Actron Technology Corporation and Subsidiaries

Consolidated Financial Statements with Independent Auditors' Review Report

For the Nine Months Ended September 30, 2025 and 2024

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Independent Auditors' Review Report

To the Board of Directors and Shareholders of Actron Technology Corporation:

Introduction

We have reviewed the accompanying consolidated balance sheets of Actron Technology Corporation and its subsidiaries (collectively, the "Group") as of September 30, 2025 and 2024, the related consolidated statements of comprehensive income for the three months and nine months ended September 30, 2025 and 2024, the consolidated statements of changes in equity and cash flows for the nine months then ended, and the related notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements"). Management is responsible for the preparation and fair presentation of the 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 Statement of Auditing Standards No. 2410 "Review of 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 11 to the consolidated financial statements, the financial statements of some non-significant subsidiaries included in the consolidated financial statements were not reviewed. As of September 30, 2025 and 2024, the combined total assets of these non-significant subsidiaries were NT$1,673,338 thousand and NT$1,330,834 thousand, respectively, representing 10% and 8%, respectively, of the consolidated total assets; the combined total liabilities of these non-significant subsidiaries were NT$250,429 thousand and NT$165,886 thousand, respectively, representing 4% and 3%, respectively, of the consolidated total liabilities. For the three months ended September 30, 2025 and 2024, the amounts of the combined comprehensive income (loss) of these non-significant subsidiaries were NT$(86,952) thousand and NT$(48,345) thousand, respectively, representing (12)% and 25% of the consolidated total comprehensive income, respectively; for the nine months ended September 30, 2025 and 2024, the amounts of the combined comprehensive income (loss) of these non-significant subsidiaries were NT$(205,505) thousand and NT$(53,226) thousand, respectively, representing (83)% and (10)% of the consolidated total comprehensive income, respectively. In addition, as disclosed in Note 12 to the consolidated financial statements, the total carrying amounts of the investment accounted for using the equity method were NT$2,200,834 thousand and NT$2,663,531 thousand as of September 30, 2025 and 2024, respectively. The share of profit (loss) of associates and joint venture accounted for using the equity method was NT$56,614 thousand and NT$50,648 thousand for the three months ended September 30, 2025 and 2024, respectively; the share of profit (loss) of associates and joint venture accounted for using the equity method was NT$96,639 thousand and NT$136,409 thousand for the nine months ended September 30, 2025 and 2024, respectively. The amounts of the related equity-method investments were based on the equity-method investees' unreviewed financial statements for the same reporting periods.

Qualified Conclusion

Based on our reviews and the review reports of the other independent auditors, as described in Other Matters, except for the effect of adjustments, if any, as might have been on the consolidated financial statements had the financial statements of the non-significant subsidiaries and other equity-method investees 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 Group's consolidated financial position as of September 30, 2025 and 2024, its consolidated financial performance for the three months then ended, and its consolidated financial performance and consolidated cash flows for the nine 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.

Other Matters

We did not review the financial statements of Mosel Vitelic Inc., recognized in subsidiaries in the accompanying consolidated financial statements (please refer to Note 11), and its financial statements were reviewed by other independent auditors. Therefore, the amounts with respect to the financial statements of Mosel Vitelic Inc., stated in our conclusion expressed on the consolidated financial statements herein, were solely based on the review reports of the other independent auditors. The total assets of Mosel Vitelic Inc. as of September 30, 2025 and 2024 accounted for 19% and 19% of the consolidated total assets, respectively. Operating revenue for the periods July 1 to September 30, 2025 and January 1 to September 30, 2025 accounted for 16% and 15% of the consolidated operating revenue, respectively. Operating revenue for the periods July 1 to September 30, 2024 and January 1 to September 30, 2024 accounted for 15% and 13% of the consolidated operating revenue, respectively.

Deloitte Taiwan

Partner Chien Wei Chen	Partner Ming Hsien Liu
Financial Supervisory Commission Certificate Jin-Guan-Zheng-Shen-Zi No. 1130349292	Financial Supervisory Commission Certificate Jin-Guan-Zheng-Shen-Zi No. 1100356048

November 5, 2025

Notice to Readers

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

For the convenience of readers, the independent auditors' 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' report and consolidated financial statements shall prevail.

(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)

Actron Technology Corporation and Subsidiaries

Consolidated balance sheets

As of September 30, 2025 and 2024 and December 31, 2024

Unit: NT$ thousand

		September 30, 2025		December 31, 2024		September 30, 2024	
Code	Asset	Amount	%	Amount	%	Amount	%
	Current asset						
1100	Cash and cash equivalents (Note 6)	$ 1,839,719	11	$ 1,425,438	9	$ 1,691,361	11
1136	Financial assets at amortized cost - current (Note 8 and 32)	271,374	2	720,283	5	564,725	4
1150	Notes receivable (Note 9)	-	-	3,388	-	-	-
1170	Trade receivables (Note 9)	1,387,908	9	1,372,039	9	1,267,781	8
1200	Other receivables	36,740	-	59,458	-	64,900	-
1220	Current tax assets	3,898	-	6,267	-	5,746	-
130X	Inventories (Note 10)	1,362,626	9	1,437,286	9	1,336,073	8
1470	Other current assets (Note 17 and 31)	139,344	1	97,186	1	111,073	1
11XX	Total current assets	5,041,609	32	5,121,345	33	5,041,659	32
	non-current assets						
1517	Financial assets at fair value through other comprehensive income -non-current (Note 7)	671,847	4	843,849	5	961,114	6
1535	Financial assets at amortized cost - non-current (Note 8 and 32)	18,417	-	18,415	-	18,412	-
1550	Investments accounted for using the equity method (Note 12)	2,200,834	14	2,361,242	15	2,663,531	17
1600	Property, Plant and Equipment (Note 13 and 32)	4,213,389	26	4,288,918	27	4,247,625	27
1755	Right-of-use assets (Note 14)	317,867	2	337,732	2	342,976	2
1805	Goodwill (Note 15)	1,442,858	9	1,137,538	7	1,137,538	7
1821	Other intangible assets (Note 16)	37,257	-	7,251	-	7,224	-
1840	Deferred tax assets (Note 24)	85,467	1	72,811	1	94,515	1
1915	Prepayments for equipment	1,833,312	11	1,336,725	9	1,201,062	7
1990	Other non-current assets (Note 17 and 31)	125,857	1	103,957	1	104,110	1
15XX	Total non-current assets	10,947,105	68	10,508,438	67	10,778,107	68
1XXX	Total assets	$ 15,988,714	100	$ 15,629,783	100	$ 15,819,766	100

Code	Liabilities and Equity	September 30, 2025 Amount	%	December 31, 2024 Amount	%	September 30, 2024 Amount	%
	Current liabilities						
2100	Short-term borrowings (Note 18)	$ 2,051,455	13	$ 950,100	6	$ 950,100	6
2150	Notes payable	882	-	841	-	841	-
2170	Trade payables	611,816	4	610,721	4	685,215	4
2180	Trade payables - related parties (Note 31)	34,777	-	54,774	-	53,923	1
2200	Other payables (Note 19)	662,717	4	741,905	5	615,249	4
2230	Current tax liabilities (Note 24)	109,089	1	89,982	1	118,051	1
2280	Lease liabilities - current (Note 14)	19,915	-	15,897	-	16,188	-
2305	Guarantee deposits - current	63,950	1	123,476	1	168,215	1
2321	Corporate bonds due within one year or one operating cycle (Note 20)	787,079	5	-	-	-	-
2322	Long-term borrowings - current portion (Note 18 and 32)	360,000	2	225,000	1	50,000	-
2399	Other current liabilities (Note 19)	205,871	1	151,812	1	145,208	1
21XX	Total current liabilities	4,907,551	31	2,964,508	19	2,802,990	18
	non-current liabilities						
2530	Corporate bonds payable (Note 20)	-	-	776,258	5	772,662	5
2540	Long-term borrowings (Note 18 and 32)	740,000	4	1,525,000	10	1,700,000	11
2570	Deferred tax liabilities (Note 24)	106,105	1	113,015	-	101,906	-
2580	Lease liabilities - non-current (Note 14)	292,387	2	312,696	2	316,577	2
2640	Defined benefit liabilities - non-current, net	-	-	-	-	4,671	-
2645	Guarantee deposits - non-current	3,994	-	3,996	-	3,997	-
25XX	Total non-current liabilities	1,142,486	7	2,730,965	17	2,899,813	18
2XXX	Total liabilities	6,050,037	38	5,695,473	36	5,702,803	36
	Equity attributable to owners of the parent company (Note 22)						
	Share capital						
3110	Ordinary shares	1,017,975	6	1,017,335	7	1,014,475	7
3200	Capital surplus	3,421,459	22	3,395,507	22	3,357,070	21
	Retained earnings						
3310	Legal reserve	921,319	6	837,417	5	837,417	5
3350	Undistributed earnings	2,073,717	13	2,159,606	14	1,979,748	13
3300	Total retained earnings	2,995,036	19	2,997,023	19	2,817,165	18
	Other equity						
3410	Exchange difference on translating foreign operations	(26,883)	-	(8,399)	-	(4,005)	-
3420	Unrealized gain (loss) of financial assets at fair value through other comprehensive income	389,896	2	539,951	3	974,689	6
3490	Estimated employee compensation	(1,894)	-	(4,023)	-	(5,459)	-
3400	Total other equity	361,119	2	527,529	3	965,225	6
31XX	Total equity attributable to owners of the parent company	7,795,589	49	7,937,394	51	8,153,935	52
36XX	Non-controlling interests	2,143,088	13	1,996,916	13	1,963,028	12
3XXX	Total equity	9,938,677	62	9,934,310	64	10,116,963	64
	Total liabilities and equity	$ 15,988,714	100	$ 15,629,783	100	$ 15,819,766	100

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

(With Deloitte & Touche review report dated November 5, 2025)

Chairman: Dang-Liang Yao　　Manager: Hsien-Chung Wu　　Accountant: Mei-Ying Chiu

(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)

Actron Technology Corporation and Subsidiaries

Consolidated statements of comprehensive income

For the three months and nine months ended September 30, 2025 and 2024

Unit: In thousands of New Taiwan Dollars, except that Earnings Per Share are stated in NT$

Code		For the three months ended September 30, 2025		For the three months ended September 30, 2024		For the nine months ended September 30, 2025		For the nine months ended September 30, 2024	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	Net operating revenue	$ 1,987,180	100	$ 1,976,804	100	$ 6,266,982	100	$ 5,661,178	100
5000	Operating costs (Note 10, 23 and 31)	(1,508,277)	(76)	(1,360,809)	(69)	(4,582,957)	(73)	(3,981,567)	(71)
5900	Gross profit	478,903	24	615,995	31	1,684,025	27	1,679,611	29
	Operating expenses (Note 23)								
6100	Selling and marketing expenses	(45,937)	(2)	(41,421)	(2)	(141,077)	(2)	(114,602)	(2)
6200	Administrative expenses	(142,531)	(7)	(140,918)	(7)	(400,779)	(6)	(405,540)	(7)
6300	Research and Development expenses	(214,130)	(11)	(195,638)	(10)	(593,182)	(10)	(561,954)	(10)
6000	Total operating expenses	(402,598)	(20)	(377,977)	(19)	(1,135,038)	(18)	(1,082,096)	(19)
6900	Operating income	76,305	4	238,018	12	548,987	9	597,515	10
	Non-operating income and expenses (Note 23)								
7100	Interest income	5,496	-	9,997	-	22,626	-	38,837	1
7010	Other income	40,229	2	24,408	1	55,584	1	33,554	1
7020	Other gains and losses	69,733	3	(21,991)	(1)	(79,503)	(1)	74,638	1
7050	Finance costs	(28,038)	(1)	(24,781)	(1)	(85,364)	(1)	(68,673)	(1)
7060	Share of profit of investment in associates and joint ventures accounted for using equity method	56,614	3	50,648	3	96,639	1	136,409	2
7000	Total non-operating income and expenses	144,034	7	38,281	2	9,982	-	214,765	4
7900	Profit before tax	220,339	11	276,299	14	558,969	9	812,280	14
7950	Income tax expense (Note 24)	(34,185)	(2)	(38,088)	(2)	(103,215)	(2)	(125,891)	(2)
8200	Net profit for the period	186,154	9	238,211	12	455,754	7	686,389	12
	Other comprehensive income								
8310	Items not reclassified subsequently to profit or loss:								
8316	Unrealized gain (loss) on investments in equity instruments designated as at fair value through other comprehensive income	340,738	17	32,687	2	(58,277)	(1)	142,829	2
8320	Share of other comprehensive income of associates and joint ventures accounted for using the equity method	185,664	10	(470,064)	(24)	(138,969)	(2)	(308,550)	(5)
8360	Items that may be reclassified subsequently to profit or loss:								
8361	Exchange difference on translating foreign operations	27,935	1	7,629	-	(12,269)	-	19,201	1
8300	Other comprehensive income for the period, net of income tax	554,337	28	(429,748)	(22)	(209,515)	(3)	(146,520)	(2)
8500	Total comprehensive income for the period	$ 740,491	37	($ 191,537)	(10)	$ 246,239	4	$ 539,869	10
	Net profit attributable to:								
8610	Owners of the parent company	$ 198,184	10	$ 217,515	11	$ 472,848	7	$ 659,157	12
8620	Non-controlling interests	(12,030)	(1)	20,696	1	(17,094)	-	27,232	-
8600		$ 186,154	9	$ 238,211	12	$ 455,754	7	$ 686,389	12
	Total comprehensive income (loss) attributable to:								
8710	Owners of the parent company	$ 744,497	37	($ 210,667)	(11)	$ 255,553	4	$ 516,592	9
8720	Non-controlling interests	(4,006)	-	19,130	1	(9,314)	-	23,277	1
8700		$ 740,491	37	($ 191,537)	(10)	$ 246,239	4	$ 539,869	10
	Earnings per share (Note 25)								
	From continuing operations								
9710	Basic	$ 1.95		$ 2.14		$ 4.64		$ 6.50	
9810	Diluted	$ 1.88		$ 2.06		$ 4.50		$ 6.24	

