

INVENTEC CORPORATION AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

**With Independent Auditors' Review Report
For the Six Months Ended June 30, 2025 and 2024**

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

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Independent Auditors' Review Report

To the Board of Directors of Inventec Corporation:

Introduction

We have reviewed the accompanying consolidated balance sheets of Inventec Corporation (“the Company”) and its subsidiaries (“the Group”) as of June 30, 2025 and 2024, and the related consolidated statements of comprehensive income for the three months and six months ended June 30, 2025 and 2024, as well as changes in equity and cash flows for the six months ended June 30, 2025 and 2024, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the Basis for Qualified Conclusion paragraph, we conducted our reviews in accordance with the Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” of the Republic of China. A review of the 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 conducted in accordance with the Standards on Auditing of the Republic of China and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As stated in Note 4(b), the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect the total assets amounting to \$53,238,314 thousand and \$71,171,268 thousand, constituting 16% and 25% of the consolidated total assets; and the total liabilities amounting to \$26,523,965 thousand and \$22,775,436 thousand, constituting 10% and 10% of the consolidated total liabilities as of June 30, 2025 and 2024, respectively; as well as the total comprehensive loss amounting to \$56,437 thousand, \$68,909 thousand, \$317,102 thousand and \$61,306 thousand, constituting 1%, (4)%, 39% and (1)% of the consolidated total comprehensive income (loss) for the three months and six months ended June 30, 2025 and 2024, respectively.

Furthermore, as stated in Note (6)(f), the other equity accounted investments of the Group in its investee companies of \$104,899 thousand and \$19,458 thousand as of June 30, 2025 and 2024, respectively, and its equity in net loss on these investee companies of \$1,847 thousand, \$897 thousand, \$3,884 thousand and \$1,346 thousand for the three months and six months ended June 30, 2025 and 2024, respectively, were recognized solely on the financial statements prepared by these investee companies, but not reviewed by independent auditors.



Qualified Conclusion

Except for the adjustments, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries and equity accounted investee companies described in the Basis for Qualified Conclusion paragraph above been reviewed by independent auditors, based on our reviews, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as of June 30, 2025 and 2024, and of its consolidated financial performance for the three months and six months ended June 30, 2025 and 2024, as well as its consolidated cash flows for the six months ended June 30, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors’ review report are Kuo, Rou-Lan and Chen, Ying-Ju.

KPMG

Taipei, Taiwan (Republic of China)
August 12, 2025

Notes to Readers

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

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

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

INVENTEC CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

June 30, 2025, December 31, 2024, and June 30, 2024

(Expressed in Thousands of New Taiwan Dollars)

		June 30, 2025		December 31, 2024		June 30, 2024						June 30, 2025		December 31, 2024		June 30, 2024	
ASSETS		Amount	%	Amount	%	Amount	%			LIABILITIES AND EQUITY		Amount	%	Amount	%	Amount	%
Current Assets :										Current Liabilities :							
1100	Cash and cash equivalents (Note (6)(a))	\$ 40,970,875	12	30,933,801	9	37,859,481	13	2100	Short-term borrowings (Note (6)(o))	\$ 76,097,058	23	64,076,616	19	51,573,544	18		
1110	Current financial assets at fair value through profit or loss (Note (6)(b))	3,218,867	1	1,885,755	1	2,822,308	1	2120	Current financial liabilities at fair value through profit or loss (Note (6)(b))	25,490	-	119,990	-	78,637	-		
1120	Current financial assets at fair value through other comprehensive income (Note (6)(b))	352,235	-	455,021	-	708,939	-	2130	Current contract liabilities (Note (6)(v))	19,315,592	6	17,602,440	5	14,938,973	5		
1170	Accounts receivable, net (Notes (6)(c) and (7))	138,074,785	42	164,761,942	49	110,170,296	39	2170	Accounts payable (Note (7))	122,666,451	37	135,836,479	41	103,445,243	37		
1200	Other receivables, net (Notes (6)(d) and (7))	2,614,362	1	1,839,801	1	1,533,117	1	2230	Current tax liabilities	4,428,118	1	2,031,680	1	2,059,562	1		
1310	Inventories (Note (6)(e))	78,198,373	23	65,146,947	19	66,198,288	24	2200	Other payables (Note (7))	17,332,177	5	13,767,047	4	15,556,013	6		
1470	Other current assets (Notes (6)(m) and (8))	13,905,020	4	9,403,089	3	11,128,833	4	2322	Long-term borrowings, current portion (Note (6)(o))	991,902	-	688,818	-	512,346	-		
		277,334,517	83	274,426,356	82	230,421,262	82	2280	Current lease liabilities (Note (6)(p))	234,852	-	265,016	-	237,326	-		
								2399	Other current liabilities, others (Note (6)(n))	11,440,967	4	13,094,180	4	15,107,318	5		
Non-current assets :										252,532,607	76	247,482,266	74	203,508,962	72		
1510	Non-current financial assets at fair value through profit or loss (Note (6)(b))	323,557	-	375,241	-	283,597	-	Non-current Liabilities :									
1517	Non-current financial assets at fair value through other comprehensive income (Note (6)(b))	4,403,797	1	10,533,025	3	5,369,009	2	2540	Long-term borrowings (Note (6)(o))	7,195,218	2	8,389,689	2	8,760,548	3		
1550	Investments accounted for using equity method (Note (6)(f))	475,814	-	469,877	-	455,727	-	2640	Net defined benefit liability, non-current (Note (6)(r))	263,296	-	291,649	-	420,608	-		
1600	Property, plant and equipment (Notes (6)(i) and (8))	35,594,918	11	35,324,177	11	31,359,060	11	2580	Non-current lease liabilities (Note (6)(p))	2,069,978	1	2,095,134	1	539,302	-		
1755	Right-of-use assets (Note (6)(j))	3,885,721	1	4,228,340	1	1,964,373	1	2670	Other non-current liabilities, others (Note (6)(n))	6,883,504	2	7,198,794	2	6,541,399	3		
1760	Investment property, net (Notes (6)(k) and (8))	4,605,884	2	5,196,667	2	5,245,465	2		Total Liabilities	268,944,603	81	265,457,532	79	219,770,819	78		
1780	Intangible assets (Note (6)(l))	194,672	-	662,455	-	642,596	-										
1900	Other non-current assets (Notes (6)(m), (r) and (8))	5,697,992	2	4,728,177	1	4,722,102	2	Equity attributable to owners of parent :									
		55,182,355	17	61,517,959	18	50,041,929	18	3110	Ordinary shares (Note (6)(t))	35,874,751	11	35,874,751	11	35,874,751	13		
								3200	Capital surplus (Note (6)(t))	2,892,134	1	2,894,045	1	2,896,104	1		
								3300	Retained earnings (Note (6)(t))	31,129,270	9	24,994,131	7	20,501,105	7		
								3400	Other equity (Note (6)(t))	(5,467,576)	(2)	7,557,385	2	2,258,472	1		
									Total equity attributable to owners of parent	64,428,579	19	71,320,312	21	61,530,432	22		
								36XX	Non-controlling interests	(856,310)	-	(833,529)	-	(838,060)	-		
									Total Equity	63,572,269	19	70,486,783	21	60,692,372	22		
TOTAL ASSETS		\$ 332,516,872	100	335,944,315	100	280,463,191	100	TOTAL LIABILITIES AND EQUITY		\$ 332,516,872	100	335,944,315	100	280,463,191	100		

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

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

INVENTEC CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the Three months and six months Ended June 30, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

		For the three months ended June 30				For the six months ended June 30			
		2025		2024		2025		2024	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	Operating revenue (Notes (6)(v) and (7))	\$ 186,577,389	100	154,158,798	100	343,611,725	100	284,664,763	100
5000	Operating costs (Note (6)(e))	177,074,625	95	146,412,207	95	324,696,336	94	270,037,436	95
5900	Gross profit from operations	9,502,764	5	7,746,591	5	18,915,389	6	14,627,327	5
Operating expenses (Notes (6)(c), (w) and (7)):									
6100	Selling expenses	928,165	-	913,980	-	1,850,206	1	1,695,311	1
6200	Administrative expenses	1,399,918	1	1,355,283	1	2,877,459	1	2,507,419	1
6300	Research and development expenses	3,544,132	2	2,857,316	2	7,082,294	2	5,661,886	2
6450	Impairment losses (impairment gains and reversal of impairment losses) determined in accordance with IFRS9	(4,632)	-	18,903	-	(2,587)	-	24,297	-
		5,867,583	3	5,145,482	3	11,807,372	4	9,888,913	4
6900	Net operating income	3,635,181	2	2,601,109	2	7,108,017	2	4,738,414	1
Non-operating income and expenses (Notes (6)(f), (x) and (7)):									
7100	Interest income	723,619	-	793,793	-	1,539,063	-	1,438,800	1
7010	Other income	36,179	-	283,292	-	68,875	-	307,330	-
7020	Other gains and losses	(8,853)	-	28,048	-	(531,340)	-	(68,415)	-
7050	Finance costs	(1,468,952)	(1)	(1,518,118)	(1)	(3,109,477)	(1)	(2,691,646)	(1)
7060	Shares of loss of associates and joint ventures accounted for using equity method	(5,121)	-	(7,556)	-	(10,762)	-	(16,603)	-
		(723,128)	(1)	(420,541)	(1)	(2,043,641)	(1)	(1,030,534)	-
7900	Profit before tax	2,912,053	1	2,180,568	1	5,064,376	1	3,707,880	1
7950	Less: Tax expense (Note (6)(s))	717,647	-	368,871	-	1,165,897	-	812,847	-
8000	Profit	2,194,406	1	1,811,697	1	3,898,479	1	2,895,033	1
Other comprehensive income:									
8310	Components of other comprehensive income that will not be reclassified to profit or loss								
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	316,190	-	(839,428)	-	3,231,190	1	110,020	-
8320	Shares of other comprehensive income (loss) of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	(2,120)	-	(229)	-	6,752	-	475	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	78,202	-	-	-	1,790,042	-	-	-
		235,868	-	(839,657)	-	1,447,900	1	110,495	-
8360	Components of other comprehensive income that will be reclassified to profit or loss								
8361	Exchange differences on translation of foreign financial statements	(6,985,648)	(3)	681,114	-	(6,123,449)	(2)	2,795,869	1
8370	Shares of other comprehensive income (loss) of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	(33,402)	-	2,803	-	(29,256)	-	12,156	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-	-	-	-	-
		(7,019,050)	(3)	683,917	-	(6,152,705)	(2)	2,808,025	1
	Other comprehensive income, net of income tax	(6,783,182)	(3)	(155,740)	-	(4,704,805)	(1)	2,918,520	1
8500	Total comprehensive income	\$ (4,588,776)	(2)	1,655,957	1	(806,326)	-	5,813,553	2
Profit (loss), attributable to:									
8610	Profit, attributable to owners of parent	\$ 2,189,738	1	1,810,803	1	3,892,956	1	2,900,153	1
8620	Profit (loss), attributable to non-controlling interests	4,668	-	894	-	5,523	-	(5,120)	-
		\$ 2,194,406	1	1,811,697	1	3,898,479	1	2,895,033	1
Comprehensive (loss) income attributable to:									
8710	Comprehensive (loss) income, attributable to owners of parent	\$ (4,562,959)	(2)	1,652,775	1	(784,890)	-	5,807,113	2
8720	Comprehensive (loss) income, attributable to non-controlling interests	(25,817)	-	3,182	-	(21,436)	-	6,440	-
		\$ (4,588,776)	(2)	1,655,957	1	(806,326)	-	5,813,553	2
Earnings per share (Note (6)(u))									
9750	Basic earnings per share (NT dollars)	\$ 0.61		0.50		1.09		0.81	
9850	Diluted earnings per share (NT dollars)	\$ 0.61		0.50		1.08		0.81	

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

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

INVENTEC CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the Six Months Ended June 30, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

	Attributable to owners of parent					Other Equity		Total Equity Attributable to Owners of Parent	Non - controlling Interests	Total Equity
	Share Capital	Retained Earnings			Unappropriated Retained Earnings	Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gains (Losses) from Financial Assets Measured at Fair Value through Other Comprehensive Income			
	Ordinary Shares	Capital Surplus	Legal Reserve	Special Reserve						
Balance at January 1, 2024	\$ 35,874,751	2,911,115	13,370,424	1,447,789	8,163,952	(975,494)	327,006	61,119,543	(861,161)	60,258,382
Profit (loss) for the period	-	-	-	-	2,900,153	-	-	2,900,153	(5,120)	2,895,033
Other comprehensive income for the period	-	-	-	-	-	2,796,465	110,495	2,906,960	11,560	2,918,520
Total comprehensive income for the period	-	-	-	-	2,900,153	2,796,465	110,495	5,807,113	6,440	5,813,553
Appropriation and distribution of retained earnings:										
Legal reserve appropriated	-	-	613,621	-	(613,621)	-	-	-	-	-
Reversal of special reserve	-	-	-	(799,301)	799,301	-	-	-	-	-
Cash dividends on ordinary shares	-	-	-	-	(5,381,213)	-	-	(5,381,213)	-	(5,381,213)
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	(15,011)	-	-	-	-	-	(15,011)	15,011	-
Changes in non-controlling interests	-	-	-	-	-	-	-	-	1,650	1,650
Balance at June 30, 2024	<u>\$ 35,874,751</u>	<u>2,896,104</u>	<u>13,984,045</u>	<u>648,488</u>	<u>5,868,572</u>	<u>1,820,971</u>	<u>437,501</u>	<u>61,530,432</u>	<u>(838,060)</u>	<u>60,692,372</u>
Balance at January 1, 2025	\$ 35,874,751	2,894,045	13,984,045	648,488	10,361,598	2,210,213	5,347,172	71,320,312	(833,529)	70,486,783
Profit for the period	-	-	-	-	3,892,956	-	-	3,892,956	5,523	3,898,479
Other comprehensive income (loss) for the period	-	-	-	-	-	(6,125,746)	1,447,900	(4,677,846)	(26,959)	(4,704,805)
Total comprehensive income (loss) for the period	-	-	-	-	3,892,956	(6,125,746)	1,447,900	(784,890)	(21,436)	(806,326)
Appropriation and distribution of retained earnings:										
Legal reserve appropriated	-	-	739,318	-	(739,318)	-	-	-	-	-
Reversal of special reserve	-	-	-	(648,488)	648,488	-	-	-	-	-
Cash dividends on ordinary shares	-	-	-	-	(6,098,708)	-	-	(6,098,708)	-	(6,098,708)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	(9,480)	(9,480)
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	(1,911)	-	-	(6,224)	-	-	(8,135)	8,135	-
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	8,347,115	-	(8,347,115)	-	-	-
Balance at June 30, 2025	<u>\$ 35,874,751</u>	<u>2,892,134</u>	<u>14,723,363</u>	<u>-</u>	<u>16,405,907</u>	<u>(3,915,533)</u>	<u>(1,552,043)</u>	<u>64,428,579</u>	<u>(856,310)</u>	<u>63,572,269</u>

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

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

INVENTEC CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Six Months Ended June 30, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

	For the six months ended June 30	
	2025	2024
Cash flows (used in) from operating activities:		
Profit before tax	\$ 5,064,376	3,707,880
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	1,514,141	1,396,535
Amortization expense	469,435	563,819
Expected credit (gain) loss	(2,587)	24,297
Interest expense	3,109,477	2,691,646
Interest income	(1,539,063)	(1,438,800)
Dividend income	(5,647)	(258,880)
Shares of loss of associates and joint ventures accounted for using equity method	10,762	16,603
Gains on disposal of property, plant and equipment	(35,886)	(117,494)
Gain on disposal of investments	(269,367)	-
Impairment loss on non-financial assets	409,535	-
Unrealized foreign exchange loss	1,966,016	259,983
Other adjustments	226	(2,050)
Total adjustments to reconcile profit	<u>5,627,042</u>	<u>3,135,659</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
(Increase) decrease in financial assets at fair value through profit or loss, mandatorily measured at fair value	(1,085,379)	91,667
Decrease (increase) in accounts receivable	24,529,134	(17,342,066)
(Increase) decrease in other receivables	(1,022,096)	283,575
Increase in inventories	(19,201,117)	(4,157,553)
(Increase) decrease in other current assets	<u>(3,136,107)</u>	<u>436,801</u>
Total changes in operating assets	<u>84,435</u>	<u>(20,687,576)</u>
Changes in operating liabilities:		
(Decrease) increase in financial liabilities held for trading	(94,500)	43,719
Increase in contract liabilities	1,723,114	1,277,078
(Decrease) increase in accounts payable	(12,564,080)	20,096,199
Decrease in other payables	(2,593,581)	(1,469,475)
(Decrease) increase in other current liabilities	(1,498,765)	739,184
Decrease in net defined benefit liabilities, non-current	<u>(24,366)</u>	<u>(27,166)</u>
Total changes in operating liabilities	<u>(15,052,178)</u>	<u>20,659,539</u>
Total changes in operating assets and liabilities	<u>(14,967,743)</u>	<u>(28,037)</u>
Total adjustments	<u>(9,340,701)</u>	<u>3,107,622</u>
Cash (outflow) inflow generated from operations	(4,276,325)	6,815,502
Interest received	1,848,939	1,174,410
Dividends received	10,047	258,880
Interest paid	(2,988,006)	(2,744,828)
Income taxes paid	<u>(1,107,294)</u>	<u>(930,986)</u>
Net cash flows (used in) from operating activities	<u>(6,512,639)</u>	<u>4,572,978</u>

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

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

INVENTEC CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (CONT'D)
For the Six Months Ended June 30, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

	For the six months ended June 30	
	2025	2024
Cash flows from (used in) investing activities:		
Proceeds from disposal of financial assets at fair value through other comprehensive income	9,453,244	-
Acquisition of investment accounted for using equity method	(43,605)	(28,528)
Acquisition of financial assets at fair value through profit or loss	(1,101,500)	(2,689,200)
Proceeds from disposal of financial assets at fair value through profit or loss	674,118	36,163
Net cash outflows from disposal of subsidiaries	(11,321)	-
Acquisition of property, plant and equipment	(3,209,879)	(1,909,371)
Proceeds from disposal of property, plant and equipment	94,150	136,406
Acquisition of intangible assets	(188,340)	(230,640)
Acquisition of investment properties	-	(2,734)
Increase in other financial assets	(2,752,138)	(1,343,761)
Increase in other non-current assets	<u>(973,068)</u>	<u>(548,396)</u>
Net cash flows from (used in) investing activities	<u>1,941,661</u>	<u>(6,580,061)</u>
Cash flows from financing activities:		
Increase in short-term borrowings	17,788,999	7,357,368
Proceeds from long-term borrowings	-	10,339,764
Repayments of long-term borrowings	(287,522)	(7,199,264)
Payments of lease liabilities	(137,694)	(123,393)
(Decrease) increase in other non-current liabilities	(53,862)	18,254
Change in non-controlling interests	<u>(9,480)</u>	<u>1,650</u>
Net cash flows from financing activities	<u>17,300,441</u>	<u>10,394,379</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(2,692,389)</u>	<u>1,339,116</u>
Net increase in cash and cash equivalents	10,037,074	9,726,412
Cash and cash equivalents at beginning of period	<u>30,933,801</u>	<u>28,133,069</u>
Cash and cash equivalents at end of period	<u>\$ 40,970,875</u>	<u>37,859,481</u>

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

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(1) Company History

Inventec Corporation (the “Company”) was organized in 1975. The Company engages primarily in the manufacturing, processing and trading of computers and related products. The Company’s registered office address is located at No.66 Hougang Street, Shilin District, Taipei City, Taiwan, R.O.C. The shares of the Company became officially listed and traded on the Taiwan Stock Exchange in November 1996.

