

INVENTEC CORPORATION AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

**With Independent Auditors' Report
For the Years Ended December 31, 2025 and 2024**

Address: No.66, Hougang Street, Shinlin District, Taipei City, Taiwan, R.O.C.
Telephone: 886-2-2881-0721

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

Table of contents

Contents	Page
1. Cover Page	1
2. Table of Contents	2
3. Representation Letter	3
4. Independent Auditors' Report	4
5. Consolidated Balance Sheets	5
6. Consolidated Statements of Comprehensive Income	6
7. Consolidated Statements of Changes in Equity	7
8. Consolidated Statements of Cash Flows	8
9. Notes to the Consolidated Financial Statements	
(1) Company History	9
(2) Financial Statements Authorization Date and Authorization Process	9
(3) New Standards, Amendments and Interpretations Adopted	9~11
(4) Summary of Material Accounting Policies	11~29
(5) Significant Accounting Assumptions and Judgements, and Major Sources of Estimation Uncertainty	29~30
(6) Explanation to Significant Accounts	30~73
(7) Related Parties Transactions	73~76
(8) Assets Pledged as Security	76
(9) Significant Commitments and Contingencies	77
(10) Losses Due to Major Disasters	77
(11) Subsequent Events	77
(12) Other	77
(13) Other disclosures	
(a) Information on significant transactions	78~84
(b) Information on investees	84~86
(c) Information on investment in Mainland China	86~88
(14) Segment Information	88~90

Representation Letter

The entities that are required to be included in the consolidated financial statements of Inventec Corporation as of and for the year ended December 31, 2025 under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with International Financial Reporting Standards No. 10, "Consolidated Financial Statements. " endorsed by the Financial Supervisory Commission of the Republic of China. In addition, the information required to be disclosed in the consolidated financial statements is included in the consolidated financial statements. Consequently, Inventec Corporation and Subsidiaries do not prepare a separate set of consolidated financial statements of the affiliates.

Company name: Inventec Corporation

Chairman: Li-Cheng Yeh

Date: March 10, 2026



安侯建業聯合會計師事務所
KPMG

台北市110615信義路5段7號68樓(台北101大樓)
68F., TAIPEI 101 TOWER, No. 7, Sec. 5,
Xinyi Road, Taipei City 110615, Taiwan (R.O.C.)

電話 Tel	+ 886 2 8101 6666
傳真 Fax	+ 886 2 8101 6667
網址 Web	kpmg.com/tw

Independent Auditors' Report

To the Board of Directors of Inventec Corporation:

Opinion

We have audited the consolidated financial statements of Inventec Corporation and its subsidiaries ("the Group"), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended December 31, 2025 and 2024, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended December 31, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Inventory Valuation

Please refer to Notes (4)(h), (5) and (6)(e) for accounting policies, significant accounting assumptions and judgments, major sources of estimation uncertainty and related disclosure information for inventory, respectively.



Description of the key audit matter:

The Group's materials may be obsolescence or slow-moving due to the risk of price decline in inventory, the material prepared for designing products and forecast orders may be canceled or changed, or changed on components and quantities. Therefore, the valuation of inventories has been identified as one of the key audit matters.

How the matter was addressed in our audit:

In relation to the key audit matter above, we have performed certain key audit procedures that included assessing the appropriateness of inventories valuation policies; ensuring the process of inventory valuation is in conformity with the accounting policies; inspecting the inventory aging report; recalculating estimation of inventory valuation based on the Group's policies.

2. Revenue recognition

Please refer to Notes (4)(p) and (6)(v) for accounting policies and related disclosure information for revenue recognition, respectively.

Description of the key audit matter:

To fulfill the delivery requirements of certain products, the Group has established several hubs to meet customer demand. The Group recognizes sales revenue when the customers pick up the products (transfer of control over products), primarily relying on statements or information provided by hub custodians. Since the hubs are located around the world with numerous custodians and the formats provided by custodians vary, the process of revenue recognition typically involves manual procedures. This may lead to inappropriate timing of sales revenue recognition or discrepancies between the physical inventory and accounting records.

As there are numerous transactions from hubs, and the transactions amount prior to and after the balance sheet date are significant to the financial statements, the cut-off of hub sales revenue has been identified as one of the key audit matters.

