Edimax Technology Co., Ltd. and Subsidiaries

Consolidated Financial Statements for the Three Months Ended March 31, 2025 and 2024 and Independent Auditors’ Review Report

Deloitte.

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INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
Edimax Technology Co., Ltd.

Introduction

We have reviewed the accompanying consolidated balance sheets of Edimax Technology Co., Ltd. (the "Company") and its subsidiaries (collectively, the "Group") as of March 31, 2025 and 2024, and the related consolidated statements of comprehensive income, the consolidated statements of changes in equity and cash flows for the three months then ended, and the related notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the "consolidated financial statements"). Management is responsible for the preparation and fair presentation of the 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" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

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

Basis for Qualified Conclusion

As disclosed in Note 12 to the consolidated financial statements, the financial statements of non-significant subsidiaries included in the consolidated financial statements referred to in the first paragraph were not reviewed. As of March 31, 2025 and 2024, combined total assets of these non-significant subsidiaries were NT$365,922 thousand and NT$391,629 thousand, respectively, both representing 5%, of the consolidated total assets, and combined total liabilities of these non-significant subsidiaries were NT$73,328 thousand and NT$92,290 thousand, respectively, both representing 2% of the consolidated total liabilities; for the three months ended March 31, 2025 and 2024, the amounts of combined comprehensive income of these subsidiaries were NT$14,943 thousand and NT$(4,110) thousand, respectively, representing 40% and 3%, respectively, of the consolidated total comprehensive income (loss). As disclosed in Note 13 to the consolidated financial statements, as of March 31, 2025 and 2024, the investments in associates accounted for using the equity method were NT$78,535 thousand and NT$84,115 thousand, respectively, and the share of profit of associates was NT$2,362 thousand and NT$3,733 thousand, respectively. The financial statements of associates included in the consolidated financial statements referred to in the first paragraph were not reviewed. Information on other non-significant subsidiaries and investments in associates accounted for using the equity method disclosed in Note 37 to the consolidated financial statements was based on unreviewed financial statements as of and for the same reporting periods as those of the Company.

Qualified Conclusion

Based on our reviews, except for adjustments, if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiaries and investments in associates accounted for using the equity method as described in the preceding paragraph been reviewed, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the three months then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors’ review report are Tza Li Gung and Chao-Yu Chen.

Deloitte & Touche
Taipei, Taiwan
Republic of China

May 2, 2025

Notice to Readers

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

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

EDIMAX TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

ASSETS	March 31, 2025 Amount	%	December 31, 2024 Amount	%	March 31, 2024 Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	$ 1,802,776	26	$ 1,742,021	24	$ 1,215,419	17
Financial assets at amortized cost - current (Notes 9 and 34)	57,186	1	56,556	1	59,359	1
Contract assets - current (Note 26)	1,443	-	3,054	-	1,227	-
Notes receivable from unrelated parties (Note 10)	1,762	-	3,444	-	619	-
Trade receivables from unrelated parties (Notes 10 and 26)	934,750	14	1,136,111	16	780,017	11
Other receivables from unrelated parties (Note 10)	952	-	1,273	-	3,061	-
Current tax assets	15,130	-	14,834	-	4,956	-
Inventories (Note 11)	1,070,622	16	1,321,833	18	2,010,604	28
Prepayments	67,582	1	66,156	1	94,396	1
Other current assets	30,555	-	33,596	-	6,331	-
Total current assets	3,982,758	58	4,378,878	60	4,175,989	58
NON-CURRENT ASSETS						
Financial assets at fair value through profit or loss - non-current (Notes 7 and 20)	-	-	-	-	14	-
Financial assets at fair value through other comprehensive income - non-current (Note 8)	46,106	1	58,683	1	55,083	1
Financial assets at amortized cost - non-current (Notes 9 and 34)	31,066	-	13,030	-	31,324	-
Investments accounted for using the equity method (Note 13)	78,535	1	75,337	1	84,115	1
Property, plant and equipment (Notes 14 and 34)	2,391,975	35	2,398,794	33	2,396,528	34
Right-of-use assets (Note 15)	142,690	2	143,892	2	173,186	2
Investment properties (Note 16)	46,353	1	46,597	1	47,329	1
Intangible assets (Note 17)	31,821	-	31,618	-	32,218	1
Deferred tax assets	61,265	1	67,599	1	53,056	1
Refundable deposits	11,667	-	11,907	-	13,551	-
Net provisions for retirement	5,269	-	5,144	-	4,214	-
Other financial assets - non-current (Note 18)	70,188	1	70,188	1	71,853	1
Total non-current assets	2,916,935	42	2,922,789	40	2,962,471	42
TOTAL	$ 6,899,693	100	$ 7,301,667	100	$ 7,138,460	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Note 19)	$ 15,166	-	$ 7,328	-	$ 267,066	4
Contract liabilities - current (Note 26)	161,631	2	306,019	4	125,310	2
Notes payable to unrelated parties (Note 21)	551	-	9,377	-	2,000	-
Accounts payable to unrelated parties (Note 21)	648,993	9	901,879	12	1,436,130	20
Accounts payable to related parties (Notes 21 and 33)	43,975	1	81,261	1	95,395	1
Other payables (Notes 22 and 33)	345,295	5	372,176	5	273,522	4
Current tax liabilities	181,589	3	164,434	2	57,953	1
Provisions - current (Note 23)	46,875	1	44,242	1	10,530	-
Lease liabilities - current (Note 15)	41,911	-	39,984	1	46,097	-
Current portion of long-term borrowings (Notes 19 and 34)	55,003	1	25,951	1	46,830	1
Other current liabilities (Note 22)	70,677	1	63,058	1	57,828	1
Total current liabilities	1,611,666	23	2,015,709	28	2,418,661	34
NON-CURRENT LIABILITIES						
Bonds payable (Notes 20 and 34)	-	-	-	-	17,285	-
Long-term borrowings (Notes 19 and 34)	1,472,660	21	1,507,563	21	1,529,284	21
Deferred tax liabilities	12,590	-	10,435	-	104	-
Lease liabilities - non-current (Note 15)	101,668	2	104,705	1	127,687	2
Net defined benefit liabilities - non-current	65,468	1	66,663	1	70,331	1
Total non-current liabilities	1,652,386	24	1,689,366	23	1,744,691	24
Total liabilities	3,264,052	47	3,705,075	51	4,163,352	58
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 25)						
Share capital						
Common stock	2,237,009	33	2,237,009	31	2,173,897	30
Capital collected in advance	-	-	-	-	49,052	1
Total share capital	2,237,009	33	2,237,009	31	2,222,949	31
Capital surplus	297,933	4	296,094	4	286,168	4
Retained earnings (accumulated deficit)						
Legal reserve	29,796	1	29,796	-	29,278	1
Special reserve	22,981	-	22,981	-	22,981	-
Unappropriated earnings (accumulated deficit)	167,149	2	122,757	2	(56,582)	(1)
Total retained earnings (accumulated deficit)	219,926	3	175,534	2	(4,323)	-
Other equity						
Exchange differences on translation of the financial statements of foreign operations	19,707	-	12,457	-	6,792	-
Unrealized gain on financial assets at fair value through other comprehensive income	6,881	-	19,458	-	21,885	-
Total other equity	26,588	-	31,915	-	28,677	-
Treasury shares	(12,931)	-	(12,931)	-	(12,931)	-
Total equity attributable to owners of the Company	2,768,525	40	2,727,621	37	2,520,540	35
NON-CONTROLLING INTERESTS (Note 25)	867,116	13	868,971	12	454,568	7
Total equity	3,635,641	53	3,596,592	49	2,975,108	42
TOTAL	$ 6,899,693	100	$ 7,301,667	100	$ 7,138,460	100

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

(With Deloitte & Touche review report dated May 2, 2025)

EDIMAX TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings (Loss) Per Share)

	For the Three Months Ended March 31			
	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUE (Note 26)	$ 1,270,281	100	$ 959,261	100
OPERATING COSTS (Notes 11, 27 and 33)	(900,732)	(71)	(816,689)	(85)
GROSS PROFIT	369,549	29	142,572	15
OPERATING EXPENSES (Notes 24, 27 and 33)				
Selling and marketing expenses	(124,488)	(10)	(137,435)	(15)
General and administrative expenses	(83,673)	(7)	(78,113)	(8)
Research and development expenses	(106,699)	(8)	(112,783)	(12)
Expected credit loss recognized (Note 10)	(29,565)	(2)	(20,229)	(2)
Total operating expenses	(344,425)	(27)	(348,560)	(37)
PROFIT (LOSS) FROM OPERATIONS	25,124	2	(205,988)	(22)
NON-OPERATING INCOME AND EXPENSES (Note 27)				
Other income	9,523	1	4,593	1
Other gains and losses	33,962	3	37,296	4
Finance costs	(8,178)	(1)	(11,422)	(1)
Share of profit of associates	2,362	-	3,733	-
Interest income	6,322	-	3,914	-
Total non-operating income and expenses	43,991	3	38,114	4
PROFIT (LOSS) BEFORE INCOME TAX	69,115	5	(167,874)	(18)
INCOME TAX (EXPENSE) BENEFIT (Note 28)	(29,577)	(2)	15,563	2
NET PROFIT (LOSS) FOR THE PERIOD	39,538	3	(152,311)	(16)

(Continued)

EDIMAX TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings (Loss) Per Share)

	For the Three Months Ended March 31			
	2025		2024	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized (loss) gain on investments in equity instruments at fair value through other comprehensive income	$ (12,577)	(1)	$ 3,831	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	10,249	1	14,242	2
Other comprehensive (loss) income for the period, net of income tax	(2,328)	-	18,073	2
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	$ 37,210	3	$ (134,238)	(14)
NET PROFIT (LOSS) ATTRIBUTABLE TO:				
Owners of the Company	$ 44,392	3	$ (61,767)	(7)
Non-controlling interests	(4,854)	-	(90,544)	(9)
	$ 39,538	3	$ (152,311)	(16)
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:				
Owners of the Company	$ 39,065	3	$ (44,549)	(5)
Non-controlling interests	(1,855)	-	(89,689)	(9)
	$ 37,210	3	$ (134,238)	(14)
EARNINGS (LOSSES) PER SHARE (Note 29)				
Basic	$ 0.20		$ (0.29)	
Diluted	$ 0.20		$ (0.29)	

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

(With Deloitte & Touche review report dated May 2, 2025) (Concluded)