The Company and its subsidiaries (together referred to as the “Group” and individually as “Group entities”) primarily is involved in the production and sales of computer products and intelligent devices. Please refer to Note (4)(b) for details.

(2) Financial Statements Authorization Date and Authorization Process

The consolidated financial statements for the six months ended June 30, 2025 and 2024 were authorized for issuance by the Board of Directors on August 12, 2025.

(3) New Standards, Amendments and Interpretations Adopted:

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

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

- Amendments to IAS21 “Lack of Exchangeability”

- (b) The impact of IFRS Accounting Standards endorsed by the FSC but not yet effective

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

- IFRS 17 “Insurance Contracts” and amendments to IFRS 17 “Insurance Contracts”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”
- Annual Improvements to IFRS Accounting Standards—Volume 11
- Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”

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

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

<u>Standards or Interpretations</u>	<u>Content of amendment</u>	<u>Effective date per IASB</u>
IFRS 18 “Presentation and Disclosure in Financial Statements”	The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities. • A more structured income statement: under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined ‘operating profit’ subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company’s main business activities. • Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards. • Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.	January 1, 2027

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

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

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures”

(4) Summary of Material Accounting Policies

(a) Statement of compliance

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

Except the following accounting policies mentioned below, the material accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2024. For the related information, please refer to Note 4 of the consolidated financial statements for the year ended December 31, 2024.

(b) Basis of consolidation

1. List of subsidiaries in the consolidated financial statements

Name of Investor	Name of Subsidiary	Principal activity	Shareholding			Note
			June 30, 2025	December 31, 2024	June 30, 2024	
The Company	Inventec Corporation (Hong Kong) Ltd.	Trading	100.00 %	100.00 %	100.00 %	(Note 1)
"	Inventec Holding (North America) Corp.	Holding Company	100.00 %	100.00 %	100.00 %	
"	Inventec (Cayman) Corp.	Holding Company	100.00 %	100.00 %	100.00 %	
"	IEC (Cayman) Corporation	Holding Company	100.00 %	100.00 %	100.00 %	(Note 1)
"	Inventec (Czech), s.r.o.	Production and sales of computer products	100.00 %	100.00 %	100.00 %	(Note 1)
"	Inventec Development Japan Corporation	Trading	100.00 %	100.00 %	100.00 %	(Note 1)
"	Inventec Investments Co., Ltd.	Investment company	100.00 %	100.00 %	100.00 %	(Note 1)
"	AIMobile Co., Ltd.	Developing, production and sales of intelligent mobile devices	100.00 %	89.16 %	89.16 %	(Note 1)
"	Inventec Japan Corporation	Trading and management services	100.00 %	100.00 %	100.00 %	(Note 1)
"	Inventec Appliances Corp.	Production and sales of intelligent devices	100.00 %	100.00 %	100.00 %	(Note 2)
"	InveneXt System CO., LTD.	Sales of 5G hardware and software	100.00 %	100.00 %	100.00 %	(Note 1)
"	Inventec Technology (Vietnam) Company Limited	Production and sales of computer products	100.00 %	100.00 %	100.00 %	(Note 1)
"	Inventec Technology (Singapore) Pte. Ltd.	Development of computer products	100.00 %	100.00 %	100.00 %	Inventec Technology (Singapore) Pte. Ltd. was established on June 26, 2024. (Note 1)
"	Asic AI Co., Ltd.	Artificial Intelligence chip design	100.00 %	- %	- %	Asic AI Co., Ltd. was established on March 28, 2025. (Note 1)

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Name of Investor	Name of Subsidiary	Principal activity	Shareholding			Note
			June 30, 2025	December 31, 2024	June 30, 2024	
InveneXt System CO., LTD.	Inphicomn Ltd.	Sales of 5G hardware and software	55.00 %	55.00 %	55.00 %	Inphicomn. Ltd. was established on July 17, 2023. No capital has been injected as of June 30, 2025. (Note 1)
The Company and Inventec Investments Co., Ltd.	Inventec Electronics (Thailand) Co., Ltd.	Production and sales of computer products	100.00 %	100.00 %	100.00 %	(Note 1)
The Company 、 Inventec Investments Co., Ltd. and Inventec Appliances Corp.	Inventec Solar Energy Corporation	Sales of solar cells and medical equipment	47.65 %	47.65 %	47.65 %	Inventec Solar Energy Corporation resolved at its Board meeting on December 1, 2021, to file for bankruptcy to the Taoyuan District Court. However, the Board decided to withdraw the bankruptcy petition on July 15, 2025. (Note 1)
Inventec Corporation (Hong Kong) Ltd.	Inventec Electronics (Tianjin) Co., Ltd.	Electronic product software development	100.00 %	100.00 %	100.00 %	(Note 1)
"	Inventec (Beijing) Electronics Technology Co., Ltd.	"	100.00 %	100.00 %	100.00 %	(Note 1)
Inventec (Cayman) Corp. and Inventec (Pudong) Technology Corp.	Inventec (Shanghai) Corp.	Sales of computer products	100.00 %	100.00 %	100.00 %	(Note 1)
Inventec (Cayman) Corp., Inventec (Pudong) Technology Corp. and Inventec (Pudong) Corp.	Inventec (Shanghai) Service Co., Ltd.	"	100.00 %	100.00 %	100.00 %	(Note 1)
Inventec (Cayman) Corp.	Inventec (Pudong) Corp.	"	100.00 %	100.00 %	100.00 %	(Note 1)
"	Inventec (Pudong) Technology Corp.	Production and sales of computer products	100.00 %	100.00 %	100.00 %	(Note 1)
"	Inventec Hi-Tech Corporation	Sales of computer products	100.00 %	100.00 %	100.00 %	(Note 1)
"	Inventec (Chongqing) Service Co., Ltd	"	100.00 %	100.00 %	100.00 %	(Note 1)
Inventec (Cayman) Corp. and IEC (Cayman) Corporation	Inventec (Chongqing) Corporation	Production and sales of computer products	100.00 %	100.00 %	100.00 %	
Inventec (Shanghai) Corp.	Inventec Asset-Management (Shanghai) Corporation	Leasing	78.00 %	78.00 %	78.00 %	(Note 1)
Inventec (Shanghai) Service Co., Ltd.	Saint Investment Consulting Corporation	Business management	100.00 %	100.00 %	100.00 %	(Note 1)
Inventec (Pudong) Technology Corp.	SQ Technology (Shanghai) Corporation	Production and sales of computer products	100.00 %	100.00 %	100.00 %	(Note 2)
Inventec Holding (North America) Corp.	Inventec (USA) Corporation	Service of computer products	100.00 %	100.00 %	100.00 %	(Note 1)
"	Inventec Manufacturing (North America) Corporation	"	100.00 %	100.00 %	100.00 %	(Note 1)
"	Inventec Configuration (North America) Corporation	Production and sales of computer products	100.00 %	100.00 %	100.00 %	(Note 1)
"	Inventec Distribution (North America) Corporation	"	100.00 %	100.00 %	100.00 %	(Note 1)
Inventec Holding (North America) Corp. and Inventec Distribution (North America) Corporation	IEC Technologies, S. de R.L. de C.V.	"	100.00 %	100.00 %	100.00 %	(Note 1)
Inventec Appliances Corp.	Inventec Appliances (Cayman) Holding Corp.	Holding Company	100.00 %	100.00 %	100.00 %	(Note 1)
"	Inventec Appliances (Vietnam) Company Limited	Production and sales of intelligent devices	100.00 %	100.00 %	100.00 %	(Note 1)

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Name of Investor	Name of Subsidiary	Principal activity	Shareholding			Note
			June 30, 2025	December 31, 2024	June 30, 2024	
Inventec Appliances (Cayman) Holding Corp.	Inventec Appliances (USA) Distribution Corp.	Sales of intelligent devices	100.00 %	100.00 %	100.00 %	(Note 1)
"	Inventec Appliances Corporation USA, Inc.	Sales service	100.00 %	100.00 %	100.00 %	(Note 1)
"	Inventec Appliances (Shanghai) Co., Ltd.	Development of intelligent devices	100.00 %	100.00 %	100.00 %	(Note 1)
"	Inventec Appliances (Pudong) Corp.	Production and sales of intelligent devices	100.00 %	100.00 %	100.00 %	(Note 1)
"	Inventec Appliances (Jiangning) Corp.	"	100.00 %	100.00 %	100.00 %	(Note 1)
"	Inventec Appliances (Nanjing) Corp.	"	100.00 %	100.00 %	100.00 %	(Note 1)
"	Inventec Appliances (XI'AN) Corporation	House leasing	- %	100.00 %	100.00 %	The share transfer registration was completed on June 4, 2025. (Note 1)
"	Inventec Appliances (Nanchang) Corporation	Development of intelligent devices	100.00 %	100.00 %	100.00 %	(Note 1)
Inventec Appliances (Shanghai) Co., Ltd.	Inventec Appliances (Shanghai) Enterprise Co., Ltd.	Business management	100.00 %	100.00 %	100.00 %	(Note 1)
"	APEX Business Management & Consulting (Shanghai) Co., Ltd.	"	100.00 %	100.00 %	100.00 %	(Note 1)
"	Inventec Appliances (Nanchang) Intelligent Manufacturing Co., Ltd.	Production and sales of intelligent devices	100.00 %	100.00 %	100.00 %	(Note 1)
"	Inventec QD (Shanghai) Corporation	Business management	- %	- %	100.00 %	The deregistration was completed on July 11, 2024. (Note 1)
Inventec Appliances (Pudong) Corp.	Inventec Appliances (Malaysia) SDN. BHD.	Production and sales of intelligent devices	100.00 %	100.00 %	100.00 %	(Note 1)
"	Inventec Easy Doctor Corporation	Production and sales of medical devices	100.00 %	100.00 %	100.00 %	(Note 1)

Note 1: Companies are non-significant subsidiaries and their financial statements have not been reviewed.

Note 2: Companies are non-significant subsidiaries and their financial statements have been reviewed.

2.Subsidiaries excluded from the consolidated financial statements: None.

(c) Income taxes

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

Income tax expenses for the period are measured by multiplying together the pre-tax income for the interim reporting period and the management's best estimate of effective annual tax rate. This should be recognized fully as tax expense for the current period.

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

(d) Employee benefits

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

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(5) Significant Accounting Assumptions and Judgements, and Major Sources of Estimation Uncertainty

The preparation of the consolidated financial statements in conformity with the Regulations and IAS 34 “Interim Financial Reporting” endorsed by the FSC requires management to make judgments, and estimates about the future, including climate-related risks and opportunities, that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The preparation of the consolidated interim financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with the consolidated financial statements for the year ended December 31, 2024. For related information, please refer to Note 5 of the consolidated financial statements for the year ended December 31, 2024.

(6) Explanation to Significant Accounts

Except for the following disclosures, there were no material differences in the disclosures of significant accounts between the interim consolidated financial statements for the current period and the 2024 consolidated financial statements. Please refer to Note 6 of the 2024 annual consolidated financial statements.

(a) Cash and cash equivalents

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Cash on hand	\$ 5,578	6,153	6,406
Demand deposits and checking accounts	39,714,606	29,866,983	36,732,002
Time deposits	<u>1,250,691</u>	<u>1,060,665</u>	<u>1,121,073</u>
Cash and cash equivalents in the consolidated statements of cash flows	<u><u>\$ 40,970,875</u></u>	<u><u>30,933,801</u></u>	<u><u>37,859,481</u></u>

(b) Financial instruments

1. Financial assets and liabilities at fair value through profit or loss

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Financial assets at fair value through profit or loss			
Derivative instruments not used for hedging			
Forward exchange contracts	\$ 9,650	18,667	48,389
Foreign exchange swap	186,795	-	-
Contingent consideration - the contractual rights to receive shares	211,546	-	-
Non-derivative financial assets			
Stocks of listed companies	-	2,741	2,849
Emerging stock	192,889	160,131	90,726
Unquoted financial instruments	2,226,400	2,079,457	2,942,863
Unsecured convertible bonds	-	-	21,078
Contingent consideration - the contractual rights to receive cash	715,144	-	-
Total	<u><u>\$ 3,542,424</u></u>	<u><u>2,260,996</u></u>	<u><u>3,105,905</u></u>

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	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Financial liabilities at fair value through profit or loss			
Derivative instruments not used for hedging			
Forward exchange contracts	\$ 25,490	15,802	6,278
Foreign exchange swap	-	104,188	72,359
Total	<u>\$ 25,490</u>	<u>119,990</u>	<u>78,637</u>

The Group uses derivative financial instruments to hedge the certain foreign exchange and interest rate risk the Group is exposed to, arising from its operating, financing and investing activities. The following derivative instruments, without the application of hedge accounting, were classified as mandatorily measured at fair value through profit or loss financial assets and held-for-trading financial liabilities:

1) Financial assets:

<u>June 30, 2025</u>				
	<u>Contract Amount</u>		<u>Currency</u>	<u>Maturity Period</u>
	<u>(in thousands)</u>			
Foreign exchange swap	USD 260,000		USD to TWD	2025.07.11~2025.08.27
Forward	USD 35,000		USD to TWD	2025.07.28~2025.08.25
Forward	USD 6,000		USD to INR	2025.07.28
Forward	USD 56,000		USD to CNY	2025.07.10~2025.08.26
<u>December 31, 2024</u>				
	<u>Contract Amount</u>		<u>Currency</u>	<u>Maturity Period</u>
	<u>(in thousands)</u>			
Forward	USD 15,000		USD to CNY	2025.05.13
<u>June 30, 2024</u>				
	<u>Contract Amount</u>		<u>Currency</u>	<u>Maturity Period</u>
	<u>(in thousands)</u>			
Forward	USD 178,300		USD to CNY	2024.08.23~2025.05.13

2) Financial liabilities:

<u>June 30, 2025</u>				
	<u>Contract Amount</u>		<u>Currency</u>	<u>Maturity Period</u>
	<u>(in thousands)</u>			
Forward	USD 70,000		USD to TWD	2025.07.11~2025.08.18
Forward	USD 12,000		USD to CNY	2025.07.17

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December 31, 2024				
	Contract Amount		Currency	Maturity Period
	(in thousands)			
Foreign exchange swap	USD 220,000		USD to TWD	2025.01.08~2025.02.20
Forward	USD 60,000		USD to CNY	2025.01.13~2025.02.26
June 30, 2024				
	Contract Amount		Currency	Maturity Period
	(in thousands)			
Foreign exchange swap	USD 220,000		USD to TWD	2024.07.08~2024.08.19
Forward	USD 35,000		USD to CNY	2024.07.08~2024.08.26

2. Financial assets at fair value through other comprehensive income

	June 30, 2025	December 31, 2024	June 30, 2024
Equity investments at fair value through other comprehensive income			
Stocks of listed companies	\$ 3,673,952	566,754	840,194
Stocks of unlisted companies	1,082,080	10,421,292	5,237,754
Total	<u>\$ 4,756,032</u>	<u>10,988,046</u>	<u>6,077,948</u>

1) Equity investments at fair value through other comprehensive income

The Group designated the investments shown above as equity securities at fair value through other comprehensive income because these equity securities represent those investments that the Group intends to hold for long-term strategic purposes.

For strategic purposes, the Group had sold its equity investments at fair value through other comprehensive income at the amount of \$6,223 for the six months ended June 30, 2025, resulting in the Group to reclassify the gain of \$3,223 from other equity to retained earnings.

In the first quarter of 2025, ZT Group Int'l, Inc., an investee company of the Group, was acquired by Advanced Micro Devices, Inc., with the fair value of \$12,128,915 on the derecognition date. As a result of the equity transaction, the Group received the amount of \$9,447,017 in cash and 884 thousand shares of common stock of Advanced Micro Devices, Inc. (recognized under non-current financial assets at fair value through other comprehensive income), resulting in the Group to reclassify the gain of \$8,343,406 from other equity to retained earnings for the three months ended March 31, 2025. The aforementioned transaction includes contingent consideration. On May 18, 2025, Advanced Micro Devices, Inc., entered into an equity purchase agreement with Sanmina Corporation to divest the manufacturing business of ZT Group Int'l, Inc. The transaction is subject to regulatory approvals and customary closing conditions. Pursuant to the original acquisition terms, the Group expects to receive the contingent consideration of \$926,690, recognized under current financial assets at fair value through profit or loss, in the form of cash and ordinary shares of Advanced Micro Devices, Inc.

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2) For credit risk and market risk, please refer to Note (6)(y).

3) As of June 30, 2025, the aforesaid financial assets were not pledged as collateral.

(c) Accounts receivable

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Accounts receivable- non-related parties	\$ 138,172,606	164,869,625	110,268,759
Accounts receivable- related parties	10,719	5,040	278
Less: Loss allowance	<u>(108,540)</u>	<u>(112,723)</u>	<u>(98,741)</u>
	<u><u>\$ 138,074,785</u></u>	<u><u>164,761,942</u></u>	<u><u>110,170,296</u></u>

The Group assessed that some accounts receivable were derived from the collection of contractual cash flows and sales. Therefore, those accounts receivable were measured at fair value through other comprehensive income. As of June 30, 2025, December 31, 2024, and June 30, 2024, the amounts of accounts receivable measured at fair value through other comprehensive income were \$3,982,727, \$8,458,640 and \$9,234,268, respectively.

The Group applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, accounts receivable have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward looking information, including macroeconomic and relevant industry information. The loss allowance was determined as follows:

	<u>June 30, 2025</u>		
	<u>Gross carrying amount</u>	<u>Weighted-average loss rate</u>	<u>Loss allowance</u>
Current	\$ 133,922,109	0%~0.5%	92,312
1 to 180 days past due	4,242,431	0.04%~10%	5,267
More than 180 days past due	<u>18,785</u>	0.04%~100%	<u>10,961</u>
	<u><u>\$ 138,183,325</u></u>		<u><u>108,540</u></u>

As of July 29, 2025, the amount received in subsequent period by the Group was \$56,067,857.