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

(With Deloitte & Touche review report dated November 5, 2025)

Chairman: Dang-Liang Yao   Manager: Hsien-Chung Wu   Accountant: Mei-Ying Chiu

(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)

Actron Technology Corporation and Subsidiaries

Consolidated statements of changes in equity

For the nine months ended September 30, 2025 and 2024

Unit: NT$ thousand

		Equity attributable to owners of the parent company								
						Other equity				
		Share capital		Retained earnings						
Code		Ordinary shares	Capital surplus	Legal reserve	Undistributed earnings	Exchange difference on translating foreign operations	Unrealized gain (loss) of financial assets at fair value through other comprehensive income	Estimated employee compensation	Non-controlling interests	Total equity
A1	Balance on January 1, 2024	$ 1,014,475	$ 3,317,903	$ 763,987	$ 1,901,258	($ 23,206)	$ 1,136,455	($ 7,097)	$ 1,930,475	$ 10,034,250
	Appropriation of 2023 earnings									
B1	Legal reserve	-	-	73,430	(73,430)	-	-	-	-	-
B5	Cash dividends	-	-	-	(507,237)	-	-	-	-	(507,237)
C7	Changes in equity of investment in associates accounted for using equity method	-	1,050	-	-	-	-	-	-	1,050
M7	Changes in percentage of ownership interest in subsidiaries	-	(437)	-	-	-	-	-	3,387	2,950
N1	Share-based Payment	-	38,554	-	-	-	-	1,638	8,463	48,655
O1	Liquidating dividend from a subsidiary	-	-	-	-	-	-	-	(2,574)	(2,574)
D1	Net profit for the nine months ended September 30, 2024	-	-	-	659,157	-	-	-	27,232	686,389
D3	Other comprehensive income (loss) for the nine months ended September 30, 2024	-	-	-	-	19,201	(161,766)	-	(3,955)	(146,520)
D5	Total comprehensive income for the nine months ended September 30, 2024	-	-	-	659,157	19,201	(161,766)	-	23,277	539,869
Z1	Balance on September 30, 2024	$ 1,014,475	$ 3,357,070	$ 837,417	$ 1,979,748	($ 4,005)	$ 974,689	($ 5,459)	$ 1,963,028	$ 10,116,963
A1	Balance on January 1, 2025	$ 1,017,335	$ 3,395,507	$ 837,417	$ 2,159,606	($ 8,399)	$ 539,951	($ 4,023)	$ 1,996,916	$ 9,934,310
	Appropriation of 2024 earnings									
B1	Legal reserve	-	-	83,902	(83,902)	-	-	-	-	-
B5	Cash dividend	-	-	-	(426,079)	-	-	-	-	(426,079)
C7	Changes in equity of investment in associates accounted for using equity method	-	1,890	-	-	-	-	-	-	1,890
M7	Changes in percentage of ownership interest in subsidiaries	-	(286)	-	-	-	-	-	2,056	1,770
Q1	Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	(48,756)	-	48,756	-	-	-
N1	Share-based payment transactions for subsidiaries	-	334	-	-	-	-	2,129	5,358	7,821
N1	Share-based payment transactions	-	17,636	-	-	-	-	-	-	17,636
G1	Exercise of employee stock warrants	640	6,378	-	-	-	-	-	-	7,018
C1	Generated from consolidation	-	-	-	-	-	-	-	181,230	181,230
O1	Cash dividend of subsidiaries	-	-	-	-	-	-	-	(33,158)	(33,158)
D1	Net profit for the nine months ended September 30, 2025	-	-	-	472,848	-	-	-	(17,094)	455,754
D3	Other comprehensive income (loss) for the nine months ended September 30, 2025	-	-	-	-	(18,484)	(198,811)	-	7,780	(209,515)
D5	Total comprehensive income for the nine months ended September 30, 2025	-	-	-	472,848	(18,484)	(198,811)	-	(9,314)	246,239
Z1	Balance on September 30, 2025	$ 1,017,975	$ 3,421,459	$ 921,319	$ 2,073,717	($ 26,883)	$ 389,896	($ 1,894)	$ 2,143,088	$ 9,938,677

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

(With Deloitte & Touche review report dated November 5, 2025)

Chairman: Dang-Liang Yao Manager: Hsien-Chung Wu Accountant: Mei-Ying Chiu

(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)

Actron Technology Corporation and Subsidiaries

Consolidated Statements of Cash Flows

For the nine months ended September 30, 2025 and 2024

Unit: NT$ thousand

Code		For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
	Cash flows from operating activities		
A00010	Profit before tax from continuing operations	$ 558,969	$ 812,280
A20010	Adjustments for:		
A20100	Depreciation expenses	435,615	402,272
A20200	Amortization expenses	7,759	3,323
A20300	Gain on reversal of expected credit impairment loss	(37)	(136)
A20900	Finance costs	85,364	68,673
A21200	Interest income	(22,626)	(38,837)
A21300	Dividend income	(13,000)	(17,607)
A21900	Compensation cost related to share-based payment	25,457	48,655
A22300	Share of profit of investment in associates and joint ventures accounted for using equity method	(96,639)	(136,409)
A22500	Loss (gain) on disposal of property, plant and equipment	477	(3,471)
A23700	Impairment loss and obsolescence on inventory	5,083	1,275
A24100	Unrealized foreign currency exchange (gains) losses	(3,677)	13,936
A29900	Lease modification benefit	(42)	-
A30000	Net changes in operating assets and liabilities		
A31130	Notes receivable	3,388	-
A31150	Trade receivables	(12,135)	(252,629)
A31180	Other receivables	22,766	(25,414)
A31200	Inventory	75,986	(119,928)
A31240	Other current assets	(28,969)	(67,506)
A32130	Notes payable	41	678
A32150	Trade payables	(1,609)	57,720
A32160	Trade payables to related parties	(19,262)	(39,176)
A32180	Other payables	(88,655)	23,447
A32230	Other current liabilities	53,197	22,664
A32240	Net defined benefit liabilities	(11,302)	(1,914)
A33000	Net cash generated from operating activities	976,149	751,896
A33100	Interest received	23,109	44,008
A33200	Dividend received	132,716	137,993
A33300	Interest paid	(74,876)	(57,881)
A33500	Income tax paid	(99,611)	(113,601)
AAAA	Net cash inflows from operating activities	957,487	762,415

(to be continued)

(continued)

Code		For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
	Cash flows from investing activities		
B00010	Purchases of financial assets at fair value through other comprehensive income	($ 29,558)	$ -
B00050	Disposal of financial assets at amortized cost	448,907	401,409
B02700	Purchases of property, plant and equipment	(273,521)	(257,140)
B02800	Proceeds from disposal of property, plant and equipment	3	3,996
B03700	Increase in refundable deposits	-	(3,944)
B03800	Decrease in refundable deposits	1,306	-
B04500	Purchases of intangible assets	(16,313)	(2,121)
B05000	Cash outflow from the merger.	(47,184)	-
B07100	Increase in prepayments for equipment	(549,304)	(810,907)
B02000	Increase in other non-current assets	(8,724)	(88,138)
BBBB	Net cash outflows from investing activities	(474,388)	(756,845)
	Cash flows from financing activities		
C00100	Proceeds from short-term borrowings	1,101,355	-
C00200	Decrease in short-term borrowings	-	(400,000)
C01600	Proceeds from long-term borrowings	251,000	1,500,000
C01700	Repayments of long-term borrowings	(901,000)	(700,000)
C03100	Decrease in guarantee deposits received	(59,528)	(120,506)
C04020	Repayments of the principal portion of lease liabilities	(12,665)	(12,173)
C04500	Dividend payments	(426,079)	(507,237)
C04800	Exercise of employee stock warrants	7,018	-
C05800	Change in non-controlling interests	(31,388)	2,950
C09900	Liquidating dividend from a subsidiary	-	(2,574)
CCCC	Net cash outflows from financing activities	(71,287)	(239,540)
DDDD	Effects of exchange rate changes on the balance of cash held in foreign currencies	2,469	4,874
EEEE	Net increase (decrease) in cash and cash equivalents for the period	414,281	(229,096)
E00100	Cash and cash equivalents at the beginning of the period	1,425,438	1,920,457
E00200	Cash and cash equivalents at the end of the period	$ 1,839,719	$ 1,691,361

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

(With Deloitte & Touche review report dated November 5, 2025)

Chairman: Dang-Liang Yao Manager: Hsien-Chung Wu Accountant: Mei-Ying Chiu

(English Translation of the Consolidated Financial Statements Originally Issued in Chinese)

Actron Technology Corporation and Subsidiaries

Notes to consolidated financial statements

For the nine months ended September 30, 2025 and 2024

(Unless otherwise stated, in thousands of New Taiwan Dollars)

1. History

Actron Technology Corporation (hereinafter referred to as the Company) was established in accordance with the Company Act of the Republic of China in November 1998, and its main business activities include the research and development, design, manufacture, and sales of rectifiers and voltage regulators for automotive applications.

The Company's shares have been listed on the Taipei Exchange since April, 2006.

The consolidated financial statements of the Company and its subsidiaries, hereto forth collectively referred to as the Group, are presented in the Company's functional currency, the New Taiwan Dollar.

2. Date and procedures for approval of financial statements

These consolidated financial statements were approved by the board of directors on November 5, 2025.

3. Application of new, amended and revised standards and interpretations

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

Amendments to IAS 21 "Lack of Exchangeability"

The application of the amendments to IAS 21, "Lack of Exchangeability," does not have a material impact on the consolidated company's accounting policies.

(2) IFRSs 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”	January 1, 2026
Amendments to IFRS 9 and IFRS 7 - “Contracts Referencing Nature-dependent Electricity”	January 1, 2026
“Annual Improvements to IFRS Accounting Standards — Volume 11”	January 1, 2026
IFRS 17 "Insurance Contracts" (including amendments in 2020 and 2021)	January 1, 2023

<u>Amendments to IFRS 9 and IFRS 7 - “Amendments to the Classification and Measurement of Financial Instruments”</u>

1. Regarding the application guidance on the classification of financial assets

The amendments mainly revised regulations governing the classification of financial assets, including:

A. If financial assets contain a contingent event that could change the timing or amount of contractual cash flows, and the nature of the contingent event is not directly related to a change in basic lending risks and cost (such as whether the debtor has achieved a specific carbon reduction), the contractual cash flows of such financial assets are solely payments of the principal and the interest on the outstanding principal amount when the following two conditions are met:

- Contractual cash flows that may arise in all possible scenarios (before or after the contingent event) are solely payments of the principal and the interest on the outstanding principal amount; and
- There is no significant difference between the contractual cash flows that may arise in all possible scenarios and the cash flows of financial instruments with the same contractual terms but without a contingent feature.

B. The amendments clarify that a financial asset has non-recourse features if an entity's ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.

C. The amendments clarify that contractually linked instruments are multiple tranches established through a waterfall payment structure to determine the order in which payments are made to the holders of financial assets, resulting in concentrations of credit risk and a disproportionate allocation of shortfall in cash from the asset pool between different tranches.

2. Regarding the application guidance on the derecognition of financial liabilities

The amendment primarily clarifies that financial liabilities should be derecognized on the settlement date. However, companies using electronic payment systems for cash settlement of financial liabilities may elect to derecognize them prior to the settlement date if the following conditions are met:

- The enterprise does not have the practical ability to revoke, suspend, or cancel the payment instruction;
- The enterprise lacks the actual ability to access the cash required for settlement as it is obligated to make payment as directed; and
- The settlement risk associated with the electronic payment system is not material.

The consolidated company shall apply the amendments retrospectively without restating comparative periods, and recognize the effects of initial application as of the date of initial application. However, an entity may opt to restate comparative information if it is possible to do so without hindsight.

(3) New IFRSs in issue by IASB but not yet endorsed and issued into effect by the FSC

New, amended and revised standards and interpretations	Effective Date Announced by IASB (Note 1)
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between An Investor and Its Associate or Joint Venture"	To be determined
IFRS 18 "Presentation and Disclosure in Financial Statements"	January 1, 2027 (Note 2)
IFRS 19 "Subsidiaries without Public Accountability: Disclosures" (including amendments for 2025)	January 1, 2027

Note 1: Unless stated otherwise, the above new, amended and revised standards and interpretations are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: The Financial Supervisory Commission (FSC) announced on September 25, 2025 that IFRS 18 will take effect starting from January 1, 2028, with early adoption permitted.

IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 will replace IAS 1 "Presentation of Financial Statements", and major changes to the said standard include:

- All items of income and expense in the statement of profit or loss shall be classified in one of five categories: operating, investing, financing, income taxes and discontinued operations.
- Subtotals and totals of operating profit or loss, profit or loss before financing and income taxes, and profit or loss shall be presented in the statement of profit or loss.
- Introduction of requirements to improve aggregation and disaggregation: The Group is required to identify assets, liabilities, equity, income and expenses that arise from individual transactions or other events, and to classify them into groups based on shared characteristics, resulting in line items in the primary financial statements that share at least one characteristic. These groups are then separated based on further dissimilar characteristics in the primary financial statements and the notes. The Group uses the label 'other' only when unable to find a more informative label.

- Introduction of disclosures about Management-defined Performance Measures (MPMs): In public communications outside financial statements and communications to users of financial statements regarding management's view of an aspect of the financial performance of the Group as a whole, the Group shall disclose about its MPMs in a single note to the financial statements, and the note shall include a description of the MPM, a description of how the MPM is calculated, a reconciliation between the MPM and the total or subtotal required by IFRS Accounting Standards, including the income tax effect and the effect on non-controlling interests for each item disclosed in the reconciliation, etc. for each MPM.

Other than the effects stated above, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing other effects that the application of various standards and interpretations will have on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. Summary of significant accounting policies

(1) 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 consolidated financial statements is less than the disclosure information required in a complete set of annual financial statements by IFRS Accounting Standards.

(2) 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, are described as follows:

1. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities on the measurement date;
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 an asset or liability.