EDIMAX TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company (Note 25)														
	Share Capital				Retained Earnings (Accumulated Deficit)				Other Equity						
	Common Stock	Capital Collected in Advance	Total	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings (Accumulated Deficit)	Total	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income (Loss)	Total	Treasury Shares	Total	Non-controlling Interests (Note 24)	Total Equity
BALANCE AT JANUARY 1, 2024	$ 2,134,956	$ 1,264	$ 2,136,220	$ 261,073	$ 29,278	$ 22,981	$ 5,185	$ 57,444	$ (6,595)	$ 18,054	$ 11,459	$ (12,931)	$ 2,453,265	$ 544,257	$ 2,997,522
Other capital surplus change Share-based payments (Note 30)	-	-	-	2,215	-	-	-	-	-	-	-	-	2,215	-	2,215
Conversion of convertible corporate bonds	38,941	47,788	86,729	22,880	-	-	-	-	-	-	-	-	109,609	-	109,609
Net loss for the three months ended March 31, 2024	-	-	-	-	-	-	(61,767)	(61,767)	-	-	-	-	(61,767)	(90,544)	(152,311)
Other comprehensive income for the three months ended March 31, 2024, net of income tax	-	-	-	-	-	-	-	-	13,387	3,831	17,218	-	17,218	855	18,073
Total comprehensive income (loss) for the three months ended March 31, 2024	-	-	-	-	-	-	(61,767)	(61,767)	13,387	3,831	17,218	-	(44,549)	(89,689)	(134,238)
BALANCE AT MARCH 31, 2024	$ 2,173,897	$ 49,052	$ 2,222,949	$ 286,168	$ 29,278	$ 22,981	$ (56,582)	$ (4,323)	$ 6,792	$ 21,885	$ 28,677	$ (12,931)	$ 2,520,540	$ 454,568	$ 2,975,108
BALANCE AT JANUARY 1, 2025	$ 2,237,009	$ -	$ 2,237,009	$ 296,094	$ 29,796	$ 22,981	$ 122,757	$ 175,534	$ 12,457	$ 19,458	$ 31,915	$ (12,931)	$ 2,727,621	$ 868,971	$ 3,596,592
Other capital surplus change Share-based payments (Note 30)	-	-	-	1,839	-	-	-	-	-	-	-	-	1,839	-	1,839
Net profit for the three months ended March 31, 2025	-	-	-	-	-	-	44,392	44,392	-	-	-	-	44,392	(4,854)	39,538
Other comprehensive income for the three months ended March 31, 2025, net of income tax	-	-	-	-	-	-	-	-	7,250	(12,577)	(5,327)	-	(5,327)	2,999	(2,328)
Total comprehensive income (loss) for the three months ended March 31, 2025, net of income tax	-	-	-	-	-	-	44,392	44,392	7,250	(12,577)	(5,327)	-	39,065	(1,855)	37,210
BALANCE AT MARCH 31, 2025	$ 2,237,009	$ -	$ 2,237,009	$ 297,933	$ 29,796	$ 22,981	$ 167,149	$ 219,926	$ 19,707	$ 6,881	$ 26,588	$ (12,931)	$ 2,768,525	$ 867,116	$ 3,635,641

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

(With Deloitte & Touche review report dated May 2, 2025)

EDIMAX TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	For the Three Months Ended March 31	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	$ 69,115	$ (167,874)
Adjustments for:		
Depreciation expense	31,217	35,080
Amortization expense	2,097	1,750
Expected credit loss recognized	29,565	20,229
Net loss on fair value changes of financial assets and liabilities at fair value through profit or loss	-	88
Finance costs	8,178	11,422
Interest income	(6,322)	(3,914)
Share-based payments	1,839	2,215
Share of profit of associates	(2,362)	(3,733)
Loss on disposal of property, plant and equipment	210	-
Write-down of inventories	-	101,497
Reversal of inventory write-downs	(35,937)	-
Gain on lease revised	(43)	-
Changes in operating assets and liabilities		
Contract assets	1,611	(67)
Notes receivable	1,682	1,852
Trade receivables	171,779	(44,561)
Other receivables	155	11,502
Inventories	284,521	(674,471)
Prepayments	(1,426)	(28,886)
Other current assets	3,041	6,338
Net defined benefit assets	(125)	(123)
Contract liabilities	(144,388)	31,686
Notes payable and trade payables (including related parties)	(298,998)	758,629
Other payables	(26,881)	(6,898)
Provisions	2,633	1,760
Other current liabilities	7,619	3,206
Net defined benefit liabilities	(1,195)	(4,825)
Cash generated from operations	97,585	51,902
Interest received	6,488	3,914
Interest paid	(7,699)	(10,709)
Income tax paid	(4,229)	(3,432)
Net cash generated from operating activities	92,145	41,675
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at amortized cost	(18,666)	(11,973)
Acquisition of investments accounted for using the equity method	-	(10,700)
Payments for property, plant and equipment	(11,769)	(5,945)
Proceeds from disposal of property, plant and equipment	48	-

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EDIMAX TECHNOLOGY CO., LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	For the Three Months Ended March 31	
	2025	2024
Decrease in refundable deposits	$ 240	$ 597
Payments for intangible assets	(2,263)	(940)
Increase in other financial assets	-	(1,000)
Net cash used in investing activities	(32,410)	(29,961)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	7,838	69,066
Repayments of long-term borrowings	(5,851)	(4,200)
Repayment of the principal portion of lease liabilities	(9,507)	(8,152)
Net cash (used in) generated from financing activities	(7,520)	56,714
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	8,540	11,512
NET INCREASE IN CASH AND CASH EQUIVALENTS	60,755	79,940
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	1,742,021	1,135,479
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	$ 1,802,776	$ 1,215,419

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

(With Deloitte & Touche review report dated May 2, 2025) (Concluded)

EDIMAX TECHNOLOGY CO., LTD. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Edimax Technology Co., Ltd. (the "Company") was incorporated as a company limited by shares under the provisions of the Company Law of the Republic of China (ROC) in June 1986 and has been listed on the Taiwan Stock Exchange since March 20, 2001. Edimax Technology Co., Ltd. is dedicated to the design, development, manufacture and marketing of a broad range of networking solutions.

The Company and its subsidiaries are hereinafter collectively referred to as the "Group".

The consolidated financial statements are presented in the Company's functional currency, the New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company's board of directors on May 2, 2025.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the "IFRS Accounting Standards") endorsed and issued into effect by the Financial Supervisory Commission (FSC)

Amendments to IAS 21 "Lack of Exchangeability"

The initial application of the Amendments to IAS 21 "Lack of Exchangeability" did not have a material impact on the Group's accounting policies.

b. The IFRS Accounting Standards endorsed by the FSC for application starting from 2026

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" - the amendments to the application guidance of classification of financial assets	January 1, 2026 (Note)

Note: An entity shall apply those amendments for annual reporting periods beginning on or after January 1, 2026. It is permitted to apply these amendments for an earlier period beginning on January 1, 2025.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact of the application of the amendments on the Group's financial position and financial performance.

c. The IFRS Accounting Standards in issue but not yet endorsed and issued into effect by the FSC

New, Amended and Revised Standards and Interpretations	Effective Date Announced by IASB (Note)
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" - the amendments to the application guidance of derecognition of financial liabilities	January 1, 2026
Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"	January 1, 2026
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	To be determined by IASB
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 9 and IFRS 17 - Comparative Information"	January 1, 2023
IFRS 18 "Presentation and Disclosures in Financial Statements"	January 1, 2027
IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	January 1, 2027

Note: Unless stated otherwise, the above New IFRS Accounting Standards are effective for annual reporting periods beginning on or after their respective effective dates.

IFRS 18 "Presentation and Disclosures in Financial Statements"

IFRS 18 will supersede IAS 1 "Presentation of Financial Statements". The main changes comprise:

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discounted operations categories.

- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.

- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as 'other' only if it cannot find a more informative label.

- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management's view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing other impacts of the above amended standards and interpretations on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

a. Statement of compliance

These interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 “Interim Financial Reporting” as endorsed and issued into effect by the FSC. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in a complete set of annual consolidated financial statements.

b. Basis of preparation

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

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

1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;

2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

3) Level 3 inputs are unobservable inputs for the asset or liability.

c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries).

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

See Note 12 and Tables 5 and 6 for the detailed information of subsidiaries (including the percentages of ownership and main businesses).

d. Other material accounting policies

Except for the following, please refer to the consolidated financial statements for the year ended December 31, 2024.

1) Retirement benefits

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

2) Income tax expense

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Except for the consolidated entity's assessment that the reciprocal tariff measures imposed by the United States did not have a material impact, The material accounting judgments and key sources of estimation uncertainty used in the preparation of these interim consolidated financial statements are the same as those used in the preparation of the Group's consolidated financial statements for the year ended December 31, 2024.

6. CASH AND CASH EQUIVALENTS

	March 31, 2025	December 31, 2024	March 31, 2024
Cash on hand	$ 926	$ 725	$ 1,164
Checking accounts and demand deposits	1,074,403	1,239,782	978,534
Cash equivalents (investments with original maturities 3 months or less)			
Time deposits	727,447	411,514	235,721
Commercial paper	-	90,000	-
	$ 1,802,776	$ 1,742,021	$ 1,215,419

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	March 31, 2025	December 31, 2024	March 31, 2024
Financial assets - non-current			
Held for trading derivatives instruments (not under hedge accounting)			
Redeemable and puttable options of convertible bonds (Note 20)	$ -	$ -	$ 14

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Investments in Equity Instruments at FVTOCI

	March 31, 2025	December 31, 2024	March 31, 2024
Non-current			
Overseas unlisted ordinary shares			
Bluechip Infotech Pty. Ltd. (Bluechip)	$ 31,763	$ 42,444	$ 39,596
Domestic unlisted ordinary shares			
Status Internet Co., Ltd.	5,212	4,718	4,875
Ecobear Technology Corp.	9,131	11,521	10,612
	$ 46,106	$ 58,683	$ 55,083

The Group acquired ordinary shares of Bluechip, Status Internet Co., Ltd., Ecobear Technology Corp. for medium to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

9. FINANCIAL ASSETS AT AMORTIZED COST

	March 31, 2025	December 31, 2024	March 31, 2024
Current			
Domestic investments			
Time deposits with original maturities of more than 3 months	$ 57,186	$ 56,556	$ 59,359
Non-current			
Domestic investments			
Time deposits with original maturities of more than 3 months	$ 31,066	$ 13,030	$ 31,324

Refer to Note 34 for information relating to investments in financial assets at amortized cost pledged as security.