	<u>December 31, 2024</u>		
	<u>Gross carrying amount</u>	<u>Weighted-average loss rate</u>	<u>Loss allowance</u>
Current	\$ 162,351,296	0%~0.5%	105,871
1 to 180 days past due	2,523,369	0.04%~10%	6,852
More than 180 days past due	<u>-</u>	0.04%~100%	<u>-</u>
	<u><u>\$ 164,874,665</u></u>		<u><u>112,723</u></u>

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	June 30, 2024		
	Gross carrying amount	Weighted-average loss rate	Loss allowance
Current	\$ 107,086,255	0%~0.5%	94,474
1 to 180 days past due	3,181,820	0.04%~10%	3,690
More than 180 days past due	962	0.04%~100%	577
	<u><u>\$ 110,269,037</u></u>		<u><u>98,741</u></u>

The movements in the allowance for accounts receivable were as follows:

	For the six months ended June 30,	
	2025	2024
Balance at January 1	\$ 112,723	73,960
Impairment losses (reversed) recognized	(2,587)	24,297
Effect of movements in exchange rates	(1,596)	484
Balance at June 30	<u><u>\$ 108,540</u></u>	<u><u>98,741</u></u>

The allowance for impairment account is used to record expected credit losses. If the Group believes that it may not be able to collect the receivables. The accumulated impairment was used to offset the receivables when it is certain they are unrecoverable, after related legal actions were taken by the Group.

As of June 30, 2025, December 31, 2024 and June 30, 2024, none of the receivables above were pledged as collateral for loans and borrowings.

As of June 30, 2025, December 31, 2024 and June 30, 2024, the Group sold its accounts receivable without recourse as follows:

June 30, 2025						
Purchaser	Amount Derecognized	Amount Advanced		Amount Recognized in other Receivable	Range of Interest Rate	Significant Transferring Terms
		Unpaid (in thousands)	Paid (in thousands)			
Non-related parties	<u><u>\$ 44,886,513</u></u>	USD <u><u>518,648</u></u>	USD <u><u>1,533,009</u></u>	-	4.74%~5.49%	The accounts receivable factoring is without recourse but the seller still bears the risks except for eligible obligor's insolvency.
		Note				
December 31, 2024						
Purchaser	Amount Derecognized	Amount Advanced		Amount Recognized in other Receivable	Range of Interest Rate	Significant Transferring Terms
		Unpaid (in thousands)	Paid (in thousands)			
Non-related parties	<u><u>\$ 48,996,179</u></u>	USD <u><u>591,372</u></u>	USD <u><u>1,494,697</u></u>	-	5.05%~5.84%	The accounts receivable factoring is without recourse but the seller still bears the risks except for eligible obligor's insolvency.
		Note				

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June 30, 2024						
Purchaser	Amount Derecognized	Amount Advanced		Amount Recognized in other Receivable	Range of Interest Rate	Significant Transferring Terms
		Unpaid (in thousands)	Paid (in thousands)			
Non-related parties	\$ <u>39,306,781</u>	USD <u>352,684</u>	USD <u>1,212,050</u>	-	6.15%~6.50%	The accounts receivable factoring is without recourse but the seller still bears the risks except for eligible obligor's insolvency.
		Note				

Note: The amount advanced unpaid of subsidiaries which means that the purchaser has the right to make factoring transactions with the Group based on the amount allocated by the client under factoring agreement.

(d) Other receivables

	June 30, 2025	December 31, 2024	June 30, 2024
Other accounts receivable	\$ <u>2,614,362</u>	<u>1,839,801</u>	<u>1,533,117</u>

Other receivables consisted of interests receivable and other income.

(e) Inventories

	June 30, 2025	December 31, 2024	June 30, 2024
Raw materials and consumables	\$ 47,200,410	40,208,656	38,398,749
Work in process	14,513,216	13,085,715	11,519,245
Finished goods	13,767,075	10,179,357	14,093,596
Materials and supplies in transit	2,717,672	1,673,219	2,186,698
	\$ <u>78,198,373</u>	<u>65,146,947</u>	<u>66,198,288</u>

For the three months and six months ended June 30, 2025 and 2024, the write-up (write-down) of inventories amounted to \$19,033, \$(102,563), \$(215,151) and \$(323,215), respectively. The write down of inventory valuation is due to obsolescence or out of use, which causes the net realizable value of inventory to be lower than the cost and is recognized as operating costs. In addition, when the factor causing the net realizable value of inventory to be lower than the cost is disappeared due to scrapping or disposal, the increase in the net realized value is recognized as a deduction in operating costs. For the three months and six months ended June 30, 2025 and 2024, idle capacity loss amounted to \$1,924, \$697, \$4,957 and \$2,692, respectively.

As of June 30, 2025, December 31, 2024, and June 30, 2024, the aforesaid inventories were not pledged as collateral.

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(f) Investments accounted for using equity method

The components of investments accounted for using equity method at the reporting date were as follows:

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Associates	\$ <u>475,814</u>	<u>469,877</u>	<u>455,727</u>

As of June 30, 2025, December 31, 2024 and June 30, 2024, the Group's investments under equity method were not pledged as collateral.

Except for Inventec Besta Co., Ltd. (Besta), investments were accounted for by using the equity method, and the share of profit or loss and other comprehensive income of these investments were calculated based on the financial statements that have not been reviewed.

1. Judgment on existence of substantial control over investee

The Group holds 37.528% of the outstanding voting shares of Inventec Besta Co., Ltd. (Besta) and obtains only one seat among all seven board directors. Therefore, the Group does not have existing rights and the current ability to direct the investee's relevant activities, thus, the Group does not have control over Besta.

(g) Acquisition of non-controlling interests

In May 2025, the Group acquired additional shares of AIMobile Co., Ltd. for \$9,480 in cash, increasing its ownership from 89.16% to 100%. The Group did not have any transaction with non-controlling interests between January 1 and June 30, 2024.

The effects of the changes in its shareholdings as follow:

Carrying amount of non-controlling interest on acquisition	\$ 1,345
Consideration paid to non-controlling interests	<u>(9,480)</u>
Capital surplus differences between consideration and carrying amount of subsidiaries acquired or disposed	<u>\$ (8,135)</u>

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(h) Loss of control over subsidiaries

The Group sold its entire shares in Inventec Appliance (XI'AN) Corporation on June 4, 2025, with the proceeds of \$345,306, resulting in a gain on disposal of \$269,367, recognized as other gains and losses, and a loss of control over the Inventec Appliance (XI'AN) Corporation.

1. The carrying amounts of assets and liabilities of Inventec Appliance (XI'AN) Corporation on the date of disposal were as follows:

Cash and cash equivalents	\$ 11,321
Property, plant and equipment	62,162
Right-of-use assets	15,312
Other non-current assets	2,330
Other payables	(1,077)
Current tax liabilities	(2,170)
Other current liabilities	<u>(10,583)</u>
Carrying amount of net assets	<u><u>\$ 77,295</u></u>

2. Gains on disposal of the subsidiary:

Disposal consideration	\$ 345,306
Less: Net assets disposed	<u>77,295</u>
Gains on disposal	268,011
Reclassification to profit or loss-Exchange differences on translation of foreign financial statements	<u>1,356</u>
Gains on disposal considering reclassification of other equity	<u><u>\$ 269,367</u></u>

3. Net cash outflows from disposal of the subsidiary

Disposal consideration (Note)	\$ -
Less: Cash and cash equivalents disposed	<u>(11,321)</u>
	<u><u>\$ (11,321)</u></u>

Note: As of June 30, 2025, the disposal consideration have not yet been received and was recognized as other receivables.

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(i) Property, plant and equipment

The cost, depreciation, and impairment of the property, plant and equipment of the Group for the six months ended June 30, 2025 and 2024 were as follows:

		Land	Building and construction	Machinery and equipment	Transportation equipment	Office equipment	Other facilities	Leasehold improvements	Others	Total
Cost or deemed cost:										
Balance at January 1, 2025	\$	9,121,119	19,834,409	18,498,338	102,584	5,812,051	8,293,464	1,059,675	5,145,544	67,867,184
Additions		-	142,051	1,451,604	-	470,845	205,438	91,198	1,593,112	3,954,248
Disposals		-	(1,399)	(359,422)	(3,872)	(149,672)	(1,036,980)	-	-	(1,551,345)
Others		-	(171,881)	10,272	-	16,992	48,683	-	(57,503)	(153,437)
Effect of movements in exchange rates		(124,475)	(1,514,355)	(1,500,645)	(8,561)	(365,447)	(571,199)	(77,400)	(438,830)	(4,600,912)
Balance at June 30, 2025	\$	<u>8,996,644</u>	<u>18,288,825</u>	<u>18,100,147</u>	<u>90,151</u>	<u>5,784,769</u>	<u>6,939,406</u>	<u>1,073,473</u>	<u>6,242,323</u>	<u>65,515,738</u>
Balance at January 1, 2024	\$	8,840,449	16,933,359	17,110,435	104,879	5,471,561	7,733,274	844,868	3,440,817	60,479,642
Additions		214,671	-	471,413	-	226,993	159,053	123,890	819,682	2,015,702
Disposals		-	(18,860)	(936,904)	(2,678)	(133,715)	(46,159)	(16,150)	-	(1,154,466)
Others		-	2,226,296	793,736	-	16,981	(13,937)	-	(2,965,741)	57,335
Effect of movements in exchange rates		53,552	632,740	745,339	4,234	163,602	260,806	35,284	149,785	2,045,342
Balance at June 30, 2024	\$	<u>9,108,672</u>	<u>19,773,535</u>	<u>18,184,019</u>	<u>106,435</u>	<u>5,745,422</u>	<u>8,093,037</u>	<u>987,892</u>	<u>1,444,543</u>	<u>63,443,555</u>
Depreciation and impairment losses:										
Balance at January 1, 2025	\$	-	5,814,015	13,899,582	84,441	4,849,732	7,280,063	615,174	-	32,543,007
Depreciation for the period		-	244,224	550,482	2,769	245,778	156,573	50,582	-	1,250,408
Disposals		-	(1,399)	(323,663)	(3,872)	(145,649)	(1,019,844)	-	-	(1,494,427)
Others		-	(109,719)	-	-	(156)	(4,638)	-	-	(114,513)
Effect of movements in exchange rates		-	(458,471)	(972,779)	(7,154)	(280,912)	(510,573)	(33,766)	-	(2,263,655)
Balance at June 30, 2025	\$	<u>-</u>	<u>5,488,650</u>	<u>13,153,622</u>	<u>76,184</u>	<u>4,668,793</u>	<u>5,901,581</u>	<u>631,990</u>	<u>-</u>	<u>29,920,820</u>
Balance at January 1, 2024	\$	-	5,174,175	13,664,031	81,655	4,628,439	6,791,417	528,377	-	30,868,094
Depreciation for the period		-	217,643	578,140	3,230	205,289	128,106	37,142	-	1,169,550
Disposals		-	(18,860)	(884,445)	(2,669)	(132,161)	(44,298)	(16,149)	-	(1,098,582)
Effect of movements in exchange rates		-	195,783	562,534	3,255	129,126	237,591	17,144	-	1,145,433
Balance at June 30, 2024	\$	<u>-</u>	<u>5,568,741</u>	<u>13,920,260</u>	<u>85,471</u>	<u>4,830,693</u>	<u>7,112,816</u>	<u>566,514</u>	<u>-</u>	<u>32,084,495</u>
Carrying amounts:										
Balance at January 1, 2025	\$	<u>9,121,119</u>	<u>14,020,394</u>	<u>4,598,756</u>	<u>18,143</u>	<u>962,319</u>	<u>1,013,401</u>	<u>444,501</u>	<u>5,145,544</u>	<u>35,324,177</u>
Balance at June 30, 2025	\$	<u>8,996,644</u>	<u>12,800,175</u>	<u>4,946,525</u>	<u>13,967</u>	<u>1,115,976</u>	<u>1,037,825</u>	<u>441,483</u>	<u>6,242,323</u>	<u>35,594,918</u>
Balance at January 1, 2024	\$	<u>8,840,449</u>	<u>11,759,184</u>	<u>3,446,404</u>	<u>23,224</u>	<u>843,122</u>	<u>941,857</u>	<u>316,491</u>	<u>3,440,817</u>	<u>29,611,548</u>
Balance at June 30, 2024	\$	<u>9,108,672</u>	<u>14,204,794</u>	<u>4,263,759</u>	<u>20,964</u>	<u>914,729</u>	<u>980,221</u>	<u>421,378</u>	<u>1,444,543</u>	<u>31,359,060</u>

As of June 30, 2025, December 31, 2024 and June 30, 2024, assets, which were partially pledged for the Group's long-term debts and short-term debts, were discussed further in Note (8).

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(j) Right-of-use assets

The Group leases many assets including land and buildings, vehicles and other equipment. Information about leases for which the Group as a lessee is presented below:

	<u>Land</u>	<u>Buildings and construction</u>	<u>Vehicles</u>	<u>Others</u>	<u>Total</u>
Cost:					
Balance at January 1, 2025	\$ 1,767,711	3,342,545	32,459	2,445	5,145,160
Additions	-	122,661	-	-	122,661
Reductions	(17,630)	(28,141)	-	-	(45,771)
Effect of movements in exchange rates	(218,455)	(135,369)	(1,739)	(200)	(355,763)
Balance at June 30, 2025	<u>\$ 1,531,626</u>	<u>3,301,696</u>	<u>30,720</u>	<u>2,245</u>	<u>4,866,287</u>
Balance at January 1, 2024	\$ 944,054	1,598,804	28,636	2,327	2,573,821
Additions	-	267,908	7,891	-	275,799
Reductions	(6,454)	(35,766)	(5,010)	-	(47,230)
Effect of movements in exchange rates	64,642	73,626	768	98	139,134
Balance at June 30, 2024	<u>\$ 1,002,242</u>	<u>1,904,572</u>	<u>32,285</u>	<u>2,425</u>	<u>2,941,524</u>
Depreciation and impairment losses:					
Balance at January 1, 2025	\$ 175,287	721,953	17,423	2,157	916,820
Depreciation for the period	20,711	177,882	5,570	58	204,221
Reductions	(2,318)	(25,243)	-	-	(27,561)
Effect of movements in exchange rates	(52,426)	(59,178)	(1,114)	(196)	(112,914)
Balance at June 30, 2025	<u>\$ 141,254</u>	<u>815,414</u>	<u>21,879</u>	<u>2,019</u>	<u>980,566</u>
Balance at January 1, 2024	\$ 118,892	649,069	11,677	1,803	781,441
Depreciation for the period	14,258	149,061	4,725	115	168,159
Reductions	(6,454)	(20,685)	(5,010)	-	(32,149)
Effect of movements in exchange rates	22,129	37,267	210	94	59,700
Balance at June 30, 2024	<u>\$ 148,825</u>	<u>814,712</u>	<u>11,602</u>	<u>2,012</u>	<u>977,151</u>
Carrying amounts:					
Balance at January 1, 2025	<u>\$ 1,592,424</u>	<u>2,620,592</u>	<u>15,036</u>	<u>288</u>	<u>4,228,340</u>
Balance at June 30, 2025	<u>\$ 1,390,372</u>	<u>2,486,282</u>	<u>8,841</u>	<u>226</u>	<u>3,885,721</u>
Balance at January 1, 2024	<u>\$ 825,162</u>	<u>949,735</u>	<u>16,959</u>	<u>524</u>	<u>1,792,380</u>
Balance at June 30, 2024	<u>\$ 853,417</u>	<u>1,089,860</u>	<u>20,683</u>	<u>413</u>	<u>1,964,373</u>

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(k) Investment property

Investment property comprises office buildings that are leased to third parties under operating leases, including properties that are held as right-of-use assets, as well as those owned by the Group. Some leases provide the lessees with options to extend upon maturity or to purchase the property.

The investment property to the Group were as follows:

	<u>Owned property</u>	<u>Right-of-use assets</u>	
	<u>Buildings</u>	<u>Land and land improvement</u>	<u>Total</u>
Carrying amounts:			
Balance at January 1, 2025	\$ <u>3,527,589</u>	<u>1,669,078</u>	<u>5,196,667</u>
Balance at June 30, 2025	\$ <u>3,139,123</u>	<u>1,466,761</u>	<u>4,605,884</u>
Balance at January 1, 2024	\$ <u>3,435,867</u>	<u>1,616,584</u>	<u>5,052,451</u>
Balance at June 30, 2024	\$ <u>3,554,094</u>	<u>1,691,371</u>	<u>5,245,465</u>

For the six months ended June 30, 2025 and 2024, there were no significant additions, disposal, recognition or reversal of impairment loss on investment property. Please refer to Note 12(a) for the details of depreciation of investment property and Note 6(i) to the 2024 annual consolidated financial statements for other related information.

As of June 30, 2025, December 31, 2024, and June 30, 2024, the Group's investment properties, which were pledged as collateral, were discussed further in Note (8).

(l) Intangible assets

	<u>Goodwill</u>	<u>Software cost</u>	<u>Total</u>
Carrying amounts:			
Balance at January 1, 2025	\$ <u>409,535</u>	<u>252,920</u>	<u>662,455</u>
Balance at June 30, 2025	\$ <u>-</u>	<u>194,672</u>	<u>194,672</u>
Balance at January 1, 2024	\$ <u>409,535</u>	<u>173,377</u>	<u>582,912</u>
Balance at June 30, 2024	\$ <u>409,535</u>	<u>233,061</u>	<u>642,596</u>

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The Group's goodwill has been tested for impairment at the end of the financial reporting period and the recoverable amount is determined based on the value-in-use. The value-in-use was calculated based on the cash flow forecast from the financial budgets covering the next five-year period, and the Group used the annual discount rate of 7.02% in its test of impairment as of June 30, 2025 to reflect the relevant specific risk in the cash-generating unit. For the six months ended June 30, 2025, the Group assessed goodwill impairment and recognized an impairment loss of \$409,535 related to a subsidiary since the operating result of this cash generating unit was not as expected, and the recoverable amount of goodwill was assessed to be lower than the carrying amount. Such impairment loss was recognized in non-operating income and expenses. For the six months ended June 30, 2024, the Group did not recognize any impairment loss for goodwill.

Except for the aforementioned impairment loss on goodwill, there were no significant additions, disposals, or recognition or reversal of impairment losses of intangible assets for the six months ended June 30, 2025 and 2024. Information on amortization for the period is discussed in Note 12(a). Please refer to Note 6(j) to the 2024 annual consolidated financial statements for other related information.

As of June 30, 2025, December 31, 2024, and June 30, 2024, none of the aforesaid intangible assets were pledged as collateral.

