying amount of notes and accounts receivable	Weighted average expected credit loss ratio	Allowance for lifetime expected credit losses
Level A	\$ 823,199	0.14%	1,162
Level B	25,942	71.65%	18,588
	<u>\$ 849,141</u>		<u>19,750</u>

Credit rating	March 31, 2024		
	Carrying amount of notes and accounts receivable	Weighted average expected credit loss ratio	Allowance for lifetime expected credit losses
Level A	\$ 791,911	-%	-
Level B	54,632	46.88%	25,614
	<u>\$ 846,543</u>		<u>25,614</u>

Aging analysis of the Group's notes and accounts receivable is as follows:

**Notes to the Consolidated Financial Statements of Welltend Technology Corporation
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	March 31, 2025	December 31, 2024	March 31, 2024
Not yet past due	\$ 646,136	758,839	731,336
0 to 90 days past due	75,160	60,870	55,509
90 to 180 days past due	4,526	9,176	12,783
More than 180 days past due	24,282	20,256	46,915
	<u>\$ 750,104</u>	<u>849,141</u>	<u>846,543</u>

Changes in the Group's loss allowance for notes receivable and accounts receivable were as follows:

	For the three-month periods ended 31 March	
	2025	2024
Opening balance at start of period	\$ 29,549	29,549
Impairment losses recognized	483	-
Impairment losses reversed	-	(4,464)
Foreign exchange gains	357	529
Balance at end of period	<u>\$ 20,590</u>	<u>25,614</u>

Loss allowance is mainly based on historical payment behavior and extensive analysis of the credit ratings of the target customers. The Group believes that the overdue portion of accounts receivable for which loss allowance has not yet been provided is still recoverable.

As of March 31, 2025, December 31, 2024, and March 31, 2024, none of the Group's notes and accounts receivable were pledged as collateral.

Please see note VI (XVII) for the risk and sensitivity analysis of exchange rates for the Group's notes and accounts receivable for the three-month periods ended 31 March 2025 and 2024.

(III) Inventories

	March 31, 2025	December 31, 2024	March 31, 2024
Raw materials	\$ 380,650	343,857	315,460
Works in process	78,661	75,968	101,473
Finished goods	88,728	75,116	75,507
Goods held for sale	88,845	113,823	87,585
	<u>\$ 636,884</u>	<u>608,764</u>	<u>580,025</u>

**Notes to the Consolidated Financial Statements of Welltend Technology Corporation
and Subsidiaries (continued)**

1. The cost of inventories and other operating cost recognized as cost of goods sold and as expenses by the Group for the three-month periods ended 31 March 2025 and 2024 were NT\$ 592,807 thousand and NT\$ 623,973 thousand respectively.
2. For the three-month periods ended 31 March 2025 and 2024, the Group recognized inventory depreciation and inactive inventory of NT\$ 12,893 thousand and NT\$ 432 thousand, respectively, due to the write-down of inventories to the net realizable value, and this has been reported as the operating cost.
3. As of March 31, 2025, December 31, 2024, and March 31, 2024, none of the Group's inventories were pledged as collateral.

(IV) Other Current and Non-current Assets

The details of the other current and non-current assets of the consolidated company are as follows:

1. Other current assets

	March 31, 2025	December 31, 2024	March 31, 2024
Tax Overpaid retained for Offsetting the Future Tax Payable	\$ 44,304	42,251	38,296
Prepaid expense	28,260	17,025	15,344
Others	27,701	18,864	15,847
	<u>\$ 100,265</u>	<u>78,140</u>	<u>69,487</u>

2. Other financial assets

	March 31, 2025	December 31, 2024	March 31, 2024
Restricted bank deposits	\$ 28,483	43,949	45,000
Time deposits over three months	22,855	44,788	-
Others	6,404	9,536	2,932
	<u>\$ 57,742</u>	<u>98,273</u>	<u>47,932</u>

3. Other non-current assets

	March 31, 2025	December 31, 2024	March 31, 2024
Deposits made	\$ 58,610	58,050	51,052
Prepaid equipment	54,846	46,122	267
Prepayment of investment	23,863	-	-

**Notes to the Consolidated Financial Statements of Welltend Technology Corporation
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Others	2,810	2,816	3,024
	<u>\$ 140,129</u>	<u>106,988</u>	<u>54,343</u>

The Group prepaid an investment of NT\$ 23,863 thousand in March 2025. For relevant information, please refer to Note VI (V)

For information on the credit risk of other financial assets of the Group as of March 31, 2025, December 31, 2024, and March 31, 2024, please refer to note VI (XVII).

(V) Acquisition of subsidiary

1. Acquisition of subsidiary

In order to expand the business of wire and cable connectors and joints and expand in the Indian market, The Group prepaid an investment of NT\$ 23,863 thousand to CELERAISE ELECTRONICS INDIA PRIVATE LIMITED (INDIA) in March 2025 (were recognized as other non-current assets). It is expected to participate in the cash capital increase of INDIA in the second quarter of 2025 to acquire its 63% equity and obtain control over the company.

(VI) Property, plant, and equipment

The cost, depreciation, and impairment loss of the property, plant and equipment of the Group were as follows:

	<u>Land</u>	<u>Buildings</u>	<u>Machinery and equipment</u>	<u>Office equipment and others</u>	<u>Total</u>
Cost or deemed cost:					
Balance on January 1, 2025	\$ 208,518	158,124	344,695	162,649	873,986
Add	-	-	3,342	5,832	9,174
Disposal	-	-	-	(4,889)	(4,889)
Transfers	-	-	(1,773)	(1,095)	(2,868)
Effect of changes in exchange rates	1,564	1,869	6,855	2,646	12,934
Balance on March 31, 2025	<u>\$ 210,082</u>	<u>159,993</u>	<u>353,119</u>	<u>165,143</u>	<u>888,337</u>
Balance on January 1, 2024	\$ 204,252	153,332	325,715	161,276	844,575
Add	-	-	2,596	651	3,247
Disposal	-	-	(2,365)	(9,043)	(11,408)
Effect of changes in exchange rates	(1,279)	(1,063)	5,940	1,580	5,178
Balance on March 31, 2024	<u>\$ 202,973</u>	<u>152,269</u>	<u>331,886</u>	<u>154,464</u>	<u>841,592</u>
Depreciation:					
Balance on January 1, 2025	\$ -	62,094	269,397	125,628	457,119
Depreciation	-	1,426	5,041	4,188	10,655
Disposal	-	-	-	(4,657)	(4,657)

**Notes to the Consolidated Financial Statements of Welltend Technology Corporation
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	<u>Land</u>	<u>Buildings</u>	<u>Machinery and equipment</u>	<u>Office equipment and others</u>	<u>Total</u>
Effect of changes in exchange rates	-	488	5,333	2,060	7,881
Balance on March 31, 2025	<u>\$ -</u>	<u>64,008</u>	<u>279,771</u>	<u>127,219</u>	<u>470,998</u>
Balance on January 1, 2024	\$ -	55,707	250,916	116,824	423,447
Depreciation	-	1,384	5,453	6,015	12,852
Disposal	-	-	(2,365)	(9,043)	(11,408)
Effect of changes in exchange rates	-	(67)	5,386	1,349	6,668
Balance on March 31, 2024	<u>\$ -</u>	<u>57,024</u>	<u>259,390</u>	<u>115,145</u>	<u>431,559</u>
Carrying amounts:					
January 1, 2025	<u>\$ 204,252</u>	<u>97,625</u>	<u>74,799</u>	<u>44,452</u>	<u>421,128</u>
March 31, 2025	<u>\$ 202,973</u>	<u>95,245</u>	<u>72,496</u>	<u>39,319</u>	<u>410,033</u>
January 1, 2024	<u>\$ 204,252</u>	<u>97,625</u>	<u>74,799</u>	<u>44,452</u>	<u>421,128</u>
March 31, 2024	<u>\$ 202,973</u>	<u>95,245</u>	<u>72,496</u>	<u>39,319</u>	<u>410,033</u>

The Group signed a contract with a non-related party in August 2024 to purchase assets such as real estate and equipment. The total contract price is THB\$ 121,553 thousand. As of March 31, 2025 and December 31, 2024, the prepayment was NT\$ 39,440 thousand and NT\$ 38,511 thousand (Each was THB\$ 40,000 thousand) were recognized as other non-current assets.