(3) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (the "subsidiaries"). Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of comprehensive income from the effective dates of acquisitions or up to the effective dates of disposals. Adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those of the Group. 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.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the interests of the Group and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

Please refer to Note 11, Table 5 and Table 6 for detailed information on subsidiaries, percentage of ownership and main business activity.

(4) Business combinations

The acquisition method is used for all business combinations. All costs associated with an acquisition must be expensed in the period such costs incur and services received.

Goodwill is measured as the difference between the aggregate of the fair value of the consideration transferred, the amount of any non-controlling interests, and the acquisition-date fair value of the acquirer's previously-held equity interest in the acquiree, and the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net amount of identifiable assets acquired and liabilities assumed at the acquisition date exceeds the aggregate of the transfer consideration and the fair value of the acquirer’s previously held equity interest in the acquiree at the acquisition date, the difference shall be recognized as a bargain purchase gain immediately in profit or loss.

Non-controlling interests having present ownership interests in the acquiree that entitle holders to a proportionate share of the entity's net assets in the event of a liquidation are measured at the non-controlling interest’s proportionate share of identifiable net assets of the acquiree recognized. Other non-controlling interests are measured at fair value.

(5) Other significant accounting policies

Except for the followings, please refer to the consolidated financial statements for the year ended December 31, 2024 for the summary of significant accounting policies.

1. Carbon fee provisions

The carbon fee provisions recognized in accordance with the related laws and regulations of the Republic of China, such as the Regulations Governing the Collection of Carbon Fees, are based on the best estimate of the expenditures required to settle the obligations in the current year. These provisions are recognized and measured based on the proportion of actual emissions to annual emissions.

2. Defined benefit post-retirement benefit

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.

3. Taxation

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. Critical accounting judgments and key sources of estimation uncertainty

Please refer to the consolidated financial statements for the year ended December 31, 2024 for the critical accounting judgments and key sources of estimation uncertainty.

6. Cash and cash equivalents

	September 30, 2025	December 31, 2024	September 30, 2024
Cash on hand and petty cash	$ 1,162	$ 655	$ 824
Checking accounts and demand deposits	1,345,454	881,023	935,336
Cash equivalents			
Bonds sold under repurchase agreement	121,687	224,082	50,000
Time deposits with original maturity within three months	371,416	319,678	705,201
	$ 1,839,719	$ 1,425,438	$ 1,691,361

7. Financial assets at fair value through other comprehensive income -non-current

	September 30, 2025	December 31, 2024	September 30, 2024
Domestic investments	$ 611,558	$ 448,844	$ 573,617
Foreign investments	60,289	395,005	387,497
	$ 671,847	$ 843,849	$ 961,114

The above investments are held for medium to long-term strategic purposes and expected to generate return over the long run. Accordingly, the management elected to designate these investments as at financial assets at fair value through other comprehensive income as it believes that recognizing the short-term fluctuations of fair value in profit or loss would not be consistent with the Group's long-term investment strategy.

8. Financial assets at amortized cost

	September 30, 2025	December 31, 2024	September 30, 2024
Current			
Time deposits with original maturity over three months	$ 271,374	$ 720,283	$ 564,725
Non-current			
Pledged time deposits	$ 18,417	$ 18,415	$ 18,412

Please refer to Note 32 for information related to investments in financial assets at amortized cost pledged as security.

9. Notes receivable and trade receivables

	September 30, 2025	December 31, 2024	September 30, 2024
Notes receivable			
At amortized cost			
Gross carrying amount	$ -	$ 3,400	$ -
Less: Allowance for impairment loss	-	(12)	-
	$ -	$ 3,388	$ -
Trade receivables			
At amortized cost			
Gross carrying amount	$ 1,331,581	$ 1,217,475	$ 1,131,831
Less: Allowance for impairment loss	(2,083)	(2,120)	(2,129)
	1,329,498	1,215,355	1,129,702
At fair value through profit or loss	58,410	156,684	138,079
	$ 1,387,908	$ 1,372,039	$ 1,267,781

(1) Notes receivable

The aging of notes receivable was as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Not past due	$ -	$ 2,148	$ -
Past due	-	1,252	-
	$ -	$ 3,400	$ -

(2) Trade receivables at amortized cost

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 receivables. 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 expected credit losses. The lifetime expected credit losses are estimated by reference to the past default history of the customer, the customer's current financial position, economic condition of the industry in which the customer operates, as well as the overall economic condition and industry outlook. As of September 30, 2025, and December 31 and September 30, 2024, the expected credit loss rates on trade receivables were 0.01%~100%, 0.01%~100% and 0.02%~100%, respectively.

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

The aging of trade receivables was as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Not past due	$ 1,325,736	$ 1,169,927	$ 1,078,575
Past due within 30 days	3,421	16,537	17,716
Past due 31 to 60 days	1,175	24,911	30,557
Past due 61 to 90 days	-	2,552	4,926
Past due 91 to 120 days	-	2,999	-
Past due 121 to 150 days	764	542	57
Past due 151 to 180 days	485	-	-
Past due over 181 days	-	7	-
Total	$ 1,331,581	$ 1,217,475	$ 1,131,831

The aging of trade receivables above was based on number of past due days.

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

	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Beginning balance	$ 2,120	$ 2,265
Less: Reversal of impairment loss for the period	(37)	(136)
Ending balance	$ 2,083	$ 2,129

(2) Trade receivables at fair value through profit or loss

The Group will sell its trade receivables at fair value through profit or loss to banks without recourse, and the risk and return associated to these trade receivables are mostly transferred to banks upon the sale resulting in the derecognition of these trade receivables from the balance sheet. The objective of the Group's business model is not to hold these trade receivables to collect the contractual cash flows or achieve objective by both collecting contractual cash flows and selling financial assets, so these trade receivables are measured at fair value.

10. Inventory

	September 30, 2025	December 31, 2024	September 30, 2024
Finished good	$ 543,658	$ 564,604	$ 467,833
Work in progress	327,948	339,513	329,967
Raw materials	491,020	533,169	538,273
	$ 1,362,626	$ 1,437,286	$ 1,336,073

The costs of inventories recognized as cost of goods sold for the three months and nine months ended September 30, 2025 and 2024 were NT$1,508,277 thousand, NT$1,360,809 thousand, NT$4,582,957 thousand and NT$3,981,567 thousand, respectively. The impairment and obsolescence losses (gains from price recovery) on inventories included in cost of goods sold for the three months and nine months ended September 30, 2025 and 2024 were NT$1,817 thousand, NT$2,472 thousand, NT$5,083 thousand and NT$1,275 thousand, respectively.

11. Subsidiaries

(1) Subsidiaries included in consolidated financial statements

The entities included in these consolidated financial statements are as follows:

Investor	Subsidiary	Main business activity	% of Ownership September 30, 2025	% of Ownership December 31, 2024	% of Ownership September 30, 2024	Remark
The Company	Ding-Wei Technology Co., Ltd.	Manufacture of electronic components and motor parts	100%	100%	100%	1
The Company	Smooth International Limited Corporation	Investment	100%	100%	100%	1
Smooth International Limited Corporation	Smooth Autocomponent Limited	Investment	100%	100%	100%	1
Smooth Autocomponent Limited	Smooth Autocomponent Limited	Manufacture of motor parts	100%	100%	100%	1
The Company	Rec Technology Corporation	Manufacture of motor parts	49%	49%	49%	Notes 1 and 2
The Company	Bigbest Solutions, Inc.	Manufacture of motors	28%	28%	28%	Notes 1 and 2
The Company	Mosel Vitelic Inc.	Semiconductors	29%	29%	29%	Notes 3, 4 and 5
The Company	Anjet Corporation	Semiconductors	33%	-	-	Notes 1 and 8
Anjet Corporation	Anjet Corporation	Production and sales of electronic components, information software services, and other design businesses.	100%	-	-	Notes 1 and 8
Anjet Corporation	Anjie Core Technology (Beijing) Co., Ltd.	Sales of electronic components	100%	-	-	Notes 1 and 8
Anjet Corporation	Anjet Research Lab Co., Ltd.	R&D and design of electronic components	100%	-	-	Notes 1 and 8
Mosel Vitelic Inc.	Giant Haven Investments Ltd. (B.V.I)	Holding company	100%	100%	100%	4
Mosel Vitelic Inc.	Mou Fu Investment Consultant Ltd.	Leasing, manpower dispatch and various services	-	100%	100%	7
Mosel Vitelic Inc.	Bou-Der Investment, Ltd.	Investment	-	47%	47%	Notes 1 and 6
Mosel Vitelic Inc.	DenMOS Technology Inc.	R&D, design, manufacturing and sale of LCD driving ICs and other application-specific ICs	84%	80%	80%	1
Mou Fu Investment Consultant Ltd.	Bou-Der Investment, Ltd.	Investment	-	50%	50%	Notes 1, 6 and 7
Mou Fu Investment Consultant Ltd.	DenMOS Technology Inc.	R&D, design, manufacturing and sale of LCD driving ICs and other application-specific ICs	-	4%	4%	Notes 1 and 7

Note 1: This is a non-significant subsidiary, of which the financial statements for the nine months ended September 30, 2025 and 2024 were not reviewed by independent accountants.

Note 2: The Group is the single shareholder holding the largest portion of equity and had the ability to direct the relevant activities by directing and monitoring investee's strategies on finance, operation and human resources. Thus, the investee is deemed as a subsidiary of the Company. The Group is the single shareholder holding the largest portion of equity and had the ability to direct the relevant activities by directing and monitoring investee's strategies on finance, operation and human resources. Thus, the investee is deemed as a subsidiary of the Company.

Note 3: The Group acquired de facto control over the said company and had the ability to direct the relevant activities by directing and monitoring investee's strategies on finance, operation and human resources. Thus, the investee is deemed as a subsidiary of the Company.

Note 4: The Group's independent auditors did not review the financial statements, which were reviewed by other independent directors.

Note 5: The investee is a subsidiary with a material non-controlling interest.

Note 6: The subsidiary Bou-Der Investment, Ltd. was liquidated on January 14, 2025.

Note 7: In order to integrate group resources, Mosel Vitelic Inc. absorbed and merged with Mou-Fu Investment Consultant., Ltd.. Mosel Vitelic Inc. was the surviving entity, and Mou-Fu Investment Consultant., Ltd. was the dissolved entity. The base date for this merger was July 1, 2025, and the approval letter for the merged dissolution registration was obtained from the Ministry of Economic Affairs on August 18, 2025.

Note 8: The consolidated company acquired shares of Anjet Corporation through participation in a capital increase and purchase of shares from original shareholders on July 27, 2025. Combined with previously held shares recorded as financial assets measured at other comprehensive income, the total shareholding reached 33%, making it the single largest shareholder. The company now has the substantive ability to direct and oversee Anjet Corporation's financial, operational, and personnel policies, and exercises substantive control over its relevant activities. Consequently, Anjet Corporation and its subsidiaries have been included in the Group's consolidated scope. Please refer to Note 27 for further information.

(2) Subsidiaries not included in consolidated financial statements: None.

(3) Information on subsidiaries with a material non-controlling interest.

			% of Ownership and Voting Rights Held by Non-controlling Interests		
Company Name	Main business activity	Main business location	September 30, 2025	December 31, 2024	September 30, 2024
Mosel Vitelic Inc.	Semiconductors	Hsinchu City	71%	71%	71%

Please refer to Table 5 for information of main business location and countries of incorporation.

Mosel Vitelic Inc. is a listed company in Taiwan, and relevant financial information can be found on the TWSE Market Observation Post System. Hence, the summarized financial information is not disclosed herein.

12. Investments accounted for using the equity method

	September 30, 2025	December 31, 2024	September 30, 2024
Investments in Associates	$ 1,458,312	$ 1,469,367	$ 1,451,633
Investments in Joint Ventures	742,522	891,875	1,211,898
	$ 2,200,834	$ 2,361,242	$ 2,663,531

(1) Investments in Associates

Material Associates

			% of Ownership and Voting Rights		
Company Name	Main business activity	Main business location	September 30, 2025	December 31, 2024	September 30, 2024
Excelliance MOS Corporation	Semiconductors	Hsinchu City	29%	29%	29%

In the Group's board of directors' meeting on January 11, 2023, approved the subscription to the ordinary shares to be issued for the cash capital increase through the private placement of Excelliance MOS Corporation, and the Company obtained 15,000 thousand ordinary shares of Excelliance MOS Corporation.

The Level 1 fair value of associate with open market price is as follow:

Company Name	September 30, 2025	December 31, 2024	September 30, 2024
Excelliance MOS Corporation	$ 1,125,000	$ 1,371,000	$ 1,545,000

Excelliance MOS Corporation is a TPEx listed company in Taiwan. The relevant financial information can be found on the Market Observation Post System, so the aggregate financial information is not disclosed.

(2) Investments in Joint Ventures

Material Joint Ventures

Company Name	Main business activity	Main business location
Hong Wang Investment Co., Ltd.	Investment	New Taipei City

	September 30, 2025	December 31, 2024	September 30, 2024
% of Ownership	30%	30%	30%
% of Voting Rights	37%	37%	37%

The share of profit (loss) and other comprehensive income of associates and joint ventures accounted for using the equity method were calculated based on the joint venture's unreviewed financial statements. However, the Group's management believes the unreviewed financial statements will not have any material influence.