(m) Other current assets and other non-current assets

The other current assets-others and other non-current assets of the Group were as follows:

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Refundable deposits	\$ 164,544	158,670	161,787
Current asset recognized as right to recover products from customers	201,307	384,864	343,633
Prepayments to suppliers	13,154	15,669	179,703
Restricted assets	630,873	1,319,933	1,668,052
Other financial assets	6,886,729	4,128,902	5,599,457
Payments on behalf of others	1,925,747	932,549	284,819
Deferred tax assets	3,622,281	3,271,558	2,819,714
Others	6,158,377	3,919,121	4,793,770
	<u>\$ 19,603,012</u>	<u>14,131,266</u>	<u>15,850,935</u>

The Group determines the substance of the transaction in terms of sales and production, as well as production of the same target, to complete its sales contract. The Group has the nature of an agent, and so the transaction is reflected as the net amount after the purchases and sales are written off. The unused inventory of purchases is listed as payments on behalf of others.

As of June 30, 2025, December 31, 2024, and June 30, 2024, other assets, which were pledged as collateral, were discussed further in Note (8).

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(n) Other current liabilities and other non-current liabilities

The other current liabilities-others and other non-current liabilities of the Group were as follows:

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Provisions	\$ 3,854,583	4,144,330	3,503,276
Temporary credits	6,587,561	7,845,358	9,720,388
Receipts under custody	971,468	1,071,034	1,863,719
Deferred tax liabilities	6,573,679	6,798,106	6,147,340
Others	337,180	434,146	413,994
	<u>\$ 18,324,471</u>	<u>20,292,974</u>	<u>21,648,717</u>

(o) Long-term and short-term borrowings

The significant terms and conditions of long-term and short-term borrowings were as follows:

<u>June 30, 2025</u>				
	<u>Interest Rate</u>	<u>Currency</u>	<u>Maturity Date</u>	<u>Amount</u>
Secured bank loans	2.07%~2.90%	TWD	2031.02.26	\$ 1,700,000
		CNY	2039.01.31	3,503,339
Unsecured bank loans	1.36%~6.09%	TWD	2021.11.30~2029.02.06	4,243,770
		USD	2021.11.30~2029.11.04	41,339,157
		EUR	2021.11.30	1,535
		CNY	2025.07.15~2026.12.30	28,489,748
		JPY	2025.07.06	186,935
		THB	2025.08.14~2025.12.08	4,819,694
Total				<u>\$ 84,284,178</u>
Current				\$ 77,088,960
Non-current				7,195,218
Total				<u>\$ 84,284,178</u>
Unused credit line				<u>\$ 74,953,939</u>

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December 31, 2024				
	Interest Rate	Currency	Maturity Date	Amount
Secured bank loans	2.07%~3.15%	TWD	2031.02.06	\$ 1,850,000
		CNY	2039.01.31	3,982,182
Unsecured bank loans	1.86%~6.91%	TWD	2021.11.30~2029.02.06	6,113,770
		USD	2021.11.30~2029.11.04	44,814,669
		EUR	2021.11.30	1,535
		CNY	2025.02.05~2025.12.16	14,483,350
		THB	2025.01.16~2025.03.27	1,909,617
Total				<u>\$ 73,155,123</u>
Current				\$ 64,765,434
Non-current				8,389,689
Total				<u>\$ 73,155,123</u>
Unused credit line				<u>\$ 91,367,621</u>

June 30, 2024				
	Interest Rate	Currency	Maturity Date	Amount
Secured bank loans	2.07%~3.15%	TWD	2031.02.26	\$ 2,000,000
		CNY	2039.01.31	4,049,882
Unsecured bank loans	1.74%~6.92%	TWD	2021.11.30~2029.02.06	6,073,770
		USD	2021.11.30~2029.03.26	41,668,861
		EUR	2021.11.30	1,535
		CNY	2024.07.18~2024.12.23	7,052,390
Total				<u>\$ 60,846,438</u>
Current				\$ 52,085,890
Non-current				8,760,548
Total				<u>\$ 60,846,438</u>
Unused credit line				<u>\$ 86,557,667</u>

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1. Please refer to Note (8) for details of the related assets pledged as collateral.

2. Important borrowing restrictions

The Company entered into a syndicated credit agreement with different financial institutions. Under the agreement, the Company shall adhere to certain financial provisions such as current ratios, leverage ratios, interest coverage ratios and tangible net worth in its consolidated annual and semi-annual financial report on the balance sheet date. Otherwise, the borrowings will be considered due and payable immediately. As of June 30, 2025, December 31, 2024, and June 30, 2024, non of the credit line were used by the Company.

The secured bank loan of \$3,503,339 of the subsidiary, Inventec Asset-Management (Shanghai) Corporation, is repayable in installments before January 31, 2039, in accordance with the terms of the loan contract. The audited annual operating cash flows of Inventec Asset-Management (Shanghai) Corporation must be positive and the operating income must not be less than a specified amount during the term of the borrowings. Inventec Asset-Management (Shanghai) Corporation secured the operating property project as collateral and remitted the operating income generated from such property project into the bank's specialized account for management by the bank.

3. Others

Due to insolvency, Inventec Solar Energy Corporation resolved at its Board meeting on December 1, 2021, to file for bankruptcy to the court. When the court grants the bankruptcy ruling, Inventec Solar Energy Corporation will start the legal procedures of bankruptcy. After the bank allocated the remaining balance offset by the related expenses, interests, and principles, Inventec Solar Energy Corporation recognized the borrowing as short-term and long-term loans within a year or a business cycle since the company borrowings have defaulted.

Inventec Solar Energy Corporation, resolved at its Board meeting on April 8, 2022, to sign the statement of settlement with seven creditor banks on April 11, 2022, and to sign an amendment agreement on April 13, 2022. Inventec Solar Energy Corporation borrowed money from a third party to pay for settlement to seven creditor banks. Furthermore, the creditor banks agreed to forgive the debts, and to waive all rights to the income of Inventec Solar Energy Corporation based on the credit contracts. The creditor banks have withdrawn the legal proceedings against Inventec Solar Energy Corporation and returned all the promissory notes issued under the credit contracts. However, since the conditions for derecognizing financial liabilities and recognizing the benefits of debt settlement have not yet been fully met, a balance of \$1,109,367 is still accounted as short-term borrowings and current portion of long-term borrowings.

(p) Lease liabilities

The Group lease liabilities were as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Current	\$ <u>234,852</u>	<u>265,016</u>	<u>237,326</u>
Non-current	\$ <u>2,069,978</u>	<u>2,095,134</u>	<u>539,302</u>

For the maturities analysis, please refer to Note (6)(y) of "Financial instruments".

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The amounts recognized in profit or loss were as follows:

	For the three months ended June 30		For the six months ended June 30	
	2025	2024	2025	2024
Interests on lease liabilities	\$ <u>26,672</u>	<u>4,787</u>	<u>54,695</u>	<u>10,589</u>
Variable lease payments not included in the measurement of lease liabilities	\$ <u>4,869</u>	<u>4,756</u>	<u>9,559</u>	<u>10,670</u>
Expenses relating to short-term leases	\$ <u>45,682</u>	<u>8,127</u>	<u>60,035</u>	<u>18,414</u>
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	\$ <u>7,179</u>	<u>4,949</u>	<u>16,934</u>	<u>6,994</u>

The amounts recognized in the statement of cash flows for the Group were as follows:

	For the six months ended June 30,	
	2025	2024
Total cash outflow for leases	\$ <u>278,917</u>	<u>170,060</u>

1. Real estate leases

The Group leases land and buildings for its office space and plants. The leases of office space typically run for 2 to 15 years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

Some leases of equipment contain extension or cancellation options exercisable by the Group. These leases are negotiated and monitored by local management, and accordingly, contain a wide range of different terms and conditions. The extension options held are exercisable only by the Group and not by the lessors. When the lessee is not reasonably certain to use an optional extended lease term, payments associated with the optional period will not be included within lease liabilities.

2. Other leases

The Group leases vehicles and other equipment, with lease terms of two to five years. In some cases, the Group has options to purchase the assets at the end of the contract term; in other cases, it guarantees the residual value of the leased assets at the end of the contract term.

The Group also leases dormitory, vehicles and other equipment with contract terms of one to two years. These leases are short-term and leases of low-value items. The Group has elected not to recognize right-of-use assets and lease liabilities for these leases.

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(q) Operating Leases

For the three months and six months ended June 30, 2025 and 2024, there were no significant additions to operating lease agreements. Please refer to Note (6)(o) to the 2024 annual consolidated financial statement for other related information.

(r) Employee benefits

1. Defined benefit plans

Management believes that there was no material volatility of the market, no material reimbursement and settlement or other material one-time events since prior fiscal year. As a result, the pension cost in the accompanying interim consolidated financial statements was measured and disclosed according to the actuarial report as of December 31, 2024 and 2023.

The expenses recognized in profit or loss for the Group were as follows:

	For the three months ended June 30		For the six months ended June 30	
	2025	2024	2025	2024
Operating cost	\$ 4,209	1,990	8,132	3,942
Selling expenses	147	414	543	859
Administration expenses	1,203	751	1,963	1,602
Research and development expenses	959	1,624	2,161	3,412
	\$ 6,518	4,779	12,799	9,815

2. Defined contribution plans

The pension costs incurred from the contributions to the Bureau of the Labor Insurance amounted to \$82,559, \$78,291, \$163,583 and \$156,140 for the three months and six months ended June 30, 2025 and 2024, respectively.

The pension expenses contributed by the foreign entities following the local regulations amounted to \$236,876, \$254,277, \$481,801 and \$505,635 for the three months and six months ended June 30, 2025 and 2024, respectively.

(s) Income taxes

Income tax expense is estimated by multiplying the pretax income for the interim reporting period using the effective annual tax rate as forecasted by the management.

1. The components of income tax expense for the three months and six months ended June 30, 2025 and 2024 were as follows:

	For the three months ended June 30		For the six months ended June 30	
	2025	2024	2025	2024
Current tax expenses				
Current period	\$ 717,647	368,871	1,165,897	812,847

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The amounts of income tax recognized in other comprehensive income for the three months and six months ended June 30, 2025 and 2024 were as follows:

	<u>For the three months ended June 30</u>		<u>For the six months ended June 30</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Items that will not be reclassified subsequently to profit or loss:				
Unrealized gains (losses) on equity instruments at fair value through other comprehensive income	\$ <u>78,202</u>	<u>-</u>	<u>1,790,042</u>	<u>-</u>

2. Income Tax approval

The Company's income tax returns for the years through 2022 have been assessed and approved by the Tax Authority.

3. Profit-seeking enterprise income tax administrative remedies

The Group adopted the transfer pricing method on its income tax declaration from 2013, 2015 to 2016, and 2018. However, as the calculation had a conflict with the opinion of the tax authority, the Group applied for administrative relief after paying the approved additional tax. Moreover, there was a conflict with the opinion of the tax authority regarding the payment of withholding tax about the indeterminate difference of transfer pricing from 2016 to 2018; hence, The Group applied for administrative relief after paying the approved additional tax. The above administrative appeal and litigation procedures were still in progress as of the reporting date.

4. Global anti-Base Erosion Rules (GloBE)

The Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax, and accounts for it as a current tax when it is incurred.

The Group is subject to GloBE under the Pillar Two legislation, which mandates the implementation of the Income Inclusion Rule (IIR) and Domestic Minimum Top-up Tax (DMTT) and Undertaxed Payments Rule (UTPR) from 2024, for its subsidiaries operating in Vietnam, Czech Republic, Japan, Thailand, Malaysia, Singapore and Hong Kong.

The Group has assessed that there was no significant impact on its current tax as of June 30, 2025.

For subsidiaries operating in jurisdictions under the Pillar Two where the GloBE has not yet been enacted, the Group will remain concerned about the effective time of the regulation and assess the related income tax implication.

(t) Capital and other equity

Except for the following disclosures, there was no significant change for capital and other equity for the six months ended June 30, 2025 and 2024. For the related information, please refer to note 6(r) of the consolidated financial statements for the year ended December 31, 2024.

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1. Retained earnings

The Company's articles of incorporation require that after-tax earnings shall first be offset against any accumulated deficit, and 10% of the rest be set aside as legal reserve. The appropriation for legal reserve is discontinued when the balance of the legal reserve equals the total authorized capital. Special reserve may be appropriated for operations or to meet regulations. The remaining earnings, if any, may be appropriated for operations according to the proposal, and the distributed dividends may not be lower than 10% of the earnings. Surplus distribution based on issuance of new shares approved by the Board of Directors should be resolved during the shareholder's meeting. In consideration of the Company's long-term operating plan, funding needs, and satisfying shareholder demand for cash flow, the Company distributes cash dividends of at least 10% of the aggregate of cash dividends and stock dividends if the distributions include cash dividend. In accordance with Article 240 of the ROC Company Act, the Company authorizes the distribution of dividends and bonuses or its legal reserve and capital reserve, according to Article 241 of the ROC Company Act, in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors; then such distribution shall be submitted to the shareholder's meeting.

1) Legal reserve

If the Company experienced profit for the year, the meeting of shareholders shall decide on the distribution of the statutory earnings reserve either by new shares or by cash, of up to 25 percent of the actual share capital.

2) Special reserve

In accordance with the Ruling issued by the Financial Supervisory Commission, for the contra account of other shareholders' equity incurred in the current year, a special reserve is appropriated from the current profit, plus, the amount of items other than the current profit included in the current undistributed earnings and prior period's undistributed earnings. For the amount of contra accounts in other shareholders' equity accumulated in the prior period, a special reserve which was appropriated from the prior period's undistributed earnings can no longer be allocated. When the debit balance of any of the contra account in other shareholders' equity is reversed, the related special reserve can also be reversed. The subsequent reversals of the contra accounts in other shareholders' equity shall qualify for any additional distributions.

3) Earnings Distribution

On March 11, 2025, and on March 12, 2024, the Company's Board of Directors resolved the amount of cash dividends of the earnings distribution of 2024 and 2023. These earnings were appropriated for distribution as follows:

	2024		2023	
	Dividend per share (NT dollars)	Amount	Dividend per share (NT dollars)	Amount
Dividends distributed to ordinary shareholders				
Cash	\$ 1.70	<u><u>6,098,708</u></u>	1.50	<u><u>5,381,213</u></u>

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The information on prior year's distribution of the Company's earnings were announced through the Market Observation Post System website on the internet.

(u) Earnings per share

The following are the calculation of basic earnings per share and diluted earnings per share:

	For the three months ended June 30		For the six months ended June 30	
	2025	2024	2025	2024
Basic earnings per share:				
Profit attributable to ordinary shareholders	\$ <u><u>2,189,738</u></u>	<u><u>1,810,803</u></u>	<u><u>3,892,956</u></u>	<u><u>2,900,153</u></u>
Weighted average number of ordinary shares (thousand shares)	<u>3,587,475</u>	<u>3,587,475</u>	<u>3,587,475</u>	<u>3,587,475</u>
Basic earnings per share (NT dollars)	\$ <u><u>0.61</u></u>	<u><u>0.50</u></u>	<u><u>1.09</u></u>	<u><u>0.81</u></u>
Diluted earnings per share:				
Profit attributable to ordinary shareholders (diluted)	\$ <u><u>2,189,738</u></u>	<u><u>1,810,803</u></u>	<u><u>3,892,956</u></u>	<u><u>2,900,153</u></u>
Weighted average number of ordinary shares (thousand shares)	<u>3,587,475</u>	<u>3,587,475</u>	<u>3,587,475</u>	<u>3,587,475</u>
Effect of dilutive potential common shares (thousand shares)				
Effect of employee share bonus	<u>4,664</u>	<u>2,703</u>	<u>13,617</u>	<u>8,115</u>
Weighted average number of ordinary shares (diluted)	<u>3,592,139</u>	<u>3,590,178</u>	<u>3,601,092</u>	<u>3,595,590</u>
Diluted earnings per share (NT dollars)	\$ <u><u>0.61</u></u>	<u><u>0.50</u></u>	<u><u>1.08</u></u>	<u><u>0.81</u></u>

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(v) Revenue from contracts with customers

1. Disaggregation of revenue

For the three months ended June 30, 2025			
	Core	Others	Total
Primary geographical markets			
Taiwan	\$ 39,040,031	117,347	39,157,378
USA	103,961,826	674,708	104,636,534
Japan	5,669,975	219,571	5,889,546
Hong Kong, Macao and Mainland China	20,018,404	159,848	20,178,252
Other countries	16,619,557	96,122	16,715,679
	\$ 185,309,793	1,267,596	186,577,389
Major products			
Computer products	\$ 184,974,874	-	184,974,874
Services	334,919	1,330	336,249
Others	-	1,266,266	1,266,266
	\$ 185,309,793	1,267,596	186,577,389
For the three months ended June 30, 2024			
	Core	Others	Total
Primary geographical markets			
Taiwan	\$ 22,043,353	48,730	22,092,083
USA	98,917,958	830,008	99,747,966
Japan	1,254,860	136,190	1,391,050
Hong Kong, Macao and Mainland China	13,699,728	191,430	13,891,158
Other countries	17,006,478	30,063	17,036,541
	\$ 152,922,377	1,236,421	154,158,798
Major products			
Computer products	\$ 152,691,716	-	152,691,716
Services	230,661	2,709	233,370
Others	-	1,233,712	1,233,712
	\$ 152,922,377	1,236,421	154,158,798

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For the six months ended June 30, 2025			
	Core	Others	Total
Primary geographical markets			
Taiwan	\$ 59,592,389	189,425	59,781,814
USA	208,276,505	1,306,240	209,582,745
Japan	11,174,124	311,513	11,485,637
Hong Kong, Macao and Mainland China	33,498,122	284,965	33,783,087
Other countries	28,811,724	166,718	28,978,442
	\$ 341,352,864	2,258,861	343,611,725
Major products			
Computer products	\$ 340,782,674	-	340,782,674
Services	570,190	2,915	573,105
Others	-	2,255,946	2,255,946
	\$ 341,352,864	2,258,861	343,611,725
For the six months ended June 30, 2024			
	Core	Others	Total
Primary geographical markets			
Taiwan	\$ 39,378,784	82,281	39,461,065
USA	186,147,418	1,389,896	187,537,314
Japan	3,486,544	200,014	3,686,558
Hong Kong, Macao and Mainland China	26,317,183	323,999	26,641,182
Other countries	27,288,789	49,855	27,338,644
	\$ 282,618,718	2,046,045	284,664,763
Major products			
Computer products	\$ 282,176,148	-	282,176,148
Services	442,570	4,551	447,121
Others	-	2,041,494	2,041,494
	\$ 282,618,718	2,046,045	284,664,763

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2.Contract balances

	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Accounts receivable (included related parties)	\$ 138,183,325	164,874,665	110,269,037
Less: Loss allowance	(108,540)	(112,723)	(98,741)
Total	<u>\$ 138,074,785</u>	<u>164,761,942</u>	<u>110,170,296</u>
Contract liabilities	<u>\$ 19,315,592</u>	<u>17,602,440</u>	<u>14,938,973</u>

For details on accounts receivable and allowance for impairment, please refer to Note (6)(c).

The amount of revenue recognized for the three months and six months ended June 30, 2025 and 2024 were \$1,268,222, \$564,210, \$2,189,098 and \$1,421,875, respectively.