Please see Note VIII for details of circumstances in which property, plant and equipment of the Group were used to provide loans and financing and guarantees for customs duties as of March 31, 2025, December 31, 2024, and March 31, 2024.

(VII) Right-of-use assets

Details of changes in right-of-use assets recognized as leased premises and buildings, transportation equipment and other assets of the Group, and their cost and depreciation, are as follows:

	<u>Buildings</u>	<u>Transportatio n equipment and others</u>	<u>Total</u>
Right-of-use asset costs:			
Balance on January 1, 2025	\$ 108,316	6,858	115,174
Add	92,944	-	92,944
Disposal	(60,946)	-	(60,946)
Effect of changes in exchange rates	2,536	118	2,654
Balance on March 31, 2025	<u>\$ 142,850</u>	<u>6,976</u>	<u>149,826</u>
Balance on January 1, 2024	\$ 111,053	3,759	114,812
Disposal	(24,627)	-	(24,627)

**Notes to the Consolidated Financial Statements of Welltend Technology Corporation
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	Buildings	Transportation equipment and others	Total
Effect of changes in exchange rates	2,014	(54)	1,960
Balance on March 31, 2024	<u>\$ 88,440</u>	<u>3,705</u>	<u>92,145</u>
Right-of-use asset depreciation:			
Balance on January 1, 2025	\$ 75,589	2,288	77,877
Depreciation	7,887	392	8,279
Disposal	(60,946)	-	(60,946)
Effect of changes in exchange rates	866	56	922
Balance on March 31, 2025	<u>\$ 23,396</u>	<u>2,736</u>	<u>26,132</u>
Balance on January 1, 2024	\$ 68,901	2,073	70,974
Depreciation	7,680	255	7,935
Disposal	(24,627)	-	(24,627)
Effect of changes in exchange rates	1,168	(28)	1,140
Balance on March 31, 2024	<u>\$ 53,122</u>	<u>2,300</u>	<u>55,422</u>
Carrying amounts:			
January 1, 2025	<u>\$ 32,727</u>	<u>4,570</u>	<u>37,297</u>
March 31, 2025	<u>\$ 119,454</u>	<u>4,240</u>	<u>123,694</u>
January 1, 2024	<u>\$ 42,152</u>	<u>1,686</u>	<u>43,838</u>
March 31, 2024	<u>\$ 35,318</u>	<u>1,405</u>	<u>36,723</u>

The Group signed a Kunshan factory lease contract with other related parties in January 2025. The lease term is one year, and the expected renewal period is four years. The total contract value is NT\$ 92,944 thousand. Please refer to Note VII for details.

The Group leased factories and offices from other related parties as of March 31, 2025, December 31, 2024, and March 31, 2024, please refer to Note VII for details.

(VIII) Short-term loans

Details of short-term loans of the Group are as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Non-Secured bank loans	\$ 195,000	198,000	410,000
Secured bank loans	595,000	500,000	300,000
Total	<u>\$ 790,000</u>	<u>698,000</u>	<u>710,000</u>
Unused credit line	<u>\$ 388,000</u>	<u>516,963</u>	<u>443,000</u>

**Notes to the Consolidated Financial Statements of Welltend Technology Corporation
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	March 31, 2025	December 31, 2024	March 31, 2024
Interest rate	<u>1.835%~2.25%</u>	<u>1.87%~2.487%</u>	<u>0.50%~1.95%</u>

1. For information about the Group's exchange and interest rate and liquidity risks, and sensitivity analysis, please refer to Note VI (XVII) for details.
2. The Group's short-term borrowings and loan amounts are jointly and severally guaranteed by key management personnel, please refer to Note VII for details.
3. For the details of the related assets of the Group pledged as collateral, please refer to Note VIII for the details.

(IX) Other payables

Details of Other payables of the Group are as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Salaries and bonuses payable	\$ 74,906	88,017	61,185
Remuneration payable to directors and supervisors and remuneration payable to employees	7,490	7,290	7,363
Other expenses payable	50,957	50,007	49,362
	<u>\$ 133,353</u>	<u>145,314</u>	<u>117,910</u>

Other expenses payable mainly constitute payables in the form of labor fees, service fees, health and labor insurance, transport fees, and related miscellaneous expenses payable.

(X) Lease liabilities

Book value of the Group's lease liabilities is as follows :

	March 31, 2025	December 31, 2024	March 31, 2024
Current	<u>\$ 31,591</u>	<u>13,387</u>	<u>18,943</u>
Non-current	<u>\$ 93,080</u>	<u>24,661</u>	<u>18,635</u>

For the maturity analysis, please refer to Note VI (XVII).

Amounts recognized as profit or loss are as follows:

**Notes to the Consolidated Financial Statements of Welltend Technology Corporation
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	For the three-month periods ended 31 March	
	2025	2024
Interest expense on lease liabilities	<u>\$ 557</u>	<u>134</u>
Variable lease payments not included in the measurement of lease liabilities	<u>\$ -</u>	<u>68</u>
Gains from sublease of right-of-use assets	<u>\$ 189</u>	<u>188</u>
Expenses related to short term leases	<u>\$ 165</u>	<u>350</u>
Expenses related to leases of low value assets (excluding short term leases of low value assets)	<u>\$ 60</u>	<u>77</u>

Amounts recognized in the consolidated statements of cash flows are as follows:

	For the three-month periods ended 31 March	
	2025	2024
Total cash flows from leases	<u>\$ 8,855</u>	<u>8,757</u>

1. Leasing of buildings

The Group leases buildings as offices and factories. The lease period for is three years for offices and three to twenty years for factories. Some leases include the option to extend the lease term for the same period as the original contract.

2. Other leases

The lease period of parking space and transport equipment leased by the Group is 3 years.

Lease payments for some contracts are calculated based on the actual usage of the lease.

The Group also leases office space and office equipment and vehicle with contract terms of 1 to 5 years. These leases are low-value items. The Group has elected not to recognize right-of-use assets and lease liabilities for these leases.

(XI) Employee benefits

The pension expenses of the Company and its subsidiaries within the jurisdiction of the Republic of China as for the three-month periods ended 31 March 2025 and 2024 defined pension contributions were NT\$ 3,254 thousand and NT\$ 3,066 thousand respectively and were transferred to the Bureau of Labor Insurance.

**Notes to the Consolidated Financial Statements of Welltend Technology Corporation
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Other subsidiaries included in the preparation of the consolidated financial statements recognized defined pension contributions and endowment insurance premiums of NT\$ 3,612 thousand and NT\$ 3,034 thousand as for the three-month periods ended 31 March 2025 and 2024, respectively.

(XII) Income taxes

- Details of income tax expenses of the Group are as follows:

	For the three-month periods ended 31 March	
	2025	2024
Income tax expense for the current period:		
Current period	\$ 8,627	12,131
Adjustment for prior periods	-	-
	<u>8,627</u>	<u>12,131</u>
Deferred tax expense		
Incurrence and reversal of the temporary difference	<u>3,295</u>	<u>4,348</u>
Income tax expense	<u>\$ 11,922</u>	<u>16,479</u>

- The Profit-seeking Enterprise Annual Income Tax settlement declaration of the Company of the Republic of China have been approved by the taxation agency until 2022. The Profit-seeking Enterprise Annual Income Tax settlement declaration of Celeraise Technology and Leadpak Industrial of the Republic of China have been approved by the taxation agency until 2023.

(XIII) Capital and other equity

Except stated as below, the capital and other equity for the three-month periods ended 31 March 2025 and 2024 of the Group has no major changes. For the related information, please refer to Note VI (XII) of the consolidated financial statements for the year ended December 31, 2024.