13. Property, plant and equipment

	Freehold Land	Building	Machinery Equipment	Transportation Equipment	Other Equipment	Property under construction	Total
Cost							
Balance on January 1, 2024	$ 430,240	$ 5,775,634	$ 17,361,784	$ 9,033	$ 721,548	$ 5,670	$ 24,303,909
Additions	-	27,449	162,725	1,705	38,075	90,666	320,620
Disposals	-	(1,051)	(781,783)	(359)	(10,889)	-	(794,082)
Reclassifications	-	5,670	-	-	-	(5,670)	-
Net exchange differences	-	9,949	5,564	20	4,654	-	20,187
Balance on September 30, 2024	$ 430,240	$ 5,817,651	$ 16,748,290	$ 10,399	$ 753,388	$ 90,666	$ 23,850,634
Accumulated depreciation and impairment							
Balance on January 1, 2024	$ 24,476	$ 3,639,187	$ 15,795,821	$ 3,267	$ 539,053	$ -	$ 20,001,804
Disposals	-	(1,051)	(781,330)	(287)	(10,889)	-	(793,557)
Depreciation expenses	-	96,659	252,442	1,009	37,501	-	387,611
Net exchange differences	-	914	3,995	10	2,232	-	7,151
Balance on September 30, 2024	$ 24,476	$ 3,735,709	$ 15,270,928	$ 3,999	$ 567,897	$ -	$ 19,603,009
Net balance on September 30, 2024	$ 405,764	$ 2,081,942	$ 1,477,362	$ 6,400	$ 185,491	$ 90,666	$ 4,247,625
Cost							
Balance on January 1, 2025	$ 430,240	$ 5,952,700	$ 16,794,731	$ 10,394	$ 776,275	$ 7,195	$ 23,971,535
Additions	-	65,974	192,784	-	64,535	10,816	334,109
Disposals	-	(4,676)	(168,708)	-	(5,262)	-	(178,646)
Reclassifications	-	7,155	-	-	-	(7,155)	-
Acquisition in a business combination	-	-	-	-	52,717	-	52,717
Net exchange differences	-	(10,508)	(5,882)	(25)	(4,835)	-	(21,250)
Balance on September 30, 2025	$ 430,240	$ 6,010,645	$ 16,812,925	$ 10,369	$ 883,430	$ 10,856	$ 24,158,465
Accumulated depreciation							
Balance on January 1, 2025	$ 24,476	$ 3,766,772	$ 15,309,774	$ 4,363	$ 577,232	$ -	$ 19,682,617
Disposals	-	(4,676)	(168,240)	-	(5,250)	-	(178,166)
Depreciation expenses	-	97,074	276,230	1,092	46,141	-	420,537
Acquisition in a business combination	-	-	-	-	28,199	-	28,199
Net exchange differences	-	(1,145)	(4,442)	(6)	(2,518)	-	(8,111)
Balance on September 30, 2025	$ 24,476	$ 3,858,025	$ 15,413,322	$ 5,449	$ 643,804	$ -	$ 19,945,076
Net balance on September 30, 2025	$ 405,764	$ 2,152,620	$ 1,399,603	$ 4,920	$ 239,626	$ 10,856	$ 4,213,389

There was no significant impairment of the consolidated company's property, plant and equipment from January 1 to September 30, 2025 and 2024. The Company's property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	
Plants	36~56 years
Mechanical and electrical equipment and engineering systems	2~56 years
Machinery Equipment	2~20 years
Transportation Equipment	2~6 years
Other Equipment	2~21 years

Please refer to Note 32 for information related to the property, plant and equipment pledged as security.

14. Lease arrangements

(1) Right-of-use assets

	September 30, 2025	December 31, 2024	September 30, 2024
Carrying Amount			
Land	$ 291,638	$ 313,142	$ 316,334
Building	24,249	22,011	23,686
Transportation Equipment	652	878	1,131
Other Equipment	1,328	1,701	1,825
	$ 317,867	$ 337,732	$ 342,976

	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Additions to right-of-use assets	$ 2,425	$ -	$ 2,425	$ -
Acquisition in a business combination	$ 6,060	$ -	$ 6,060	$ -
Depreciation expenses for right-of-use assets				
Land	$ 2,779	$ 2,905	$ 8,390	$ 8,708
Building	2,708	1,670	6,053	4,998
Transportation Equipment	88	190	262	582
Information equipment	124	124	373	373
	$ 5,699	$ 4,889	$ 15,078	$ 14,661

The underlying assets of the Group's leases include lands, buildings, company vehicles and digital security cameras. Except for lease contracts for lands with durations ranging between 32 and 50 years, the durations for the remaining lease contracts generally range between 1 and 4 years. Lease contracts are negotiated on an individual basis, and their terms and conditions may vary.

Except for the additions and depreciation expenses listed above, there was no major sublease or impairment of the Group's right-of-use assets for the nine months ended September 30, 2025 and 2024.

(2) Lease liabilities

	September 30, 2025	December 31, 2024	September 30, 2024
Carrying Amount			
Current	$ 19,915	$ 15,897	$ 16,188
Non-current	$ 292,387	$ 312,696	$ 316,577

Range of discount rate for lease liabilities was as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Land	2.53%	2.53%	2.53%
Building	1.75% ~ 4.35%	2.003% ~ 4.35%	2.003% ~ 4.35%
Transportation Equipment	0.85% ~ 1.88%	0.85% ~ 1.88%	0.85% ~ 1.88%
Other Equipment	2.53%	2.53%	2.53%

(3) Other lease information

	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Expenses relating to short-term leases	$ 2,053	$ 1,830	$ 6,272	$ 5,071
Expenses relating to low-value asset leases	$ 70	$ 178	$ 209	$ 393
Total cash (outflow) for leases	($ 8,878)	($ 8,184)	($ 25,030)	($ 23,977)

15. Goodwill

	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Cost		
Beginning balance	$ 1,421,174	$ 1,421,174
Acquisition in a business combination	305,320	-
	$ 1,726,494	$ 1,421,174
Accumulated impairment		
Beginning balance	$ 283,636	$ 283,636
Recognition in the period	-	-
Ending balance	$ 283,636	$ 283,636
Net at the end of the period	$ 1,442,858	$ 1,137,538

16. Other intangible assets

	Software
Cost	
Balance on January 1, 2024	$ 79,309
Additions	2,121
Balance on September 30, 2024	$ 81,430
Accumulated amortization	
Balance on January 1, 2024	$ 70,883
Amortization expenses	3,323
Balance on September 30, 2024	$ 74,206
Net balance on September 30, 2024	$ 7,224
Cost	
Balance on January 1, 2025	$ 82,215
Additions	16,313
Disposals	(16,388)
Acquisition in a business combination	32,809
Net exchange differences	9
Balance on September 30, 2025	$ 114,958
Accumulated amortization	
Balance on January 1, 2025	$ 74,964
Amortization expenses	7,759
Disposals	(16,388)
Acquisition in a business combination	11,329
Net exchange differences	37
Balance on September 30, 2025	$ 77,701
Net balance on September 30, 2025	$ 37,257
Net balance on December 31, 2024 and January 1, 2025	$ 7,251

There was no major impairment of the Group's other intangible assets for the nine months ended September 30, 2025 and 2024. The intangible assets with limited useful lives above are amortized on a straight-line basis over 1~10 years.

17. Other assets

	September 30, 2025	December 31, 2024	September 30, 2024
Current			
Prepayments	$ 89,844	$ 86,572	$ 82,505
Overpaid sales tax	44,061	10,108	26,723
Others	5,439	506	1,845
	$ 139,344	$ 97,186	$ 111,073
Non-current			
Refundable deposits	$ 105,747	$ 15,735	$ 15,972
Net defined benefit assets	11,386	84	-
Prepayments for investments	-	88,138	88,138
Other prepayments	8,724	-	-
Long-term accounts receivable	387,055	397,055	397,055
Long-term advance payment	58,418	58,418	58,418
Less: Allowance for impairment loss	(445,473)	(455,473)	(455,473)
	$ 125,857	$ 103,957	$ 104,110

With regard to the polycrystalline silicon wafer purchase and sale contracts “Original Contract” and “Supplementary Agreement” between the subsidiary Mosel Vitelic Inc. (referred to as “Mosel Vitelic”) and Jiangxi LDK Solar High-Tech Co., Ltd. (referred to as “LDK”), since both parties failed to reach a consensus on the unit price of polycrystalline silicon wafers, according to the terms and conditions of the “Original Contract”, Mosel Vitelic informed LDK that the Contract shall be terminated automatically on April 1, 2010 and requested LDK to return the prepayment of US$28,611 thousand (under long-term accounts receivable). With regard to the dispute over the “Original Contract” and “Supplementary Agreement”, LDK filed an arbitration proceeding with the Hong Kong International Arbitration Centre. The arbitration court was established on May 27, 2011 and made a verdict with the issuance of a final decision on June 11, 2013. For the claim filed by Mosel Vitelic against LDK and the claim filed by LDK against the Company, each party received one favorable judgment and one unfavorable judgment respectively. According to the result of the arbitration, Mosel Vitelic had not breached the “Original Contract” for the unpurchased remaining quantity; however, Mosel Vitelic should indemnify the loss for the remaining unpurchased quantity according to the “Supplementary Agreement”, pay the default fine for not providing IC wafer recovery material according to the “Original Contract” and return the material recovery amount previously paid by LDK. The total amount of these three items was US$13,532 thousand, recognized under the other losses by Mosel Vitelic. In addition, regarding the payable amount of US$2,836 thousand to LDK originally credited under accounts payable and the aforementioned total amount of the three items of US$13,532 thousand of Mosel Vitelic, after offsetting with the long-term accounts receivable of US$28,611 thousand of Mosel Vitelic from LDK, the prepayment required to be returned by LDK to Mosel Vitelic was US$12,243 thousand. Accordingly, for this case, Mosel Vitelic has retained an attorney to file a petition for compulsory execution with the Intermediate People's Court of Xinyu Municipality, Jiangxi Province, the People's Republic of China, and the Court has accepted the case and informed LDK to fulfill the obligation specified in the final decision. On December 18, 2017, LDK' reorganizer informed Mosel Vitelic to receive the credit amount of RMB 2,093 thousand. Mosel Vitelic may choose to receive payment in installments or in the form of shares. Based on the consideration of the timing and possibility of recovering such an amount and the operational status of LDK, Mosel Vitelic chose the payment in the form of shares for LDK's debt. However, until now, Mosel Vitelic has not received any further notice from LDK, and LDK still refuses to assist Mosel Vitelic in understanding relevant matters, such that Mosel Vitelic has not yet received the debt repayment from LDK. In addition to the legal action taken in China, Mosel Vitelic has also filed compulsory execution proceedings on the assets or creditor's rights of LDK in Taiwan in order to protect its rights and interests. Regarding this case, arising from a legal dispute over compensation, the Supreme Court, having determined that Mosel Vitelic Inc. was justified in filing an appeal, reversed the original judgment and remanded the case to the High Court for further review. As of September 30, 2025, the Company has recovered part of LDK's claims in Taiwan.

After assessing and considering the recoverability of long-term receivables and the performance capability of prepayment suppliers, Mosel Vitelic Inc. has fully recognized impairment losses (see Note 33(2)).

Mosel Vitelic Inc. recovered part of the payment of NT$10,000 thousand in June 2025, resulting in the derecognition of long-term receivables and accumulated impairment loss, and the recognition of a reversal of impairment loss.

18. Borrowings

(1) Short-term borrowings

	September 30, 2025	December 31, 2024	September 30, 2024
Unsecured borrowings			
Line of credit borrowings	$ 2,051,455	$ 950,100	$ 950,100

The interest rate ranges for the revolving bank loans as of September 30, 2025, December 31, 2024 and September 30, 2024 were 1.78~2.95%, 1.86%~2.078% and 1.74%~1.90%, respectively.

(2) Long-term borrowings

	September 30, 2025	December 31, 2024	September 30, 2024
Secured borrowings			
Bank loans (Note 32)	$ -	$ 150,000	$ 150,000
Unsecured borrowings			
Bank loans	$ 1,100,000	$ 1,600,000	$ 1,600,000
Less: portion with maturity less than 1 year	(360,000)	(225,000)	(50,000)
Long-term borrowings	$ 740,000	$ 1,525,000	$ 1,700,000
Range of interest rates	1.78% ~ 1.828%	1.73% ~ 2.20%	1.73% ~ 2.20%

The bank loans were secured by the Group's freehold land and buildings, please refer to Note 32 for the details. The use of fund is to replenish mid-to-long-term operating capital.

19. Other liabilities

	September 30, 2025	December 31, 2024	September 30, 2024
Current			
Other payables			
Payables for salaries and bonuses	$ 165,013	$ 191,839	$ 135,632
Employees' compensation and directors' remuneration	107,730	179,664	140,937
Payables for equipment	84,849	83,792	43,720
Payables for annual leaves	39,323	35,716	35,091
Others	265,802	250,894	259,869
	$ 662,717	$ 741,905	$ 615,249
Other current liabilities			
Refund liabilities	$ 102,550	$ 90,562	$ 85,279
Temporary payment collection	53,367	39,630	40,890
Receipts under custody	13,344	11,146	12,366
Others	36,610	10,474	6,673
	$ 205,871	$ 151,812	$ 145,208

20. Corporate bonds payable

	September 30, 2025	December 31, 2024	September 30, 2024
Domestic unsecured convertible corporate bonds	$ 799,990	$ 799,900	$ 799,900
Less: Discounts on corporate bonds	(12,911)	(23,642)	(27,238)
	787,079	776,258	772,662
Less: portion with maturity less than 1 year	(787,079)	-	-
	$ -	$ 776,258	$ 772,662

Domestic unsecured convertible corporate bonds

On August 9, 2023, the Company issued 8 thousand NTD-denominated unsecured convertible corporate bonds with a face value of NT$100 thousand each and an interest rate of 0% at 100.5% of the face value. The principal totaled

NT$800,000 thousand. The issuance period is three years, starting on August 9, 2023 and ending on August 9, 2026. Yuanta Commercial Bank Co., Ltd. is the trustee of the bondholders of the convertible corporate bonds.

Unless the bondholders of the convertible corporate bonds apply for conversion to the ordinary shares of the Company or the Company repurchases the convertible corporate bonds from securities firms for cancellation, the Company will repay the convertible corporate bonds in cash on a lump sum basis within ten days after the maturity date thereof.

From the day following the expiration of three months after the date of issue of the convertible corporate bonds (November 10, 2023) to the maturity date (August 9, 2026), the bondholders may request the Company to convert the convertible corporate bonds to the ordinary shares at any time except (1) when the transfer of ordinary shares is suspended in accordance with the law; (2) during the period from 15th business day prior to the book closure date for stock grants, the book closure date for cash dividends, or the book closure date for cash capital increase subscription to the rights distribution record date; (3) from the record date for capital reduction to the day prior to the start date of the trading of new shares issued to replace old shares for the capital reduction; (4) from the start date of the cessation of conversion for the change of the face value of shares to the day prior to the start date of the trading of newly-issued shares.