The contract liabilities primarily relate to deferred recognition of warranty revenue, for which revenue is recognized when the warranties are redeemed or when they expire.

(w) Remunerations of employees and directors

On May 28, 2025, the Company resolved at the shareholders' meeting to amend its Articles of Incorporation. According to the amended Articles, if the Company has profit in a given fiscal year, the profit shall be used to offset against any accumulated losses by the Company. The remainder, if any, a minimum of 3% shall be allocated as employee remuneration (including no less than 1% of the aforesaid profit specifically allocated to base-level employees), and a maximum of 3% as remunerations for directors. Employee remuneration may be distributed in the form of shares or cash. The recipients of such shares or cash may include employees of the Company's affiliated companies who meet certain eligibility criteria. The conditions and method of such distribution shall be determined by the Board of Directors.

The remuneration of employees amounted to \$197,299, \$150,855, \$351,892 and \$251,725 and the remuneration of directors amounted to \$25,735, \$19,677, \$45,899 and \$32,834 for the three months and six months ended June 30, 2025 and 2024, respectively. These amounts are calculated using the Company's profit before tax for each period described above, and are determined using the earnings allocation method which stated under the Company's article. These remunerations are expensed under operating cost or expenses. The difference between the actual amounts of employee remuneration and estimation of employee remuneration, if any, will be treated as changes in accounting estimates and adjusted in profit or loss in the following year.

In the financial statements for the years 2024 and 2023, the Company accrued the employee remuneration of \$646,036 and \$501,595, and the Board of Directors' remuneration of \$84,266 and \$65,425, respectively. There were no differences between the amounts to be distributed as remuneration to employees and directors and those of the estimation made by the Company. Related information would be available at the Market Observation Post System.

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(x) Non-operating income and expenses

1. Interest income

The details of interest income were as follows:

	For the three months ended June 30		For the six months ended June 30	
	2025	2024	2025	2024
Interest income from bank deposits	\$ <u>723,619</u>	<u>793,793</u>	<u>1,539,063</u>	<u>1,438,800</u>

2. Other income

The details of other income were as follows:

	For the three months ended June 30		For the six months ended June 30	
	2025	2024	2025	2024
Rent income	\$ 30,532	24,412	63,228	48,450
Dividend income	<u>5,647</u>	<u>258,880</u>	<u>5,647</u>	<u>258,880</u>
	<u>\$ 36,179</u>	<u>283,292</u>	<u>68,875</u>	<u>307,330</u>

3. Other gains and losses

The details of other income and losses were as follows:

	For the three months ended June 30		For the six months ended June 30	
	2025	2024	2025	2024
Foreign exchange losses	\$ (1,645,056)	(163,469)	(2,134,842)	(68,044)
Gains on disposal of investments	269,367	-	269,367	-
Net gains (losses) on financial assets (liabilities) measured at fair value through profit or loss	1,604,635	(101,649)	1,467,069	(454,641)
Gains on disposal of property, plant and equipment	26,210	44,928	35,886	117,494
Impairment loss on intangible assets	(409,535)	-	(409,535)	-
Others	<u>145,526</u>	<u>248,238</u>	<u>240,715</u>	<u>336,776</u>
	<u>\$ (8,853)</u>	<u>28,048</u>	<u>(531,340)</u>	<u>(68,415)</u>

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4. Finance costs

The details of finance expenses were as follows:

	For the three months ended June 30		For the six months ended June 30	
	2025	2024	2025	2024
Interest expenses				
Bank borrowings	\$ 986,954	927,693	2,044,780	1,679,521
Others	481,998	590,425	1,064,697	1,012,125
	<u>\$ 1,468,952</u>	<u>1,518,118</u>	<u>3,109,477</u>	<u>2,691,646</u>

(y) Financial instruments

There were no significant differences in the Group's exposure to credit risk on financial instruments, except for the following. Please refer to Note (6)(x) of the consolidated financial statements for the year ended December 31, 2024 for other related information.

1. Liquidity risks

The following are the contractual maturities of financial liabilities of the Group, including estimation of interest, but excluding the impact of netting arrangements:

	Carrying amounts	Contractual cash flows	Within 6 months	6 to 12 months	1 to 2 years	2 to 5 years	Over 5 years
June 30, 2025							
Non-derivative financial liabilities							
Secured bank loans	\$ 5,203,339	6,015,909	300,378	297,069	585,820	1,730,862	3,101,780
Unsecured bank loans	79,080,839	79,918,394	62,554,030	13,084,647	2,315,431	1,964,286	-
Accounts payable	122,666,451	122,666,451	122,666,451	-	-	-	-
Other payables	17,332,177	17,332,177	17,332,177	-	-	-	-
Lease liabilities	2,304,830	3,025,208	168,524	163,231	269,416	631,202	1,792,835
Derivative financial liabilities							
Forward exchange contracts not used for hedging:							
Outflow	25,490	(2,417,180)	(2,417,180)	-	-	-	-
Inflow	-	2,391,690	2,391,690	-	-	-	-
	<u>\$ 226,613,126</u>	<u>228,932,649</u>	<u>202,996,070</u>	<u>13,544,947</u>	<u>3,170,667</u>	<u>4,326,350</u>	<u>4,894,615</u>

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	Carrying amounts	Contractual cash flows	Within 6 months	6 to 12 months	1 to 2 years	2 to 5 years	Over 5 years
December 31, 2024							
Non-derivative financial liabilities							
Secured bank loans	\$ 5,832,182	6,912,397	302,332	321,578	634,465	1,865,160	3,788,862
Unsecured bank loans	67,322,941	68,138,215	54,248,354	10,604,609	762,800	2,522,452	-
Accounts payable	135,836,479	135,836,479	135,836,479	-	-	-	-
Other payables	13,767,047	13,767,047	13,767,047	-	-	-	-
Lease liabilities	2,360,150	3,094,748	180,721	175,243	272,565	594,740	1,871,479
Derivative financial liabilities							
Forward exchange contracts not used for hedging:							
Outflow	15,802	(1,949,930)	(1,949,930)	-	-	-	-
Inflow	-	1,934,128	1,934,128	-	-	-	-
Foreign exchange swap contracts not used for hedging:							
Outflow	104,188	(7,088,100)	(7,088,100)	-	-	-	-
Inflow	-	6,983,912	6,983,912	-	-	-	-
	<u>\$ 225,238,789</u>	<u>227,628,896</u>	<u>204,214,943</u>	<u>11,101,430</u>	<u>1,669,830</u>	<u>4,982,352</u>	<u>5,660,341</u>
June 30, 2024							
Non-derivative financial liabilities							
Secured bank loans	\$ 6,049,882	7,211,054	308,439	302,856	639,829	1,870,768	4,089,162
Unsecured bank loans	54,796,556	55,427,829	49,888,875	2,152,874	1,474,930	1,911,150	-
Accounts payable	103,445,243	103,445,243	103,445,243	-	-	-	-
Other payables	15,556,013	15,556,013	15,556,013	-	-	-	-
Lease liabilities	776,628	845,417	130,116	123,923	144,567	121,120	325,691
Derivative financial liabilities							
Forward exchange contracts not used for hedging:							
Outflow	6,278	(1,132,680)	(1,132,680)	-	-	-	-
Inflow	-	1,126,402	1,126,402	-	-	-	-
Foreign exchange swap contracts not used for hedging:							
Outflow	72,359	(7,056,980)	(7,056,980)	-	-	-	-
Inflow	-	6,984,621	6,984,621	-	-	-	-
	<u>\$ 180,702,959</u>	<u>182,406,919</u>	<u>169,250,049</u>	<u>2,579,653</u>	<u>2,259,326</u>	<u>3,903,038</u>	<u>4,414,853</u>

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

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2.Currency risks

1) Exposure to currency risks

The Group's significant exposure to foreign currency risks from its foreign currency denominated financial assets and liabilities was as follows:

June 30, 2025				
	Foreign currency (In thousand)		Exchange rate	TWD
<u>Financial assets</u>				
<u>Monetary items</u>				
USD	\$ 6,481,793	USD : TWD	29.28	189,786,899
	198,055	USD : CNY	7.16	5,799,050
	31,494	USD : CZK	21.13	922,144
CNY	14,934,182	CNY : USD	0.14	61,083,791
THB	449,838	THB : USD	0.03	404,584
<u>Non-monetary items</u>				
USD	381,311	USD : TWD	29.28	11,164,778
<u>Financial Liabilities</u>				
<u>Monetary items</u>				
USD	5,955,702	USD : TWD	29.28	174,382,955
	48,495	USD : CNY	7.16	1,419,934
	30,804	USD : CZK	21.13	901,941
CNY	9,159,231	CNY : USD	0.14	37,463,087
THB	5,613,269	THB : USD	0.03	5,048,574
December 31, 2024				
	Foreign currency (In thousand)		Exchange rate	TWD
<u>Financial assets</u>				
<u>Monetary items</u>				
USD	\$ 6,959,136	USD : TWD	32.78	228,120,478
	208,957	USD : CNY	7.19	6,849,617
	55,277	USD : CZK	24.24	1,811,980
CNY	12,933,123	CNY : USD	0.14	58,976,334
<u>Non-monetary items</u>				
USD	364,181	USD : TWD	32.78	11,937,866

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December 31, 2024			
	Foreign currency (In thousand)	Exchange rate	TWD
<u>Financial Liabilities</u>			
<u>Monetary items</u>			
USD	6,675,506	USD : TWD 32.78	218,823,087
	58,260	USD : CNY 7.19	1,909,763
	30,793	USD : CZK 24.24	1,009,395
CNY	4,127,499	CNY : USD 0.14	19,027,013
THB	2,056,631	THB : USD 0.03	1,983,621
June 30, 2024			
	Foreign currency (In thousand)	Exchange rate	TWD
<u>Financial assets</u>			
<u>Monetary items</u>			
USD	\$ 5,327,163	USD : TWD 32.43	172,759,896
	193,553	USD : CNY 7.13	6,276,924
	47,848	USD : CZK 23.38	1,551,711
CNY	5,588,375	CNY : USD 0.14	25,429,342
THB	410,374	THB : USD 0.03	361,170
<u>Non-monetary items</u>			
USD	345,060	USD : TWD 32.43	11,190,298
<u>Financial Liabilities</u>			
<u>Monetary items</u>			
USD	5,034,338	USD : TWD 32.43	163,263,581
	78,845	USD : CNY 7.13	2,556,943
CNY	2,079,799	CNY : USD 0.14	9,463,917

2) Sensitivity analysis

The Group's exposure to foreign currency risks arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, accounts receivable, other receivables, loans and borrowings, accounts payable and other payables that are denominated in foreign currency. A 0.5% depreciation or appreciation of the functional currency against all the non-functional currency as of June 30, 2025 and 2024 would have increased or decreased the net profit after tax by \$153,121 and \$131,360, respectively. The analysis is performed on the same basis for both periods.

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3) Foreign exchange gain and loss on monetary items

Since the Group has many kinds of functional currency, the information on foreign exchange gains (losses) on monetary items is disclosed by total amount. For the six months ended June 30, 2025 and 2024, the foreign exchange gains (losses), including realized and unrealized, amounted to \$(2,134,842) and \$(68,044), respectively.

3. Interest rate analysis

Please refer to the notes on liquidity risk management and interest rate exposure of the Group's financial assets and liabilities.

The following sensitivity analysis is based on the exposure to interest rates risk on the reporting date. Regarding liabilities with variable interest rates, the analysis is based on the assumption that the amount of liabilities outstanding at the reporting date was outstanding throughout the year.

If the interest rate had increased or decreased by 0.25%, the Group's net income would have decreased or increased by \$82,386 and \$60,793 for the six months ended June 30, 2025 and 2024, respectively, with all other variable factors remaining constant. This is mainly due to the Group's borrowing at variable rates.

4. Fair value of financial instruments

1) Fair value hierarchy

The Group uses the observable market data to evaluate its assets and liabilities. The different inputs of levels of fair value hierarchy in determination of fair value are as follows:

- Level 1: quoted prices (unadjusted) in active markets for identified assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs).

Financial assets and liabilities at fair value through profit or loss and financial assets at fair value through other comprehensive income is measured on a recurring basis. However, for financial instruments not measured at fair value whose carrying amount is estimated reasonably close to the fair value, and for equity investments that has no quoted prices in the active markets and whose fair value cannot be reliably measured, the disclosure of their fair value information is not required:

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	June 30, 2025				
		Fair Value			
	Book Value	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Derivative financial assets	\$ 407,991	-	196,445	211,546	407,991
Non-derivative financial assets mandatorily measured at fair value through profit or loss	3,134,433	120,392	-	3,014,041	3,134,433
Subtotal	3,542,424	120,392	196,445	3,225,587	3,542,424
Financial assets at fair value through other comprehensive income					
Accounts receivable	3,982,727	-	-	-	-
Stocks of listed companies	3,673,952	467,832	-	3,206,120	3,673,952
Unquoted equity instruments	1,082,080	-	-	1,082,080	1,082,080
Subtotal	8,738,759	467,832	-	4,288,200	4,756,032
Financial assets measured at amortized cost					
Cash and cash equivalents	40,970,875	-	-	-	-
Accounts receivable and other receivables	136,706,420	-	-	-	-
Restricted assets and other financial assets	7,517,602	-	-	-	-
Refundable deposits	164,544	-	-	-	-
Subtotal	185,359,441	-	-	-	-
Total	\$ 197,640,624	588,224	196,445	7,513,787	8,298,456
Financial liabilities at fair value through profit or loss					
Derivative financial liabilities	\$ 25,490	-	25,490	-	25,490
Financial liabilities measured at amortized cost					
Bank loans	84,284,178	-	-	-	-
Accounts payable	122,666,451	-	-	-	-
Other payables	17,332,177	-	-	-	-
Lease liabilities	2,304,830	-	-	-	-
Subtotal	226,587,636	-	-	-	-
Total	\$ 226,613,126	-	25,490	-	25,490

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	December 31, 2024				
		Fair Value			
	Book Value	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Derivative financial assets	\$ 18,667	-	18,667	-	18,667
Non-derivative financial assets mandatorily measured at fair value through profit or loss	2,242,329	162,872	-	2,079,457	2,242,329
Subtotal	2,260,996	162,872	18,667	2,079,457	2,260,996
Financial assets at fair value through other comprehensive income					
Accounts receivable	8,458,640	-	-	-	-
Stocks of listed companies	566,754	552,959	-	13,795	566,754
Unquoted equity instruments	10,421,292	-	-	10,421,292	10,421,292
Subtotal	19,446,686	552,959	-	10,435,087	10,988,046
Financial assets measured at amortized cost					
Cash and cash equivalents	30,933,801	-	-	-	-
Accounts receivable and other receivables	158,143,103	-	-	-	-
Restricted assets and other financial assets	5,448,835	-	-	-	-
Refundable deposits	158,670	-	-	-	-
Subtotal	194,684,409	-	-	-	-
Total	\$ 216,392,091	715,831	18,667	12,514,544	13,249,042
Financial liabilities at fair value through profit or loss					
Derivative financial liabilities	\$ 119,990	-	119,990	-	119,990
Financial liabilities measured at amortized cost					
Bank loans	73,155,123	-	-	-	-
Accounts payable	135,836,479	-	-	-	-
Other payables	13,767,047	-	-	-	-
Lease liabilities	2,360,150	-	-	-	-
Subtotal	225,118,799	-	-	-	-
Total	\$ 225,238,789	-	119,990	-	119,990

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	June 30, 2024				
	Book Value	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss					
Derivative financial assets	\$ 48,389	-	48,389	-	48,389
Non-derivative financial assets mandatorily measured at fair value through profit or loss	3,057,516	93,575	-	2,963,941	3,057,516
Subtotal	3,105,905	93,575	48,389	2,963,941	3,105,905
Financial assets at fair value through other comprehensive income					
Accounts receivable	9,234,268	-	-	-	-
Stocks of listed companies	840,194	835,612	4,582	-	840,194
Unquoted equity instruments	5,237,754	-	-	5,237,754	5,237,754
Subtotal	15,312,216	835,612	4,582	5,237,754	6,077,948
Financial assets measured at amortized cost					
Cash and cash equivalents	37,859,481	-	-	-	-
Accounts receivable and other receivables	102,469,145	-	-	-	-
Restricted assets and other financial assets	7,267,509	-	-	-	-
Refundable deposits	161,787	-	-	-	-
Subtotal	147,757,922	-	-	-	-
Total	\$ 166,176,043	929,187	52,971	8,201,695	9,183,853
Financial liabilities at fair value through profit or loss					
Derivative financial liabilities	\$ 78,637	-	78,637	-	78,637
Financial liabilities measured at amortized cost					
Bank loans	60,846,438	-	-	-	-
Accounts payable	103,445,243	-	-	-	-
Other payables	15,556,013	-	-	-	-
Lease liabilities	776,628	-	-	-	-
Subtotal	180,624,322	-	-	-	-
Total	\$ 180,702,959	-	78,637	-	78,637

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2) Valuation techniques and assumptions for financial instruments measured at fair value:

The fair value of financial assets and liabilities was decided in accordance with the solutions as follows:

(2.1) Non-derivative financial instruments

- A. The stocks of listed companies are financial assets with standard terms which are traded in the active markets. Their fair values are based on the quoted market prices. For shares of listed companies that are subject to transfer restrictions, the fair value was estimated using the market price approach, which takes into account the effects of the discount for lack of market liquidity.
- B. The fair value of private equity is based on standard terms and quoted market prices.
- C. The fair value of unquoted equity instruments was estimated using (i) the market comparable price method, which is based on a comparison between the market prices of each listed company, multiplied by using the estimated price, wherein the discount effect is adjusted due to lack of market liquidity in equity securities; (ii) the net asset value method; or (iii) market price method.
- D. The fair value of unquoted instruments was estimated using either the discounted cash flow model in which future cash flow were estimated and discounted or the fair value of the recognized assets and liabilities of the investee on the measurement day.
- E. The fair value of contingent consideration - the contractual rights to receive cash was estimated using a discounted cash flow model, in which future cash flows were projected and discounted using a rate that reflects the time value of money and the risks associated with the investment.

(2.2) Derivative financial instruments

Foreign exchange swap and forward exchange were usually evaluated in the latest forward rate. The fair value of contingent consideration - the contractual rights to receive shares was estimated using the market price approach, which takes into account the effects of the lack of market liquidity.

3) Transfers between level 1 and level 2

There were no transfers between level 1 and level 2 of the fair value for the six months ended June 30, 2025 and 2024.