10. NOTES RECEIVABLE, TRADE RECEIVABLES AND OTHER RECEIVABLES

	March 31, 2025	December 31, 2024	March 31, 2024
Notes receivable			
At amortized cost			
Gross carrying amount	$ 1,762	$ 3,444	$ 619

(Continued)

	March 31, 2025	December 31, 2024	March 31, 2024
Trade receivables			
At amortized cost			
Gross carrying amount	$ 989,416	$ 1,161,195	$ 804,460
Less: Allowance for impairment loss	(54,666)	(25,084)	(24,443)
	$ 934,750	$ 1,136,111	$ 780,017
Other receivables			
Others	$ 952	$ 1,273	$ 3,061

(Concluded)

The average credit period of the Group's sales of goods varies among customers, and no interest was charged on trade receivables. The Group uses other publicly available financial information and its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored, and the aggregate value of transactions concluded is spread among approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

In order to minimize credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Group's credit risk was significantly reduced.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix approach considering the past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for general economic conditions of the industry at the reporting date. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. For trade receivables that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The following table details the loss allowance of trade receivables based on the Group's provision matrix:

March 31, 2025

	Not Past Due	1 to 30 Days	31 to 90 Days	91 to 180 Days	Over 180 Days	Total
Expected credit loss rate	0.55%	0.94%	22.11%	54.66%	100%	
Gross carrying amount	$ 800,561	$ 49,653	$ 83,000	$ 54,659	$ 1,543	$ 989,416
Loss allowance (Lifetime ECLs)	(4,429)	(467)	(18,348)	(29,879)	(1,543)	(54,666)
Amortized cost	$ 796,132	$ 49,186	$ 64,652	$ 24,780	$ -	$ 934,750

December 31, 2024

	Not Past Due	1 to 30 Days	31 to 90 Days	91 to 180 Days	Over 180 Days	Total
Expected credit loss rate	0.06%	0.33%	11.03%	83.99%	100%	
Gross carrying amount	$ 812,871	$ 172,671	$ 169,862	$ 3,273	$ 2,518	$ 1,161,195
Loss allowance (Lifetime ECLs)	(511)	(574)	(18,732)	(2,749)	(2,518)	(25,084)
Amortized cost	$ 812,360	$ 172,097	$ 151,130	$ 524	$ -	$ 1,136,111

March 31, 2024

	There are no Signs of Default on the Counterparty					There are Signs of Default on the Counterparty	
	Not Past Due	1 to 30 Days	31 to 90 Days	91 to 180 Days	Over 180 Days		Total
Expected credit loss rate	0.08%	0.35%	10.75%	-	100.00%	100.00%	
Gross carrying amount	$ 713,753	$ 42,811	$ 27,110	$ -	$ 728	$ 20,058	$ 804,460
Loss allowance (Lifetime ECLs)	(591)	(151)	(2,915)	-	(728)	(20,058)	(24,443)
Amortized cost	$ 713,162	$ 42,660	$ 24,195	$ -	$ -	$ -	$ 780,017

The movements of the loss allowance of trade receivables were as follows:

	For the Three Months Ended March 31	
	2025	2024
Balance at January 1	$ 25,084	$ 4,189
Add: Net remeasurement of loss allowance	29,565	20,229
Foreign exchange gains and losses	17	25
Balance at March 31	$ 54,666	$ 24,443

11. INVENTORIES

	March 31, 2025	December 31, 2024	March 31, 2024
Raw materials	$ 197,686	$ 186,399	$ 453,612
Finished goods	351,160	343,904	287,162
Work-in-process and semi-finished goods	278,185	302,319	243,335
Merchandise	129,663	158,070	154,129
Inventory in transit	113,928	331,141	872,366
	$ 1,070,622	$ 1,321,833	$ 2,010,604

The cost of inventories recognized as cost of goods sold for the three months ended March 31, 2025 and 2024 was $900,732 thousand and $816,689 thousand, respectively. The cost of goods sold included inventory (reversal) write-downs of $(35,937) thousand and $101,497 thousand, respectively.

12. SUBSIDIARIES

a. Subsidiaries included in the consolidated financial statements

Investor	Investee	Nature of Activities	Proportion of Ownership March 31, 2025	December 31, 2024	March 31, 2024	Remark
The Company	Edimax Computer Co. ("Edimax USA")	Networking equipment wholesale	100.00%	100.00%	100.00%	1), 2)
The Company	Edimax Technology Europe B.V. ("Edimax Europe")	Networking equipment wholesale	100.00%	100.00%	100.00%	1), 2)
The Company	Edimax Technology (BVI) Co., Ltd. ("Edimax BVI")	Networking equipment wholesale	100.00%	100.00%	100.00%	
The Company	ABS Telecom Inc. ("ABS Telecom")	Telecommunication equipment wholesale, transmission and rental	100.00%	100.00%	100.00%	1), 2)
The Company	SMAX Technology Co., Ltd. ("SMAX Technology")	Wired and wireless telecommunication equipment for manufacturing	100.00%	100.00%	100.00%	1), 2)
The Company	Comtrend Corporation ("Comtrend")	Cable and telecommunication transmission equipment	33.49%	33.49%	33.49%	
Edimax BVI	Datamax (HK) Co., Ltd. ("Datamax HK")	Investing	100.00%	100.00%	100.00%	
ABS Telecom	ABST Information International Inc. ("ABST")	Investing	100.00%	100.00%	100.00%	1), 2)
Smax Technology	Smax Japan Co., Ltd. ("Smax Japan")	Networking equipment wholesale	100.00%	100.00%	100.00%	1), 2)
Comtrend	Comtrend Corporation, USA ("CUSA")	Cable and cableless transmission equipment wholesale, retail sale, and international trade	100.00%	100.00%	100.00%	
Comtrend	Comtrend Technology (Netherlands) B.V. ("CTBV")	Cable and cableless transmission equipment wholesale, retail sale, and international trade	100.00%	100.00%	100.00%	
Comtrend	Comtrend Technology (INDIA) Private Limited ("INDIA")	Cable and cableless transmission equipment wholesale, retail sale, and international trade	100.00%	100.00%	-	3)
Datamax HK	Datamax Electronics (Dong Guan) Co., Ltd.	Networking production and marketing	100.00%	100.00%	100.00%	
ABST	ABST Information Telecom Service Inc.	Telecommunication equipment wholesale, transmission and rental	100.00%	100.00%	100.00%	1), 2)
CTBV	Comtrend Central Europe S.R.O. ("CCE")	Cable and cableless transmission equipment wholesale, retail sale and international trade, etc.	100.00%	100.00%	100.00%	
CTBV	Comtrend Iberia S.L. ("Comtrend Iberia")	Cable and cableless transmission equipment wholesale, retail sale and international trade, etc.	100.00%	100.00%	100.00%	

1) As the subsidiary is not a major subsidiary, its financial statements for the three months ended March 31, 2025 have not been reviewed.

2) As the subsidiary is not a major subsidiary, its financial statements for the three months ended March 31, 2024 have not been reviewed.

3) INDIA was established in September 2024 in India, primarily engaged in the sale and service of broadband communication products.

As of March 31, 2025, December 31, 2024 and March 31, 2024, the Company held both 33.49% of Comtrend's voting shares, but the Company has the practical ability to direct the relevant activities of Comtrend; thus, Comtrend was listed as a subsidiary of the Group.

The total assets, liabilities and comprehensive income (loss) in the financial statements of non-significant subsidiaries which were not reviewed in the consolidated financial statements mentioned above were as follows:

	March 31 2025	2024
Unreviewed total assets	$ 365,922	$ 391,629
Proportion of total consolidated assets	5%	5%
Unreviewed total liabilities	$ 73,328	$ 92,290
Proportion of total consolidated liabilities	2%	2%

	For the Three Months Ended March 31 2025	2024
Unreviewed comprehensive income (loss)	$ 14,943	$ (4,110)
Proportion of total consolidated comprehensive income (loss)	40%	3%

b. Details of subsidiaries that have material non-controlling interests

Name of Subsidiary	Principal Place of Business	Proportion of Ownership and Voting Rights Held by Non-controlling Interests		
		March 31, 2025	December 31, 2024	March 31, 2024
Comtrend	Taiwan	66.51%	66.51%	66.51%

Name of Subsidiary	Profit (Loss) Allocated to Non-controlling Interests For the Three Months Ended March 31		Accumulated Non-controlling Interests		
	2025	2024	March 31, 2025	December 31, 2024	March 31, 2024
Comtrend	$ (4,854)	$ (90,544)	$ 867,116	$ 868,971	$ 454,568

The summarized financial information below represents amounts before intragroup eliminations.

Comtrend and subsidiaries

	March 31, 2025	December 31, 2024	March 31, 2024
Current assets	$ 1,623,750	$ 1,924,628	$ 2,028,138
Non-current assets	400,976	386,392	402,936
Current liabilities	(415,375)	(669,788)	(1,459,920)
Non-current liabilities	(214,975)	(212,756)	(224,868)
Equity	$ 1,394,376	$ 1,428,476	$ 746,286
Equity attributable to:			
Owners of Comtrend	$ 466,977	$ 478,397	$ 249,931
Non-controlling interests of Comtrend	927,399	950,079	496,355
	$ 1,394,376	$ 1,428,476	$ 746,286

	For the Three Months Ended March 31	
	2025	2024
Revenue	$ 392,992	$ 283,323
Net loss for the period	$ (7,297)	$ (136,135)
Other comprehensive loss for the period	(26,803)	(2,012)
Total comprehensive loss for the period	$ (34,100)	$ (138,147)
Loss attributable to:		
Owners of Comtrend	$ (2,443)	$ (45,591)
Non-controlling interests of Comtrend	(4,854)	(90,544)
	$ (7,297)	$ (136,135)

(Continued)

	For the Three Months Ended March 31	
	2025	2024
Total comprehensive loss attributable to:		
Owners of Comtrend	$ (32,245)	$ (48,458)
Non-controlling interests of Comtrend	(1,855)	(89,689)
	$ (34,100)	$ (138,147)
Net cash inflow from:		
Operating activities	$ 88,312	$ (36,430)
Investing activities	(21,542)	(13,061)
Financing activities	(4,706)	75,505
Effects of exchange rates	5,414	5,639
Net cash inflow	$ 67,478	$ 31,653

(Concluded)

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	March 31, 2025	December 31, 2024	March 31, 2024
Associates that are not individually material	$ 78,535	$ 75,337	$ 84,115

Refer to Table 5 “Information on Investees” for the nature of activities, principal places of business and countries of incorporation of the associates.

Investments accounted for using the equity method and the share of profit or loss and other comprehensive income of those investments were calculated based on the financial statements which have not been audited. Management considers there is no material impact on the amounts of equity method of accounting or the calculation of the share of profit or loss and other comprehensive income from the unaudited financial statements.

14. PROPERTY, PLANT AND EQUIPMENT

Assets Used by the Group

	Freehold Land	Buildings	Machinery and Equipment	Other Equipment	Total
Cost					
Balance at January 1, 2025	$ 1,480,570	$ 976,666	$ 144,180	$ 484,666	$ 3,086,082
Additions	-	324	3,146	8,299	11,769
Disposals	-	-	(1,547)	(7,713)	(9,260)
Effects of foreign currency exchange differences	-	-	2,708	485	3,193
Balance at March 31, 2025	$ 1,480,570	$ 976,990	$ 148,487	$ 485,737	$ 3,091,784

(Continued)

	Freehold Land	Buildings	Machinery and Equipment	Other Equipment	Total
Accumulated depreciation					
Balance at January 1, 2025	$ -	$ 201,981	$ 104,784	$ 380,523	$ 687,288
Depreciation expense	-	6,273	2,900	10,062	19,235
Disposals	-	-	(1,289)	(7,713)	(9,002)
Effects of foreign currency exchange differences	-	-	1,943	345	2,288
Balance at March 31, 2025	$ -	$ 208,254	$ 108,338	$ 383,217	$ 699,809
Carrying amount at March 31, 2025	$ 1,480,570	$ 768,736	$ 40,149	$ 102,520	$ 2,391,975
Cost					
Balance at January 1, 2024	$ 1,502,582	$ 986,845	$ 137,680	$ 501,552	$ 3,128,659
Additions	-	-	852	5,093	5,945
Disposals	-	-	-	(38,751)	(38,751)
Reclassified	(22,012)	(35,168)	-	-	(57,180)
Effects of foreign currency exchange differences	-	-	2,303	346	2,649
Balance at March 31, 2024	$ 1,480,570	$ 951,677	$ 140,835	$ 468,240	$ 3,041,322
Accumulated depreciation					
Balance at January 1, 2024	$ -	$ 174,951	$ 94,564	$ 399,560	$ 669,075
Depreciation expense	-	5,568	2,464	14,237	22,269
Disposals	-	-	-	(38,751)	(38,751)
Reclassified	-	(9,606)	-	-	(9,606)
Effects of foreign currency exchange differences	-	-	1,532	275	1,807
Balance at March 31, 2024	$ -	$ 170,913	$ 98,560	$ 375,321	$ 644,794
Carrying amount at March 31, 2024	$ 1,480,570	$ 780,764	$ 42,275	$ 92,919	$ 2,396,528

(Concluded)

No impairment was recognized or reversed for the three months ended March 31, 2025 and 2024.