- Retained earnings and Surplus distribution

If there is a surplus in the annual final accounts, then in accordance with the Articles of Incorporation of the Company and after paying income tax on profit-making enterprises and making up for losses in prior years, 10% should first be set aside as legal reserve. However, when the legal reserve has reached the level of the Company's paid-in capital, this limitation shall not apply. Furthermore,

**Notes to the Consolidated Financial Statements of Welltend Technology Corporation
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appropriate special reserve or reversals shall be set aside in accordance with the decrees or regulations of the competent authority. If there is any remaining balance, a proposal for the distribution of this balance plus accumulated undistributed surplus earnings from the previous period shall be formulated by the Board of Directors. When issuing new shares, such distribution shall be made after a resolution of the shareholders' meeting.

According to Article 240, paragraph 5 of Company Act, the distributable dividends and bonus in whole or in part or the legal reserve and capital reserved in whole or in part which are brought in Article 241, paragraph 1 of Company Act 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 in addition thereto a report of such distribution shall be submitted to the Shareholders Meeting.

In response to the growth of operations and investment needs, the Company has adopted the following dividend distribution principles at this stage:

The Company is in a stage of business growth, and the dividend distribution policy depends on the Company's current and future investment environment, capital needs, domestic and international competition, capital budget, etc. Considering the interests of shareholders, balancing dividends, and the Company's long-term financial planning, etc., every year the Board of Directors shall draw up a distribution plan in accordance with the law and submit it for resolution by the shareholders' meeting. Shareholders' dividends may be distributed in cash or stock. The proportion of cash dividend distribution shall be no less than 10% of the total dividends. However, the cash dividend distribution ratio can still be adjusted according to the operating conditions of the current year.

The Company respectively passed resolutions of the Board of Directors on the amount of cash dividends under appropriation of earnings for 2024 and 2023 on March 26, 2025, and March 12, 2024. Other earnings distribution for 2024 were proposed by the Board of Directors held on March 26, 2025 (but has not yet been resolved by the shareholders' meeting). Other earnings distribution for 2023 were approved by the general meetings of shareholder held on June 13, 2024. The amount distributed as dividends to shareholders is as follows:

**Notes to the Consolidated Financial Statements of Welltend Technology Corporation
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	2024		2023	
	Dividend rate (NT\$)	Amount	Dividend rate (NT\$)	Amount
Dividends distributed to owners of ordinary shares:				
Cash dividend	\$ 0.30	<u>\$ 28,767</u>	0.30	<u>\$ 28,767</u>

(XIV) Earnings per share

The Group's basic earnings per share and diluted earnings per share are calculated as follows:

	For the three-month periods ended 31 March	
	2025	2024
Basic earnings per share:		
Net profit attributable to holders of ordinary shares of the Company	<u>\$ (5,722)</u>	<u>27,070</u>
Weighted average number of ordinary shares outstanding (thousand shares)	<u>95,890</u>	<u>95,890</u>
Basic earnings per share (NT\$)	<u>\$ (0.06)</u>	<u>0.28</u>
Diluted earnings per share:		
Net profit attributable to holders of ordinary shares of the Company (diluted)	<u>\$ (5,722)</u>	<u>27,070</u>
Weighted average number of ordinary shares outstanding (basic) (thousand shares)	95,890	95,890
Impact of employee stock remuneration	-	169
Weighted average number of ordinary shares outstanding (diluted) (thousand shares)	<u>95,890</u>	<u>96,059</u>
Diluted earnings per share (NT\$)	<u>\$ (0.06)</u>	<u>0.28</u>

**Notes to the Consolidated Financial Statements of Welltend Technology Corporation
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(XV) Revenue from customer contracts

1. Details of revenue

For the three-month periods ended 31 March 2025			
	Information Services Department	Wire & Connectors Department	Total
Primary regional markets:			
Taiwan	\$ 261,005	5,602	266,607
Mainland China	-	200,926	200,926
Philippines	-	140,218	140,218
Thailand	-	99,568	99,568
	<u>\$ 261,005</u>	<u>446,314</u>	<u>707,319</u>

For the three-month periods ended 31 March 2024			
	Information Services Department	Wire & Connectors Department	Total
Primary regional markets:			
Taiwan	\$ 302,454	3,312	305,766
Mainland China	-	249,233	249,233
Philippines	-	125,152	125,152
Thailand	-	73,188	73,188
	<u>\$ 302,454</u>	<u>450,885</u>	<u>753,339</u>

2. Contract balances

	March 31, 2025	December 31, 2024	March 31, 2024
Notes receivable	\$ 1,613	1,028	748
Accounts receivable	748,491	848,113	845,795
Less: Loss allowance	(20,590)	(19,750)	(25,614)
	<u>\$ 729,514</u>	<u>829,391</u>	<u>820,929</u>
	March 31, 2025	December 31, 2024	March 31, 2024
Contract liabilities	<u>\$ 33,147</u>	<u>39,666</u>	<u>22,618</u>

Please refer to Note VI (II) for the details of notes and accounts receivable and

**Notes to the Consolidated Financial Statements of Welltend Technology Corporation
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their impairment.

The opening balances of contract liabilities for January 1, 2025, and 2024, and the amounts recognized as revenue as for the three-month periods ended 31 March 2025 and 2024 were NT\$ 12,316 thousand and NT\$ 7,793 thousand, respectively.

Changes in contract assets and contract liabilities are mainly due to the difference between the time when the Group transfers goods or services to customers to satisfy performance obligations and when customers pay.

(XVI) Remuneration of employees and of directors

In accordance with the Company's Articles of Incorporation, if there is profit for the year then no less than 1% and no more than 10% shall be allocated for employee remuneration by a resolution of the Board of Directors and in the form of stock or cash distributions. Distribution recipients are to include employees of affiliated companies who meet certain conditions. Out of the profit amount of the Company, no more than 3% should be appropriated by a resolution of the Board of Directors as remuneration for directors.

For the three months ended March 31, 2025, The Company had a pre-tax net loss, so there is no need to estimate employee and director remuneration.

For the three months ended March 31, 2024, The Company estimated its employee remuneration amounting at NT\$ 1,200 thousand, and directors' remuneration amounting the net profit before tax, excluding the remuneration to employees and directors of each period, multiplied by the percentage of remuneration of employees and directors as specified in the Company's Article. These remunerations were expensed under operating expenses. If remuneration to employees is resolved to be distributed in stock, the number of shares is calculated based on the closing price of the Company's share, one day before the date of the Board of Directors meeting.

For the years ended December 31, 2024, and 2023, the remunerations to employees amounted to NT\$ 3,000 thousand and NT\$ 3,400 thousand, and to directors amounted to NT\$ 3,000 thousand and NT\$ 3,400 thousand, respectively. The aforementioned estimated amounts are identical to those of the actual distributions. The related information is available on the Market Observation Post System website.

(XVII) Financial instruments

Except for the contention mentioned below, there was no significant change in the fair value of the Group's financial instruments and degree of exposure to credit

**Notes to the Consolidated Financial Statements of Welltend Technology Corporation
and Subsidiaries (continued)**

risk, liquidity risk and market risk arising from financial instruments. For related information, please refer to note VI (XVI) to the consolidated financial statements for the year ended December 31, 2024.

1. Credit risk

(1) Amount of maximum credit risk exposure

The carrying amounts of financial assets and contract assets represent the maximum credit exposure amount.

(2) Concentration of credit risk

Since the Group has a large customer base, there is no significant concentration of transactions with a single customer and the sales area is dispersed. Therefore, there is no risk of significant concentration of credit risk in accounts receivable. To reduce credit risk, the Group also regularly and continuously evaluates the financial status of customers. However, customers are usually not required to provide collateral.

(3) Credit risk of receivables

For details of credit risk exposure information and credit impairment of notes receivable and accounts receivable, please refer to Note VI (II).

2. Liquidity risk

The table below shows the contractual maturity dates of financial liabilities, including estimated interest and impact of netting agreements.