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- 4) The following table shows the movements in fair value measurements under level 3 of the fair value hierarchy:

	At fair value through profit or loss	Fair value through other comprehensive income
Balance as of January 1, 2025	\$ 2,079,457	10,435,087
Total gains and losses recognized in		
Profit or loss	945,814	-
Other comprehensive income	-	3,349,406
Purchases	1,101,500	-
Disposals	(670,815)	(12,128,915)
Transfers out of Level 3	-	(39,314)
Acquisition resulting from investee's merger	-	2,681,898
Effect of movements in exchange rates	(230,369)	(9,962)
Balance as of June 30, 2025	\$ 3,225,587	4,288,200
Balance as of January 1, 2024	\$ 191,732	5,160,038
Total gains and losses recognized in		
Profit or loss	54,467	-
Other comprehensive income	-	53,578
Purchases	2,689,200	-
Reclassified	(20,783)	20,789
Effect of movements in exchange rates	49,325	3,349
Balance as of June 30, 2024	\$ 2,963,941	5,237,754

The aforementioned total gains and losses was recognized in “other gains and losses” and “unrealized gains and losses from financial assets at fair value through other comprehensive income”. The detailed of the assets which the Group still held as of June 30, 2025 and 2024, were as follow:

	For the six months ended June 30,	
	2025	2024
Total gains and losses recognized:		
In profit or loss, and presented in “other gains and losses”	\$ 944,422	54,467
In other comprehensive income, and presented in “unrealized gains and losses from financial assets at fair value through other comprehensive income”	266,364	53,578

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5) Quantified information for significant unobservable inputs (Level 3) used in fair value measurement

The Group uses level 3 inputs to measure fair value through profit or loss, and fair value through other comprehensive income financial assets. Quantified information of significant unobservable inputs was as follows:

Item	Valuation Technique	Significant Non-observable Input	The Relationship between Significant Non-observable Input and Fair Value
Financial assets at fair value through profit or loss—financial instruments without an active market	Discounted Cash Flow Method	· Discounted Rate (2.0%~2.61% on June 30, 2025, 2.29%~2.61% on December 31, 2024, and 1.75%~2.80% on June 30, 2024)	· The higher the discount rate, the lower the fair value
Financial assets at fair value through profit or loss—equity instruments investments without an active market	Comparable Companies Method	· Market Multiple (0.99~3.13) · Discount due to Lack of Market liquidity (30%~50%)	· The estimated fair value would increase (decrease) if the price of earnings ratio multiple is higher (lower) and the marketability discount is lower (higher)
Financial assets at fair value through profit or loss—contingent consideration (the contractual rights to receive shares)	Market Price Method	· Discount due to Lack of Market liquidity (19%)	· The higher the discount due to lack of market liquidity, the lower the fair value.
Financial assets at fair value through profit or loss—contingent consideration (the contractual rights to receive cash)	Discounted Cash Flow Method	· Discounted Rate (5.42%)	· The higher the discount rate, the lower the fair value.
Financial assets at fair value through other comprehensive income—equity instruments investments without an active market	Comparable Companies Method	· Market Multiple (0.99~3.13) · Discount due to Lack of Market liquidity (20%~50%)	· The estimated fair value would increase (decrease) if the price of earnings ratio multiple is higher (lower) and the marketability discount is lower (higher)
Financial assets at fair value through other comprehensive income—equity instruments investments without an active market	Market Price Method	· Discount due to Lack of Market liquidity (13%)	· The higher the discount due to lack of market liquidity, the lower the fair value
Financial assets at fair value through other comprehensive income—equity instruments investments without an active market	Net Asset Value Method	· Net Asset Value	· Not applicable

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6) Sensitivity analysis for fair values of financial instruments using Level 3 Inputs

The Group's fair value measurement on financial instruments is reasonable. However, the measurement would differ if different valuation models or valuation parameters are used. For financial instruments using level 3 inputs, if the valuation parameters are changed, the impact on net income or loss and other comprehensive income or loss will be as follows:

			Impact on Fair Value Change on		Impact on Fair Value Change on	
			Net income or loss		Other Comprehensive	
			Favorable	Unfavorable	Favorable	Unfavorable
	Input	Variation	Change	Change	Change	Change
June 30, 2025						
Financial assets at fair value through profit or loss						
Financial instruments without an active market	Market Multiple	0.5%	\$ 16,128	(16,128)	-	-
Financial assets at fair value through other comprehensive income						
Equity instruments without an active market	Market Multiple	0.5%	-	-	21,033	(21,033)
December 31, 2024						
Financial assets at fair value through profit or loss						
Financial instruments without an active market	Market Multiple	0.5%	\$ 10,397	(10,397)	-	-
Financial assets at fair value through other comprehensive income						
Equity instruments without an active market	Market Multiple	0.5%	-	-	51,720	(51,720)
June 30, 2024						
Financial assets at fair value through profit or loss						
Financial instruments without an active market	Market Multiple	0.5%	\$ 14,820	(14,820)	-	-
Financial assets at fair value through other comprehensive income						
Equity instruments without an active market	Market Multiple	0.5%	-	-	26,189	(26,189)

The favorable change and unfavorable change refer to the fluctuation of fair value. The fair value is calculated based on the different levels of unobservable inputs. The table above shows the impact on single input. Therefore, the relations and variations between inputs are not considered.

5. Offsetting financial assets and financial liabilities

The Group has financial instrument transactions, applicable to the International Financial Reporting Standards Sections 42 NO. 32 approved by the FSC, which required for offsetting. Financial assets and liabilities relating those transactions are recognized in the net amount of the balance sheets.

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The Group also performs transactions not compliance with offsetting term of statement, but the Group has an exercisable master netting arrangement or similar agreement in place with its counterparties, and both parties reach a consensus regarding net settlement. The aforesaid exercisable master netting arrangement or similar agreement can be net settled after offsetting the financial assets and financial liabilities. Otherwise, the transaction can be settled at the total amount. In the event of default involving one of the parties, the other party can have the transaction net settled.

The following tables present the aforesaid offsetting financial assets and financial liabilities.

June 30, 2025						
Financial assets that are offset which have an exercisable master netting arrangement or similar agreement						
	Gross amounts of recognized financial assets (a)	Gross amounts of financial liabilities offset in the balance sheet (b)	Net amount of financial assets presented in the balance sheet (c)=(a)-(b)	Amounts not off set in the balance sheet (d)		Net amount (e)=(c)-(d)
				Financial instruments (Note)	Cash collateral received	
Derivative financial instruments	\$ 151,266	-	151,266	-	-	151,266
Offsetting agreement	236,345,890	235,704,572	641,318	-	-	641,318
Accounts receivable and payable	33,088,477	6,820,933	26,267,544	-	-	26,267,544
Total	\$ 269,585,633	242,525,505	27,060,128	-	-	27,060,128

June 30, 2025						
Financial liabilities that are offset which have an exercisable master netting arrangement or similar agreement						
	Gross amounts of recognized financial liabilities (a)	Gross amounts of financial assets offset in the balance sheet (b)	Net amount of financial liabilities presented in the balance sheet (c)=(a)-(b)	Amounts not off set in the balance sheet (d)		Net amount (e)=(c)-(d)
				Financial instruments (Note)	Cash collateral received	
Derivative financial instruments	\$ 25,490	-	25,490	-	-	25,490
Accounts receivable and payable	30,477,607	6,820,933	23,656,674	-	-	23,656,674
Total	\$ 30,503,097	6,820,933	23,682,164	-	-	23,682,164

December 31, 2024						
Financial assets that are offset which have an exercisable master netting arrangement or similar agreement						
	Gross amounts of recognized financial assets (a)	Gross amounts of financial liabilities offset in the balance sheet (b)	Net amount of financial assets presented in the balance sheet (c)=(a)-(b)	Amounts not off set in the balance sheet (d)		Net amount (e)=(c)-(d)
				Financial instruments (Note)	Cash collateral received	
Offsetting agreement	\$ 263,602,848	262,741,383	861,465	-	-	861,465
Accounts receivable and payable	23,219,571	5,781,153	17,438,418	-	-	17,438,418
Total	\$ 286,822,419	268,522,536	18,299,883	-	-	18,299,883

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December 31, 2024						
Financial liabilities that are offset which have an exercisable master netting arrangement or similar agreement						
	Gross amounts of recognized financial liabilities (a)	Gross amounts of financial assets offset in the balance sheet (b)	Net amount of financial liabilities presented in the balance sheet (c)=(a)-(b)	Amounts not off set in the balance sheet (d)		Net amount (e)=(c)-(d)
				Financial instruments (Note)	Cash collateral received	
Derivative financial instruments	\$ 81,552	-	81,552	-	-	81,552
Accounts receivable and payable	19,381,599	5,781,153	13,600,446	-	-	13,600,446
Total	<u>\$ 19,463,151</u>	<u>5,781,153</u>	<u>13,681,998</u>	<u>-</u>	<u>-</u>	<u>13,681,998</u>

June 30, 2024						
Financial assets that are offset which have an exercisable master netting arrangement or similar agreement						
	Gross amounts of recognized financial assets (a)	Gross amounts of financial liabilities offset in the balance sheet (b)	Net amount of financial assets presented in the balance sheet (c)=(a)-(b)	Amounts not off set in the balance sheet (d)		Net amount (e)=(c)-(d)
				Financial instruments (Note)	Cash collateral received	
Offsetting agreement	\$ 289,588,128	288,615,718	972,410	-	-	972,410
Derivative financial instruments	43,964	-	43,964	-	-	43,964
Accounts receivable and payable	18,302,807	5,110,046	13,192,761	-	-	13,192,761
Total	<u>\$ 307,934,899</u>	<u>293,725,764</u>	<u>14,209,135</u>	<u>-</u>	<u>-</u>	<u>14,209,135</u>

June 30, 2024						
Financial liabilities that are offset which have an exercisable master netting arrangement or similar agreement						
	Gross amounts of recognized financial liabilities (a)	Gross amounts of financial assets offset in the balance sheet (b)	Net amount of financial liabilities presented in the balance sheet (c)=(a)-(b)	Amounts not off set in the balance sheet (d)		Net amount (e)=(c)-(d)
				Financial instruments (Note)	Cash collateral received	
Derivative financial instruments	\$ 60,376	-	60,376	-	-	60,376
Accounts receivable and payable	16,254,017	5,110,046	11,143,971	-	-	11,143,971
Total	<u>\$ 16,314,393</u>	<u>5,110,046</u>	<u>11,204,347</u>	<u>-</u>	<u>-</u>	<u>11,204,347</u>

Note: Master netting arrangements are included.

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(z) Financial risk management

There were no significant changes in the Group's financial risk management and policies as disclosed in Note 6(y) of the consolidated financial statements for the year ended December 31, 2024.

(aa) Capital Management

Management believes that the objectives, policies and processes of capital management of the Group have been applied consistently with those described in the consolidated financial statements for the year ended December 31, 2024. Also, management believes that there were no significant changes in the Group's capital management information as disclosed in Note (6)(z) of the consolidated financial statements for the year ended December 31, 2024.

(ab) Investing and financing activities not affecting the current cash flow

The Group's investing and financing activities which did not affect the current cash flow in the three months ended June 30, 2025 and 2024, were as follows:

1. For right-of-use assets under leases, please refer to Note (6)(j).

2. Reconciliation of liabilities arising from financing activities were as follows:

			Non-cash changes		
				Foreign exchange movement	
	January 1, 2025	Cash flows	Reclassification		June 30, 2025
Long-term borrowings	\$ 8,389,689	(33,942)	(610,236)	(550,293)	7,195,218
Short-term borrowings (including current portion of long-term borrowings)	64,765,434	17,535,419	610,236	(5,822,129)	77,088,960
Lease liabilities (Note)	2,360,150	(137,694)	122,661	(40,287)	2,304,830
Total liabilities from financing activities	<u>\$ 75,515,273</u>	<u>17,363,783</u>	<u>122,661</u>	<u>(6,412,709)</u>	<u>86,589,008</u>

			Non-cash changes		
				Foreign exchange movement	
	January 1, 2024	Cash flows	Reclassification		June 30, 2024
Long-term borrowings	\$ 2,992,412	5,936,504	(331,602)	163,234	8,760,548
Short-term borrowings (including current portion of long-term borrowings)	46,355,548	4,561,364	331,602	837,376	52,085,890
Lease liabilities (Note)	774,588	(123,393)	104,924	20,509	776,628
Total liabilities from financing activities	<u>\$ 50,122,548</u>	<u>10,374,475</u>	<u>104,924</u>	<u>1,021,119</u>	<u>61,623,066</u>

Note: Reclassification is due to additions of lease and lease modification during the periods.

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(7) Related Parties Transactions

(a) Names and relationships with the Group

The followings are entities that have had transactions with the Group during the periods covered in the consolidated financial statements.

<u>Names of related party</u>	<u>Relationships with the Group</u>
Inventec Besta Co., Ltd.	Associates
Inventec Besta (XiAn) Co., Ltd.	Subsidiary of associates
Good Future Biomedical Technology Corp.	Associates
Gainia Intellectual Asset Services, Inc.	Associates
Testron Technology (JiangSu) Co., Ltd.	Associates
Truswe (Chong Qing) Technology Co., Ltd.	Associates
Inventec Group Charity Foundation	Over one-third of total amount of fund donated by the Company
Kou-I Yeh	Director of the Board of the Company
Ching-Sung Chang	Director of the Board of the Company

(b) Significant transactions with related parties

1.Sales

The amounts of significant sales transactions between the Group and related parties were as follows:

	<u>For the three months ended June 30</u>		<u>For the six months ended June 30</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Associates	\$ 13,848	22,340	25,616	22,836
Other related parties	-	-	5	-
	<u>\$ 13,848</u>	<u>22,340</u>	<u>25,621</u>	<u>22,836</u>

For associates and other related parties, the price and terms were determined in accordance with mutual agreements with its collection terms of 30~90 days for sales. Receivables from related parties were not secured with collaterals, and did not require provisions for impairment.

2.Purchases

The amounts of significant purchase transactions between the Group and related parties were as follows:

	<u>For the three months ended June 30</u>		<u>For the six months ended June 30</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Associates	\$ -	-	-	23

There is no other vendor as comparison for the above purchases, and the purchase prices are based on the settling price agreed by both sides. The payment term is 30~75 days.

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3. Receivable from related parties

The amounts of accounts receivable between the Group and related parties were as follows:

<u>Account</u>	<u>Relationship Categories</u>	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Accounts receivable	Associates	\$ 10,719	5,040	278
Other receivables	Associates	13	8	8
		<u>\$ 10,732</u>	<u>5,048</u>	<u>286</u>

4. Payable to related parties

The amounts of accounts payables between the Group and related parties were as follows:

<u>Account</u>	<u>Relationship Categories</u>	<u>June 30, 2025</u>	<u>December 31, 2024</u>	<u>June 30, 2024</u>
Other payables	Associates	\$ 44,903	98,474	17,127
"	Other related parties	947,826	942,347	937,788
		<u>\$ 992,729</u>	<u>1,040,821</u>	<u>954,915</u>

As of June 30, 2025, December 31, 2024, and June 30, 2024, the Group's borrowing of \$909,228, with an interest rate ranging from 1.06~1.50%, from other related parties, included and recorded as other payable above, resulted in the interest expenses to be \$5,479 and \$5,762 for the six months ended June 30, 2025 and 2024, respectively.

5. Property transactions

1) Acquisition of property, plant, equipment, intangible assets and other assets

	<u>For the three months ended June 30</u>		<u>For the six months ended June 30</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Associates	<u>\$ 40,190</u>	<u>46,445</u>	<u>84,905</u>	<u>106,949</u>

6. Others

1) Rental and other revenue collected from related parties were as follows:

	<u>For the three months ended June 30</u>		<u>For the six months ended June 30</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Associates	<u>\$ 470</u>	<u>461</u>	<u>929</u>	<u>996</u>

2) Donations to other related parties were as follows:

	<u>For the three months ended June 30</u>		<u>For the six months ended June 30</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Other related parties \$	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>10,000</u>

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- 3) Payments for fixture expenses, system development expenses, maintenance expenses and service expenses to associates were as follows:

	For the three months ended June 30		For the six months ended June 30	
	2025	2024	2025	2024
Associates	\$ <u>17,194</u>	<u>2,731</u>	<u>41,479</u>	<u>8,556</u>

- (c) Key management personnel compensation

Key management personnel compensation comprised:

	For the three months ended June 30		For the six months ended June 30	
	2025	2024	2025	2024
Short-term employee benefits	\$ 135,147	105,875	239,887	215,476
Post-employment benefit	2,402	1,159	4,119	6,431
	<u>\$ 137,549</u>	<u>107,034</u>	<u>244,006</u>	<u>221,907</u>

(8) Assets Pledged as Security

The carrying amounts of assets pledged as security were as follows:

Assets pledged as security	Liabilities secured by pledge	June 30, 2025	December 31, 2024	June 30, 2024
Refundable deposits (Other non-current assets)	Membership guarantee and rental deposit	\$ 164,544	158,670	161,787
Restricted cash in banks (Other current assets and Other non-current assets)	Collateral deposits and performance guarantee	630,873	1,319,933	1,668,052
Land, buildings and constructions (Property, plant and equipment, and Investment property)	Current portion of long-term borrowings and long-term borrowings	8,903,074	9,309,235	9,328,086
Total		<u>\$ 9,698,491</u>	<u>10,787,838</u>	<u>11,157,925</u>

(9) Significant Commitments and Contingencies

- (a) Major Commitments:

1. Promissory notes issued for bank credit, forward contracts, secured deposits for executing technology agreements with the government and property deposits were as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
TWD	\$ 24,355,235	22,854,982	22,154,982
USD (in thousands)	2,195,000	2,070,000	1,925,000

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2. The contractual commitments for the acquisition of property, plant and equipment and right-of-use assets not recognized by the Group were as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Property, plant and quipment	\$ 5,678,114	5,325,469	1,525,310
Right-of-use assets	-	-	1,633,393
	<u>\$ 5,678,114</u>	<u>5,325,469</u>	<u>3,158,703</u>

(10) Losses Due to Major Disasters: None.

(11) Subsequent Events

- (a) Inventec Solar Energy Corporation resolved at its Board meeting on December 1, 2021 to file for bankruptcy to the Taoyuan District Court. However, the Board decided to withdraw the bankruptcy petition on July 15, 2025, with the intention to expedite the dissolution process, which will be conducted through negotiations between the liquidator and the creditors for the settlement of outstanding debts.