The above items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Building	3-50 years
Machinery and equipment	2-13 years
Other equipment	1-10 years

Property, plant and equipment pledged as collateral for bank borrowings and for the issuance of bonds were set out in Note 34.

15. LEASE ARRANGEMENTS

a. Right-of-use assets

	March 31, 2025	December 31, 2024	March 31, 2024
Carrying amount			
Buildings	$ 137,202	$ 139,280	$ 171,780
Transportation equipment	5,488	4,612	1,406
	$ 142,690	$ 143,892	$ 173,186

	For the Three Months Ended March 31	
	2025	2024
Additions to right-of-use assets	$ 7,918	$ 1,859
Depreciation charge for right-of-use assets		
Buildings	$ 10,998	$ 11,493
Transportation equipment	740	1,073
	$ 11,738	$ 12,566

Except for the aforementioned additions and recognized depreciation, the Group did not have significant subleases or impairment of right-of-use assets during the three months ended March 31, 2025 and 2024.

b. Lease liabilities

	March 31, 2025	December 31, 2024	March 31, 2024
Carrying amount			
Current	$ 41,911	$ 39,984	$ 46,097
Non-current	$ 101,668	$ 104,705	$ 127,687

Discount rates for lease liabilities were as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Buildings	1.36%-1.985%	1.36%-1.985%	1.11%-1.86%
Transportation equipment	1.25%-1.985%	1.25%-1.985%	1.25%-1.36%

c. Material lease activities and terms

The Group leases certain transportation equipment for the use of transportation with lease terms of 3 to 5 years.

The Group also leases buildings for the use of offices and warehouses with lease terms of 2 to 6 years. The Group does not have bargain purchase options to acquire the leasehold land and buildings at the end of the lease terms.

d. Other lease information

	For the Three Months Ended March 31	
	2025	**2024**
Expenses relating to low-value asset leases	$ 1,759	$ 1,879
Total cash (outflow) for leases	$ (11,745)	$ (10,540)

The Group's leases of certain office equipment, transportation equipment, and car parking lots qualify as low-value asset leases. The Group has elected to apply the recognition exemption and thus, did not recognize right-of-use assets and lease liabilities for these leases.

16. INVESTMENT PROPERTIES

	Freehold Land	Buildings	Total
Cost			
Balance at January 1, 2025	$ 22,012	$ 35,168	$ 57,180
Balance at March 31, 2025	$ 22,012	$ 35,168	$ 57,180
Accumulated depreciation			
Balance at January 1, 2025	$ -	$ 10,583	$ 10,583
Depreciation expense	-	244	244
Balance at March 31, 2025	$ -	$ 10,827	$ 10,827
Carrying amounts at March 31, 2025	$ 22,012	$ 24,341	$ 46,353
Cost			
Balance at January 1, 2024	$ -	$ -	$ -
Reclassified	22,012	35,168	57,180
Balance at March 31, 2024	$ 22,012	$ 35,168	$ 57,180
Accumulated depreciation			
Balance at January 1, 2024	$ -	$ -	$ -
Depreciation expense	-	245	245
Reclassified	-	9,606	9,606
Balance at March 31, 2024	$ -	$ 9,851	$ 9,851
Carrying amounts at March 31, 2024	$ 22,012	$ 25,317	$ 47,329

a. The investment properties were owned assets held by the Group and were leased as office buildings of the third parties under operating leases. The original non-cancelable period of the leased investment properties was 5 years, and the lessee had the option to extend the period of the lease at the end of the lease agreement.

b. As of March 31, 2025, the main business of investment properties was office leasing, which was an operating lease. The content of the main lease was the same as a general lease contract, and the rental was paid quarterly.

The above items of investment properties are depreciated on a straight-line basis over their estimated useful lives as follows:

Building	35 years

The fair value of investment properties had not been measured by independent evaluators and was only measured by the Company's management with market evidence of similar real estate transaction prices.

17. INTANGIBLE ASSETS

	March 31, 2025	December 31, 2024	March 31, 2024
Goodwill	$ 23,231	$ 23,231	$ 23,231
Computer software	8,590	8,387	8,987
	$ 31,821	$ 31,618	$ 32,218

Except for the amortization recognized, the Group did not have any significant addition, disposal, or impairment of intangible assets during the three months ended March 31, 2025 and 2024.

Intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Computer software	0.5-5 years

18. OTHER FINANCIAL ASSETS

	March 31, 2025	December 31, 2024	March 31, 2024
Non-current			
Pension reserve fund	$ 69,788	$ 69,788	$ 69,366
Reserve account	400	400	2,487
	$ 70,188	$ 70,188	$ 71,853

The pension reserve fund comprises pension contributions to the pension fund of managerial personnel of the Company.

19. BORROWINGS

a. Short-term borrowings

	March 31, 2025	December 31, 2024	March 31, 2024
Unsecured borrowings			
Bank loans	$ 15,166	$ 7,328	$ 267,066

The ranges of weighted average effective interest rates on bank loans were 2.24%-4.00%, 2.31%-4.40% and 2.00%-6.76% per annum as of March 31, 2025, December 31, 2024 and March 31, 2024, respectively.

b. Long-term borrowings

	March 31, 2025	December 31, 2024	March 31, 2024
Secured borrowings			
Bank loans (Note 1)	$ 1,329,315	$ 1,333,514	$ 1,346,114
Bank loans (Note 2)	198,348	200,000	200,000
Bank loans (Note 3)	-	-	30,000
	1,527,663	1,533,514	1,576,114
Less: Current portion	(55,003)	(25,951)	(46,830)
Long-term borrowings	$ 1,472,660	$ 1,507,563	$ 1,529,284

1) The bank borrowings are secured by the Group's land and buildings; please refer to Note 34 for additional information. The maturity date is February 1, 2036 and the effective annual interest rates was 1.985%. The purpose of the borrowings is to purchase land and buildings for operations.

2) The bank borrowings are secured by the Group's land and buildings; please refer to Note 34 for additional information. The maturity date is January 14, 2042 with grace period of 3 years, and the effective annual interest rates were 1.25%-1.985% and 1.985% on January 14, 2022 to January 14, 2025 and January 15, 2025 to January 14, 2042, respectively. The purpose of the borrowings is to purchase land and buildings for operations.

3) The bank borrowings are secured by the Group's land and buildings; please refer to Note 34 for additional information. The maturity date is on September 25, 2028 and the effective annual interest rates was 2.10%. The purpose of the borrowings is to purchase land and buildings for operations. Due to financial planning, the Group repaid long-term borrowings ahead of schedule in the amount of $30,000 thousand during the period from 2024.

20. BONDS PAYABLE

	March 31, 2025	December 31, 2024	March 31, 2024
Secured domestic convertible bonds	$ -	$ -	$ 17,285

On March 30, 2021, the Company issued 4 thousand of five-year zero coupon unsecured convertible bonds in Taiwan, with an aggregate principal amount of $404,000 thousand.

Each bond entitles the holder to convert it into ordinary shares of the Company at a conversion price of $13.88. In case of ex-right or ex-dividend, the price shall be adjusted according to the conversion price adjustment formula. The conversion price was adjusted from $13.88 to $13.50 as of September 1, 2021. In addition, the conversion price was adjusted from $13.50 to $12.66 as of September 18, 2023. Conversion may occur at any time during the period from July 1, 2021 to March 30, 2026.

From the day following the expiration of 3 months after the issuance of the convertible bonds to the 40 days before the expiry date, if the closing price of the Company's ordinary shares exceeds 30% of the conversion price at that time for 30 consecutive business days, the Company is entitled to recover all the outstanding convertible bonds in cash based on the face value within the next 30 business day. In addition, if the outstanding balance of the convertible bonds is less than 10% of the original total amount issued, the Company is entitled to recover all the outstanding convertible bonds in cash based on the face value at any time thereafter.

The convertible bonds contain both liability and equity components. The equity components are presented in equity under the heading of capital surplus - options. The asset (liability) components are classified as embedded derivative assets (liabilities) and non-embedded derivative assets (liabilities). The embedded derivatives, which are measured at fair value, amounted to $0 thousand, $0 thousand and $14 thousand on March 31, 2025, December 31, 2024 and March 31, 2024, respectively, and recognized financial assets (liabilities) at FVTPL - non-current. The non-derivatives, which are measured at amortized cost, amounted to $0 thousand, $0 thousand and $17,285 thousand on March 31, 2025, December 31, 2024 and March 31, 2024, respectively. The effective interest rate of the liability components was 1.04% per annum on initial recognition.

Liability component at January 1, 2024	$ 126,588
Interest charged at an effective interest rate of 1.04%	204
Conversion of convertible bonds into common stock	(109,609)
Valuation loss on financial investments	88
Liability component at March 31, 2024	$ 17,271

All of secured convertible bonds issued by the company have been converted into 30,297 thousand shares of the Company's common stock in 2024.

21. NOTES AND ACCOUNTS PAYABLE

	March 31, 2025	December 31, 2024	March 31, 2024
Notes payable			
Operating	$ 551	$ 9,377	$ 2,000
Accounts payable			
Operating	$ 648,993	$ 901,879	$ 1,436,130
Accounts payable to related parties			
Operating	$ 43,975	$ 81,261	$ 95,395

22. OTHER LIABILITIES

	March 31, 2025	December 31, 2024	March 31, 2024
Other payables			
Payables for salaries	$ 119,010	$ 129,870	$ 117,500
Payable for employees' bonuses and directors' remuneration	74,697	70,496	-
Payables for labor fee	24,106	23,503	22,207
Payables for freight and customs fee	3,855	7,242	9,325
Payables for royalties	2,946	2,910	1,650
Others	120,681	138,155	122,840
	$ 345,295	$ 372,176	$ 273,522
Other liabilities			
Receipts under custody	$ 36,210	$ 31,016	$ 27,919
Refund liabilities	17,874	18,344	16,975
Temporary credit	16,593	13,698	12,934
	$ 70,677	$ 63,058	$ 57,828

23. PROVISIONS

	March 31, 2025	December 31, 2024	March 31, 2024
Current			
Warranties	$ 46,875	$ 44,242	$ 10,530

The provision for warranty claims represents the present value of management's best estimate of the future outflow of economic benefits that will be required under the Group's obligations for warranties under contracts for the sale of goods.