	<u>Carrying amount</u>	<u>Contractual cash flows</u>	<u>Within 1 year</u>	<u>1 to 2 years</u>	<u>Over 2 years</u>
March 31, 2025					
Non-derivative financial liabilities					
Short-term bank loans	\$ 790,000	(791,047)	(791,047)	-	-
Notes and accounts payable	376,038	(376,038)	(376,038)	-	-
Other payables	133,353	(133,353)	(133,353)	-	-
Dividends payables	28,767	(28,767)	(28,767)	-	-
Lease liabilities - current and non-current	124,671	(130,726)	(33,497)	(22,849)	(74,380)
Deposits received (accounted for as other non-current liabilities)	359	(359)	-	-	(359)
	<u>\$ 1,453,188</u>	<u>(1,460,290)</u>	<u>(1,362,702)</u>	<u>(22,849)</u>	<u>(74,739)</u>

**Notes to the Consolidated Financial Statements of Welltend Technology Corporation
and Subsidiaries (continued)**

	<u>Carrying amount</u>	<u>Contractual cash flows</u>	<u>Within 1 year</u>	<u>1 to 2 years</u>	<u>Over 2 years</u>
December 31, 2024					
Non-derivative financial liabilities					
Short-term bank loans	\$ 698,000	(699,282)	(699,282)	-	-
Notes and accounts payable	457,762	(457,762)	(457,762)	-	-
Other payables	145,314	(145,314)	(145,314)	-	-
Lease liabilities - current and non-current	38,048	(40,249)	(13,877)	(6,215)	(20,157)
Deposits received (accounted for as other non-current liabilities)	358	(358)	-	-	(358)
	<u>\$ 1,339,482</u>	<u>(1,342,965)</u>	<u>(1,316,235)</u>	<u>(6,215)</u>	<u>(20,515)</u>
	<u>Carrying amount</u>	<u>Contractual cash flows</u>	<u>Within 1 year</u>	<u>1 to 2 years</u>	<u>Over 2 years</u>
March 31, 2024					
Non-derivative financial liabilities					
Short-term bank loans	\$ 710,000	(711,724)	(711,724)	-	-
Notes and accounts payable	296,735	(296,735)	(296,735)	-	-
Other payables	117,910	(117,910)	(117,910)	-	-
Dividends payables	28,767	(28,767)	(28,767)	-	-
Lease liabilities - current and non-current	37,578	(39,626)	(19,297)	(2,835)	(17,494)
Deposits received (accounted for as other non-current liabilities)	204	(204)	-	-	(204)
	<u>\$ 1,191,194</u>	<u>(1,194,966)</u>	<u>(1,174,433)</u>	<u>(2,835)</u>	<u>(17,698)</u>

The Group does not expect that the cash flows included in the maturity analysis could occur significantly earlier or in significantly different amounts.

3. Exchange rate risk

(1) Exposure to exchange rate risk

The financial assets and liabilities of the Group exposed to significant foreign currency exchange rate risk are as follows:

**Notes to the Consolidated Financial Statements of Welltend Technology Corporation
and Subsidiaries (continued)**

Foreign currency unit: \$ thousand

		March 31, 2025			December 31, 2024			March 31, 2024		
		Foreign currency	Exchange rate	TWD	Foreign currency	Exchange rate	TWD	Foreign currency	Exchange rate	TWD
Financial assets										
Monetary items										
USD	\$	7,212	USD/TWD	239,423	5,485	USD/TWD	179,831	3,735	USD/TWD	119,518
			=33.205			=32.785			=32.000	
USD		14,598	USD/RMB	484,722	18,406	USD/RMB	603,442	19,550	USD/RMB	625,610
			=7.261			=7.321			=7.260	
USD		19,990	USD/HKD	663,764	22,474	USD/HKD	736,823	18,413	USD/HKD	589,202
			=7.780			=7.765			=7.826	
USD		5,683	USD/PHP	188,714	5,456	USD/PHP	178,868	6,912	USD/PHP	221,168
			=57.250			=57.822			=56.239	
USD		2,392	USD/THB	79,436	2,288	USD/THB	75,006	1,426	USD/THB	45,628
			=33.745			=34.080			=36.199	
Financial liabilities										
Monetary items										
USD		1,632	USD/TWD	54,197	509	USD/TWD	16,699	476	USD/TWD	15,242
			=33.205			=32.785			=32.000	
USD		1,314	USD/RMB	43,641	3,182	USD/RMB	104,310	3,859	USD/RMB	123,475
			=7.261			=7.321			=7.260	
USD		5,727	USD/HKD	190,156	10,141	USD/HKD	332,476	7,985	USD/HKD	255,507
			=7.780			=7.765			=7.826	
USD		4,834	USD/PHP	160,507	4,265	USD/PHP	139,833	4,059	USD/PHP	129,883
			=57.250			=57.822			=56.239	
USD		6,493	USD/THB	215,585	5,266	USD/THB	172,661	5,763	USD/THB	184,411
			=33.745			=34.080			=36.199	

(2) Sensitivity analysis

The exchange rate risk of the Group's monetary items mainly comes from cash and cash equivalents, accounts receivable, other receivables, loans, accounts payable, and other payables denominated in foreign currencies which generate foreign currency exchange gains and losses at the time of translation. If foreign currencies had depreciated or appreciated by 5% against the TWD, RMB, HKD, PHP, and THB as of March 31, 2025, and 2024, then with all other factors remaining constant the impact on income as for the three-month periods ended 31 March 2025 and 2024 would be as follows:

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	March 31, 2025	March 31, 2024
USD (versus TWD)		
Appreciate 5%	\$ 9,261	5,214
Depreciate 5%	(9,261)	(5,214)
USD (versus RMB)		
Appreciate 5%	22,054	25,107
Depreciate 5%	(22,054)	(25,107)
USD (versus HKD)		
Appreciate 5%	23,680	16,685
Depreciate 5%	(23,680)	(16,685)
USD (versus PHP)		
Appreciate 5%	1,410	4,564
Depreciate 5%	(1,410)	(4,564)
USD (versus THB)		
Appreciate 5%	(6,807)	(6,939)
Depreciate 5%	6,807	6,939

(3) Exchange gains and losses on monetary items

Due to the wide variety of functional currencies of the Group, the exchange profit and loss information of monetary items is disclosed by means of consolidation. As for the three-months ended 31 March 2025, and 2024, the net exchange gains (loss) (including realized and unrealized) amounted to NT\$ (402) thousand and NT\$ 2,753 thousand, respectively.

4. Interest rate analysis

The Group's financial asset and financial liability interest rate risk exposure is listed in the following table:

	March 31, 2025	December 31, 2024	March 31, 2024
Variable rate instruments (book amounts):			
Financial assets	\$ 935,291	742,549	656,497
Financial liabilities	695,000	680,000	480,000

The following sensitivity analysis is based on the exposure to interest rate risk of the derivative and non-derivative financial instruments on the reporting date. For variable rate instruments, the sensitivity analysis assumes the variable rate

**Notes to the Consolidated Financial Statements of Welltend Technology Corporation
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liabilities on the reporting date have been outstanding for the whole year. The Group's internal key management reports increase and decrease in interest rates, and changes in interest rates of 25 basis points are considered by management to be reasonably possible.

If interest rates had increased or decreased by 25 basis points, and with all other variables held constant, the Group's pre-tax profit and loss as for the three-month periods ended 31 March 2025 and 2024 would be as follows, mainly due to the Group's variable interest rate demand deposits and borrowings:

	For the three-month periods ended 31 March	
	2025	2024
Interest rates increase by 25 bps	\$ (150)	(110)
Interest rates decrease by 25 bps	150	110

5. Fair value information

(1) Type and fair value of financial instruments

The carrying amounts and fair values of the Group's financial assets and financial liabilities are listed below (including fair value rating information; however, provided that the carrying number of financial instruments other than fair value is a reasonable approximation of fair value, and in the case of lease liabilities, there is no requirement to disclose fair value information):

		March 31, 2025			
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at amortized cost					
Cash and cash equivalents	\$ 1,038,176	-	-	-	-
Net notes and accounts receivable	729,514	-	-	-	-
Other financial assets - current	57,742	-	-	-	-
Deposits made (current and non-current assets)	58,610	-	-	-	-
	<u>\$ 1,884,042</u>				
Financial liabilities measured at amortized cost					
Bank loans	\$ 790,000	-	-	-	-
Notes and accounts payable	376,038	-	-	-	-
Other payables	133,353	-	-	-	-