August 1, 2023 was fixed as the base date for setting the conversion price of the convertible corporate bonds. The simple arithmetic mean of the closing prices of the Company's ordinary shares for either the business day, three business days, or five business days prior to the base date (excluded) is used as the base price. The base price is then multiplied by the conversion premium rate of 115.7% to calculate the conversion price (calculated and rounded up to the nearest NT$0.1). If the ex-right date or ex-dividend date is before the base date, the sample closing prices used to calculate the conversion price shall be imputed as the post-ex-right or post-ex-dividend prices; if the ex-right date or ex-dividend date falls within the period from the day the conversion is determined to the actual issue date, the conversion price shall be adjusted according to the conversion price adjustment formula. Based on the above methods, the conversion price of the convertible corporate bonds was set at NT$210 per share at issue.

Due to the issuance of ordinary shares and distribution of cash dividends for ordinary shares for a cash capital increase, the conversion price shall be adjusted in accordance with the Regulations Governing the Initial Issuance and Conversion of Domestic Unsecured Convertible Corporate Bonds. As a result, the price for the initial conversion of the domestic unsecured convertible corporate bonds was adjusted from NT$210 to NT$196.2 on September 30, 2025.

The convertible corporate bonds include liability and equity components. The equity components are stated as capital reserves - stock warrants in equity. The effective interest rate initially recognized for the liability components was 1.8659%.

Issue proceeds (less the transaction cost and the adjustments related to income tax effects)	$ 800,740
Equity components (less the transaction cost allocated to equity and the adjustments related to income tax effects)	(43,937)
Deferred tax assets	36
Liability components on the issue date (less the transaction cost allocated to liabilities)	756,839
Interest is calculated at the effective interest rate of 1.8659%	30,336
Conversion of corporate bonds payable into ordinary shares	(96)
Liability components as of September 30, 2025	$ 787,079

21. Retirement benefit plans

Pension expenses in respect of defined benefit plans were NT$271 thousand and NT$264 thousand for the three months ended September 30, 2025 and 2024, respectively; NT$799 thousand and NT$972 thousand for the nine months ended September 30, 2025 and 2024, respectively, calculated using the actuarially determined pension cost discount rate as of December 31, 2024 and 2023.

22. Equity

(1) Share capital

Ordinary shares

	September 30, 2025	December 31, 2024	September 30, 2024
Number of shares authorized (in thousand shares)	300,000	300,000	300,000
Authorized share capital	$ 3,000,000	$ 3,000,000	$ 3,000,000
Number of shares issued and fully paid (in thousand shares)	101,797	101,733	101,447
Share capital issued	$ 1,017,975	$ 1,017,335	$ 1,014,475

The changes in the Company's shareholding were primarily attributable to the issuance of new shares by exercisable employee stock options. As of the date of approval of the release of the financial statements, there were still 4 thousand exercisable employee stock options for which a change of registration with the Ministry of Economic Affairs had not been made.

(2) Capital surplus

	September 30, 2025	December 31, 2024	September 30, 2024
Available for offsetting deficits, distributing cash or transferring to share capital (1)			
Additional paid-in capital	$ 3,230,311	$ 3,221,467	$ 3,182,887
Corporate bond conversion premium	96	96	96
Treasury Shares	27,193	27,193	27,193
Difference between consideration and carrying amount of subsidiaries acquired or disposed	3,562	3,562	3,562
Limited to offsetting deficits			
Recognized changes in ownership interests in subsidiaries (2)	7,217	7,169	7,435
Changes in equity of investment in associates and joint ventures accounted for using equity method	3,570	1,680	1,050
Exercise of right of disgorgement	1,024	1,024	1,024
May not be used for any purpose			
Employee stock warrants	$ 104,554	$ 89,384	$ 89,891
Equity components of the convertible corporate bonds issued by the Company	43,932	43,932	43,932
	$ 3,421,459	$ 3,395,507	$ 3,357,070

1. Capital surplus in this category may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may

be distributed as cash or transferred to share capital, limited to a certain percentage of the Company's paid-in capital each year.

2. This type of capital surplus represents the equity transaction effects recognized due to changes in the equity of subsidiaries that the Company has not actually acquired or disposed of, or the adjustments to the capital surplus of subsidiaries recognized by the Company using the equity method. The change was caused by the issuance of restricted shares by the subsidiary Mosel Vitelic Inc.

(3) Retained earnings and dividend policy

The Company stipulates that the Company's board of directors is authorized to adopt a special resolution to pay distributable dividends and bonuses in the form of cash, which shall be reported to the shareholders' meeting.

The Company's shareholders' meeting on May 23, 2025 approved the amendment to the Articles of Incorporation. According to the earnings distribution policy stipulated in the amended Articles of Incorporation, 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 10% of the remaining profit as legal reserve, and setting aside or reversing a special reserve in accordance with the laws and regulations. Any remaining profit together with any undistributed retained earnings from prior years shall be used by the board of directors as the basis for proposing a distribution plan for the resolution in a shareholders' meeting. In the event that whole or part of the dividend and bonus is paid in cash, the distribution can be made by a majority vote at a board of directors' meeting attended by over two-thirds of the directors and reported to the shareholders' meeting.

The Company's dividend policy is based on the Company's earnings and considerations of the future funding needs and impact of taxation on the Company and its shareholders, as well as the Company's sustainable development and the steady growth of earnings per share. The annual dividend distribution to shareholders will be no less than 50% of the net profit after tax for the year, less any required special reserve, and will be distributed in cash or shares, with cash dividends accounting for at least 50% of the total dividend amount.

According to the Articles of Incorporation prior to amendment, the Company's dividend policy is based on the Company's earnings and considerations of the future funding needs and impact of taxation on the Company and its shareholders, as well as the Company's sustainable development and the steady growth of earnings per share. The annual distribution of dividends to shareholders shall be no less than 50% of the net profit after tax for the year, and dividends may be distributed in cash or shares, with cash dividends accounting for no less than 50% of the total dividend amount.

Please refer to Note 23(6) "Employees' compensation and directors' remuneration" for the policy on the distribution of employees' compensation and directors' remuneration as stipulated in the Company's Articles of Incorporation.

The Company's Articles of Incorporation have expressly stipulated that when the Company appropriates the special capital reserve lawfully, it shall allocate an amount of special reserve for any difference between the amount it has already allocated and the amount of special reserve equal to the "cumulative amount of net increase in fair value of investment property in a preceding period" and the "cumulative net amount of other deductions from equity in a preceding period" it is required to allocate. If there remains any insufficiency, the Company shall allocate the special reserve from the amount of the after-tax net profit for the period, plus items other than after-tax net profit for the period, that are included in the undistributed earnings of the period.

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 deficits. 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 were as follows:

	2024	2023
Legal reserve	$ 83,902	$ 73,430
Cash dividends	$ 426,079	$ 507,237
Cash dividends per share (NT$)	$ 4.2	$ 5

The appropriations for cash dividends above had been resolved by the Company's board of directors' meeting on February 21, 2025 and February 23, 2024, respectively; the other proposed appropriations had been resolved by the shareholders' meeting on May 23, 2025 and May 24, 2024.

23. Net profit from continuing operations

(1) Other income

	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Dividend income	$ 7,000	$ 10,607	$ 13,000	$ 17,607
Settlement of benefit of old-system pension	27,305	-	27,305	-
Others	5,924	13,801	15,279	15,947
	$ 40,229	$ 24,408	$ 55,584	$ 33,554

(2) Other gains and losses

	For the six months ended September 30, 2025	For the six months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Gross gains on foreign exchange	$ 34,439	$ 31,006	$ 53,988	$ 204,253
Gross losses on foreign exchange	35,811	(54,478)	(142,766)	(132,708)
Gain (loss) on disposal of property, plant and equipment	(468)	1,527	(477)	3,471
Gain on reversal of impairment loss	-	-	10,000	-
Others	(49)	(46)	(248)	(378)
	$ 69,733	($ 21,991)	($ 79,503)	$ 74,638

(3) Finance costs

	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Interest on bank loans	$ 22,456	$ 19,129	$ 68,658	$ 51,710
Interest on lease liabilities	1,953	2,089	5,885	6,340
Discount and amortization of corporate bonds payable	3,629	3,563	10,821	10,623
	$ 28,038	$ 24,781	$ 85,364	$ 68,673

(4) Depreciation and amortization

	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Depreciation expenses by function				
Operating cost	$ 81,154	$ 73,010	$ 235,183	$ 214,857
Operating expense	70,397	63,214	200,432	187,415
	$ 151,551	$ 136,224	$ 435,615	$ 402,272
Amortization expenses by function				
Operating cost	$ 287	$ 194	$ 763	$ 594
Operating expense	2,933	632	6,996	2,729
	$ 3,220	$ 826	$ 7,759	$ 3,323

(5) Employee benefit expenses

	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Post-employment benefits				
Defined contribution plan	$ 14,895	$ 13,056	$ 43,810	$ 37,870
Defined benefit plan (Note 21)	271	264	799	972
	15,166	13,320	44,609	38,842
Share-based payment (Note 26)	9,262	16,750	25,457	48,655
Others employee benefits	406,462	455,212	1,198,252	1,313,370
Total employee benefit expenses	$ 430,890	$ 485,282	$ 1,268,318	$ 1,400,867
Summary by function				
Operating cost	$ 207,140	$ 279,254	$ 671,871	$ 803,599
Operating expense	223,750	206,028	596,447	597,268
	$ 430,890	$ 485,282	$ 1,268,318	$ 1,400,867

(6) Employees’ compensation and directors’ remuneration

According to the amendment to the Securities and Exchange Act in August 2024, the Company passed a resolution at the shareholders' meeting on May 23, 2025, to amend the Articles of Incorporation. The amended Articles of Incorporation stipulate that if there is profit in a fiscal year, the Company shall accrue employees’ compensation and directors’ remuneration as follows; however, if there is a deficit, the Company shall set aside the amount for offsetting the deficit before the appropriation. The aforementioned profit is the net profit before taxes net of employees’ compensation and directors’ remuneration.

1. The remuneration to employees shall not be less than 5%. Of the amount of employee remuneration stipulated in the preceding paragraph, no less than 60% shall be allocated as remuneration for junior employees. The Board of Directors may resolve to distribute bonuses either in shares or in cash, to employees of the subsidiaries who meet certain requirements.
2. Directors’ remuneration shall be no more than 3%.

The appropriation of employees’ compensation and directors’ remuneration shall be reported to the shareholders’ meeting.

For the three months and nine months ended September 30, 2025 and 2024, the estimated employees’ compensation and directors’ remuneration were as follows:

<u>Estimation ratio</u>

	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Employees’ compensation	12%	12%
Remuneration to directors and supervisors	3%	3%

Amount

	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Employees' compensation	$ 30,108	$ 33,735	$ 75,497	$ 103,491
Directors' remuneration	$ 6,545	$ 7,334	$ 16,412	$ 22,498

If there is a change in the amounts after the annual consolidated financial statements were authorized for issue, the differences are recorded as a change in the accounting estimate in the following year.

The appropriations of employees' compensation and directors' remuneration for 2024 and 2023, which were approved by the Company's board of directors on February 21, 2025 and February 23, 2024, respectively, were as follows:

	2024	2023
	Cash	Cash
Employees' compensation	$ 127,354	$ 78,182
Directors' remuneration	$ 27,686	$ 19,200

There was no difference between the actual amounts of employees' compensation and directors' remuneration paid and the amounts recognized in the consolidated financial statements for the years ended December 31, 2024 and 2023.

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

24. Income taxes relating to continuing operations

(1) Income tax recognized in profit or loss

Major components of income tax expense were as follows:

	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Current income tax				
In respect of the current year	$ 45,729	$ 38,088	$ 121,732	$ 125,891
Adjustment for prior year	-	-	1,049	-
Deferred tax				
In respect of the current year	(11,544)	-	(19,566)	-
Income tax recognized in profit or loss	$ 34,185	$ 38,088	$ 103,215	$ 125,891

(2) Income tax assessments

The income tax returns of the Company through 2023 have been assessed by the tax authorities.

25. Earnings per share

The earnings and weighted average number of ordinary shares outstanding in the computation of earnings per share were as follows:

Net profit for the period

	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Net profit attributable to owners of the parent company	$ 198,184	$ 217,515	$ 472,848	$ 659,157
Effect of potentially dilutive ordinary shares:				
After-tax interest on convertible corporate bonds	2,323	2,280	8,657	8,498
Earnings used in the computation of diluted earnings per share	$ 200,507	$ 219,795	$ 481,505	$ 667,655

Shares

Unit: thousands of shares

	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Weighted average number of ordinary shares outstanding in computation of basic earnings per share	101,794	101,447	101,889	101,447
Effect of potentially dilutive ordinary shares:				
Convertible corporate bonds	4,077	3,846	4,077	3,846
Employee stock warrants	283	1,060	378	1,088
Employees' compensation	553	591	697	679
Weighted average number of ordinary shares outstanding in computation of dilutive earnings per share	106,707	106,944	107,041	107,060

If the Group settles the employees' compensation in shares or cash, the Group presumed that the entire amount of employees' compensation would be settled in shares and the resulting potential shares were included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, if 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 to be distributed to employees is resolved in the following year.

26. Share-based payment agreement

(1) The subsidiary Mosel Vitelic Inc.'s share-based Payment

1. The share-based payment agreements of Mosel Vitelic Inc. in 2025 and 2024 are as follows:

Type of agreement	Grant date	Fair value (NT$)	Grant quantity	Agreed price	Contract period	Vesting conditions
Restricted share plan (Note 1)	December 11, 2023	34.65	1,000 thousand shares	10	3 years	(Note 2)
Restricted share plan (Note 1)	June 12, 2024	32.25	295 thousand shares	10	3 years	(Note 2)
Restricted share plan (Note 1)	June 18, 2025	22.50	205 thousand shares	10	3 years	(Note 2)

Note 1: Restricted shares issued by the Mosel Vitelic Inc. shall not be transferred during the vesting period. However, their voting rights are not restricted. If an employee resigns or passes away not due to an occupational disaster before the vested conditions are met, the Company will take back his or her shares at the issue price and cancel them.