24. RETIREMENT BENEFIT PLANS

For the three months ended March 31, 2025 and 2024, the pension expenses of defined benefit plans were $2,999 thousand and $1,652 thousand, and these were calculated based on the actuarially determined pension cost rate on December 31, 2024 and 2023, respectively.

25. EQUITY

a. Share capital

Ordinary shares

	March 31, 2025	December 31, 2024	March 31, 2024
Number of shares authorized (in thousands)	300,000	300,000	300,000
Shares authorized	$ 3,000,000	$ 3,000,000	$ 3,000,000
Number of shares issued and fully paid (in thousands)	223,701	223,701	217,390
Shares issued	$ 2,237,009	$ 2,237,009	$ 2,173,897
Capital collected in advance	$ -	$ -	$ 49,052

As of March 31, 2024, the holders of the Company's unsecured convertible bond claimed the conversion into ordinary shares of $49,052 thousand, the issuance of the ordinary shares was 4,905 thousand units. As of March 31, 2024, the applying for change of registration was not done, therefore, the share options were recognized as capital collected in advance. The change registration has been completed as of May 27, 2024.

As of December 31, 2024, the holders of the Company's unsecured convertible bond claimed the conversion into ordinary shares of 10,205 thousand. The change registration has been completed as of November 28, 2024.

b. Capital surplus

	March 31, 2025	December 31, 2024	March 31, 2024
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (1)			
Premium from issuance of ordinary shares	$ 6,081	$ 6,081	$ 5,605
Premium from conversion of bonds	117,587	117,587	114,308
Treasury share transactions	6,836	6,836	6,836
The difference between the consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal or acquisition	49,362	49,362	49,362
May be used to offset a deficit only			
Changes in percentage of ownership interest in subsidiaries (2)	64,954	64,954	64,954
Others	33,437	33,437	33,437
May not be used for any purpose			
Employee share options	19,676	17,837	11,191
Share options from convertible bonds (Note 20)	-	-	475
	$ 297,933	$ 296,094	$ 286,168

1) Such capital surplus may be used to offset a deficit; when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and once a year).

2) Such capital surplus arises from the effect of changes in ownership interest in a subsidiary that resulted from equity transactions other than actual disposals or acquisitions, or from changes in capital surplus of subsidiaries accounted for using the equity method.

c. Retained earnings and dividends policy

Under the dividends policy as set forth in the amended Articles, where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as a legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations, and then any remaining profit together with any undistributed retained earnings shall be used by the Company's board of directors as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for the distribution of dividends and bonuses to shareholders. For the policies on the distribution of compensation of employees and remuneration of directors after the amendment, refer to compensation of employees and remuneration of directors in Note 27(8).

Under the dividends policy of the Company, no less than 20% of the undistributed retained earnings should be distributed as dividends to shareholders unless the undistributed retained earnings is less than 20% of outstanding ordinary shares. The dividends can be distributed in the form of shares or cash, but the cash dividends should not be less than 10% of total dividends. The Company determines the dividend distribution in consideration of the investment environment, capital demand, financial structure, earnings, domestic and international competition and shareholders' interest and the future development plan.

Appropriation of earnings to legal reserve shall be made until the legal reserve equals the Company's paid-in capital. The legal reserve may be used to offset deficit. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

The appropriations of earnings for 2024 and 2023, which were proposed by the Company's board of directors on March 7, 2025 and approved in the shareholders' meeting on June 14, 2024, respectively, were as follows:

	For the Year Ended December 31	
	2024	**2023**
Legal reserve	$ (11,809)	$ 518
Cash dividends	$ 67,110	
Cash dividends per share	$ 0.3	

The appropriation of earnings for 2024 will be resolved by the shareholders in their meeting to be held on June 19, 2025.

d. Treasury shares

Purpose of Buy-back	Shares Transferred to Employees (In Thousands of Shares)	Shares Cancelled (In Thousands of Shares)	Shares Held by Its Subsidiaries (In Thousands of Shares)	Total (In Thousands of Shares)
Number of shares at January 1, 2025	-	-	1,380	1,380
Number of shares at March 31, 2025	-	-	1,380	1,380
Number of shares at January 1, 2024	-	-	1,380	1,380
Number of shares at March 31, 2024	-	-	1,380	1,380

The Company's shares held by its subsidiaries at the end of the reporting periods were as follows:

Name of Subsidiary	Number of Shares Held (In Thousands of Shares)	Carrying Amount	Market Price
March 31, 2025			
Comtrend	1,380	$ 12,931	$ 30,355
December 31, 2024			
Comtrend	1,380	12,931	40,842
March 31, 2024			
Comtrend	1,380	12,931	21,042

As of March 31, 2025, December 31, 2024 and March 31, 2024, Comtrend held 4,120 thousand ordinary shares of the Company, and the Company recognized treasury shares of 1,380 thousand based on the ownership percentage of 33.49% as of March 31, 2025, December 31, 2024 and March 31, 2024.

Under the Securities and Exchange Act, the Company shall neither pledge treasury shares nor exercise shareholders' rights on these shares, such as the rights to dividends and to vote. The subsidiaries holding treasury shares, however, bestowed shareholders' rights, except the rights to participate in any share issuance for cash and to vote.

e. Non-controlling interests

	For the Three Months Ended March 31	
	2025	2024
Balance at January 1	$ 868,971	$ 544,257
Share of loss for the period	(4,854)	(90,544)
Other comprehensive income during the period		
Exchange differences on translating the financial statements of foreign operations	2,999	855
Balance at March 31	$ 867,116	$ 454,568

26. REVENUE

a. Disaggregation of revenue

	For the Three Months Ended March 31	
	2025	2024
Revenue from the sale of goods	$ 1,267,167	$ 955,046
Revenue from the rendering of services	3,101	4,213
Other income	13	2
	$ 1,270,281	$ 959,261

b. Contract balances

	March 31, 2025	December 31, 2024	March 31, 2024	January 1, 2024
Trade receivables (Note 10)	$ 989,416	$ 1,161,195	$ 804,460	$ 759,899
Contract assets sale of goods	$ 1,443	$ 3,054	$ 1,227	$ 1,160
Contract liabilities sale of goods	$ 161,631	$ 306,019	$ 125,310	$ 93,624

Changes in contract assets are mainly due to contracts with a right of return signed by customers under repurchase agreements. The changes in the balance of contract liabilities primarily result from the timing difference between the Group’s satisfaction of performance obligations and the respective customer’s payment.

27. NET PROFIT (LOSS)

a. Interest income

	For the Three Months Ended March 31	
	2025	2024
Bank deposits	$ 6,322	$ 3,914

b. Other income

	For the Three Months Ended March 31	
	2025	2024
Rent income		
Investment properties	$ 1,547	$ 1,532
Others	7,976	3,061
	$ 9,523	$ 4,593

c. Other gains and losses

	For the Three Months Ended March 31	
	2025	2024
Loss on disposal of property, plant and equipment	$ (210)	$ -
Net foreign exchange gain	31,246	38,668
Loss on fair value changes of financial assets and liabilities at FVTPL	-	(88)
Others	2,926	(1,284)
	$ 33,962	$ 37,296

d. Finance costs

	For the Three Months Ended March 31	
	2025	2024
Interest on bank loans	$ 7,699	$ 10,709
Interest on lease liabilities	479	509
Interest on convertible bonds	-	204
	$ 8,178	$ 11,422

e. Impairment losses recognized (reversed)

	For the Three Months Ended March 31	
	2025	2024
Trade receivables	$ 29,565	$ 20,229
Inventories (included in operating costs)	$ (35,937)	$ 101,497

f. Depreciation and amortization

	For the Three Months Ended March 31	
	2025	2024
Property, plant and equipment	$ 19,235	$ 22,269
Right-of-use assets	11,738	12,566
Investment properties	244	245
Intangible assets	2,097	1,750
	$ 33,314	$ 36,830
An analysis of depreciation by function		
Operating costs	$ 12,097	$ 11,173
Operating expenses	19,120	23,907
	$ 31,217	$ 35,080

(Continued)

	For the Three Months Ended March 31	
	2025	2024
An analysis of amortization by function		
Operating costs	$ 225	$ 154
Operating expenses	1,872	1,596
	$ 2,097	$ 1,750

(Concluded)

g. Employee benefits expense

	For the Three Months Ended March 31	
	2025	2024
Post-employment benefits		
Defined contribution plans	$ 7,368	$ 7,405
Defined benefit plans (Note 24)	2,999	1,652
	10,367	9,057
Share-based payments		
Equity-settled	1,839	2,215
Other employee benefits	243,107	219,395
Total employee benefits expense	$ 255,313	$ 230,667
An analysis of employee benefits expense by function		
Operating costs	$ 34,086	$ 14,939
Operating expenses	221,227	215,728
	$ 255,313	$ 230,667

h. Compensation of employees and remuneration of directors

According to the Company’s Articles, the Company accrues compensation of employees and remuneration of directors at rates of no less than 5% and no higher than 5%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors. In accordance with the amendment to the Securities and Exchange Act in August 2024, the shareholders of the Company expect to resolve the amendments to the Company’s Articles at their 2025 regular meeting. The amendments explicitly stipulate the allocation of no less than 10% of compensation for employees as compensation distributions for non-executive employees. There was no compensation of employees and remuneration of directors estimated as the Company reported a net loss before tax for the three months ended March 31, 2024. There was no compensation of employees and remuneration (including non-executive employees) of directors estimated for the three months ended March 31, 2025 are as shown below:

Amount

	For the Three Months Ended March 31, 2025
Compensation of employees	$ 4,512
Remuneration of directors	1,289

There was no compensation of employees and remuneration of directors estimated as the Company reported a net loss before tax for the year ended December 31, 2023.

There was no difference between the actual amounts of employees' compensation and remuneration of directors paid and the amounts recognized in the consolidated financial statements for the year ended December 31, 2024.

If there is a change in the amounts after the approval date of the annual consolidated financial report for release, the differences will be handled as a change in accounting estimate and adjusted in the next fiscal year.