(12) Other

- (a) The employee benefits, depreciation, depletion and amortization expenses categorized by function were as follows:

By function	For the three months ended June 30, 2025			For the three months ended June 30, 2024		
By item	Operating costs	Operating and non-operating expense	Total	Operating costs	Operating and non-operating expense	Total
Employee benefits						
Salary	3,026,736	3,004,296	6,031,032	2,305,080	2,963,064	5,268,144
Labor and health insurance	392,727	239,170	631,897	215,036	236,011	451,047
Pension	165,275	160,678	325,953	171,862	165,485	337,347
Others	310,305	143,380	453,685	136,911	146,349	283,260
Depreciation	572,341	206,586	778,927	526,347	204,798	731,145
Amortization	66,735	172,148	238,883	123,249	154,591	277,840

By function	For the six months ended June 30, 2025			For the six months ended June 30, 2024		
By item	Operating costs	Operating and non-operating expense	Total	Operating costs	Operating and non-operating expense	Total
Employee benefits						
Salary	5,514,629	5,999,375	11,514,004	4,473,827	5,522,752	9,996,579
Labor and health insurance	592,524	497,368	1,089,892	424,184	493,534	917,718
Pension	334,856	323,327	658,183	344,974	326,616	671,590
Others	501,146	348,046	849,192	301,009	288,659	589,668
Depreciation	1,060,854	453,287	1,514,141	966,217	430,318	1,396,535
Amortization	126,264	343,171	469,435	260,880	302,939	563,819

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(13) Other disclosures

(a) Information on significant transactions

The following is the information on significant transactions required by the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” for the Group for the six months ended June 30, 2025:

1. Loans to other parties:

(In Thousands of New Taiwan Dollars)

Number	Name of lender	Name of borrower	Account name	Related party	Highest balance of financing to other parties during the period	Ending balance	Actual usage amount during the period	Range of interest rates during the period	Purposes of fund financing for the borrower	Transaction amount for business between two parties	Reasons for short-term financing	Allowance for bad debt	Collateral		Individual funding loan limits	Maximum limit of fund financing
													Item	Value		
1	Inventec Appliances (Nanjing) Corp.(Note 2)	Inventec Appliances (XI'AN) Corporation	Other receivables	Y	16,013	-	-		2	-	Working Capital	-	None	-	627,509	627,509
2	Inventec Appliances (Shanghai) Co., Ltd.(Note 2)	Inventec Appliances (Nanchang) Intelligent Manufacturing Co., Ltd.	Other receivables	Y	221,856	196,320	169,122	3.045%	2	-	"	-	"	-	659,103	659,103
3	Inventec Appliances Corp.(Note 3)	Inventec Appliances (Malaysia) SDN. BHD.	Other receivables	Y	1,426,740	1,259,040	1,259,040	2.25%	2	-	"	-	"	-	1,290,974	2,581,949
3	"	Inventec Appliances (Vietnam) Company Limited	Other receivables	Y	995,400	878,400	-	-	2	-	"	-	"	-	1,290,974	2,581,949
4	Inventec (Pudong) Corp.(Note 4)	Inventec Asset-Management (Shanghai) Corporation	Other receivables	Y	462,200	245,400	245,400	2.55%	2	-	"	-	"	-	1,861,983	1,861,983
4	"	SQ Technology (Shanghai) Corporation	Other receivables	Y	924,400	818,000	818,000	2.60%	2	-	"	-	"	-	4,654,957	4,654,957
5	Inventec (Shanghai) Corp. (Note 2)	SQ Technology (Shanghai) Corporation	Other receivables	Y	693,300	613,500	613,500	2.60%	2	-	"	-	"	-	1,928,660	1,928,660

Note 1: Purpose of fund financing for the borrower:

(1) Those with business contact, please fill in 1.

(2) Those necessary for short term financing, please fill in 2.

Note 2: Among Subsidiaries which the parent company holds 100% voting power, aggregate amount of loans shall not exceed the Company's net worth as stated in its latest financial report, and each amount of loans shall not exceed 100 percent of the permitted aggregate amount of loans of the company.

Note 3: Where an inter-company or inter-firm short-term financing facility is necessary, total financing amount shall not exceed 40 percent of the company's net worth as stated in its latest financial report. Each financing amount shall not exceed 50 percent of the permitted aggregate amount of loans of the company.

Note 4: Where an inter-company or inter-firm short-term financing facility is necessary, total financing amount shall not exceed 40 percent of the company's net worth as stated in its latest financial report. Each financing amount shall not exceed 100 percent of the permitted aggregate amount of loans of the company. Among Subsidiaries which the parent company holds 100% voting power, aggregate amount of loans shall not exceed the Company's net worth as stated in its latest financial report, and each amount of loans shall not exceed 100 percent of the permitted aggregate amount of loans of the company.

Note 5: The transactions in foreign currencies were translated into New Taiwan Dollars using spot rates at the financial report date.

Note 6: The aforementioned inter-company transactions were eliminated in the consolidated financial statements.

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2. Guarantees and endorsements for other parties:

(In Thousands of New Taiwan Dollars)

No.	Name of guarantor	Counter-party of guarantee and endorsement		Limitation on amount of guarantees and endorsements for a specific enterprise	Highest balance for guarantees and endorsements during the period	Balance of guarantees and endorsements as of reporting date	Actual usage amount during the period	Property pledged for guarantees and endorsements (Amount)	Ratio of accumulated amounts of guarantees and endorsements to net worth of the latest financial statements	Maximum amount for guarantees and endorsements	Parent company endorsements /guarantees to third parties on behalf of subsidiary	Subsidiary endorsements /guarantees to third parties on behalf of parent company	Endorsement s/guarantees to third parties on behalf of companies in Mainland China
		Name	Relationship with the Company										
0	The Company	IEC Technologies, S.DE R.L. DE C.V	2	32,214,290	4,658,472	4,110,912	2,049,600	-	6.38 %	32,214,290	Y	N	N
0	"	Inventec (Czech), s.r.o.	2	32,214,290	1,177,890	1,039,440	1,026,541	161,040	1.61 %	32,214,290	Y	N	N
0	"	Inventec Electronics (Thailand) Co., Ltd.	2	32,214,290	9,302,415	9,302,415	5,006,612	-	14.44 %	32,214,290	Y	N	N
1	Inventec Appliances Corp.	Inventec Appliances (Malaysia) SDN. BHD.	2	3,227,436	2,691,750	2,376,785	664,689	-	36.82 %	3,227,436	Y	N	N

Note 1: The relationship between the entity for which the endorsement/guarantee is made and the Company:

- 1.The Company has business relationship.
- 2.Subsidiaries in which the Company holds more than 50 percent of its voting power.
- 3.A investee in which the Company and subsidiary holds more than 50 percent of its voting shares.
- 4.Subsidiaries in which the Company holds more than 90 percent of its voting power.
- 5.Companies in accordance with contractual provisions established by mutual applicants or in need of project.
- 6.Companies that are endorsed and guaranteed by all capital shareholders based on their shareholding ratio due to a joint investment relationship.
- 7.The performance of pre-sale house sales contract between intra-industry companies is in accordance with the Consumer Protection Law required joint guarantees.

Note 2: Both the aggregate amount of endorsements/guarantees and the amount of endorsements/guarantees for a single enterprise by the Company's cannot exceed 50 percent of its net worth as stated in its latest financial statement.

Note 3: Both the aggregate amount of endorsements/guarantees and the amount of endorsements/guarantees for a single enterprise by Inventec Appliance Corp. cannot exceed 50 percent of its net worth as stated in its latest financial statement.

Note 4: The transactions in foreign currencies were translated into New Taiwan Dollars using spot rates at the financial report date.

3. Information regarding significant securities held at the reporting date (subsidiaries, associates and joint ventures not included) :

(In Thousands of New Taiwan Dollars)

Name of holder	Category and name of security	Relationship with company	Account title	Ending balance				Note
				Shares (In thousands)	Carrying value	Percentage of ownership (%)	Fair value	
The Company	WIN Semiconductors Corp.	-	Current financial assets at fair value through other comprehensive income	4,063	352,235	0.96 %	352,235	
"	Advanced Micro Devices, Inc. common stock	-	Non-current financial assets at fair value through other comprehensive income	884	3,195,154	0.05 %	3,195,154	
Inventec (Cayman) Corp.	Chainwin Biotech and Agrotech (Cayman Islands) Co., Ltd.	-	"	30,000	538,048	13.17 %	538,048	
Inventec (Pudong)Corp.	BOSC Yixiang Li Wealth Management Products	-	Current financial assets at fair value through profit or loss	-	1,037,997	- %	1,037,997	
"	Bank of Hangzhou Tianlibao	-	"	-	412,307	- %	412,307	
Inventec Hi-Tech Corp.	BOSC Yixiang Li Wealth Management Products	-	"	-	622,097	- %	622,097	

Note : The transactions in foreign currencies were translated into New Taiwan Dollars using spot rates at the financial report date.

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4. Related-party transactions for purchases and sales with amounts exceeding the lower of TWD100 million or 20% of the capital stock:

(In Thousands of New Taiwan Dollars)

Name of company	Related party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/Accounts receivable (payable)		Note
			Purchase/Sale	Amount	Percentage of total purchases/sale	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total notes/accounts receivable (payable)	
The Company	Inventec Holding (North America) Corp.	Subsidiary	Sales	74,385,797	24.17 %	105 days	Negotiated price	No general trading partner can be compared.	36,478,928	31.48 %	
"	Inventec Corporation (Hong Kong) Ltd.	"	Purchases	148,584,939	51.10 %	105 days	"	"	(40,212,136)	28.93 %	
"	Inventec Electronics (Thailand) Co., Ltd.	"	Purchases	17,342,301	5.96 %	105 days	"	"	(13,418,848)	9.65 %	
"	Inventec Holding (North America) Corp.	"	Purchases	1,291,550	0.44 %	105 days	"	"	(825,499)	0.59 %	
Inventec Holding (North America) Corp.	The Company	Parent	Purchases	74,385,797	97.94 %	105 days	"	"	(36,478,928)	97.24 %	
"	"	"	Sales	1,291,550	1.81 %	105 days	"	"	825,499	5.82 %	
Inventec Corporation (Hong Kong) Ltd.	"	"	Sales	148,584,939	93.71 %	105 days	"	"	40,212,136	38.29 %	
"	Inventec Electronics (Thailand) Co., Ltd.	Associates	Sales	9,948,362	6.29 %	105 days	"	"	8,388,976	7.99 %	
"	Inventec (Pudong) Technology Corp.	"	Purchases	9,632,605	6.09 %	105 days	"	"	(9,043,135)	8.61 %	
"	SQ Technology (Shanghai) Corporation	"	Purchases	5,930,197	3.75 %	105 days	"	"	(654,627)	0.62 %	
"	Inventec (Chongqing) Corp.	"	Purchases	142,674,685	90.16 %	105 days	"	"	(38,904,794)	37.05 %	
Inventec (Pudong) Technology Corp.	Inventec Corporation (Hong Kong) Ltd.	"	Sales	9,632,605	65.73 %	105 days	"	"	9,043,135	61.89 %	
"	SQ Technology (Shanghai) Corporation	"	Sales	3,894,392	26.58 %	105 days	"	"	5,206,130	35.63 %	
"	Inventec (Shanghai) Corp.	"	Sales	260,411	1.78 %	105 days	"	"	85,140	0.58 %	
Inventec (Chongqing) Corp.	Inventec Corporation (Hong Kong) Ltd.	"	Sales	142,674,685	99.83 %	105 days	"	"	38,904,794	99.70 %	
SQ Technology (Shanghai) Corporation	Inventec Corporation (Hong Kong) Ltd.	"	Sales	5,930,197	16.96 %	105 days	"	"	654,627	1.53 %	
"	Inventec (Pudong) Technology Corp.	"	Purchases	3,894,392	4.22 %	105 days	"	"	(5,206,130)	10.31 %	

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Name of company	Related party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/Accounts receivable (payable)		Note
			Purchase/ Sale	Amount	Percentage of total purchases/sale	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total notes/accounts receivable (payable)	
Inventec Appliances Corp.	Inventec Appliances (Pudong) Corp.	Associates	Purchases	2,049,726	25.18 %	110 days	Negotiated price	No general trading partner can be compared.	(3,198,689)	49.90 %	
"	Inventec Appliances (Jiangning) Corp.	"	Purchases	155,329	1.91 %	45 days	"	"	(55,606)	0.87 %	
"	Inventec Appliances (Malaysia) SDN. BHD.	"	Purchases	1,440,853	17.70 %	110 days	"	"	(838,280)	13.08 %	
"	Inventec Appliances (Vietnam) Company Limited	"	Purchases	3,218,336	39.54 %	60 days	"	"	(1,607,508)	25.08 %	
"	Inventec Appliances (Nanjing) Corp.	"	Purchases	205,982	2.53 %	45 days	"	"	(78,445)	1.22 %	
"	Inventec Appliances (USA) Distribution Corp.	"	Sales	112,765	1.31 %	45 days	"	"	(439)	(0.02)%	
Inventec Appliances (USA) Distribution Corp.	Inventec Appliances Corp.	"	Purchases	112,765	100.00 %	45 days	"	"	439	(99.95)%	
Inventec Appliances (Pudong) Corp.	Inventec Appliances Corp.	"	Sales	2,049,726	81.45 %	110 days	"	"	3,198,689	87.22 %	
"	Inventec Appliances (Vietnam) Company Limited	"	Sales	422,904	16.81 %	90 days	"	"	429,207	11.70 %	
Inventec Appliances (Jiangning) Corp.	Inventec Appliances Corp.	"	Sales	155,329	12.57 %	45 days	"	"	55,606	6.71 %	
"	Inventec Appliances (Nanjing) Corp.	"	Sales	216,783	17.55 %	45 days	"	"	170,150	20.55 %	
Inventec Appliances (Nanjing) Corp.	Inventec Appliances Corp.	"	Sales	205,982	69.88 %	"	"	"	78,445	60.40 %	
"	Inventec Appliances (Jiangning) Corp.	"	Purchases	216,783	76.23 %	45 days	"	"	(170,150)	88.44 %	
Inventec Appliances (Malaysia) SDN. BHD.	Inventec Appliances Corp.	"	Sales	1,440,853	99.97 %	110 days	"	"	838,280	99.98 %	
Inventec Appliances (Vietnam) Company Limited	Inventec Appliances Corp.	"	Sales	3,218,336	100.00 %	60 days	"	"	1,607,508	99.96 %	
"	Inventec Appliances (Pudong) Corp.	"	Purchases	422,904	13.82 %	90 days	"	"	(429,207)	22.31 %	

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Name of company	Related party	Nature of relationship	Transaction details				Transactions with terms different from others		Notes/Accounts receivable (payable)		Note
			Purchase/ Sale	Amount	Percentage of total purchases/sale	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total notes/accounts receivable (payable)	
Inventec Electronics (Thailand) Co., Ltd.	Inventec Corporation (Hong Kong) Ltd.	Associates	Purchases	9,948,362	43.12 %	105 days	"	"	(8,388,976)	45.83 %	
"	The Company	Parent	Sales	17,342,301	97.77 %	105 days	"	"	13,418,848	99.90 %	
Inventec (Shanghai) Corp.	Inventec (Pudong) Technology Corp.	Associates	Purchases	260,411	100.00 %	105 days	"	"	(85,140)	100.00 %	

Note 1: Based on the negotiated price while trading.

Note 2: The aforementioned inter-company transactions were eliminated in the consolidated financial statements.

5. Receivables from related parties with amounts exceeding the lower of NT\$100 million or 20% of capital stock:

(Expressed in Thousands of New Taiwan Dollars)

Name of company	Counter party	Relationship	Ending balance	Turnover	Overdue		Amounts received in subsequent period	Allowance for bad debts
					Amount	Action taken		
The Company	Inventec Holding (North America) Corp.	Subsidiary	36,478,928	3.92	5,052	Received in the subsequent period	9,632,774	-
"	Inventec Corporation (Hong Kong) Ltd.	"	56,243,611	(Note 1)	3,853,553	Received in the subsequent period	28,951,976	-
"	Inventec Electronics (Thailand) Co., Ltd.	"	8,533,327	(Note 1)	873,265	Received in the subsequent period	950,912	-
Inventec Holding (North America) Corp.	The Company	Parent	825,499	4.11	-		-	-
Inventec Corporation (Hong Kong) Ltd.	The Company	"	40,212,136	5.33	-	Received in the subsequent period	18,010,117	-
"	Inventec (Pudong) Technology Corp.	Associates	2,593,122	(Note 1)	204,006		1,832,684	-
"	SQ Technology (Shanghai) Corporation	"	38,455,263	(Note 1)	3,649,547	Received in the subsequent period	11,919,423	-
"	Inventec (Chongqing) Corp.	"	15,205,202	(Note 1)	-		15,205,202	-
"	Inventec Electronics (Thailand) Co., Ltd.	"	8,388,976	4.18	657,918	Received in the subsequent period	1,440,159	-
Inventec (Pudong) Technology Corp.	Inventec Corporation (Hong Kong) Ltd.	"	9,043,135	2.15	3,820,237	Received in the subsequent period	-	-
"	SQ Technology (Shanghai) Corporation	"	5,206,130	1.71	2,892,347	Received in the subsequent period	1,485,698	-
Inventec (Chongqing) Corp.	Inventec Corporation (Hong Kong) Ltd.	"	38,904,794	7.11	-		16,341,704	-
SQ Technology (Shanghai) Corporation	Inventec Corporation (Hong Kong) Ltd.	"	654,627	1.04	-		-	-
"	Inventec (Pudong) Technology Corp.	"	110,996	2.23	30,650	Received in the subsequent period	542	-
"	Inventec Electronics (Thailand) Co., Ltd.	"	120,368	1.20	104,230	Received in the subsequent period	24,410	-
Inventec Appliances (Pudong) Corp.	Inventec Appliances Corp.	"	3,198,689	1.08	-		-	-
"	Inventec Appliances (Vietnam) Company Limited	"	429,207	2.00	-		125,556	-

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Name of company	Counter party	Relationship	Ending balance	Turnover	Overdue		Amounts received in subsequent period	Allowance for bad debts
					Amount	Action taken		
Inventec Appliances (Jiangning) Corp.	Inventec Appliances (Nanjing) Corp.	Associates	170,150	2.43	-		125,543	-
Inventec Appliances (Malaysia) SDN. BHD.	Inventec Appliances Corp.	"	838,280	3.03	-		249,064	-
Inventec Appliances (Vietnam) Company Limited	Inventec Appliances Corp.	"	1,607,508	4.29	-		372,468	-
Inventec (Czech), s.r.o.	The Company	Parent	714,974	0.10	-		198,365	-
Inventec Electronics (Thailand) Co., Ltd.	The Company	"	13,418,848	3.94	-		1,991,008	-

Note 1: The receivables were not yielded by sales or purchases; therefore, there is no turnover rate.

Note 2: The aforementioned inter-company transactions were eliminated in the consolidated financial statements.

Note 3: The aforementioned inter-company transactions did not include the loans to related parties. For the relevant amounts, please refer to note 13(a)1 "Loans to other parties".

Note 4: The amounts received in subsequent period were recorded as of July 29, 2025.