Note 2: 30% of the restricted shares will be vested immediately after one year and two years of service following the grant date, respectively, and the remaining 40% will be vested after three years of service. If an employee's performance in any of the three years from the grant date fails to meet the Company's performance conditions, the Company will take back the unvested shares from the employee at the issue price in the current year.

2. The details of the above share-based payment agreement are as follows:

	Number of shares (in thousand shares) For the nine months ended September 30, 2025	Number of shares (in thousand shares) For the nine months ended September 30, 2024
Beginning balance	935	1,000
Current grant (Note)	205	295
Recovered and cancelled during the period.	(28)	-
Vested for the period	(71)	-
Ending balance	1,041	1,295

Note: The restricted shares granted in the current period are measured based on the closing price of the stock on June 18, 2025, the grant date.

3. The Mosel Vitelic Inc.'s board of directors adopted the resolutions to issue 205,000 and 295,000 restricted shares on May 6, 2025 and April 29, 2024, respectively. The record dates for these issuances were set on June 18, 2025 and June 12, 2024, and the subscription price was NT$10 per share. Holders of these restricted shares are not entitled to the rights for share transfer and share or cash dividends before the vesting conditions are satisfied; the rights and obligations attached to these new shares

were the same as those attached to other issued common shares, except for restrictions on share transfer before employees meet the vesting conditions.

(2) Employee stock warrant plan of the subsidiary Rec Technology Corporation

The Company's board of directors resolved on November 4, 2024 to issue 1,000 thousand units of restricted share option, with each unit eligible to buy 1 ordinary share. The recipients include the employees of the Company who meets specific conditions, and holders may exercise a certain percentage of the granted options one year after the grant date. The term of the employee stock warrants is 5 years, and the exercise price of the stock warrants is NT$10 per share. If any changes are made to the Company's ordinary shares after the issuance of the stock warrants, the exercise price shall be correspondingly adjusted using the specific formula.

Information on employee stock warrants is as follows:

	For the nine months ended September 30, 2025		For the nine months ended September 30, 2024	
Employee stock warrants	Unit (thousand)	Weighted average exercise price (NT$)	Unit (thousand)	Weighted average exercise price (NT$)
Outstanding at the beginning of the period	1,000	$ 10	-	$ -
Current grant	-	-	-	-
Lost in the period	-	-	-	-
Exercised in the period	-	-	-	-
Expired in the period	-	-	-	-
Outstanding at the end of the period	1,000		-	
Exercisable at the end of the period	-		-	

(3) Employee stock warrant plan of the Company

The Company granted 3,000 thousand units of employee warrants, of which, each unit is eligible to subscribe to 1 ordinary share, in December 2022. Employees of the Company are entitled to the warrants. The term of all employee stock warrants is 6 years, and the warrant holders can exercise a specific portion of the warrants granted after 2 years after the issuance date. The exercise price of the stock warrants is 75% of the closing price of the Company's ordinary shares on the date of issuance. If any changes are made to the Company's ordinary shares, the exercise price shall be correspondingly adjusted using the specific formula.

Information on employee stock warrants is as follows:

	For the nine months ended September 30, 2025		For the nine months ended September 30, 2024	
Employee stock warrants	Unit (thousand)	Weighted average exercise price (NT$)	Unit (thousand)	Weighted average exercise price (NT$)
Outstanding at the beginning of the period	2,594	$ 109.9	2,950	$ 115.10
Current grant	-	-	-	-
Lost in the period	(144)	-	(70)	-
Exercised in the period	(64)	109.9	-	-
Expired in the period	-	-	-	-
Outstanding at the end of the period	2,386		2,880	
Exercisable at the end of the period	197		-	

(3) The Group recognized employee compensation costs for the three months and nine months ended September 30, 2025 and 2024 were NT$9,262 thousand, NT$14,176 thousand, NT$25,457 thousand and NT$46,081 thousand, respectively.

27. Business combination

Acquisition of Anjet Corporation

(1) Acquisition of a subsidiary

	Major business activities	Acquisition date	All ownership interests with voting rights/ Percentage of stake acquired (%)	Transfer of consideration
Anjet Corporation	Manufacturing and wholesale of electronic components, information software services, and other design activities.	July 27, 2025	33%	$ 394,997

Considering the long-term business development needs and to deepen and strengthen the benefits of supply chain vertical integration, the consolidated company acquired a total of 33% equity stake through participation in a cash increase and purchase of shares from existing shareholders as of July 27, 2025.

(2) Transfer of consideration

Cash	$141,349
Prepayments for investments	65,050
Financial assets at fair value through other comprehensive income	188,598
Total	$394,997

On July 27, 2025, the consolidated company will reclassify its originally held financial assets measured at fair value through other comprehensive income as disposed of, and subsequently remeasure the transfer price at fair value on the acquisition date. The related gains and losses will be recognized in other comprehensive income.

(3) Assets acquired and liabilities assumed on the date of merger.

	Fair value
Cash and cash equivalents	$ 94,165
Financial assets at fair value through other comprehensive income	22,231
Trade receivables	971
Other receivables	531
Inventory	6,409
Other current assets	13,189
Property, plant and equipment	24,518
Right-of-use assets	6,060
Intangible assets	21,480
Refundable deposits	91,318
Other non-current assets	9,587
Subtotal	290,459
Trade payables	(2,920)
Other payables	(8,743)
Other current liabilities	(862)
Deferred tax liabilities	(1,078)
Lease liabilities - non-current	(5,949)
Subtotal	(19,552)
	$ 270,907

The initial accounting treatment for the acquisition of Anjet Corporation was provisional as of the balance sheet date. For tax purposes, the tax basis of Anjet Corporation's assets must be revalued to their market value. Since the market valuation and other calculations were incomplete on the date these consolidated financial statements were approved for issuance, the value for tax was provisional based on the best estimation of the Group's management.

(4) Non-controlling interests

The non-controlling interests of Anjet Corporation (67% ownership interest) amounted to NT$181,230 thousand, measured based on the non-controlling interest's proportionate share of the acquiree's identifiable net assets at the acquisition date.

(5) Goodwill from business combinations

	Fair value
Transfer of consideration	$ 394,997
Less: Fair value of identifiable net assets	(89,677)
Goodwill	$ 305,320

The goodwill arising from the acquisition of Anjet Corporation is primarily attributable to the control premium. In addition, the consideration paid for the business combination includes expected synergies, revenue growth, future market development, and the employee value of Anjet Corporation. However, the said benefits did not qualify as identifiable intangible assets, so recognitions were not made separately.

(6) Net cash outflow from the acquisition of Anjet Corporation.

	Fair value
Cash consideration paid	($ 141,349)
Add: Cash and cash equivalents acquired	94,165
Net cash outflows	($ 47,184)

(7) Effects of a business combination on business performance

From the acquisition date of July 27, 2025, to September 30, 2025, operating revenue and net loss from the acquired company, Anjet Corporation and its subsidiaries, were NT$315 thousand and NT$26,612 thousand, respectively. Had the acquisition occurred on January 1, 2025, the pro forma consolidated operating revenue and net loss from January 1, 2025, to September 30, 2025, would have been NT$7,199 thousand and NT$107,942 thousand, respectively. These amounts do not reflect the actual revenue and business performance of the Group if such a business combination had been completed at the beginning of the year of the acquisition and shall not be applied in any projection of its future business performance.

28. Non-cash transactions

For the nine months ended September 30, 2025 and 2024, the Group has conducted the following non-cash transactions from investing and finance activities:

Reclassifications of long-term borrowings with maturity within one year.

29. Capital management

The Group manages its capital to ensure its ability to continue as going concerns while maximizing the return to shareholders through the optimization of the debt and equity balance.

The Group's key management reviews its capital structure on a quarter basis. As part of this review, the key management considers the cost of capital and the risks associated with each class of capital. Based on recommendations of the key management, the Group may balance its overall capital structure by the means of dividend payment, issuance of new shares, shares buyback, issuance of new debts or repayment of existing debts. The Group is not subject to any externally imposed capital requirements.

30. Financial instruments

(1) Fair value of financial instruments not measured at fair value

Except items listed below, the Group considers the carrying amounts of financial instruments that are not measured at fair value close to their fair values.

September 30, 2025

	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Financial asset					
Financial liabilities measured at amortized cost					
- Convertible corporate bonds	$ 787,079	$ 859,893	$ -	$ -	$ 859,893

December 31, 2024

	Carrying amount	Fair value Level 1	Fair value Level 2	Fair value Level 3	Fair value Total
Financial asset					
Financial liabilities measured at amortized cost					
- Convertible corporate bonds	$ 776,258	$ 865,892	$ -	$ -	$ 865,892

September 30, 2024

	Carrying amount	Fair value Level 1	Fair value Level 2	Fair value Level 3	Fair value Total
Financial asset					
Financial liabilities measured at amortized cost					
- Convertible corporate bonds	$ 772,662	$ 919,085	$ -	$ -	$ 919,085

(2) Fair value of financial instruments measured at fair value on a recurring basis

1. Fair value hierarchy

September 30, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income				
TWSE/TPEx listed and emerging shares	$ 571,931	$ -	$ -	$ 571,931
Domestic and foreign unlisted shares and investments	-	-	99,916	99,916
Total	$ 571,931	$ -	$ 99,916	$ 671,847

December 31, 2024

	Fair value Level 1	Fair value Level 2	Fair value Level 3	Fair value Total
Financial assets at fair value through other comprehensive income				
Domestic listed shares	$ 269,000	$ -	$ -	$ 269,000
Domestic and foreign unlisted shares and investments	-	-	574,849	574,849
Total	$ 269,000	$ -	$ 574,849	$ 843,849

September 30, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income				
Domestic listed shares	$ 354,000	$ -	$ -	$ 354,000
Domestic and foreign unlisted shares and investments	-	-	607,114	607,114
Total	$ 354,000	$ -	$ 607,114	$ 961,114

There were no transfers between Levels 1 and 2 for the nine months ended September 30, 2025 and 2024.

2. Valuation techniques and inputs of measuring Level 3 fair value

Class of financial instruments	Valuation techniques and inputs
Domestic and foreign securities	Using the asset-based approach that assesses the fair value by totaling the value of each asset and liability of the target of evaluation. Using the market approach that derives the value of target from the product of the active market price of a comparable company that operates in the same industry with similar operation and financial performance and a corresponding market multiplier.

(3) Categories of financial instruments

	September 30, 2025	December 31, 2024	September 30, 2024
Financial asset			
At fair value through profit or loss			
Mandatorily classified as at fair value through profit or loss	$ 58,410	$ 156,684	$ 138,079
Financial assets at amortized cost (Note 1)	3,601,495	3,453,691	3,485,072
Financial assets at fair value through other comprehensive income	671,847	843,849	961,114
Financial liability			
At amortized cost (Note 2)	5,004,604	5,421,764	4,688,542

Note 1: The balances include financial assets measured at amortized cost, comprising cash and cash equivalents, investments in debt instruments, notes receivable, accounts receivable, other receivables (including related parties), and refundable deposits.

Note 2: The balances include financial liabilities measured at amortized cost, which comprise short-term borrowings, long-term borrowings, notes payable, trade payables (including related parties), other payables, corporate bonds payable, and guarantee deposits received.

(4) Financial risk management objectives and policies

The Group's major financial instruments include equity and debt instrument investments, trade receivables, trade payables, borrowings and lease liabilities. The Group's Finance Department 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 foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group sought to minimize the effects of these risks by using financial derivatives to hedge risk exposures. The use of financial derivatives was governed by the Group's policies approved by the board of directors, which provided written guidelines on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits was reviewed by the internal auditors on a continuous basis. The Group did not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

1. Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (1) below) and interest rates (see (2) below). The Group engaged in a variety of derivative financial instruments to manage its exposure to foreign currency risk, including forward exchange contracts and currency swaps to hedge the exchange rate risk arising from trading.

(1) Foreign currency risk

The Group engaged in sales and purchases denominated in foreign currencies, which exposed the Group to foreign currency risk. The Group hedged such foreign currency risk using the forward exchange contracts and currency swaps to the extent approved by policy.

The carrying amounts of the Group's monetary assets and monetary liabilities denominated in nonfunctional currencies (including the monetary items denominated in nonfunctional currencies eliminated in the consolidated financial statements) on the balance sheet date are provided in Note 35.

Sensitivity analysis

The Group was mainly exposed to the risk of exchange rate fluctuation of the U.S. Dollar and Euro.

The following table details the Group's sensitivity to a 1% increase and decrease in New Taiwan dollar (the functional currency) against each foreign currency. 1% increase or decrease is used when reporting foreign currency risk internally to key management and represents management's assessment of the reasonably possible change in foreign exchange rate. The sensitivity analysis included only outstanding foreign currency denominated monetary items. A 1% foreign exchange rate change is adjusted to the translation at the end of period. In the following table, a positive number below indicates an increase in pre-tax profit due to a 1% depreciation of the New Taiwan dollar against the foreign currency. For a 1% appreciation of the New Taiwan dollar against the foreign currency, there would be an equal and opposite impact on pre-tax profit and the balances below would be negative.

	Impact of USD		Impact of EUR	
	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Profit or loss	$ 15,555 (i)	$ 13,739 (i)	$ 2,936 (ii)	$ 1,658 (ii)

(i) It was mainly due to the Group's trade receivables and payables denominated in the U.S. Dollar that were outstanding and yet mitigated by a cash flow hedge at the end of the reporting period.

(ii) It was mainly due to the Group's trade receivables and payables denominated in the Euro that were outstanding and yet mitigated by a cash flow hedge at the end of the reporting period.

The management believed the sensitivity analysis did not reflect existing foreign currency risk because the exposure to the foreign currency risk at the end of the reporting period does not fairly represent the risk exposure during the reporting period.