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

i. Gain or loss on foreign currency exchange

	For the Three Months Ended March 31	
	2025	**2024**
Foreign exchange gains	$ 39,599	$ 51,417
Foreign exchange losses	(8,353)	(12,749)
	$ 31,246	$ 38,668

28. INCOME TAXES

a. Income tax recognized in profit or loss

Major components of income tax (expense) benefit are as follows:

	For the Three Months Ended March 31	
	2025	**2024**
Current tax		
In respect of the current period	$ (25,594)	$ (50)
Adjustments for prior years	196	-
Deferred tax		
In respect of the current period	(4,179)	15,613
Income tax (expense) benefit recognized in profit or loss	$ (29,577)	$ 15,563

b. Income tax assessments

As of March 31, 2025, the tax returns of the Company and its subsidiaries have been assessed as follows:

	Last Assessed Tax Year
The Company	2021
Edimax Electronic (Dongguan) Co., Ltd.	2023
Comtrend	2023
CUSA	2023
CTBV	2023
CCE	2024
Iberia	2023
ABS Telecom	2023
SMAX Technology	2023
Edimax USA	2023
Edimax Europe	2023

29. EARNINGS (LOSSES) PER SHARE

Unit: NT$ Per Share

	For the Three Months Ended March 31	
	2025	**2024**
Basic earnings (losses) per share	$ 0.20	$ (0.29)
Diluted earnings per share	$ 0.20	$ (0.29)

The earnings (losses) and weighted average number of ordinary shares outstanding used in the computation of earnings (losses) loss per share were as follows:

Net Profit (Loss) for the Year

	For the Three Months Ended March 31	
	2025	**2024**
Earnings (losses) used in the computation of basic earnings (losses) per share	$ 44,392	$ (61,767)
Earnings used in the computation of diluted earnings per share	$ 44,392	$ (61,767)

Weighted average number of ordinary shares outstanding (in thousands of shares) is as follows:

	For the Three Months Ended March 31	
	2025	**2024**
Weighted average number of ordinary shares used in the computation of basic earnings (losses) per share	222,092	215,913
Effect of potentially dilutive ordinary shares		
Employee share options	961	-
Compensation of employees	428	-
Weighted average number of ordinary shares used in the computation of basic earnings per share	223,481	215,913

The Group may settle the compensation or bonuses paid to employees in cash or shares; therefore, the Company assumes that the entire amount of the compensation or bonuses will be settled in shares, and the potential shares will be included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares can be distributed to employees is resolved in the following year.

As the Company reported a net loss after tax for the three months ended March 31, 2024, the convertible bonds have been anti-dilutive and therefore have been excluded from the computation of diluted earnings per share.

30. SHARE-BASED PAYMENT ARRANGEMENTS

Employee Share Option Plan of the Company

Qualified employees of the Company were granted 8,000 thousand options on August 10, 2023.

Information on outstanding issued employee share options is as follows:

	For the Three Months Ended March 31			
	2025		**2024**	
	Number of Options (In Thousands)	**Weighted-average Exercise Price (NT$)**	**Number of Options (In Thousands)**	**Weighted-average Exercise Price (NT$)**
Balance at January 1	8,000	$14.30	8,000	$14.30
Balance at March 31	8,000	14.30	8,000	14.30
Options exercisable, end of period	-		-	

Compensation costs recognized by the Company were $1,839 thousand and $2,215 thousand for the three months ended March 31, 2025 and 2024, respectively.

31. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. Key management personnel of the Group review the capital structure on an annual basis. Based on recommendations of the key management personnel, in order to balance the overall capital structure, the Group may adjust the number of new shares issued, and the amount of new debt issued or existing debt redeemed.

32. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments that are not measured at fair value

Except for the following, management believes the carrying amounts of financial assets and financial liabilities recognized in the consolidated financial statements approximate their fair values.

March 31, 2024

	Carrying Amount	Fair Value Level 1	Fair Value Level 2	Fair Value Level 3	Fair Value Total
Financial liabilities					
Financial liabilities at amortized cost					
Convertible bonds	$ 17,285	$ -	$ 17,289	$ -	$ 17,289

Level 2 inputs are except quoted prices according to an active market that are observable for the asset or liability, either directly or indirectly.

b. Fair value of financial instruments that are measured at fair value on a recurring basis

1) Fair value hierarchy

March 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI - non-current				
Investments in equity instruments				
Foreign unlisted shares	$ -	$ -	$ 31,763	$ 31,763
Domestic unlisted shares	-	-	14,343	14,343
	$ -	$ -	$ 46,106	$ 46,106

December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI - non-current				
Investments in equity instruments				
Foreign unlisted shares	$ -	$ -	$ 42,444	$ 42,444
Domestic unlisted shares	-	-	16,239	16,239
	$ -	$ -	$ 58,683	$ 58,683

March 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL - non-current				
Redeemable and puttable options of convertible bonds	$ -	$ 14	$ -	$ 14
Financial assets at FVTOCI - non-current				
Investments in equity instruments				
Foreign unlisted shares	$ -	$ -	$ 39,596	$ 39,596
Domestic unlisted shares	-	-	15,487	15,487
	$ -	$ -	$ 55,083	$ 55,083

There were no transfers between Levels 1 and 2 in the current and prior periods.

2) Valuation techniques and inputs applied for Level 2 fair value measurement

Financial Instrument	Valuation Technique and Inputs
Financial liabilities - convertible bonds	The evaluation is based on the binary tree convertible bonds evaluation model, which is based on the evaluation of share price volatility, risk-free interest rate, risk discount rate and the number of remaining years.

3) Valuation techniques and inputs applied for Level 3 fair value measurement

The fair values of unlisted equity securities - ROC and foreign were determined using the market approach.

c. Categories of financial instruments

	March 31, 2025	December 31, 2024	March 31, 2024
Financial assets			
FVTPL			
Mandatorily classified as at FVTPL	$ -	$ -	$ 14
Financial assets at amortized cost (1)	2,910,347	3,033,419	2,175,203
Financial assets at FVTOCI			
Equity instruments	46,106	58,683	55,083
Financial liabilities			
Amortized cost (2)	2,581,643	2,905,535	3,667,512

1) The balances included financial assets at amortized cost, which comprise cash and cash equivalents, notes receivable, trade receivables, other receivables, other financial assets, and refundable deposits.

2) The balances included financial liabilities measured at amortized cost, which comprise short-term loans, notes payable, trade payables (including related parties), other payables (including related parties), bonds payable and long-term loans (including current portions).

d. Financial risk management objectives and policies

The Group’s major financial instruments include equity investments, trade receivables, trade payables, bonds payable, borrowings, and lease liabilities. The Group’s corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

1) Market risk

The Group’s activities exposed it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

There had been no change to the Group’s exposure to market risks or the manner in which these risks were managed and measured.

a) Foreign currency risk

Several subsidiaries of the Group had foreign currency sales and purchases, which exposed the Group to foreign currency risk.

The carrying amounts of the Group’s foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) at the end of the reporting period are set out in Note 36.

Sensitivity analysis

The Group was mainly exposed to the USD and the EUR.

The following table details the Group's sensitivity to a 1% increase and decrease in the functional currency against the relevant foreign currencies. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis included only outstanding foreign currency denominated monetary items, and adjusts their translation at the end of the reporting period for a 1% change in foreign currency rates. A positive number below indicates an increase/a decrease in pre-tax profit (loss) when the functional currency strengthening by 1% against the relevant currency. For a 1% weakening of the functional currency against the relevant currency, there would be an equal and opposite impact on pre-tax profit (loss), and the balances below would be negative.

	USD Impact		**EUR Impact**	
	For the Three Months Ended March 31		**For the Three Months Ended March 31**	
	2025	**2024**	**2025**	**2024**
Profit or loss	$ (12,617) *	$ (8,288) *	$ (572) *	$ (912) *

* This was mainly attributable to the exposure of outstanding receivables and payables which were not hedged at the end of the reporting period.

The Group's sensitivity to foreign currency increased during the current period due to the decrease in the balance of accounts payable denominated in USD.

b) Interest rate risk

The Group is exposed to interest rate risk because entities in the Group borrowed funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix of fixed and floating rate borrowings.

The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	March 31, 2025	**December 31, 2024**	**March 31, 2024**
Fair value interest rate risk			
Financial assets	$ 815,700	$ 571,100	$ 326,404
Financial liabilities	1,686,408	1,685,531	2,034,249
Cash flow interest rate risk			
Financial assets	1,144,590	1,309,970	1,050,387

Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate assets, the analysis was prepared assuming the amount of the assets outstanding at the end of the reporting period was outstanding for the whole year. A 1% increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 1% higher/lower and all other variables were held constant, the Group's pre-tax profit (loss) for the three months ended March 31, 2025 and 2024 would have decreased/increased by $2,861 thousand and $2,626 thousand, respectively.

The Group's sensitivity to interest rates was not significantly different during the current period compare to the previous period.

c) Other price risk

The Group was exposed to equity price risk through its investments in equity securities. Equity investments are held for strategic rather than for trading purposes; the Group does not actively trade these investments.

Sensitivity analysis

The sensitivity analysis below was determined based on the exposure to equity price risks at the end of the period.

If equity prices had been 1% higher/lower, pre-tax other comprehensive income for the three months ended March 31, 2025 and 2024 would have increased/decreased by $461 thousand and $551 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI.

The Group's sensitivity to equity prices was decreasing during the current and prior periods mainly due to the gain (loss) of remeasurement of equity securities was decreasing.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. As at the end of the reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure of counterparties to discharge an obligation and financial guarantees provided by the Group could arise from:

a) The carrying amount of the respective recognized financial assets as stated in the balance sheets; and

b) The maximum amount the entity would have to pay if the financial guarantee is called upon, irrespective of the likelihood of the guarantee being exercised.

The Group adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral and factoring of trade receivables, where appropriate, as a means of mitigating the risk of financial loss from defaults.

In order to minimize credit risk, the management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate allowances are made for irrecoverable amounts. In this regard, management believes the Group's credit risk was significantly reduced.

The Group transacted with a large number of unrelated customers; thus, no concentration of credit risk was observed.

3) Liquidity risk

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

The Group relies on bank borrowings as a significant source of liquidity. As of March 31, 2025, December 31, 2024 and March 31, 2024, the Group had available unutilized short-term bank loan facilities set out in (b) below.

a) Liquidity and interest rate risk tables for non-derivative financial liabilities

The following tables detail the remaining contractual maturities of the Group's non-derivative financial liabilities with agreed repayment periods. The tables had been drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The tables included both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed repayment dates.

March 31, 2025

	Carrying Amount	Less than 3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Non-derivative financial liabilities					
Short-term borrowings	$ 15,166	$ 15,166	$ -	$ -	$ -
Lease liabilities	149,601	11,844	32,049	105,708	-
Long-term loans payable	1,631,426	-	-	655,372	976,054
Notes and trade payables	693,519	542,756	150,538	225	-
Other payables	345,295	107,959	224,451	12,885	-
Current portion of long-term loans payable	85,036	14,257	70,779	-	-
	$ 2,920,043	$ 691,982	$ 477,817	$ 774,190	$ 976,054

Additional information about the maturity analysis was as follows:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years
Long-term loans payable	$ 85,036	$ 655,372	$ 761,372	$ 189,253	$ 25,429

December 31, 2024

	Carrying Amount	Less than 3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Non-derivative financial liabilities					
Short-term borrowings	$ 7,328	$ 6,828	$ 500	$ -	$ -
Lease liabilities	150,867	11,772	29,205	109,890	-
Long-term loans payable	1,673,753	-	-	657,943	1,015,810
Notes and trade payables	992,517	861,948	130,569	-	-
Other payables	372,176	153,568	207,310	11,298	-
Current portion of long-term loans payable	56,163	13,453	42,710	-	-
	$ 3,252,804	$ 1,047,569	$ 410,294	$ 779,131	$ 1,015,810

Additional information about the maturity analysis was as follows:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years
Long-term loans payable	$ 56,163	$ 657,943	$ 917,559	$ 69,354	$ 28,897

March 31, 2024

	Carrying Amount	Less than 3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Non-derivative financial liabilities					
Short-term borrowings	$ 268,013	$ 243,734	$ 24,279	$ -	$ -
Lease liabilities	181,197	12,538	33,432	135,227	-
Long-term loans payable	1,706,098	-	-	644,722	1,061,376
Notes and trade payables	1,533,525	987,880	545,089	556	-
Other payables	273,522	40,678	223,816	9,028	-
Bonds payable	17,800	-	-	17,800	-
Current portion of long-term loans payable	79,107	11,797	67,310	-	-
	$ 4,059,262	$ 1,296,627	$ 893,926	$ 807,333	$ 1,061,376

Additional information about the maturity analysis was as follows:

	Less than 1 Year	1-5 Years	5-10 Years	10-15 Years	15-20 Years
Long-term loans payable	$ 79,107	$ 644,722	$ 719,292	$ 302,784	$ 39,300

Bank loans with a repayment on demand clause were included the period whin 1-5 years of the maturity analysis table. As of March 31, 2025, December 31, 2024 and March 31, 2024, the aggregate undiscounted principal amounts of these bank loans amounted to $1,542,829 thousand, $1,540,842 thousand and $1,843,180 thousand, respectively. After considering financial situation of the Group, it is unfeasible that the bank will require the Group to settle the loans immediately in management opinion. Management believes the bank loans will be settled in 2 years after the end of reporting period according to agreement, and the cash outflow of principal and interest are $1,731,628 thousand, $1,737,244 thousand and $2,053,201 thousand, respectively.

b) Financing facilities

As of March 31, 2025, December 31, 2024 and March 31, 2024, unused financing facilities amounted to $2,610,857 thousand, $2,595,194 thousand and $2,301,712 thousand, respectively.

33. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note. Besides information disclosed elsewhere in the other notes, details of transactions between the Group and other related parties are disclosed below.

a. Related party name and category

Related Party Name	Related Party Category
Talent Vantage Limited (ITI)	Associate
Nimbletech Digital Inc.	Associate
Ecobear Technology Corp.	Substantial related party

b. Purchases of goods

	For the Three Months Ended March 31	
Related Party Category	**2025**	**2024**
Associate - ITI	$ 104,353	$ 151,360
Associate	53	-
	$ 104,406	$ 151,360

The purchase prices and payment terms for transactions with related parties were not significantly different from third parties.

c. Payables to related parties

Line Item	Related Party Category	March 31, 2025	December 31, 2024	March 31, 2024
Accounts payable	Associate - ITI	$ 43,975	$ 81,261	$ 95,395
Other payables	Associate	$ 1,305	$ 2,883	$ 10,572

The outstanding trade payables to related parties are unsecured.

d. Other transactions with related parties

		For the Three Months Ended March 31	
Line Item	**Related Party Category**	**2025**	**2024**
Operating expense	Associate	$ 567	$ 471

e. Remuneration of key management personnel

	For the Three Months Ended March 31	
	2025	2024
Short-term employee benefits	$ 14,634	$ 9,696
Share-based payments	110	133
	$ 14,744	$ 9,829

The remuneration of directors and key executives, as determined by the remuneration committee, was based on the performance of individuals and on market trends.

34. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for bank borrowings, convertible bonds

	March 31, 2025	December 31, 2024	March 31, 2024
Pledged deposits (classified as financial assets at amortized cost)	$ 7,379	$ 7,379	$ 5,359
Property, plant and equipment	2,152,338	2,157,158	2,172,820
	$ 2,159,717	$ 2,164,537	$ 2,178,179

35. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant contingencies and unrecognized commitments of the Group as of March 31, 2025 were as follows:

a. As of March 31, 2025, the Group issued promissory notes with stated amounts of $1,427,000 thousand and US$21,500 thousand, as collateral for loans, foreign exchange forward contracts and convertible bonds.

b. Taipei Fubon Bank issued to the Taipei Customs Office a guarantee note for customs duties on the bonded warehouse of the Group; the stated amount of the note was $2,000 thousand as of March 31, 2025.

c. As of March 31, 2025, the Group made endorsements and guarantees for SMAX Technology and Edimax Europe with stated amounts of $20,000 thousand and $71,940 thousand, respectively, and actual borrowings amounted to $8,000 thousand and $7,194 thousand, respectively.

36. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies of the entities in the Group and the related exchange rates between the foreign currencies and the respective functional currencies were as follows:

March 31, 2025

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 54,110	33.21 (USD:NTD)	$ 1,796,641
USD	183	0.93 (USD:EUR)	6,062
USD	1,020	23.08 (USD:CZK)	33,858
EUR	1,069	35.97 (EUR:NTD)	38,444
EUR	706	24.97 (EUR:CZK)	25,397
Non-monetary items			
Investments accounted for using the equity method			
USD	2,009	33.21 (USD:NTD)	66,694
Financial liabilities			
Monetary items			
USD	15,463	33.21 (USD:NTD)	512,791
USD	1,197	7.26 (USD:RMB)	39,761
USD	672	23.08 (USD:CZK)	22,312
EUR	185	24.97 (EUR:CZK)	6,650

December 31, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 57,820	32.79 (USD:NTD)	$ 1,895,918
USD	197	0.96 (USD:EUR)	6,444
USD	758	24.24 (USD:CZK)	24,863
EUR	1,250	34.14 (EUR:NTD)	42,670
EUR	653	25.19 (EUR:CZK)	22,288
Non-monetary items			
Investments accounted for using the equity method			
USD	1,947	32.79 (USD:NTD)	63,838

(Continued)

	Foreign Currency	Exchange Rate	Carrying Amount
Financial liabilities			
Monetary items			
USD	$ 25,363	32.79 (USD:NTD)	$ 831,526
USD	1,118	7.32 (USD:RMB)	36,638
USD	520	24.24 (USD:CZK)	17,060
EUR	218	25.19 (EUR:CZK)	7,441

(Concluded)

March 31, 2024

	Foreign Currency	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 71,684	32.00 (USD:NTD)	$ 2,293,888
USD	692	23.41 (USD:CZK)	22,150
EUR	2,296	34.46 (EUR:NTD)	79,128
EUR	702	25.31 (EUR:CZK)	24,190
Non-monetary items			
Investments accounted for using the equity method			
USD	2,281	32.00 (USD:NTD)	73,007
Financial liabilities			
Monetary items			
USD	45,456	32.00 (USD:NTD)	1,454,593
USD	752	7.26 (USD:RMB)	24,052
USD	268	23.41 (USD:CZK)	8,565
EUR	352	25.31 (EUR:CZK)	12,129

The Group is mainly exposed to the USD and the EUR. The following information was aggregated by the functional currencies of the entities in the Group, and the exchange rates between the respective functional currencies and the presentation currency were disclosed. The significant realized and unrealized foreign exchange (losses) gains were as follows:

	For the Three Months Ended March 31			
	2025		2024	
Functional Currency	Exchange Rate	Net Foreign Exchange Gains (Losses)	Exchange Rate	Net Foreign Exchange Gains (Losses)
NTD	1 (NTD:NTD)	$ 31,759	1.00 (NTD:NTD)	$ 43,146
USD	32.90 (USD:NTD)	(504)	31.45 (USD:NTD)	(4,395)
EUR	35.59 (EUR:NTD)	(9)	34.16 (EUR:NTD)	(83)
		$ 31,246		$ 38,668

37. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions:

1) Financing provided to others (None).

2) Endorsements/guarantees provided (Table 1).

3) Significant marketable securities held (excluding investment in subsidiaries, associates and jointly controlled entities) (Table 2).

4) Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital (Table 3).

5) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital (Table 4).

6) Intercompany relationships and significant intercompany transactions (Table 8).

b. Information on investees (Table 5).

c. Information on investments in mainland China:

1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area. (Table 6)

2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: (Table 7)

a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.

b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.

c) The amount of property transactions and the amount of the resultant gains or losses.

d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.

e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to the financing of funds.

f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receipt of services.

38. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. The Group's reportable segments by business areas were as follows:

Segment Revenue and Results

The following is an analysis of the Group's revenue and results from continuing operations by reportable segment.

	Enterprise, Retail Products and Services	Telecommuni-cation Products and Services	Others	Total
For the three months ended March 31, 2025				
Revenue from external customers	$ 839,982	$ 382,992	$ 47,307	$ 1,270,281
Segment income (loss)	$ 42,968	$ (16,294)	$ (1,550)	$ 25,124
Non-operating income and expense				$ 43,991
Loss before tax				$ 69,115
For the three months ended March 31, 2024				
Revenue from external customers	$ 646,196	$ 283,323	$ 29,742	$ 959,261
Segment income (loss)	$ (40,377)	$ (164,318)	$ (1,293)	$ (205,988)
Non-operating income and expense				$ 38,114
Loss before tax				$ (167,874)

Segment profit represents the profit before tax earned by each segment without allocation of interest income, gain or loss on disposal of property, plant and equipment, gain or loss on disposal of financial instruments, exchange gain or loss, valuation gain or loss on financial instruments, finance costs and income tax expense. This is the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

EDIMAX TECHNOLOGY CO., LTD. AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE THREE MONTHS ENDED MARCH 31, 2025
(In Thousands of New Taiwan Dollars)

No. (Note 1)	Endorser/ Guarantor	Endorsee/Guarantee		Limits on Endorsement/ Guarantee Given on Behalf of Each Party (Note 3)	Maximum Amount Endorsed/ Guaranteed During the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Amount Borrowed	Amount Endorsed/ Guaranteed by Collaterals	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China	Note
		Name	Relationship (Note 2)											
0	The Company	SMAX Technology	b	$ 553,705	$ 20,000	$ 20,000	$ 8,000	$ -	0.72	$ 1,384,262	Y	N	N	Note 3
		Edimax Europe	b	553,705	71,940	71,940	7,194	-	2.60	1,384,262	Y	N	N	Note 3

Note 1: Endorser/guarantor is numbered as follows:

a. Parent: 0.
b. Subsidiaries are numbered starting from 1.

Note 2: Relationship between endorser/guarantor and endorsee/guarantee are categorized as follows:

a. Business deals between the Company and guarantee party.
b. Sum of direct holding of the subsidiaries’ ordinary shares through the Company and its subsidiaries for more than 50%.
c. Direct and indirect holding of the subsidiaries’ ordinary shares through the Company and its subsidiaries for more than 50%.
d. Sum of direct holding of the subsidiaries’ ordinary shares through the Company and its subsidiaries for more than 90%.
e. Owing to the joint venture funded by all shareholders on its endorsement of its holding company.
f. Owing to the joint venture funded by each shareholders on its endorsement of its holding company.
g. Inter-industry performance guarantee joint guarantees for pre-sale house sales contracts in accordance with the Consumer Protection Act.

Note 3: a. The limit on endorsement/guarantee given on behalf of each party is 20% of the individual companies’ net assets based on the most recent financial statements.
b. The aggregate endorsement/guarantee limit is 50% of the individual companies’ net assets based on the most recent financial statements.