**Notes to the Consolidated Financial Statements of Welltend Technology Corporation
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March 31, 2025					
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Dividends payable	28,767	-	-	-	-
Lease liabilities - current	31,591	-	-	-	-
Lease liabilities - non-current	93,080	-	-	-	-
Deposits received (accounted for as other non-current liabilities)	359	-	-	-	-
	<u>\$ 1,453,188</u>				
December 31, 2024					
	Carrying amount	Fair value			
		Level 1	Carrying amount	Level 1	Carrying amount
Financial assets measured at amortized cost					
Cash and cash equivalents	\$ 946,019	-	-	-	-
Net notes and accounts receivable	829,391	-	-	-	-
Other financial assets - current	98,273	-	-	-	-
Deposits made (current and non- current assets)	58,050	-	-	-	-
	<u>\$ 1,931,733</u>				
Financial liabilities measured at amortized cost					
Bank loans	\$ 698,000	-	-	-	-
Notes and accounts payable	457,762	-	-	-	-
Other payables	145,314	-	-	-	-
Lease liabilities - current	13,387	-	-	-	-
Lease liabilities - non-current	24,661	-	-	-	-
Deposits received (accounted for as other non-current liabilities)	358	-	-	-	-
	<u>\$ 1,339,482</u>				
March 31, 2024					
	Carrying amount	Fair value			
		Level 1	Carrying amount	Level 1	Carrying amount
Financial assets measured at amortized cost					
Cash and cash equivalents	\$ 832,644	-	-	-	-
Net notes and accounts receivable	820,929	-	-	-	-
Other financial assets - current	47,932	-	-	-	-
Deposits made (current and non- current assets)	52,017	-	-	-	-
	<u>\$ 1,752,557</u>				

**Notes to the Consolidated Financial Statements of Welltend Technology Corporation
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		March 31, 2024			
		Carrying amount	Fair value		Carrying amount
			Level 1	Level 1	
Financial liabilities measured at amortized cost					
Bank loans	\$ 710,000	-	-	-	-
Notes and accounts payable	296,735	-	-	-	-
Other payables	117,910	-	-	-	-
Dividends payable	28,767	-	-	-	-
Lease liabilities - current	18,943	-	-	-	-
Lease liabilities - non-current	18,635	-	-	-	-
Deposits received (accounted for as other non-current liabilities)	<u>204</u>	-	-	-	-
	<u>\$ 1,191,194</u>				

(2) Valuation techniques for financial instruments not measured at fair value

The management of the Group believes that the carrying amounts of the Group's financial assets and financial liabilities measured at amortized cost in the consolidated financial statements are close to their fair values.

(XVIII) Financial risk management

The Group's objectives, policies and processes of capital management are the same as those disclosed in the note VI (XVII) of the consolidated financial statements for the year ended December 31, 2024.

(XIX) Capital management

The Group's objectives, policies and processes of capital management are the same as those disclosed in the consolidated financial statements for the year ended December 31, 2024. There were no significant changes of quantitative data of capital management compared to the consolidated financial statements for the year ended December 31, 2024. Please refer to note VI (XVIII) of the consolidated financial statements for the year ended December 31, 2024.

(XX) Investing and financing activities not affecting current cash flows

The Group's non-cash transaction investment and financing activities as for the three-month periods ended 31 March 2025, and 2024 were undertaken to obtain right-of-use assets via leasing; please refer to Note VI (VII) for details.

Reconciliation of liabilities from financing activities is as follows:

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	January 1, 2025	Cash flows	Non-cash changes		March 31, 2025
			Others	Exchange rate changes	
Short-term loans	\$ 698,000	92,000	-	-	790,000
Deposits received	358	-	-	1	359
Lease liabilities	38,048	(8,073)	92,944	1,752	124,671
Total liabilities from financing activities	<u>\$ 736,406</u>	<u>83,927</u>	<u>92,444</u>	<u>1,753</u>	<u>915,030</u>

	January 1, 2024	Cash flows	Non-cash changes		March 31, 2024
			Others	Exchange rate changes	
Short-term loans	\$ 696,000	14,000	-	-	710,000
Deposits received	301	(98)	-	1	204
Lease liabilities	44,863	(8,128)	-	843	37,578
Total liabilities from financing activities	<u>\$ 741,164</u>	<u>5,774</u>	<u>-</u>	<u>844</u>	<u>747,782</u>

VII. Related party transactions

(I) Names and relationship with related parties

Parties involved in transactions with the Group during the periods covered by these consolidated financial statements were as follows:

Name of related party	Relationship with the Group
Mr. Yun-Teng Chang	Chairman of the Company
Ms. Kui-Yu Chang	Director of the Company
Kunshan Mingmao Electronics Co., Ltd. (Kunshan Mingmao)	The responsible person is a relative within one degree of kinship of the chairman of the Company
Year Jan Industrial Co., Ltd.	The responsible person is a relative within one degree of kinship of the chairman of the Company
ILOFA REALTY INC. (ILOFA)	The responsible person is a director of the Company

(II) Significant transactions with related parties

1. Payables to related parties

Details of payables to related parties for the Group's leasing of real estate to related parties are as follows:

**Notes to the Consolidated Financial Statements of Welltend Technology Corporation
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Accounts	Related party category	March 31, 2025	December 31, 2024	March 31, 2024
Other payables	Key management personnel of the Group	\$ 3,784	3,441	3,060
"	Other related parties	10,338	5,066	9,969
		<u>\$ 14,122</u>	<u>8,507</u>	<u>13,029</u>

2. Leases

- (1) In January and April of 2022, the Group leased offices and parking spaces from other related parties, Year Jan Industrial Co., Ltd. with the rent determined by market conditions and signing 1 year lease agreement. The expected renewal period is 3 years. The total contract values were NT\$5,825 thousand and NT\$1,097 thousand, respectively. In addition, The Group renewed its lease of factory buildings and parking spaces in January 2025, both of which were signed for a one-year lease, with an expected renewal period of four years. The total contract value is NT\$ 3,600 thousand and NT\$ 1,829 thousand, respectively.
- (2) The Group leased a plant from another related party, Kunshan Mingmao, with the rent determined by market conditions and signing 1 year lease agreement. The expected lease term is 3 years, and the total contract value is NT\$ 58,236 thousand. In addition, the company renewed its lease of the factory in January 2025 and signed a one-year lease contract with an expected renewal period of four years. The total contract value is NT\$ 92,944 thousand.
- (3) In January of 2019, the lease of the plant was renewed with other related parties, ILOFA The rent determined by market conditions and signing 2 years lease agreement. The expected lease term is 20 years, and the total contract value is NT\$27,701 thousand.
- (4) In May of 2020, the Group leased offices from Key management personnel of the Group, and the rent was determined according to market conditions. The expected lease term is 3 years, and the total contract value is NT\$2,417 thousand. In May of 2023, the lease of the office was renewed with Key management personnel of the Group and signing 3 years lease agreement. The expected lease term is 3 years, and the total contract value is NT\$2,819 thousand. The total amounts of the deposits deposited on March 31, 2025, December 31, and March 31, 2024, were all HKD\$ 18 thousand and were recorded under other non-current assets.

**Notes to the Consolidated Financial Statements of Welltend Technology Corporation
and Subsidiaries (continued)**

Details of its lease liabilities and interest expenses are as follows :

	Lease liability balance			Interest expense	
	March 31, 2025	December 31, 2024	March 31, 2024	For the three-months ended 31 March	
				2025	2024
YEAR JAN	\$ 4,944	5,498	2,024	23	7
Kunshan Mingmao	89,581	-	14,175	412	49
ILOFA	17,425	17,315	18,215	60	63
Senior management	1,101	1,338	2,014	4	8
	<u>\$ 113,051</u>	<u>24,151</u>	<u>36,428</u>	<u>499</u>	<u>127</u>

(III) Key management personnel transactions

1. Compensation of key management personnel includes:

	For the three-month periods ended 31 March	
	2025	2024
	\$	\$
Short-term employee benefits	<u>6,549</u>	<u>8,664</u>

2. Guarantees provided

The total amounts of the Group's loan contracts for March 31, 2025, December 31, and March 31, 2024, were NT\$ 1,178,000 thousand, NT\$ 1,214,963 thousand and NT\$ 1,153,000 thousand, respectively, with Mr. Yun-Teng Chang serving as joint guarantor.