(2) Interest rate risk

The Group was 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:

	September 30, 2025	December 31, 2024	September 30, 2024
Fair value interest rate risk			
- Financial assets	$ 386,210	$ 817,625	$ 471,864
- Financial liabilities	1,747,086	1,754,851	1,755,427
Cash flow interest rate risk			
- Financial assets	1,756,328	1,361,286	1,817,478
- Financial liabilities	2,501,455	2,050,100	2,050,100

Sensitivity analysis

The sensitivity analyses below were determined based on the Company's exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole reporting period. A 10 basis point increase or decrease is used when reporting interest rate risk internally to key management and represents management's assessment of the reasonably possible change in interest rate.

If interest rates had been 10 basis point higher/lower and all other variables were held constant, the Group's pre-tax profit for the nine months ended September 30, 2025 and 2024 would have decreased/increased by NT$559 thousand and increased/decreased by NT$174 thousand, respectively.

(3) 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. In addition, the Group designated specific team to monitor the price risk and establish the responding strategy.

Sensitivity analysis

The sensitivity analyses below were carried out based on the Company's exposure to equity price on the reporting date.

If the equity price had increased/decreased by 15%, the other comprehensive income after tax for the nine months ended September 30, 2025 and 2024 would have decreased/increased by NT$100,777 thousand and NT$144,167 thousand, respectively, due to an increase/decrease in the fair value of the financial assets at fair value through other comprehensive income.

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 of the end of the reporting period, the Group's maximum exposure to credit risk due to the failure of a counterparty to perform its obligations was the carrying amount of financial assets recognized in the consolidated financial statements.

In the balances of trade receivables as of September 30, 2025 and as of December 31 and September 30, 2024, the sums of trade receivables from group customers accounting for more than 10% of the consolidated company's balance of trade receivables were NT$658,916 thousand, NT$675,456 thousand, and NT$713,869 thousand, respectively, representing 56%, 49%, and 56% of the balances of trade receivables as of the said dates, respectively.

3. Liquidity risk

The Group manages and maintains sufficient cash and cash equivalents to support its operation and minimize the impact of cash flow volatility. The Group's management monitors the use of bank loan facilities and ensures compliance with loan covenants.

The Group relies on bank loans as a significant source of liquidity. As of September 30, 2025, and December 31 and September 30, 2024, the Group's unused bank facilities were set out in (2) borrowing facilities below.

(1) Liquidity and interest rate risk table

The table below summarizes the maturity profile of the Group's non-derivative financial liabilities, in which the payment terms were set, based on the earliest repayment date. The table was prepared with the undiscounted cash flows of financial liabilities that include the cash flows of interests and principles.

<u>September 30, 2025</u>

	On demand or less than 6 months	6~12 months	1~2 years	2~5 years	Over 5 years
Non derivative financial liabilities					
Non-interest bearing liabilities	$1,170,300	$ 139,857	$ 35	$ -	$ -
Lease liabilities	14,826	12,702	33,016	44,817	311,021
Debt instruments	2,064,743	1,168,339	252,373	501,483	-
	$3,249,869	$1,320,898	$ 285,424	$ 546,300	$ 311,021

December 31, 2024

	On demand or less than 6 month	6~12 months	1~2 years	2~5 years	Over 5 years
Non derivative financial liabilities					
Non-interest bearing liabilities	$1,191,258	$ 216,983	$ -	$ -	$ -
Lease liabilities	12,141	11,773	23,242	58,011	335,531
Debt instruments	1,142,995	64,350	1,383,472	980,078	-
	$2,346,394	$ 293,106	$1,406,714	$1,038,089	$ 335,531

September 30, 2024

	On demand or less than 6 months	6~12 months	1~2 years	2~5 years	Over 5 years
Non derivative financial liabilities					
Non-interest bearing liabilities	$1,197,852	$ 156,572	$ 803	$ -	$ -
Lease liabilities	12,305	11,997	23,294	60,122	339,525
Debt instruments	969,097	66,109	1,086,465	1,450,860	-
	$2,179,254	$ 234,678	$1,110,562	$1,510,982	$ 339,525

(2) Borrowing facilities

	September 30, 2025	December 31, 2024	September 30, 2024
Unsecured bank facility			
-Drawn	$ 2,901,455	$ 2,550,100	$ 2,550,100
-Undrawn	2,952,060	3,112,750	2,951,400
	$ 5,853,515	$ 5,662,850	$ 5,501,500
Secured bank facility			
-Drawn	$ -	$ 150,000	$ 150,000
-Undrawn	150,000	-	-
	$ 150,000	$ 150,000	$ 150,000

(5) Transfers of financial assets

Information on the consolidated company's accounts receivable outstanding at the end of the period and related sales is as follows:

Counterparty	Sales amount		Available advance amount		Advance amount used		Annual interest rate on advances received (%)
September 30, 2025							
Citibank	USD	8,060	USD	-	USD	8,060	5.36-6.01
	EUR	9,284	EUR	-	EUR	9,284	3.11-3.36
December 31, 2024							
Citibank	USD	3,457	USD	-	USD	3,457	5.73-6.38
	EUR	9,609	EUR	-	EUR	9,609	3.81-4.06
September 30, 2024							
Citibank	USD	4,534	USD	-	USD	4,534	6.09-6.74
	EUR	10,505	EUR	-	EUR	10,505	4.29-4.54

Pursuant to the Group's factoring agreements, losses from commercial disputes (such as sales returns and discounts) are borne by the Group, while losses from credit risk are borne by the banks.

31. Transactions with related parties

The Company's ultimate parent company is Sino-American Silicon Products Inc. (referred to as "Sino-American Silicon"). Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated upon consolidation and are not disclosed in this note. Besides as disclosed elsewhere in the other notes, details of transactions between the Group and other related parties are disclosed below:

(1) Related parties and relationship

Related parties	Relationship with the Group
GlobalWafers Co., Ltd.	Sino-American Silicon's subsidiary
Sustainable Energy Solution Co., Ltd.	Sino-American Silicon's subsidiary
Hong Wang Investment Co., Ltd.	Investments in Joint Ventures
Excelliance MOS Corporation	Associate

(2) Business transactions

Financial Statement Account	Related parties	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Purchases of goods	GlobalWafers Co., Ltd.	$ 39,762	$ 55,372	$ 160,550	$ 216,662

Purchases of goods above mainly comprise purchases of wafers, the purchase price of flat wafers was indifferent from the price of other suppliers. The payment terms were 30~90 days end of month for related party, 90 days end of month for domestic non-related parties, and T/T 50~60 days for foreign parties.

Financial Statement Account	Related parties	September 30, 2025	December 31, 2024	September 30, 2024
Trade payables	GlobalWafers Co., Ltd.	$ 34,777	$ 54,774	$ 53,923

(3) Others

Financial Statement Account	Related parties	September 30, 2025	December 31, 2024	September 30, 2024
Refundable deposits	Sustainable Energy Solution Co., Ltd.	$ 10,000	$ 10,000	$ 10,000

(4) Compensation of key management personnel

	For the three months ended September 30, 2025	For the three months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Short-term employee benefits	$ 23,735	$ 45,492	$ 62,660	$ 92,578
Share-based Payment	2,444	6,640	7,332	19,920
Post-employment benefits	27	27	81	81
	$ 26,206	$ 52,159	$ 70,073	$ 112,579

The remuneration of directors and key executives was determined by the remuneration committee taking into account the performance of individuals and market trends.

32. Assets pledged as collateral or for security

The following assets were pledged as collateral for borrowings:

	September 30, 2025	December 31, 2024	September 30, 2024
Freehold Land	$ 107,843	$ 107,843	$ 107,843
Building	135,735	138,900	139,955
Pledged time deposits (classified as financial assets at amortized cost)	18,417	18,415	18,412
	$ 261,995	$ 265,158	$ 266,210

33. Significant contingent liabilities and unrecognized contract commitments

Except described in other notes of this financial statements, the Group had the following significant contingent liabilities and unrecognized commitments as of the end of the reporting period:

(1) As of September 30, 2025, and December 31 and September 30, 2024, the Group had the contract commitments that was not recognized as property, plant and equipment amounted NT$276,243 thousand, NT$543,503 thousand and NT$663,407 thousand, respectively.

(2) The subsidiary Mosel Vitelic Inc. entered into a procurement contract with Company S, and, as agreed, S Company shall be committed to supplying the Company a total of 121,500 thousand pieces of solar wafers within the contract period while the Company shall make a certain amount of prepayment. However, both parties have not agreed on a substitute for the said transaction model. As of September 30, 2025, the Company has prepaid US$112 thousand (NT$3,573 thousand) and NT$54,845 thousand in total with the accumulated impairment of NT$58,418 thousand. In addition, in light of different market conditions between the current solar power industry and that of the time when the contract was entered into, both parties terminated all orders and prepayments in connection to the original contract.

(3) The subsidiary Mosel Vitelic Inc. entered into several wafer foundry agreements that guaranteed manufacturing capacity with various clients, and it has provided specific amounts of manufacturing capacity to these clients as agreed.

(4) The subsidiary, Anjet Corporation, entered into a seven-year long-term raw material procurement contract with its major raw material suppliers. The contract includes a procurement guarantee of US$5,625 thousand, with agreed-upon minimum purchase quantities for each year of the contract term. When purchase quantities reach the levels stipulated in the contract, the guarantee will be returned in installments or credited against accounts payable, as per the contract terms. As of September 30, 2025, US$2,812 thousand has been paid.

34. Significant subsequent events

None.

35. Significant assets and liabilities denominated in foreign currencies

The Group's significant assets and liabilities denominated in foreign currencies were as follows:

September 30, 2025

	Foreign currency	Exchange rate		Carrying amount
Financial asset				
Monetary items				
USD	$ 60,571	30.445	(USD:NTD)	$ 1,844,084
EUR	8,242	35.77	(EUR:NTD)	294,822
CNY	37,219	4.271	(CNY:NTD)	158,960
Non-monetary items				
Foreign investments in securities				
USD	1,906	30.455	(USD:NTD)	58,370
JPY	110,955	0.206	(JPY:NTD)	24,486
Financial liability				
Monetary items				
USD	9,753	30.455	(USD:NTD)	296,941
JPY	75,343	0.206	(JPY:NTD)	15,506

December 31, 2024

Financial asset	Foreign currency	Exchange rate		Carrying amount
Monetary items				
USD	$ 50,022	32.785	(USD:NTD)	$ 1,639,983
USD	300	7.321	(USD:CNY)	9,822
EUR	8,150	34.14	(EUR:NTD)	278,256
JPY	42,719	0.2099	(JPY:NTD)	8,967
CNY	7,549	4.478	(CNY:NTD)	33,803
HKD	761	4.222	(HKD:NTD)	3,213
CHF	135	36.265	(CHF:NTD)	4,914
Non-monetary items				
Foreign investments in securities				
USD	12,048	32.785	(USD:NTD)	395,005
Financial liability				
Monetary items				
USD	12,294	32.785	(USD:NTD)	403,066
USD	41	7.321	(USD:CNY)	1,352
EUR	49	34.14	(EUR:NTD)	1,688
EUR	3	7.024	(EUR:CNY)	94
CNY	232	4.478	(CNY:NTD)	1,038
JPY	159,988	0.2099	(JPY:NTD)	33,581

September 30, 2024

Financial asset	Foreign currency	Exchange rate		Carrying amount
Monetary items				
USD	$ 58,509	31.65	(USD:NTD)	$ 1,837,577
USD	362	6.998	(USD:CNY)	11,454
EUR	4,736	35.38	(EUR:NTD)	167,571
CNY	5,917	4.523	(CNY:NTD)	26,761
JPY	19,105	0.2223	(JPY:NTD)	4,247
HKD	758	4.075	(HKD:NTD)	3,089
Non-monetary items				
Foreign investments in securities				
USD	12,243	31.65	(USD:NTD)	387,496
Financial liability				
Monetary items				
USD	$ 14,992	31.65	(USD:NTD)	$ 474,484
USD	21	6.998	(USD:CNY)	655
EUR	42	35.38	(EUR:NTD)	1,475
EUR	8	7.822	(EUR:CNY)	296
JPY	64,447	0.2223	(JPY:NTD)	14,327
CHF	10	37.545	(CHF:NTD)	394

The following information was aggregated by the functional currencies of the entities in the Group that hold foreign currencies, and the exchange rates between functional currencies and presentation currency were disclosed. The significant realized and unrealized foreign exchange gains and losses were as follows:

Functional currency	For the nine months ended September 30, 2025: Translation from the functional currency to the presentation currency	Net foreign exchange gains or losses (amount in NTD)	For the nine months ended September 30, 2024: Translation from the functional currency to the presentation currency	Net foreign exchange gains or losses (amount in NTD)
CNY	4.328 (CNY:NTD)	($ 164)	4.4384 (CNY:NTD)	$ 30
USD	30.269 (USD:NTD)	(6,279)		
NTD	1 (NTD:NTD)	(82,335)	1 (NTD:NTD)	71,515
		($ 88,778)		$ 71,545

Functional currency	For the three months ended September 30, 2025: Translation from the functional currency to the presentation currency	Net foreign exchange gains or losses (amount in NTD)	For the three months ended September 30, 2024: Translation from the functional currency to the presentation currency	Net foreign exchange gains or losses (amount in NTD)
CNY	4.288 (CNY:NTD)	($ 99)	4.4061 (CNY:NTD)	($ 206)
USD	30.269 (USD:NTD)	(6,279)		
NTD	1 (NTD:NTD)	76,628	1 (NTD:NTD)	(23,266)
		$ 70,250		($ 23,472)

36. Separately disclosed items

(1) Information about significant transactions:

1. Financing provided to others: None.
2. Endorsements/guarantees provided: None.
3. Significant marketable securities held at the end of period (excluding investment in subsidiaries, associates and joint ventures): Table 1.
4. Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital: Table 2.
5. Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital: Table 3.
6. Others: Intercompany relationships and significant intercompany transactions: Table 4.

(2) Information on investees: Table 5.

(3) 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 for current period, return on investees

recognized, 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: None.
   (1) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.
   (2) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.
   (3) The amount of property transactions and the amount of the resultant gains or losses.
   (4) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.
   (5) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds.
   (6) 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 receiving of services.