6. Business relationships and significant inter-company transactions:

No.	Name of company	Name of counter party	Existing relationship with the counter-party	Intercompany Transactions			
				Account name	Amount	Terms of trading	Percentage of the consolidated total revenue or total assets
0	Inventec Corporation	Inventec Holding (North America) Corp.	1	Sales	74,385,797	Negotiated price	22 %
	"	"	1	Accounts Receivable	36,478,928	105 days	11 %
	"	Inventec Corporation (Hong Kong) Ltd.	1	Purchases	148,584,939	Negotiated price	43 %
	"	"	1	Other Receivables	56,243,611	105 days	17 %
	"	"	1	Accounts Payable	40,212,136	"	12 %
	"	Inventec Electronics (Thailand) Co., Ltd.	1	Purchases	17,342,301	Negotiated price	5 %
	"	"	1	Accounts Payable	13,418,848	105 days	4 %
	"	"	1	Other Receivables	8,533,327	"	3 %
1	Inventec Corporation (Hong Kong) Ltd.	Inventec (Pudong) Technology Corp.	3	Purchases	9,632,605	Negotiated price	3 %
	"	"	3	Accounts Payable	9,043,135	105 days	3 %
	"	"	3	Accounts Receivable	2,593,122	"	1 %
	"	SQ Technology (Shanghai) Corporation	3	Purchases	5,930,197	Negotiated price	2 %
	"	"	3	Accounts Receivable	38,455,263	"	12 %
	"	Inventec (Chongqing) Corp.	3	Purchases	142,674,685	Negotiated price	42 %
	"	"	3	Accounts Payable	38,904,794	105 days	12 %
	"	"	3	Accounts Receivable	15,205,202	"	5 %
	"	Inventec Electronics (Thailand) Co., Ltd.	3	Sales	9,948,362	Negotiated price	3 %
	"	"	3	Accounts Receivable	8,388,976	105 days	3 %
2	Inventec Appliances Corp.	Inventec Appliances (Pudong) Corp.	3	Purchases	2,049,726	Negotiated price	1 %
	"	"	3	Accounts Payable	3,198,689	110 days	1 %
	"	Inventec Appliances (Vietnam) Company Limited	3	Purchases	3,218,336	Negotiated price	1 %

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No.	Name of company	Name of counter party	Existing relationship with the counter-party	Intercompany Transactions			
				Account name	Amount	Terms of trading	Percentage of the consolidated total revenue or total assets
3	Inventec (Pudong) Technology Corp.	SQ Technology (Shanghai) Corporation	3	Sales	3,894,392	Negotiated price	1 %
	"	"	3	Accounts Receivable	5,206,130	105 days	2 %

Note 1: Company numbering as follows:

1. Parent company - 0.
2. Subsidiaries starts from 1.

Note 2: The numbering of the relationship between transaction parties as follows:

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

Note 3: The transaction amount is calculated as a proportion of the consolidated revenue or assets. If categorized as an asset or liability, the calculation is compared with the consolidated asset; if categorized as income or loss, the calculation is compared with the consolidated operating revenue.

(b) Information on investments:

The following is the information on investees for the six months ended June 30, 2025 (excluding investees in Mainland China):

(In Thousands of New Taiwan Dollars)

Investor company	Investee company	Location	Main businesses and products	Original investment amount		Balance as of June 30, 2025			Net income (loss) of the investee	Share of profits/losses of investee	Note
				June 30, 2025	December 31, 2024	Shares (In thousands)	Percentage of ownership	Carrying value			
The Company	Inventec Besta Co., Ltd.	Taipei	Electronic dictionary	420,347	420,347	23,405	37.53 %	173,651	(21,080)	(7,911)	Investment accounted for using equity method
"	Inventec Corporation (Hong Kong) Ltd.	Hong Kong	Trading	167,162	167,162	2,500	100.00 %	535,825	58,651	58,651	Subsidiary
"	Inventec Holding (North America) Corp.	USA	Holding Company	3,946,943	3,946,943	2,013	100.00 %	6,183,783	326,860	326,860	"
"	Inventec Appliances Corp.	New Taipei City	Production and sales of intelligent devices	9,656,877	9,656,877	536,857	100.00 %	6,454,872	(113,725)	(484,295)	"
"	Inventec (Cayman) Corp.	Cayman	Holding Company	9,812,963	9,812,963	301,768	100.00 %	28,583,974	469,865	469,865	"
"	IEC (Cayman) Corporation	Cayman	Holding Company	739,500	739,500	50,000	100.00 %	2,379,234	103,406	103,406	"
"	Inventec (Czech), S.R.O.	Czech	Production and sales of computer products	1,582,551	1,582,551	-	100.00 %	2,014,124	34,109	34,109	"
"	Inventec Investment Co., Ltd.	Taipei	Investment Company	62,000	62,000	15,000	100.00 %	61,838	1,332	1,332	"
"	Inventec Solar Energy Corporation	Taoyuan	Sales of solar cells and medical equipment	1,087,800	1,087,800	108,150	33.45 %	(662,896)	(5,661)	(1,894)	"

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Investor company	Investee company	Location	Main businesses and products	Original investment amount		Balance as of June 30, 2025			Net income (loss) of the investee	Share of profits/losses of investee	Note
				June 30, 2025	December 31, 2024	Shares (In thousands)	Percentage of ownership	Carrying value			
The Company	Inventec Development Japan Corporation	Japan	Trading	630,845	630,845	45	100.00 %	22,097	(278)	(278)	Subsidiary
"	Inventec Japan Corporation	Japan	Trading and management service	2,954	2,954	-	100.00 %	3,288	454	454	"
"	AIMobile Co., Ltd.	Taipei	Developing, production and sales of intelligent mobile devices	151,820	142,340	15,965	100.00 %	10,183	(17,295)	(15,661)	"
"	InveneXt System Co., Ltd.	Taipei	Sales of 5G Services, hardware and software	50,000	50,000	5,000	100.00 %	49,626	(404)	(404)	"
"	Inventec Electronics (Thailand) Co., Ltd.	Thailand	Production and sales of computer products	3,742,038	3,742,038	421,000	100.00 %	3,685,141	176,581	176,581	"
"	Inventec Technology (Vietnam) Company Limited	Vietnam	Production and sales of computer products	791,460	791,460	-	100.00 %	723,968	(2,718)	(2,718)	"
"	Inventec Technology (Singapore) Pte. Ltd.	Singapore	Development of computer products	63,640	63,640	9,000	100.00 %	36,061	(18,604)	(18,604)	"
"	Asie AI Co., Ltd	Taipei	Artificial Intelligence chip design	120,000	-	12,000	100.00 %	117,805	(2,195)	(2,195)	"
Inventec Investment Co., Ltd.	Inventec Solar Energy Corporation	Taoyuan	Sales of solar cells and medical equipment	150,000	150,000	15,000	4.64 %	(97,000)	(5,661)	-	Associate Company
"	Inventec Electronics (Thailand) Co., Ltd.	Thailand	Production and sales of computer products	-	-	-	- %	-	176,581	-	"
Inventec Appliances Corp.	Inventec Appliances (Cayman) Holding Corp.	Cayman	Holding Company	5,843,545	5,843,545	199,575	100.00 %	11,144,842	(410,432)	-	"
"	Gainia Intellectual Asset Services, Inc.	Taipei	Intellectual property rights integrative services	6,240	6,240	189	35.87 %	915	(1,982)	-	Investment accounted for using equity method
"	Good Future Biomedical Technology Corp.	Taoyuan	Biotechnology services and retail sale and wholesale of medical devices	28,922	28,922	10,423	18.81 %	19,662	(5,543)	-	"
"	Needleless Corporation	Taoyuan	Manufacturing and Sales of Medical Devices	43,605	-	1,530	20.00 %	44,207	4,581	-	"
"	Inventec Solar Energy Corporation	Taoyuan	Sales of solar cells and medical equipment	311,160	311,160	30,930	9.57 %	(200,014)	(5,661)	-	Associate Company
"	Inventec Appliances (Vietnam) Company Limited	Vietnam	Production and sales of intelligent devices	966,240	966,240	-	100.00 %	1,180,340	163,575	-	"

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Investor company	Investee company	Location	Main businesses and products	Original investment amount		Balance as of June 30, 2025			Net income (loss) of the investee	Share of profits/losses of investee	Note
				June 30, 2025	December 31, 2024	Shares (In thousands)	Percentage of ownership	Carrying value			
Inventec Appliances (Cayman) Holding Corp.	Inventec Appliances (USA) Distribution Corp.	USA	Production and sales of intelligent devices	23,424	23,424	400	100.00 %	99,903	607	-	Associate Company
"	Inventec Appliances Corporation USA, Inc.	"	Sales services	1,464	1,464	10	100.00 %	16,930	329	-	"
Inventec Appliances (Pudong) Corp.	Inventec Appliances (Malaysia) SDN. BHD.	Malaysia	Production and sales of intelligent devices	840,710	840,710	121,000	100.00 %	(693,286)	(128,736)	-	"
InvenexT System Co., LTD.	Inphicomm Ltd.	Samoa	Sales of 5G Services, hardware and software	-	-	-	55.00 %	-	-	-	" (Note4)

Note 1: The aforementioned inter-company transactions were eliminated in the consolidated financial statements.

Note 2: The transactions in foreign currencies were translated into New Taiwan Dollars using spot rates at the financial report date.

Note 3: According to the regulations, investment companies other than the Company are not required to disclose the share of income / loss of investees.

Note 4: No capital has been injected as of June 30, 2025.

(c) Information on investments in Mainland China:

1. The names of investees in Mainland China, the main businesses and products, and other information:

(In Thousands of New Taiwan Dollars)

Name of investee	Main businesses and products	Total amount of paid-in capital	Method of investment (Note 1)	Accumulated outflow of investment from Taiwan as of January 1, 2025	Investment flows		Accumulated outflow of investment from Taiwan as of June 30, 2025	Net income (losses) of the investee	Percentage of ownership	Investment income (losses) (Note 2)	Book value	Accumulated remittance of earnings in current period (Note 6)
					Out-flow	Inflow						
Inventec (Shanghai) Service Co., Ltd	Sales of computer products	340,416	(2)	58,560	-	-	58,560	68	100.00 %	68	328,842	30,234
Inventec (ChongQing) Service Co., Ltd	Sales of computer products	29,280	(2)	29,280	-	-	29,280	18	100.00 %	18	38,498	-
Inventec (Pudong) Corp.	Sales of computer products	1,464,000	(2)	1,464,000	-	-	1,464,000	32,467	100.00 %	32,467	4,205,384	-
Inventec (Shanghai) Corp.	Sales of computer products	1,955,812	(2)	863,760	-	-	863,760	33,614	100.00 %	43,515	1,585,331	-
Inventec (ChongQing) Corporation	Production and Sales of computer products	2,196,000	(2)	2,196,000	-	-	2,196,000	1,058,288	100.00 %	1,080,437	16,676,608	2,242,107
Inventec (Pudong) Technology Corp.	Production and Sales of computer products	1,715,565	(2)	1,464,000	-	-	1,464,000	(503,296)	100.00 %	(510,686)	6,633,027	321,599
Inventec Electronics (Tianjin) Co.,Ltd.	Electronic product software development	146,400	(2)	124,440	-	-	124,440	2,985	100.00 %	2,985	264,026	149,517
Inventec (Beijing) Electronics Technology Co., Ltd.	Electronic product software development	42,456	(2)	42,456	-	-	42,456	2,237	100.00 %	2,237	80,955	-

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Name of investee	Main businesses and products	Total amount of paid-in capital	Method of investment (Note 1)	Accumulated outflow of investment from Taiwan as of January 1, 2025	Investment flows		Accumulated outflow of investment from Taiwan as of June 30, 2025	Net income (losses) of the investee	Percentage of ownership	Investment income (losses) (Note 2)	Book value	Accumulated remittance of earnings in current period (Note 6)
					Out-flow	Inflow						
INVENTEC HI-TECH CORPORATION	Sales of computer products	1,464,000	(2)	1,464,000	-	-	1,464,000	(16,622)	100.00 %	(16,622)	1,592,432	-
Inventec Asset Management (Shanghai) Corporation	Leasing	1,751,445	(3)	-	-	-	-	40,342	78.00 %	31,467	1,039,889	-
Saint Investment Consulting Corporation	Business management	245,412	(3)	-	-	-	-	995	100.00 %	995	300,622	-
SQ Technology (Shanghai) Corporation	Production and Sales of computer products	224,174	(3)	-	-	-	-	(445,447)	100.00 %	(445,447)	(1,410,731)	-
Truswe (ChongQing) Technology Co.,Ltd	Sales of computer products	286,314	(3)	-	-	-	-	(13,658)	20.00 %	(2,732)	40,115	-
Testron Technology (JiangSu) Co., Ltd.	Production and Sales of computer products	113,755	(3)	-	-	-	-	29,315	9.99 %	2,867	126,510	-
Shanghai Haixin Electronic Technology Co.,Ltd	Production and Sales of computer products	13,316	(3)	-	-	-	-	1,160	16.56 %	(77)	38,360	-
Dawnline (Nanjing) Intelligent Technology Co., Ltd.	Solution of intelligent transportation	6,261	(3)	-	-	-	-	(10,004)	15.00 %	(1,757)	32,394	-
INVENTEC APPLIANCES (Shanghai) Corp.	Development of intelligent devices	632,448	(2)	1,408,896	-	-	1,408,896	(7,470)	100.00 %	(7,470)	584,245	1,535,981
Inventec Appliances (Pudong) Corp.	Production and sales of intelligent devices	2,254,560	(2)	2,254,560	-	-	2,254,560	(542,286)	100.00 %	(542,286)	5,437,967	2,297,117
Inventec Appliances (Jiangning) Corp.	Production and sales of intelligent devices	1,991,040	(2)	1,229,760	-	-	1,229,760	42,457	100.00 %	42,457	3,304,496	3,571,176
Inventec Appliances (Nanjing) Corp.	Production and sales of intelligent devices	146,400	(2)	262,978	-	-	262,978	15,107	100.00 %	(23,858)	576,865	85,353
Inventec Appliances (Nanchang) Corp.	Development of intelligent devices	61,488	(2)	61,488	-	-	61,488	(15,081)	100.00 %	(15,081)	4,156	-
Apex Business Managements & Consulting (Shanghai) Co., Ltd.	Property management	2,053	(3)	-	-	-	-	(797)	100.00 %	(797)	117,302	-
Inventec Appliances (Shanghai) Enterpri	Business management and Consulting	32,721	(3)	-	-	-	-	(159)	100.00 %	(159)	12,428	-
Inventec Appliances (Nanchang) Intelligent Manufacturing Co., Ltd.	Production and sales of intelligent devices	245,411	(3)	-	-	-	-	(232)	100.00 %	(232)	(164,579)	-
Inventec Easy Doctor Corporation	Production and sales of medical devices, software development	40,902	(3)	-	-	-	-	(438)	100.00 %	(438)	8,438	-

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2. Upper limit on investment in Mainland China:

Name of Company	Accumulated Investment in Mainland China as of June 30, 2025	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment (Note 3,4,7)
The Company	7,767,984	7,767,984	-
Inventec Appliances Corp.	5,400,052	5,400,052	3,872,923

Note 1: There are three ways of investments as following:

- (1) Direct investment in Mainland China.
- (2) Indirect investment in Mainland china through a subsidiary in a third place.
- (3) Others

Note 2: The recognition of investment income (loss) is based on the financial statements reviewed by CPA or prepared by these investee companies.

Note 3: In accordance with the regulation of amended limitation calculation of Investment Commission in 29 August, 2008, MOEA (IDB) committed the Company were in the scope of operating headquarter; therefore there is no need to calculate the limitation.

Note 4: The upper limit on investment of Inventec Appliances Corp. is the higher of 60% of net value or 60% of consolidated net value.

Note 5: The transactions in foreign currencies were translated into New Taiwan Dollars using spot rates at the financial report date.

Note 6: The amount of foreign currencies was translated into New Taiwan Dollars at historical exchange rates.

Note 7: After the accumulated investment in Mainland China as of June 30, 2025, deducted the accumulated remittance of earnings, the investment amounts of Inventec Appliance Corp. was still under the upper limit on investment.

Note 8: The inter-company transactions were eliminated in the consolidated financial statements.

3. Significant transactions:

The significant inter-company transactions with the subsidiary in Mainland China for the six months ended June 30, 2025, which were eliminated in the preparation of consolidated financial statements, are disclosed in "Information on significant transactions".

(14) Segment Information

(a) General information

The Group's reportable segments: core department and other department. The core department manufactures computer products and intelligent device products and sells them to customers. The other department is engaged in environmental energy and emerging technology business.

The reportable segments are the Group's strategic divisions. They offer different products and services, and are managed separately because they require different technological and marketing strategies.

(b) Information about reportable segments and their measurement and reconciliations

	For the three months ended June 30, 2025			
	Core	Others	Adjustment and Elimination	Total
Revenue				
Revenue from external customers	\$ 185,309,793	1,267,596	-	186,577,389
Intersegment revenues	-	-	-	-
Total revenue	\$ 185,309,793	1,267,596	-	186,577,389
Reportable segment profit (loss)	\$ 3,483,349	(571,296)	-	2,912,053

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

June 30, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

For the three months ended June 30, 2024				
	Core	Others	Adjustment and Elimination	Total
Revenue				
Revenue from external customers	\$ 152,922,377	1,236,421	-	154,158,798
Intersegment revenues	-	-	-	-
Total revenue	<u>\$ 152,922,377</u>	<u>1,236,421</u>	<u>-</u>	<u>154,158,798</u>
Reportable segment profit (loss)	<u>\$ 2,535,256</u>	<u>(354,688)</u>	<u>-</u>	<u>2,180,568</u>
For the six months ended June 30, 2025				
	Core	Others	Adjustment and Elimination	Total
Revenue				
Revenue from external customers	\$ 341,352,864	2,258,861	-	343,611,725
Intersegment revenues	-	-	-	-
Total revenue	<u>\$ 341,352,864</u>	<u>2,258,861</u>	<u>-</u>	<u>343,611,725</u>
Reportable segment profit (loss)	<u>\$ 6,209,325</u>	<u>(1,144,949)</u>	<u>-</u>	<u>5,064,376</u>
For the six months ended June 30, 2024				
	Core	Others	Adjustment and Elimination	Total
Revenue				
Revenue from external customers	\$ 282,618,718	2,046,045	-	284,664,763
Intersegment revenues	-	-	-	-
Total revenue	<u>\$ 282,618,718</u>	<u>2,046,045</u>	<u>-</u>	<u>284,664,763</u>
Reportable segment profit (loss)	<u>\$ 4,435,586</u>	<u>(727,706)</u>	<u>-</u>	<u>3,707,880</u>

Taxation or extraordinary activity is not able to be allocated to each reportable segment. In addition, not all reportable segments include depreciation and amortization of significant non-cash items. The reportable amount is the same as the report used by the chief operating decision maker.

The operating segment's accounting policies are similar to those described in Note 2 "Significant accounting policies". Reportable segment profit or loss is measured by operating profit or loss before taxation, and is used as the base of performance evaluation.

Since the evaluated amount of the Group's assets was not provided to the chief operating decision maker, there is no need to disclose the evaluated amount of the assets.