VIII. Pledged assets

Details of book values of assets provided by the Group as collateral against pledges are as follows:

Asset name	Purpose of pledge	March 31, 2025	December 31, 2024	March 31, 2024
Property, plant, and equipment - land	short-term loans	\$ 140,142	140,142	140,142
Property, plant, and equipment - buildings	short-term loans	34,183	34,594	35,840
Restricted bank deposits (accounted for as other financial assets - current)	short-term loans	27,000	42,500	45,000
Restricted bank deposits (accounted for as other financial assets - current)	Litigation security deposit	1,483	1,449	-

**Notes to the Consolidated Financial Statements of Welltend Technology Corporation
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Asset name	Purpose of pledge	March 31, 2024	December 31, 2023	March 31, 2023
Deposits made (accounted for as other financial assets - current)	Performance guarantees and bid deposits	3,474	6,614	965
Deposits made (accounted for as other non-current assets)	Performance guarantees and bid deposits	58,610	58,050	51,052
		<u>\$ 264,892</u>	<u>283,349</u>	<u>272,999</u>

IX. Significant commitments and contingencies:

(1) Significant commitments:

	March 31, 2025	March 31, 2024
Contracted but unpaid real estate and equipment fees	<u>\$ 90,285</u>	<u>78,454</u>
	(THB\$ 91,753 thousand)	(THB\$ 81,553 thousand)

X. Losses due to major disasters: None.

XI. Significant subsequent events: None.

XII. Other

- (I) The summary of current period employee benefits, depreciation, and amortization, by function, is as follows:

Function Nature	For the three-month periods ended 31 March, 2025			For the three-month periods ended 31 March, 2024		
	Under operating costs	Under operating expenses	Total	Under operating costs	Under operating expenses	Total
Employee benefit expense						
Salary expense	99,170	52,936	152,106	88,560	48,938	137,498
Health and labor insurance expense	6,671	3,819	10,490	5,947	3,633	9,580
Pension expense	4,589	2,277	6,866	4,108	1,992	6,100
Other employee benefit expense	4,176	3,418	7,594	3,821	3,125	6,946
Depreciation expense	13,884	5,050	18,934	15,320	5,467	20,787
Amortization expense	-	584	584	-	749	749

**Notes to the Consolidated Financial Statements of Welltend Technology Corporation
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- (II) The Group's operations were not affected by seasonality or cyclicity factors.
(III) Other

The Group discovered that an employee in the Information Services Department was involved in fraudulent activities in December 2024, t, including document forgery and the theft of inventory. The loss by the Group from January 1 to March 31, 2025 was NT\$ 3,625 thousand. These losses were recorded under other losses. As of December 31, 2024, the cumulative loss from the aforementioned incident totaled NT\$ 82,187 thousand.

As of the reporting date, the investigation is still ongoing. For related information, please refer to Note XII (II) of the 2024 Consolidated Financial Statements.

XIII. Other disclosures

(I) Information on significant transactions

The following is the information on significant transactions required by the Regulations Governing the Preparation of Financial Reports by Securities Issuers for the Group for the three-month periods ended 31 March 2025:

1. Loans to other parties:

Number	The company lending funds	Name of borrower	Current account	Whether a related party	Highest amount during the period	Balance at end of period	Actual usage amount	Interest rate	Purposes of fund financing for the borrower	Transaction amount for business between two parties	Reasons for short term financing	Allowance for bad debt	Collateral		Loan limit for individual counterparties	Total loan limit
													Name	Value		
1	Jiun Tai	THAILAND	Other receivables	Y	23,244	23,244	23,244	4.0%	Short-term financing	-	Operating turnover	-	None	-	112,778	281,945
1	Jiun Tai	Yield Profit International	Other receivables	Y	25,070	25,070	25,070	1.5%	Short-term financing	-	Operating turnover	-	None	-	281,945	281,945
2	Celeraise Hong Kong	THAILAND	Other receivables	Y	73,051	73,051	73,051	4.0%	Short-term financing	-	Operating turnover	-	None	-	476,593	1,191,483
2	Celeraise Hong Kong	Jiun Tai	Other receivables	Y	19,923	19,923	19,923	4.0%	Short-term financing	-	Operating turnover	-	None	-	476,593	1,191,483
3	Shenzhen Zhansheng	Huizhou Zhanmao	Other receivables	Y	32,011	32,011	32,011	1.5%	Short-term financing	-	Operating turnover	-	None	-	164,187	164,187

Note 1: In accordance with Jiun Tai's Operational "Procedures for Loaning Funds to Others", the total amount of funds loaned may not exceed 100% of Jiun Tai's net value. If there is a need for short-term financing with Jiun Tai, the loan amount may not exceed 100% of Jiun Tai's net value. Further, the total amount of foreign intercompany loans where Jiun Tai does not directly or indirectly hold 100% of the voting shares may not exceed 40% of the net value.

Note 2: In accordance with Shenzhen Zhansheng's "Operational Procedures for Loaning Funds to Others", the total amount of funds loaned may not exceed 500% of Celeraise Hong Kong's net value. If there is a need for short-term financing with Shenzhen Zhansheng, the loan amount may not exceed 500% of Shenzhen Zhansheng's net value. Separately, the total amount of intercompany loans where Shenzhen Zhansheng does not directly or indirectly hold 100% of the voting shares may not exceed 40% of the net value.

Note 3: In accordance with Celeraise Hong Kong's "Operational Procedures for Loaning Funds to Others", the total amount of funds loaned may not exceed 100% of Celeraise Hong Kong's net value. If there is a need for short-term financing with Celeraise Hong Kong, the loan amount may not exceed 100% of Celeraise Hong Kong's net value. Separately, the total amount of intercompany loans where Celeraise Hong Kong does not directly or indirectly hold 100% of the voting shares may not exceed 40% of the net value.

Note 4: The above transactions have been eliminated in the preparation of the consolidated financial statements.

**Notes to the Consolidated Financial Statements of Welltend Technology Corporation
and Subsidiaries (continued)**

2. Guarantees and endorsements for other parties:

Number	Name of endorsement/guarantee company	Counterparty of guarantee and endorsement		Endorsement/guarantee limit for single enterprise	Maximum endorsement/guarantee balance for the current period	Balance of endorsement/guarantee at end of period	Actual usage amount	Guarantee amount by endorsement of property guarantees	Ratio of cumulative endorsement/guarantee amount to net value of the most recent financial statements	Endorsement/guarantee maximum	Endorsement/guarantee of parent company for subsidiaries	Endorsement/guarantee of subsidiaries for parent company	Endorsements/guarantees to the mainland China region
		Company name	Relationship										
0	The Company	Celeraise Hong Kong/Jiun Tai	Subsidiary of the Company	1,632,637	82,050	-	-	-	-%	1,632,637	Y	N	N
0	"	Celeraise Technology	Subsidiary of the Company	1,632,637	80,000	80,000	-	-	4.90%	1,632,637	Y	N	N
1	Celeraise Technology	The Company	Parent company	379,279	80,088	74,588	74,588	-	98.33%	379,279	N	Y	N

Note 1: The total amount of the Company's external endorsements/guarantees may not exceed 100% of the Company's net value. The amount of endorsements/guarantees for a single enterprise may not exceed 100% of the Company's net value.

Note 2: Endorsements/guarantees made by Celeraise Technology are made in accordance with that company's Management Measures for Loans and Endorsements/Guarantees. The total amount of external endorsements/guarantees may not exceed 500% of the company's net value, and the amount of endorsements/guarantees for a single enterprise may not exceed 500% of the company's net value.

Note 3: The counterparty of the above endorsement/guarantee is the entity preparing the consolidated financial statements.