How the matter was addressed in our audit:

In relation to the key audit matter above, we have performed certain key audit procedures, including conducting a cut-off test for hub sales revenue for a specific period prior to and after the balance sheet date, and inspecting relevant documents to assess the reasonableness of management's timing of sales revenue recognition from hubs. For shipments during that period, we sampled and inspected supporting document provided by hub custodians, checked inventory movement records, and verified the transfer of cost of goods sold had been recorded in the appropriate period. For inventory quantities held at hubs at the end of the period, we randomly performed confirmation procedures or conducted physical counts to reconcile with accounting records.

Other Matter

Inventec Corporation has additionally prepared its parent company only financial statements as of and for the years ended December 31, 2025 and 2024, on which we have issued an unqualified opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRSs, IASs, IFRIC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including the Audit Committee) are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

KPMG

Taipei, Taiwan (Republic of China)
March 10, 2026

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 audit such consolidated financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' audit 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' audit 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

December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

ASSETS		December 31, 2025		December 31, 2024		LIABILITIES AND EQUITY		December 31, 2025		December 31, 2024	
		Amount	%	Amount	%			Amount	%	Amount	%
Current Assets :						Current Liabilities :					
1100	Cash and cash equivalents (Notes (4) and (6)(a))	\$ 54,315,410	17	30,933,801	9	2100	Short-term borrowings (Note (6)(o))	\$ 75,183,359	22	64,076,616	19
1110	Current financial assets at fair value through profit or loss (Notes (4) and (6)(b))	1,516,242	1	1,885,755	1	2120	Current financial liabilities at fair value through profit or loss (Notes (4) and (6)(b))	155,111	-	119,990	-
1120	Current financial assets at fair value through other comprehensive income (Notes (4) and (6)(b))	743,472	-	455,021	-	2130	Current contract liabilities (Note (6)(v))	19,074,851	6	17,602,440	5
1170	Accounts receivable, net (Notes (4), (6)(c) and (7))	119,658,135	36	164,761,942	49	2170	Accounts payable (Note (7))	109,168,153	33	135,836,479	41
1200	Other receivables, net (Notes (6)(d) and (7))	7,774,285	2	1,839,801	1	2230	Current tax liabilities	4,563,756	1	2,031,680	1
1310	Inventories (Notes (4) and (6)(e))	76,912,010	23	65,146,947	19	2200	Other payables (Note (7))	12,305,305	4	13,767,047	4
1470	Other current assets (Notes (6)(m) and (8))	10,534,127	3	9,403,089	3	2322	Long-term borrowings, current portion (Note (6)(o))	1,123,497	-	688,818	-
		271,453,681	82	274,426,356	82	2280	Current lease liabilities (Notes (4) and (6)(p))	2,055,549	1	265,016	-
Non-current assets :						2399	Other current liabilities, others (Note (6)(n))	12,684,090	4	13,094,180	4
1510	Non-current financial assets at fair value through profit or loss (Notes (4) and (6)(b))	447,364	-	375,241	-			236,313,671	71	247,482,266	74
1517	Non-current financial assets at fair value through other comprehensive income (Notes (4) and (6)(b))	1,025,106	-	10,533,025	3	Non-current Liabilities :					
1550	Investments accounted for using equity method (Notes (4) and (6)(f))	584,822	-	469,877	-	2540	Long-term borrowings (Note (6)(o))	8,678,192	3	8,389,689	2
1600	Property, plant and equipment (Notes (4), (6)(i), (7) and (8))	41,804,177	13	35,324,177	11	2640	Net defined benefit liability, non-current (Notes (4) and (6)(r))	278,970	-	291,649	-
1755	Right-of-use assets (Notes (4) and (6)(j))	5,883,049	2	4,228,340	1	2580	Non-current lease liabilities (Notes (4) and (6)(p))	2,238,764	1	2,095,134	1
1760	Investment property, net (Notes (4), (6)(k) and (8))	4,973,410	1	5,196,667	2	2670	Other non-current liabilities, others (Note (6)(n))	7,714,459	2	7,198,794	2
1780	Intangible assets (Notes (4) and (6)(l))	293,531	-	662,455	-			18,910,385	6	17,975,266	5
1900	Other non-current assets (Notes (6)(m), (r) and (8))	5,206,975	2	4,728,177	1	Total Liabilities		255,224,056	77	265,457,532	79
		60,218,434	18	61,517,959	18						
						Equity attributable to owners of parent :					
						3110	Ordinary shares (Note (6)(t))	35,874,751	11	35,874,751	11
						3200	Capital surplus (Note (6)(t))	2,892,430	1	2,894,045	1
						3300	Retained earnings (Note (6)(t))	38,508,122	11	24,994,131	7
						3400	Other equity (Note (6)(t))	(1,098,291)	-	7,557,385	2
							Total equity attributable to owners of parent	76,177,012	23	71,320,312	21
						36XX	Non-controlling interests	271,047	-	(833,529)	-
							Total Equity	76,448,059	23	70,486,783	21
TOTAL ASSETS		\$ 331,672,115	100	335,944,315	100	TOTAL LIABILITIES AND EQUITY		\$ 331,672,115	100	335,944,315	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 years ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