EDIMAX TECHNOLOGY CO., LTD. AND SUBSIDIARIES

SIGNIFICANT MARKETABLE SECURITIES HELD
MARCH 31, 2025
(In Thousands of New Taiwan Dollars)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	March 31, 2025				Note
				Shares/Units (In Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value	
The Company	Shares							
	Bluechip Infotech Pty Ltd.	None	Financial assets at FVTOCI - non-current	421	$ 31,763	5.66	$ 31,763	
	Status Internet Co., Ltd.	None	Financial assets at FVTOCI - non-current	368	5,212	16.66	5,212	
	Ecobear Technology Corp.	None	Financial assets at FVTOCI - non-current	1,783	9,131	19.91	9,131	
Comtrend	Shares							
	Edimax	Parent company	Financial assets at FVTOCI - current	4,120	90,640	1.84	90,640	

Note 1: For information about investments in subsidiaries, please refer to Tables 5 and 6.

Note 2: The amount of the significant marketable securities listed above is over NT$5 million.

EDIMAX TECHNOLOGY CO., LTD. AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST $100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE THREE MONTHS ENDED MARCH 31, 2025
(In Thousands of New Taiwan Dollars)

Buyer	Related Party	Relationship	Transaction Detail				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
The Company	Edimax Electronic (Dongguan) Co., Ltd.	Subsidiary	Processing fee	$ 258,087	29.10	By operating condition	Normal	By operating condition	$ (67,741)	(15.12)	
	ITI	Subsidiary	Purchase	103,216	11.64	By operating condition	Normal	By operating condition	(42,829)	(9.56)	

Note: Except for ITI, the transactions with the related parties have been eliminated in the consolidated financial statements as of and for the three months ended March 31, 2025.

EDIMAX TECHNOLOGY CO., LTD. AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
MARCH 31, 2025
(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Impairment Loss
					Amount	Action Taken		
Comtrend	CUSA	Subsidiary	$ 159,201	1.03	$ -	Subsidiary repayment has been actively arranged	$ -	$ -

Note: The transactions of the related parties have been eliminated in the consolidated financial statements as of and for the three months ended March 31, 2025.

EDIMAX TECHNOLOGY CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTEES
FOR THE THREE MONTHS ENDED MARCH 31, 2025
(In Thousands of New Taiwan Dollars)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of March 31, 2025			Net Income (Loss) of the Investee	Share of Profit (Loss)	Note
				March 31, 2025	December 31, 2024	Number of Shares	%	Carrying Amount			
The Company	Edimax USA	USA	Networking equipment wholesale	$ 49,803	$ 49,803	17,046	100.00	$ 64,273	$ 1,780	$ 2,094 (Note 3)	Subsidiary
	Edimax BVI	British Virgin Islands	Networking equipment wholesale	354,775	354,775	11,027,855	100.00	162,607	(12,937)	(12,937)	Subsidiary
	Edimax Europe	Netherlands	Networking equipment wholesale	196,773	196,773	1,600	100.00	26,770	(1,212)	575 (Note 4)	Subsidiary
	ABS Telecom	Taiwan	Telecommunication equipment wholesale, transmission and rental	66,000	66,000	10,500,000	100.00	149,271	(3,302)	(3,284) (Note 5)	Subsidiary
	SMAX Technology	Taiwan	Wired/wireless telecommunications equipment manufacturing	137,175	137,175	2,139,400	100.00	23,892	1,901	1,971 (Note 6)	Subsidiary
	Comtrend	Taiwan	Cable and cableless transmission equipment wholesale, research and development and retail sale	278,084	278,084	19,649,060	33.49	459,771	(7,298)	(1,899) (Note 7)	Subsidiary
	Crystal	Seychelles	Seychelles general import and export trade and investing	31,185	31,185	1,050,000	30.00	66,694	6,728	2,018	Associate
	Nimbletech Digital Inc.	Taiwan	Networking equipment wholesale	10,700	10,700	1,000,000	28.74	11,841	1,194	343	Associate
Edimax BVI	Datamax HK	Hong Kong	Investing	338,457	338,457	80,906,002	100.00	(12,604)	(15,673)	(15,673)	Second-tier subsidiary
ABS Telecom	ABST	Mauritius	Investing	4,175	4,175	140,000	100.00	11,631	(585)	(585)	Second-tier subsidiary
SMAX Technology	Smax Japan Inc.	Japan	Networking equipment wholesale	1,992	1,992	8,000,000	100.00	1,059	(762)	(762)	Second-tier subsidiary
Comtrend	CUSA	USA	Cable and cableless transmission equipment wholesale, retail sale and international trade, etc.	211,620	211,620	200,000	100.00	(57,728)	(20,862)	(22,502) (Note 8)	Second-tier subsidiary
	CTBV	Netherlands	Cable and cableless transmission equipment wholesale, retail sale and international trade, etc.	50,901	50,901	1,518,000	100.00	79,918	(3,688)	(3,887) (Note 9)	Second-tier subsidiary
	INDIA	INDIA	Cable and cableless transmission equipment wholesale, retail sale and international trade, etc.	17,397	17,397	4,500,000	100.00	15,703	(1,212)	(1,212)	Second-tier subsidiary
CTBV	CCE	Czech Republic	Cable and cableless transmission equipment wholesale, retail sale and international trade, etc.	71,438	71,438	-	100.00	41,168	(546)	(546)	Second-tier subsidiary
	Iberia	Spain	Cable and cableless transmission equipment wholesale, retail sale and international trade, etc.	30,039	30,039	82,310	100.00	7,511	(3,218)	(3,218)	Second-tier subsidiary

Note 1: Please refer to Table 6 for the information on investments in mainland China.

Note 2: The transactions of the related parties have been eliminated in the consolidated financial statements as of for the three months ended March 31, 2025.

Note 3: The share of profits/losses of the investee included net income of $1,780 thousand plus the unrealized gross loss of $314 thousand on intercompany transactions.

Note 4: The share of profits/losses of the investee included net loss of $1,212 thousand plus the unrealized gross loss of $1,787 thousand on intercompany transactions.

Note 5: The share of profits/losses of the investee included net loss of $3,302 thousand plus the unrealized gross loss of $18 thousand on intercompany transactions.

Note 6: The share of profits/losses of the investee included net income of $1,901 thousand plus the unrealized gross loss of $70 thousand on intercompany transactions.

Note 7: The share of profits/losses of the investee included net loss of $2,444 thousand plus the unrealized gross loss of $545 thousand on intercompany transactions.

Note 8: The share of profits/losses of the investee included net loss of $20,862 thousand less the unrealized gross profit of $1,640 thousand on intercompany transactions.

Note 9: The share of profits/losses of the investee included net loss of $3,688 thousand less the unrealized gross profit of $199 thousand on intercompany transactions.

EDIMAX TECHNOLOGY CO., LTD. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE THREE MONTHS ENDED MARCH 31, 2025
(In Thousands of New Taiwan Dollars)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note 1)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2025	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2025	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 2)	Carrying Amount as of March 31, 2025	Accumulated Repatriation of Investment Income as of March 31, 2025	Note
					Outward	Inward							
Edimax Electronic (Dongguan) Co., Ltd.	Networking production and marketing	$ 324,086	b.	$ 324,086	$ -	$ -	$ 324,086	$ (15,672)	100	$ (15,672)	$ (12,631)	$ -	Note 2
ABST Information Telecom Service	Telecommunication equipment wholesale, transmission and rental	4,175	b.	4,175	-	-	4,175	(585)	100	(585)	12,744	-	Note 3

Accumulated Outward Remittance for Investment in Mainland China as of March 31, 2025	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investments Stipulated by Investment Commission, MOEA
$331,738	$483,280 (Note 4)	$1,661,115

Note 1: The methods of making investments in mainland China include the following:

a. Direct investment in mainland China.
b. Indirect investment in mainland China through companies registered in a third region.
c. Other methods.

Note 2: Calculated based on the financial statements of the investee company reviewed by an accountant during the same period.

Note 3: Calculated based on the financial statements of the investee company that have not been reviewed by an accountant during the same period.

Note 4: The conversion is based on the spot exchange rate on the balance sheet date.

Note 5: The transactions with the related parties have been eliminated in the consolidated financial statements as of and for the three months ended March 31, 2025.

EDIMAX TECHNOLOGY CO., LTD. AND SUBSIDIARIES

SIGNIFICANT TRANSACTIONS WITH INVESTEE COMPANIES IN MAINLAND CHINA, EITHER DIRECTLY OR INDIRECTLY THROUGH A THIRD PARTY, AND THEIR PRICES, PAYMENT TERMS, AND UNREALIZED GAINS OR LOSSES
FOR THE THREE MONTHS ENDED MARCH 31, 2025
(In Thousands of New Taiwan Dollars)

Investee Company	Transaction Type	Purchase/Sale		Price	Transaction Details		Notes/Accounts Receivable (Payable)		Unrealized (Gain) Loss	Note
		Amount	%		Payment Terms	Comparison with Normal Transaction	Ending Balance	%		
Edimax Electronic (Dongguan)	Processing fees	$ 258,087	29.10	Normal	By operating conditions	By operating conditions	$ (67,741)	15.12	$ -	

Note: The transactions with the related parties have been eliminated in the consolidated financial statements as of and for the three months ended March 31, 2025.

EDIMAX TECHNOLOGY CO., LTD. AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE THREE MONTHS ENDED MARCH 31, 2025
(In Thousands of New Taiwan Dollars)

No. (Note 1)	Investee Company	Counterparty	Relationship (Note 2)	Intercompany Transactions			
				Financial Statement Account	Amount	Payment Terms	% of Total Sales or Assets (Note 3)
	For the three months ended March 31, 2025						
0	The Company	Edimax Europe	a	Sales revenue	$ 6,728	Normal	0.53
		Edimax Europe	a	Accounts receivable	6,520	Normal	0.09
		Edimax Electronic (Dongguan)	a	Processing fees	258,087	By operating condition	20.32
		Edimax Electronic (Dongguan)	a	Accounts payable	67,741	By operating condition	0.98
		Comtrend	a	Sales revenue	7,019	Normal	0.55
		Comtrend	a	Accounts receivable	10,646	Normal	0.15
1	Comtrend	CUSA	a	Sales revenue	36,176	Normal	2.85
		CUSA	a	Accounts receivable	159,201	Normal, collection period: 60-240 days	2.30
		CCE	a	Sales revenue	19,448	Normal	1.53
		CCE	a	Accounts receivable	26,550	Normal, collection period: 60-180 days	0.38
		CTBV	a	Accounts receivable	25,182	Normal, collection period: 60-180 days	0.36

Note 1: Business relationships between the parent and subsidiaries are numbered as follows:

a. Parent: 0.
b. Subsidiary: 1.
c. Sub-subsidiaries: 2.

Note 2: Relationships between parties are numbered as follows:

a. Parent to subsidiary.
b. Parent to sub-subsidiary.
c. Subsidiary to parent.
d. One subsidiary to another subsidiary.

Note 3: Percentage of consolidated operating revenue or consolidated total assets: For balance sheet accounts, the percentage is calculated by dividing the ending balance of the account by consolidated total assets; for income statement accounts, the percentage is calculated by dividing the ending balance of the account by the consolidated operating revenues.

Note 4: The transactions of the related parties have been eliminated in the consolidated financial statements as of and for the three months ended March 31, 2025.

Note 5: The amount of the significant transactions between related parties listed above is over NT$5 million.