- Securities held at the end of the period (excluding investment in subsidiaries, associates, and joint ventures): None.
- Related party transactions for purchases and sales with amounts exceeding NT\$100 million or 20% of the paid-in capital: None.
- Receivables from related parties with amounts exceeding NT\$100 million or 20% of the paid-in capital:

Unit: NT\$ thousand

Company with accounts receivable	Transaction counterparty	Relationship	Balance of receivables from related parties	Turnover rate	Receivables overdue from related parties		Receivables amount from related parties recovered after the period	Amount of allowance for doubtful accounts
					Amount	Action taken		
Huizhou Zhanmao	Celeraise Hong Kong	Ultimate parent company is the same	108,753	1.62	-		43,347	-

Note 1: Information up to April 30, 2025.

Note 2: The transactions listed on the left have been eliminated in the preparation of the consolidated financial statements.

6. Business relationships and significant intercompany transactions:

Number (Note 1)	Name of transaction person	Name of counterparty	Relationship with transaction person (Note 2)	Intercompany transactions			
				Account name	Amount	Trading terms	Ratio to consolidated total revenue or total assets
1	Celeraise Hong Kong	Huizhou Zhanmao	3	Sales revenue	22,513	Prices are not significantly different from those of ordinary customers, monthly settlement is 120 days, and payments are received according to funding needs	3.18%
1	Celeraise Hong Kong	Huizhou Zhanmao	3	Accounts receivable	34,055	Prices are not significantly different from those of ordinary customers, monthly settlement is 120 days, and payments are received according to funding needs	1.03%

**Notes to the Consolidated Financial Statements of Welltend Technology Corporation
and Subsidiaries (continued)**

Number (Note 1)	Name of transaction person	Name of counterparty	Relationship with transaction person (Note 2)	Intercompany transactions			
				Account name	Amount	Trading terms	Ratio to consolidated total revenue or total assets
1	Celeraise Hong Kong	THAILAND	3	Other receivables (Note 3.)	74,466	Rate 4.0%	2.26%
1	Celeraise Hong Kong	Jiun Tai	3	Other receivables (Note 3.)	20,040	Rate 4.0%	0.61%
2	Kunshan Yiguan	Shanghai Zhansheng	3	Sales revenue	10,573	Prices are not significantly different from those of ordinary customers, monthly settlement is 120 days, and payments are received according to funding needs	1.49%
2	Kunshan Yiguan	Shanghai Zhansheng	3	Accounts receivable	7,332	Prices are not significantly different from those of ordinary customers, monthly settlement is 120 days, and payments are received according to funding needs	0.22%
2	Kunshan Yiguan	Celeraise Hong Kong	3	Sales revenue	9,309	Prices are not significantly different from those of ordinary customers, monthly settlement is 120 days, and payments are received according to funding needs	1.32%
2	Kunshan Yiguan	Celeraise Hong Kong	3	Accounts receivable	22,964	Prices are not significantly different from those of ordinary customers, monthly settlement is 120 days, and payments are received according to funding needs	0.70%
3	Huizhou Zhanmao	Celeraise Hong Kong	3	Sales revenue	73,951	Prices are not significantly different from those of ordinary customers, monthly settlement is 120 days, and payments are received according to funding needs	10.46%
3	Huizhou Zhanmao	Celeraise Hong Kong	3	Accounts receivable	108,753	Prices are not significantly different from those of ordinary customers, monthly settlement is 120 days, and payments are received according to funding needs	3.30%
3	Huizhou Zhanmao	CELERAISE ELECTRONIC CORPORATION	3	Sales revenue	17,090	Prices are not significantly different from those of ordinary customers, monthly settlement is 120 days, and payments are received according to funding needs	2.42%

**Notes to the Consolidated Financial Statements of Welltend Technology Corporation
and Subsidiaries (continued)**

Number (Note 1)	Name of transaction person	Name of counterparty	Relationship with transaction person (Note 2)	Intercompany transactions			
				Account name	Amount	Trading terms	Ratio to consolidated total revenue or total assets
3	Huizhou Zhanmao	CELERAISE ELECTRONIC CORPORATION	3	Accounts receivable	94,670	Prices are not significantly different from those of ordinary customers, monthly settlement is 120 days, and payments are received according to funding needs	2.88%
3	Huizhou Zhanmao	Kunshan Yiguan	3	Sales revenue	104	Prices are not significantly different from those of ordinary customers, monthly settlement is 120 days, and payments are received according to funding needs	0.01%
3	Huizhou Zhanmao	Kunshan Yiguan	3	Accounts receivable	5,107	Prices are not significantly different from those of ordinary customers, monthly settlement is 120 days, and payments are received according to funding needs	0.16%
3	Huizhou Zhanmao	THAILAND	3	Sales revenue	10,183	Prices are not significantly different from those of ordinary customers, monthly settlement is 120 days, and payments are received according to funding needs	1.44%
3	Huizhou Zhanmao	THAILAND	3	Accounts receivable	82,976	Prices are not significantly different from those of ordinary customers, monthly settlement is 120 days, and payments are received according to funding needs	2.52%
4	Leadpak Industrial	CELERAISE ELECTRONIC CORPORATION	3	Sales revenue	79,934	Prices are not significantly different from those of ordinary customers, monthly settlement is 120 days, and payments are received according to funding needs	11.30%
4	Leadpak Industrial	CELERAISE ELECTRONIC CORPORATION	3	Accounts receivable	56,744	Prices are not significantly different from those of ordinary customers, monthly settlement is 120 days, and payments are received according to funding needs	1.72%
6	Jiun Tai	THAILAND	3	Other receivables (Note 3.)	24,038	Rate 4.0%	0.73%
6	Jiun Tai	Yield Profit International	3	Other receivables (Note 3.)	25,874	Rate 1.5%	0.79%
7	Shenzhen Zhansheng	Huizhou Zhanmao	3	Other receivables (Note 3.)	32,116	Rate 1.5%	0.98%

Note 1: Numbers are filled in according to the following:

1. The parent company is 0.
2. Subsidiaries are numbered in sequence starting from 1.

Note 2: Relationship is classified into three types:

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

Note 3: Lending funds (including interests).

**Notes to the Consolidated Financial Statements of Welltend Technology Corporation
and Subsidiaries (continued)**

(II) Information on investees

1. The Group's reinvestment business information is as follows (excluding investment in mainland China companies):

Unit: Foreign currency thousands / thousand shares

Investing company name	Investee company name	Region	Main business items	Original investment amount		Held at end of period		Carrying amount (Note 1)	Profit or loss of the investee company for the current period (Note 2)	Investment gains and losses recognized in the current period (Note 2)	Notes
				End of current period (Note 1)	End of prior period (Note 1)	Number of shares	Ratio				
The Company	A Team	British Virgin Islands	Investment, trading, and holding company	16,538	16,538	500	100%	1,011	-	-	Subsidiary
The Company	Jiun Tai	Hong Kong	Holding company	267,498	267,498	66,160	100%	287,536	(4,218)	(4,218)	"
The Company	Celeraise Technology	Taiwan	Information service industry	30,000	30,000	3,000	100%	75,864	5,222	5,229	"
The Company	Leadpak Industrial	Taiwan	International trade and other wholesale and retail trade	30,149	29,810	3,000	100%	36,252	7,454	6,211	"
The Company	KING HONG	Taiwan	International trade and other wholesale and retail trade	5,100	5,100	510	51%	5,133	15	8	"
The Company	HONG YI	Taiwan	International trade and other wholesale and retail trade	15,600	15,600	1,560	52%	15,560	(59)	(30)	"
The Company	Celeraise Hong Kong	Hong Kong	Manufacture and sale of wire and cable connectors and connectors	191,996	191,996	50,300	99.99%	1,217,775	(9,437)	(9,437)	"
The Company	CELERAISE ELECTRONIC CORPORATION	Philippines	Manufacture and sale of wire and cable connectors and connectors	25,532	25,532	400	100%	235,328	(4,852)	(4,852)	"
The Company	THAILAND	Thailand	Manufacture and sale of wire and cable connectors and connectors	182,136	182,136	18,275	100%	186,262	1,215	1,215	"
Jiun Tai	Celeraise Hong Kong	Hong Kong	Manufacture and sale of wire and cable connectors and connectors	1 (HKD 0.16)	1 (HKD 0.16)	-	0.01%	1 (HKD 0.16)	-	Recognized by Jiun Tai	"
Jiun Tai	Welltrend	Thailand	Manufacture and sale of wire and cable connectors and connectors	131,531 (HKD 30,818)	84,212 (HKD 19,731)	1,440	80%	134,779 (HKD 31,579)	(6,350) (HKD 1,502)	Recognized by Jiun Tai	Sub-subsidiary
Celeraise Hong Kong	Yield Profit International	Hong Kong	Investment, trading, and holding company	66,581 (HKD 15,600)	66,581 (HKD 15,600)	15,600	100%	452,169 (HKD 105,944)	15,766 (HKD 3,729)	Recognized by Celeraise Hong Kong	"
Celeraise Hong Kong	Jet Success	Hong Kong	Investment, trading, and holding company	33,290 (HKD 7,800)	33,290 (HKD 7,800)	7,800	100%	257,375 (HKD 60,303)	(6,616) (HKD 1,565)	"	"

Note 1: Converted to New Taiwan dollar at the period-end exchange rate on the financial reporting end date.