		For the years ended December 31			
		2025		2024	
		Amount	%	Amount	%
4000	Operating revenue (Notes (4), (6)(v) and (7))	\$ 691,190,326	100	646,261,954	100
5000	Operating costs (Note (6)(e))	654,475,636	95	612,924,800	95
5900	Gross profit from operations	36,714,690	5	33,337,154	5
	Operating expenses (Notes (6)(c), (w) and (7)):				
6100	Selling expenses	3,591,462	-	3,587,885	-
6200	Administrative expenses	6,114,473	1	5,292,888	1
6300	Research and development expenses	14,302,387	2	12,601,683	2
6450	Impairment loss (impairment gains and reversal of impairment losses) determined in accordance with IFRS9	(6,229)	-	38,137	-
		24,002,093	3	21,520,593	3
6900	Net operating income	12,712,597	2	11,816,561	2
	Non-operating income and expenses (Notes (6)(f), (x) and (7)):				
7100	Interest income	2,759,406	1	2,931,839	-
7010	Other income	144,059	-	371,320	-
7020	Other gains and losses	2,526,027	-	132,957	-
7050	Finance costs	(6,144,282)	(1)	(6,027,045)	(1)
7060	Shares of profit (loss) of associates and joint ventures accounted for using equity method	14,341	-	(15,717)	-
		(700,449)	-	(2,606,646)	(1)
7900	Profit before tax	12,012,148	2	9,209,915	1
7950	Less: Tax expense (Notes (4) and (6)(s))	2,722,021	-	1,943,697	-
8000	Profit	9,290,127	2	7,266,218	1
	Other comprehensive income (loss):				
8310	Components of other comprehensive income (loss) that will not be reclassified to profit or loss				
8311	(Losses) gains on remeasurements of defined benefit plans	(2,998)	-	156,288	-
8316	Unrealized gains from investments in equity instruments measured at fair value through other comprehensive income	6,231,904	1	5,019,570	1
8320	Shares of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	4,567	-	1,798	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	2,308,181	1	31,718	-
		3,925,292	-	5,145,938	1
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss				
8361	Exchange differences on translation of foreign financial statements	(1,657,702)	-	3,185,350	-
8370	Shares of other comprehensive (loss) income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	(4,449)	-	12,517	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
		(1,662,151)	-	3,197,867	-
	Other comprehensive income, net of income tax	2,263,141	-	8,343,805	1
8500	Total comprehensive income	\$ 11,553,268	2	15,610,023	2
	Profit (loss), attributable to:				
8610	Profit, attributable to owners of parent	\$ 8,695,754	2	7,267,407	1
8620	Profit (loss), attributable to non-controlling interests	594,373	-	(1,189)	-
		\$ 9,290,127	2	7,266,218	1
	Comprehensive income attributable to:				
8710	Comprehensive income, attributable to owners of parent	\$ 10,963,247	2	15,599,052	2
8720	Comprehensive income, attributable to non-controlling interests	590,021	-	10,971	-
		\$ 11,553,268	2	15,610,023	2
	Earnings per share (Notes (4) and (6)(u))				
9750	Basic earnings per share (NT dollars)	\$ 2.42		2.03	
9850	Diluted earnings per share (NT dollars)	\$ 2.41		2.02	

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 Years Ended December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