37. Segment information

Information reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance was focused on each type of products sold or services rendered. The Group's reportable segments were as follows:

Taiwan business segment

Mainland China Qingdao segment

Taiwan Mosel Vitelic segment

Segment revenue and operating result

Analysis on revenue and operating result from continuing operations of the Company and its subsidiaries by reportable segments is as follows:

	Segment revenue		Segment profit or loss	
	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024	For the nine months ended September 30, 2025	For the nine months ended September 30, 2024
Taiwan business segment	$ 5,335,992	$ 4,962,288	$ 541,183	$ 575,079
Mainland China Qingdao segment	177,677	170,004	11,729	9,660
Taiwan Mosel Vitelic segment	1,590,112	1,352,577	(29,808)	12,679
Others	305,603	258,198	(11,827)	4,366
Total from continuing operations	7,409,384	6,743,067	511,277	601,784
Less: eliminations between operating segments	(1,142,402)	(1,081,889)	37,710	(4,269)
Revenue or profit or loss from transactions between operating segments and external customers	$ 6,266,982	$ 5,661,178	548,987	597,515
Interest income			22,626	38,837
Other income			55,584	33,554
Other gains and losses			(79,503)	74,638
Finance costs			(85,364)	(68,673)
Share of profit of investment in associates and joint ventures accounted for using equity method			96,639	136,409
Profit before tax			$ 558,969	$ 812,280

Segment profit represented the profit before tax earned by each segment without other income, other gains and losses, finance costs, and share of profit or loss of associates and joint ventures accounted for using the equity method. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

Actron Technology Corporation and Subsidiaries

Significant Marketable Securities Held at the End of Period

September 30, 2025

Table 1

Unit: NT$ thousand

Name of holding company	Type and name of marketable securities	Relationship with the holding company	Financial Statement Account	At the end of the period				Remarks
				Number of shares (in thousand shares)	Carrying amount	Percentage of ownership	Fair value	
Actron Technology Corporation	Sino-American Silicon Products Inc.	Parent	Financial assets at fair value through other comprehensive income -non-current	2,000	$ 232,000	0.31%	$ 232,000	—
	Phoenix Pioneer Technology Co., Ltd.	—	Financial assets at fair value through other comprehensive income -non-current	10,380	339,931	5.01%	339,931	—
	AMED VENTURES I, L.P.	—	Financial assets at fair value through other comprehensive income -non-current	-	58,032	-	58,032	—

Actron Technology Corporation and Subsidiaries

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

For the nine months ended September 30, 2025

Table 2

Unit: NT$ thousand

Purchaser or seller	Counterparty	Relationship	Transaction Details				Abnormal transaction and reason		Notes/Trade receivables (payables)			Remarks
			Purchase/sale	Amount	As percentage to total purchase or sale	Payment terms	Unit price	Payment terms	Financial statement account	Ending balance	As percentage to total notes/trade receivables (payables)	
Actron Technology Corporation	GlobalWafers Co., Ltd.	Sino-American Silicon's subsidiary	Purchases of goods	$ 36,178	1%	60 days end of month	Note 2	Domestic 90 days end of month	Trade payables	$ 5,448	1%	
Mosel Vitelic Inc.	GlobalWafers Co., Ltd.	Sino-American Silicon's subsidiary	Purchases of goods	124,372	5%	60 days end of month	Note 2	Domestic 60 days end of month	Trade payables	29,329	5%	
Actron Technology Corporation	Mosel Vitelic Inc.	Subsidiary	Purchases of goods	590,198	22%	30 days end of month	Note 2	Domestic 90 days end of month	Trade payables	85,668	14%	Note 1
Mosel Vitelic Inc.	Actron Technology Corporation	Parent	Sale	590,198	37%	30 days end of month	Note 2	Domestic 90 days end of month	Trade receivables	85,668	25%	Note 1
Actron Technology Corporation	Ding-Wei Technology Co., Ltd.	Subsidiary	Purchases of goods	548,803	20%	90 days end of month	Cost markup	Domestic 90 days end of month	Trade payables	149,711	25%	Note 1
Ding-Wei Technology Co., Ltd.	Actron Technology Corporation	Parent	Sale	548,803	100%	90 days end of month	Cost markup	Domestic 90 days end of month	Trade receivables	149,711	100%	Note 1

Note 1: This is a transaction between parent company and its subsidiary and has been eliminated upon consolidation.

Note 2: There was no significant difference from other suppliers in terms of the purchase price of flat wafers.

Actron Technology Corporation and Subsidiaries

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

September 30, 2025

Table 3 Unit: NT$ thousand

Company recognizes the receivables	Counterparty	Relationship	Balance of trade receivables - related party		Average turnover ratio	Overdue		Amount collected in subsequent period	Allowance for impairment loss
			Financial statement account	Ending balance		Amount	Action taken		
Ding-Wei Technology Co., Ltd.	Actron Technology Corporation	Parent	Trade receivables	$ 149,711	4.59	$ -	-	$ 73,687	$ -

Note: eliminated upon consolidation.

Actron Technology Corporation and Subsidiaries

Intercompany relationships and significant intercompany transactions

For the nine months ended September 30, 2025

Table 4

Unit: NT$ thousand

Serial No. (Note 1)	Company Name	Counterparty	Relationship (Note 2)	Transaction Details			
				Financial statement account	Amount	Transaction terms	As percentage to total revenue or total assets (Note 3)
0	Actron Technology Corporation	Smooth Autocomponent Limited	1	Sales revenue	$ 2,740	60 days end of month	0.04%
0	Actron Technology Corporation	Smooth Autocomponent Limited	1	Other receivables	1,499	60 days end of month	0.01%
0	Actron Technology Corporation	Ding-Wei Technology Co., Ltd.	1	Trade payables	149,711	90 days end of month	0.94%
0	Actron Technology Corporation	Ding-Wei Technology Co., Ltd.	1	Cost of sales	548,803	90 days end of month	8.76%
0	Actron Technology Corporation	Ding-Wei Technology Co., Ltd.	1	Other income	1,800	90 days end of month	0.03%
0	Actron Technology Corporation	Rec Technology Corporation	1	Sales revenue	2,864	60 days end of month	0.05%
0	Actron Technology Corporation	Rec Technology Corporation	1	Other income	3,982	60 days end of month	0.06%
0	Actron Technology Corporation	Mosel Vitelic Inc.	1	Trade payables	85,677	30 days end of month	0.54%
0	Actron Technology Corporation	Mosel Vitelic Inc.	1	Cost of sales	590,198	30 days end of month	9.42%
1	Mosel Vitelic Inc.	DenMOS Technology Inc.	1	Sales revenue	32,246	According to general sales conditions	2.28%
1	Mosel Vitelic Inc.	Giant Haven Investments Ltd. (BVI)	1	Other receivables	70,024	Not applicable	2.17%

Note 1: Intercompany transactions between the parent company and subsidiaries shall be indicated by number as described below:

1. The parent company is coded “0”.
2. The subsidiaries are coded consecutively beginning from "1".

Note 2: The relationship between the transaction parties can be classified into three categories below, and it shall be indicated by number:

1. No. 1 represents the transactions from parent company to subsidiary.
2. No. 2 represents the transactions from subsidiary to parent company.
3. No. 3 represents the transactions between subsidiaries.

Note 3: In the calculation of ratio of transaction amount to total consolidated revenue or total assets, for assets or liabilities, the ratio of ending balance to the total assets shall be used; for profit or loss, the ratio between interim accumulated amount to the total revenue shall be used.

Note 4: All transactions above were eliminated upon consolidation.

Actron Technology Corporation and Subsidiaries

Names, locations and related information of investee companies

For the nine months ended September 30, 2025

Table 5

Unit: NT$ thousand

Investor	Investee	Location	Principle business activity	Initial investment		At the end of the period			Net income (loss) of investee company	Investment income (loss) recognized	Remarks
				Ending balance	Beginning balance	Shares	Ratio	Carrying amount			
Actron Technology Corporation	Ding-Wei Technology Co., Ltd.	Taoyuan City	Manufacturing and sale of auto components and parts	$ 306,900	$ 306,900	15,000,000	100%	$ 241,941	$ 35,979	$ 39,046	Subsidiary
Actron Technology Corporation	Smooth International Limited Corporation	Samoa	Investment	453,440	363,260	12,000,000	100%	450,106	8,678	8,678	Subsidiary
Smooth International Limited Corporation	Smooth Autocomponent Limited	Hong Kong	Investment	363,260	363,260	12,000,000	100%	358,771	8,678	Not applicable	Subsubsidiary
Actron Technology Corporation	Rec Technology Corporation	Taoyuan City	Manufacturing and sale of auto components and parts	208,102	208,102	8,487,823	49%	103,323	5,074	2,504	Subsidiary
Actron Technology Corporation	Hong Wang Investment Co., Ltd.	New Taipei City	Investment	300,000	300,000	30,000,000 (Note 1)	30%	742,522	157,138	47,142	Joint venture
Actron Technology Corporation	Mosel Vitelic Inc.	Hsinchu City	Semiconductors	1,180,191	1,180,191	46,925,459	30%	1,836,991	(35,597)	(2,640)	Subsidiary
Actron Technology Corporation	Bigbest Solutions, Inc.	Taichung City	Manufacture of motors	245,143	245,143	19,314,319	28%	75,179	6,113	1,687	Subsidiary
Actron Technology Corporation	Excelliance MOS Corporation	Hsinchu City	Semiconductors	1,491,750	1,491,750	15,000,000	29%	1,458,312	167,924	49,497	Associate
Actron Technology Corporation	Anjet Corporation	British Cayman Islands	Semiconductors	394,997	-	5,741,026	33%	389,263	(107,942)	(8,809)	Subsidiary (Note 2)
Mosel Vitelic Inc.	DenMOS Technology Inc.	Hsinchu City	R&D, design, manufacturing and sale of LCD driving ICs and other application-specific ICs	297,376	291,820	9,585,003	84%	111,854	(247)	Not applicable	Subsubsidiary
Mosel Vitelic Inc.	Mou Fu Investment Consultant Ltd.	Hsinchu County	Leasing, manpower dispatch and various services	- (Note 3)	2,313,124	-	-	-	471	Not applicable	Subsubsidiary
Mosel Vitelic Inc.	Giant Haven Investments Ltd. (BVI)	British Virgin Islands	General investment	583,675 (Note 4)	664,061	15	100%	5,632	6,101	Not applicable	Subsubsidiary
Mosel Vitelic Inc.	Integrated Memory Technologies, Inc.	United States	Flash memory design house	44,753	44,753	2,500,000	23%	-	-	Not applicable	Associate
Mou-Fu Investment Consultant., Ltd.	DenMOS Technology Inc.	Hsinchu City	R&D, design, manufacturing and sale of LCD driving ICs and other application-specific ICs	-	25,863	-	-%	-	(247)	Not applicable	Subsubsidiary
Giant Haven Investments Ltd. (BVI)	Third Dimension Semiconductor, Inc.	United States	Power IC design	314,640	314,640	49,182,884	43%	-	1,694	Not applicable	Subsubsidiary

(to be continued)

(continued)

Investor	Investee	Location	Principle business activity	Initial investment		At the end of the period			Net income (loss) of investee company	Investment income (loss) recognized	Remarks
				Ending balance	Beginning balance	Shares	Ratio	Carrying amount			
Anjet Corporation	Anjet Corporation	Taipei City	Production and sales of electronic components, information software services, and other design businesses.	$ 396,172	$ 426,621	39,000	100%	($ 13,824)	($ 74,170)	Not applicable	Subsubsidiary (Note 2)
Anjet Corporation	Anjet Research Lab Co., Ltd.	Japan	R&D and design of electronic components	17,446	17,446	70,000	100%	20,192	942	Not applicable	Subsubsidiary (Note 2)

Note 1: Among which 468,000 shares were ordinary shares and 29,532,000 shares were preferred shares.

Note 2: Acquired during the period; please refer to Note 27.

Note 3: In July 2025, Mosel Vitelic Inc. merged with its 100%-owned subsidiary, Mou Fu Investment Consultant Ltd.. Following the merger, Mosel Vitelic Inc. remains the surviving entity, and Mou Fu Investment Consultant Ltd. was dissolved.

Note 4: Giant Haven Investments Ltd.(BVI)'s Board of Directors approved a resolution on September 25 to reduce capital by 1,655 shares to cover losses and return NT$70,024 thousand in cash by reducing capital by 230 shares.

Actron Technology Corporation and Subsidiaries

Information on investments in mainland China

For the nine months ended September 30, 2025

Table 6

Unit: NT$ thousand or US$ thousand

Investee	Principle business activity	Total paid-in capital	Method of investment	Accumulated outflow of investment from Taiwan as of the beginning of the period	Investment flows of the period: outflow	Investment flows of the period: inflow	Accumulated outflow of investment from Taiwan as of the end of the period	Net income (loss) of investee company	The Company's direct or indirect percentage of ownership	Investment income (loss) recognized for the period (Note 2)	Carrying amount at the end of the period	Accumulated inward remittance of earnings at the end of the period
Smooth Autocomponent Limited	Manufacture of motor parts	Authorized and paid-in capital were both USD 12,000	Note 1	$ 365,340	$ -	$ -	$ 365,340	$ 8,678	100%	$ 8,678	$ 358,771	$ 70,083
Anjie Core Technology (Beijing) Co., Ltd.	Sales of electronic components	Authorized and paid-in capital were both USD 450	Note 1	13,700	-	-	13,700	(82)	33%	49	3,111	-

Accumulated investment in Mainland China at the end of the period	Investment amounts authorized by Investment Commission, MOEA	Upper limit on investment (Note 3)
$ 379,040	$ 379,040	$ 4,677,353

Note 1: Indirectly investment in Mainland China through companies registered in a third region.

Note 2: Recognition based on the unreviewed financial statements.

Note 3: The Company's Investment amounts authorized by Investment Commission, MOEA: 7,795,589 (net equity) ×60% ＝4,677,353