Note 2: Converted to New Taiwan dollar at the average exchange rate during the financial reporting period.

Note 3: The above transactions have been eliminated in the preparation of the consolidated financial statements.

**Notes to the Consolidated Financial Statements of Welltend Technology Corporation
and Subsidiaries (continued)**

(III) Information on investment in mainland China

1. Relevant information such as the name and main business items of the investee company in mainland China:

Unit: Foreign currency thousands / thousand shares

Mainland China investee company name	Main business items	Paid-in capital amount (Note 3)	Investment method	Accumulated investment amount remitted from Taiwan at the beginning of the current period (Note 3)	Investment amount remitted or recovered in the current period		Accumulated investment amount remitted from Taiwan at the end of the current period (Note 3)	Profit or loss of the investee company for the current period (Note 4)	Shareholding ratio of the Company's direct or indirect investment	Investment gains and losses recognized in the current period (Notes 4 and 5)	Book value of investments at the end of the period (Note 3)	Investment income repatriated up to the current period
					Outflow	Inflow						
Shanghai Minshi	R&D and production of industrial automation control, product quality control, communication, and electronic network computing software	16,603 (USD 500)	Note 1	16,603 (USD 500)	-	-	16,603 (USD 500)	-	100%	-	-	-
Shanghai Zhansheng	Production of electronics, cable connectors, telephone spare parts and small household appliances; sales of the company's own products	55,618 (USD 1,675)	Note 2	242,397 (USD 7,300)	-	-	242,397 (USD 7,300)	631 (RMB 140)	100%	503 (RMB 119)	111,297 (HKD 26,077)	37,609 (RMB 8,500)
Shenzhen Zhansheng	Manufacture and sale of wire and cable connectors and connectors	48,791 (USD 515 RMB 6,930) (Note 6)	Note 2	-	-	-	-	(503) (RMB (111))	100%	(503) (HKD (119))	32,837 (HKD 7,694)	-
Celeraise Chenzhou	Production and sale of wire connectors, electronic wire products, etc.	-	Note 2	33,205 (USD 1,000)	-	-	33,205 (USD 1,000)	(Note 8)	-	-	(Note 8)	-
Kunshan Yiguan	Manufacture and sale of wire and cable connectors and connectors, etc.	33,205 (USD 1,000)	Note 2	33,205 (USD 1,000)	-	-	33,205 (USD 1,000)	(6,697) (RMB (1,483))	100%	(6,697) (HKD (1,584))	250,219 (HKD 58,627)	130,371 (RMB 30,071)
Huizhou Zhanmao	Production and sale of wire connectors, electronic wire products and packaging materials, etc.	55,784 (USD 1,680) (Note 7)	Note 2	-	-	-	-	15,907 (RMB 3,523)	100%	15,907 (HKD 3,762)	477,778 (HKD 111,944)	44,748 (RMB 10,630)

2. Limitations on investment in mainland China:

Company name	Accumulated investment amount remitted from Taiwan to mainland China at the end of the current period (Note 3)	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (Note 3)	Investment limit for the mainland China area in accordance with the regulations of the Investment Commission of the Ministry of Economic Affairs
The Company	325,410 (USD 9,800)	401,448 (USD 12,090)	979,582

Note 1: Reinvestment in mainland China through investment and establishment of companies in a third region.

Note 2: Reinvestment in mainland China companies by reinvesting in existing companies in a third region.

Note 3: Converted to New Taiwan dollar at the period-end exchange rate on the financial reporting end date.

Note 4: Converted to New Taiwan dollar at the average exchange rate during the financial reporting period.

Note 5: The current period's investment gains and losses are recognized based on the investee company's self-settled financial report for the same period that has not been reviewed by an accountant, except that Shanghai Minshi is recognized based on the investee company's financial statement that has been reviewed by an accountant certified by the parent company in Taiwan.

Note 6: Constitutes reinvestment undertaken by Celeraise Hong Kong through investment of US\$515 thousand of its own funds and use of fixed assets.

Note 7: The difference between the remitted investment amount and the Company's remittance is the reinvestment of

**Notes to the Consolidated Financial Statements of Welltend Technology Corporation
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US\$1,680 thousand made by Celeraise Hong Kong, Yield Profit International, and Jet Success using their own funds.

Note 8: Celeraise Chenzhou Industry completed the liquidation process in June 2018 and the investment amount was reimbursed in July 2018.

Note 9: The above transactions have been eliminated in the preparation of the consolidated financial statements.

Note 10: Shanghai Zhansheng passed the surplus distribution plan through resolution of the board of directors in July 2024 and September 2023, distributing cash dividends of RMB\$ 1,500 thousand and RMB\$ 7,000 thousand respectively.

Note 11: Kunshan Yiguan passed the surplus distribution plan through resolution of the board of directors in July 2024 and September 2023, distributing cash dividends of RMB\$ 14,253 thousand and RMB\$ 15,818 thousand respectively.

Note 12: Huizhou Zhanmao passed the surplus distribution plan through resolution of the board of directors in November 2024, distributing cash dividends of RMB\$ 10,630 thousand to Yield Profit International. As of the balance sheet date, it has not yet been repatriated to Taiwan.

3. Material transactions with mainland China investee companies:

For direct or indirect material transactions between the Group and mainland China investee companies as for the three-month periods ended 31 March 2025 (eliminated in the preparation of the consolidated statements), please see the description detailed under the "Information on Material Transactions" as well as "Business relationships and significant intercompany transactions".

XIV. Segment information

The Group's operating segment information and reconciliation are as follows:

	For the three-months ended 31 March, 2025				Total
	Information services	Wire and connectors	Other segments	Adjustments and eliminations	
Revenue:					
Revenue from external customers	\$ 261,005	446,314	-	-	707,319
Interdepartmental revenue	1,240	242,627	-	(243,867)	-
Total revenue	<u>\$ 262,245</u>	<u>688,941</u>	<u>-</u>	<u>(243,867)</u>	<u>707,319</u>
Segment (loss) profit	<u>\$ 19,435</u>	<u>(10,610)</u>	<u>-</u>	<u>(4,128)</u>	<u>4,697</u>
Segment total assets					<u>\$ 3,291,844</u>

**Notes to the Consolidated Financial Statements of Welltend Technology Corporation
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For the three-months ended 31 March, 2024					
	<u>Information services</u>	<u>Wire and connectors</u>	<u>Other segments</u>	<u>Adjustments and eliminations</u>	<u>Total</u>
Revenue:					
Revenue from external customers	\$ 302,454	450,885	-	-	753,339
Interdepartmental revenue	<u>1,016</u>	<u>194,507</u>	<u>-</u>	<u>(195,523)</u>	<u>-</u>
Total revenue	<u>\$ 303,470</u>	<u>645,392</u>	<u>-</u>	<u>(195,523)</u>	<u>753,339</u>
Segment (loss) profit	<u>\$ 22,283</u>	<u>22,259</u>	<u>-</u>	<u>(185)</u>	<u>44,357</u>
Segment total assets					<u>\$ 2,899,686</u>