	Attributable to owners of parent									
						Other Equity				
	Share Capital	Retained Earnings				Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gains (Losses) from Financial Assets Measured at Fair Value through Other Comprehensive Income	Total Equity Attributable to Owners of Parent	Non - controlling Interests	Total Equity
	Ordinary Shares	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Retained Earnings					
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	-	-	-	-	7,267,407	-	-	7,267,407	(1,189)	7,266,218
Other comprehensive income for the period	-	-	-	-	125,561	3,185,707	5,020,377	8,331,645	12,160	8,343,805
Total comprehensive income for the period	-	-	-	-	7,392,968	3,185,707	5,020,377	15,599,052	10,971	15,610,023
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)
Other changes in capital surplus:										
Changes in equity of associates and joint ventures accounted for using equity method	-	(2,059)	-	-	-	-	-	(2,059)	-	(2,059)
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
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	211	-	(211)	-	-	-
Balance at December 31, 2024	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	-	-	-	-	8,695,754	-	-	8,695,754	594,373	9,290,127
Other comprehensive income (loss) for the period	-	-	-	-	(6,163)	(1,657,800)	3,931,456	2,267,493	(4,352)	2,263,141
Total comprehensive income (loss) for the period	-	-	-	-	8,689,591	(1,657,800)	3,931,456	10,963,247	590,021	11,553,268
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)
Other changes in capital surplus:										
Changes in equity of associates and joint ventures accounted for using equity method	-	296	-	-	-	-	-	296	-	296
Changes in non-controlling interests	-	-	-	-	-	-	-	-	506,420	506,420
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	-	-	-	-	10,929,332	-	(10,929,332)	-	-	-
Balance at December 31, 2025	\$ 35,874,751	2,892,430	14,723,363	-	23,784,759	552,413	(1,650,704)	76,177,012	271,047	76,448,059

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 Years Ended December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

	<u>2025</u>	<u>2024</u>
Cash flows used in operating activities:		
Profit before tax	\$ 12,012,148	9,209,915
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	3,434,892	2,941,309
Amortization expense	1,068,633	1,067,238
Expected credit (gain) loss	(6,229)	38,137
Interest expense	6,144,282	6,027,045
Interest income	(2,759,406)	(2,931,839)
Dividend income	(18,365)	(259,990)
Shares of (profit) loss of associates and joint ventures accounted for using equity method	(14,341)	15,717
Gains on disposal of property, plant and equipment	(98,550)	(322,320)
Gains on disposal of investments	(703,020)	-
Impairment loss on non-financial assets	409,535	-
Unrealized foreign exchange (gain) loss	(324,913)	286,946
Gains on debt settlement	(1,109,367)	-
Other adjustments	227	(24,438)
Total adjustments to reconcile profit	<u>6,023,378</u>	<u>6,837,805</u>
Changes in operating assets and liabilities:		
Changes in operating assets:		
Increase in financial assets at fair value through profit or loss, mandatorily measured at fair value	(1,531,527)	(4,267)
Decrease (increase) in accounts receivable	44,418,949	(69,959,626)
(Increase) decrease in other receivables	(262,880)	215,030
Increase in inventories	(13,163,881)	(2,775,309)
(Increase) decrease in other current assets	<u>(3,021,276)</u>	<u>382,063</u>
Total changes in operating assets	<u>26,439,385</u>	<u>(72,142,109)</u>
Changes in operating liabilities:		
Increase in financial liabilities held for trading	35,121	85,072
Increase in contract liabilities	1,475,135	3,940,744
(Decrease) increase in accounts payable	(25,050,345)	50,959,593
(Decrease) increase in other payables	(979,893)	577,720
Decrease in other current liabilities	(467,193)	(1,223,799)
Decrease in net defined benefit liabilities, non-current	<u>(31,227)</u>	<u>(51,926)</u>
Total changes in operating liabilities	<u>(25,018,402)</u>	<u>54,287,404</u>
Total changes in operating assets and liabilities	<u>1,420,983</u>	<u>(17,854,705)</u>
Total adjustments	<u>7,444,361</u>	<u>(11,016,900)</u>
Cash inflow (outflow) generated from operations	19,456,509	(1,806,985)
Interest received	2,883,304	2,375,343
Dividends received	22,691	259,990
Interest paid	(6,234,044)	(6,103,917)
Income taxes paid	<u>(2,135,177)</u>	<u>(1,889,502)</u>
Net cash flows from (used in) operating activities	<u>13,993,283</u>	<u>(7,165,071)</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 Years Ended December 31, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	<u>2025</u>	<u>2024</u>
Cash flows from (used in) investing activities:		
Proceeds from disposal of financial assets at fair value through other comprehensive income	9,479,132	-
Acquisition of financial assets at fair value through profit or loss	(1,622,060)	(4,051,800)
Proceeds from disposal of financial assets at fair value through profit or loss	3,383,800	2,322,916
Acquisition of investments accounted for using equity method	(104,516)	(41,657)
Net cash inflows from disposal of subsidiaries	333,957	-
Acquisition of property, plant and equipment	(9,068,860)	(5,448,272)
Proceeds from disposal of property, plant and equipment	187,603	345,658
Acquisition of intangible assets	(553,036)	(486,303)
Acquisition of investment properties	-	(7,746)
Decrease in other financial assets	1,759,942	473,164
Increase in other non-current assets	(793,671)	(744,633)
Net cash flows from (used in) investing activities	<u>3,002,291</u>	<u>(7,638,673)</u>
Cash flows from financing activities:		
Increase in short-term borrowings	12,357,584	19,188,031
Proceeds from long-term borrowings	1,547,500	14,600,347
Repayments of long-term borrowings	(850,647)	(11,575,468)
Payments of lease liabilities	(288,043)	(518,137)
(Decrease) increase in other non-current liabilities	(66,132)	14,287
Cash dividends paid	(6,098,708)	(5,381,213)
Change in non-controlling interests	(9,480)	1,650
Net cash flows from financing activities	<u>6,592,074</u>	<u>16,329,497</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(206,039)</u>	<u>1,274,979</u>
Net increase in cash and cash equivalents	23,381,609	2,800,732
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><u>\$ 54,315,410</u></u>	<u><u>30,933,801</u></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
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the years ended December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

(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 and intelligent terminal products. Please refer to Note (4)(c) for details.

(2) Financial Statements Authorization Date and Authorization Process

These consolidated financial statements were authorized for issue by the Board of Directors on March 10, 2026.

(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”

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

- (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 note: On February 6, 2026, the FSC announcing that Taiwan will adopt IFRS 18 beginning in 2028. Entities that need to adopt the new standard earlier may do with the endorsement of the FSC.

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.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
INVENTEC CORPORATION AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)
For the years ended December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

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” and amendments to IFRS 19 “Subsidiaries without Public Accountability: Disclosures”
- Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”

(4) Summary of Material Accounting Policies

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 consolidated financial statements, the Chinese version shall prevail.

The material accounting policies presented in the consolidated financial statements are summarized below. Except for the explanation of Note (3), the following accounting policies were applied consistently throughout the periods presented in the consolidated financial statements.

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as “the Regulations”) and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed and issued into effect by the Financial Supervisory Commission, R.O.C. (altogether referred to “IFRS Accounting Standards” endorsed by the “FSC”).

(b) Basis of preparation

1. Basis of measurement

Except for the following significant accounts, the consolidated financial statements have been prepared on a historical cost basis:

- 1) Financial instruments at fair value through profit or loss are measured at fair value;
- 2) Financial assets at fair value through other comprehensive income are measured at fair value;
- 3) The defined benefit liabilities (assets) are measured at fair value of the plan assets less the present value of the defined benefit obligation, limited as explained in Note (4)(r).

2. Functional and presentation currency

The functional currency of each Group entity is determined based on the primary economic environment in which the entity operates. The consolidated financial statements are presented in New Taiwan Dollar, which is the Company’s functional currency. All financial information presented in New Taiwan Dollar has been rounded to the nearest thousand.

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

(c) Basis of consolidation

1. Principle of preparation of the consolidated financial statements

The consolidated financial statements comprise the Company and subsidiaries. Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. Intra group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. The Group attributes the profit or loss and each component of other comprehensive income to the owners of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

The Group prepares consolidated financial statements using uniform accounting policies for like transactions and other events in similar circumstances. Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received will be recognized directly in equity, and the Group will attribute it to the owners of the parent.

When the Group loses control over a subsidiary, it derecognizes the assets (including any goodwill) and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any interest retained in the former subsidiary is measured at fair value when control is lost, with the resulting gain or loss being recognized in profit or loss. The Group recognizes as gain or loss in profit or loss the difference between (i) the fair value of the consideration received as well as any investment retained in the former subsidiary at its fair value at the date when control is lost; and (ii) the assets (including any goodwill), liabilities of the subsidiary as well as any related non-controlling interests as their carrying amounts at the date when control is lost, as gain or loss in profit or loss. When the Group loses control of its subsidiary, it accounts for all amounts previously recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required if it had directly disposed of the related assets or liabilities.

2. List of subsidiaries in the consolidated financial statements

Name of Investor	Name of Subsidiary	Principal activity	Shareholding		Note
			December 31, 2025	December 31, 2024	
The Company	Inventec Corporation (Hong Kong) Ltd.	Trading	100.00 %	100.00 %	
"	Inventec Holding (North America) Corp.	Holding Company	100.00 %	100.00 %	
"	Inventec (Cayman) Corp.	Holding Company	100.00 %	100.00 %	
"	IEC (Cayman) Corporation	Holding Company	100.00 %	100.00 %	
"	Inventec (Czech), s.r.o.	Production and sales of computer products	100.00 %	100.00 %	
"	Inventec Development Japan Corporation	Trading	100.00 %	100.00 %	
"	Inventec Investments Co., Ltd.	Investment company	100.00 %	100.00 %	

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

Name of Investor	Name of Subsidiary	Principal activity	Shareholding		Note
			December 31, 2025	December 31, 2024	
The Company	AlMobile Co., Ltd.	Developing, production and sales of intelligent mobile devices	100.00 %	89.16 %	
"	Inventec Japan Corporation	Trading and management services	100.00 %	100.00 %	
"	Inventec Appliances Corp.	Production and sales of intelligent terminal products	100.00 %	100.00 %	
"	InveneXt System CO., LTD.	Sales of 5G hardware and software	100.00 %	100.00 %	
"	Inventec Technology (Singapore) Pte. Ltd.	Development of computer products	100.00 %	100.00 %	Inventec Technology (Singapore) Pte. Ltd. was established on June 26, 2024.
"	Asic AI Co., Ltd.	Artificial Intelligence chip design	100.00 %	- %	Asic AI Co., Ltd. was established on March 28, 2025.
The Company and Inventec Appliances Corp.	Inventec Technology (Vietnam) Company Limited	Production and sales of intelligent terminal products	100.00 %	100.00 %	
InveneXt System CO., LTD.	Inphicomn Ltd.	Sales of 5G hardware and software	- %	55.00 %	The deregistration was completed on October 15, 2025.
The Company and Inventec Investments Co., Ltd.	Inventec Electronics (Thailand) Co., Ltd.	Production and sales of computer products	100.00 %	100.00 %	
The Company 、Inventec Investments Co., Ltd. and Inventec Appliances Corp.	Inventec Solar Energy Corporation	Sales of solar cells and medical equipment	- %	47.65 %	Inventec Solar Energy Corporation was dissolved pursuant to a resolution passed at the extraordinary shareholder's meeting held on August 29, 2025. The liquidation process was completed on December 3, 2025. The Group has lost control over the company.
Inventec Corporation (Hong Kong) Ltd.	Inventec Electronics (Tianjin) Co., Ltd.	Electronic product software development	100.00 %	100.00 %	
"	Inventec (Beijing) Electronics Technology Co., Ltd.	"	100.00 %	100.00 %	
Inventec (Cayman) Corp. and Inventec (Pudong) Technology Corp.	Inventec (Shanghai) Corp.	Sales of computer products	100.00 %	100.00 %	
Inventec (Cayman) Corp., Inventec (Pudong) Technology Corp. and Inventec (Pudong) Corp.	Inventec (Shanghai) Service Co., Ltd.	"	100.00 %	100.00 %	
Inventec (Cayman) Corp.	Inventec (Pudong) Corp.	"	100.00 %	100.00 %	
"	Inventec (Pudong) Technology Corp.	Production and sales of computer products	100.00 %	100.00 %	
"	Inventec Hi-Tech Corporation	Sales of computer products	100.00 %	100.00 %	
"	Inventec (Chongqing) Service Co., Ltd	"	100.00 %	100.00 %	
Inventec (Cayman) Corp. and IEC (Cayman) Corporation	Inventec (Chongqing) Corporation	Production and sales of computer products	100.00 %	100.00 %	
Inventec (Shanghai) Corp.	Inventec Asset-Management (Shanghai) Corporation	Leasing	78.00 %	78.00 %	
Inventec (Shanghai) Service Co., Ltd.	Saint Investment Consulting Corporation	Business management	100.00 %	100.00 %	
Inventec (Pudong) Technology Corp.	SQ Technology (Shanghai) Corporation	Production and sales of computer products	100.00 %	100.00 %	
Inventec Holding (North America) Corp.	Inventec (USA) Corporation	Service of computer products	100.00 %	100.00 %	
"	Inventec Manufacturing (North America) Corporation	"	100.00 %	100.00 %	

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
INVENTEC CORPORATION AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)
For the years ended December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

Name of Investor	Name of Subsidiary	Principal activity	Shareholding		Note
			December 31, 2025	December 31, 2024	
Inventec Holding (North America) Corp.	Inventec Configuration (North America) Corporation	Production and sales of computer products	100.00 %	100.00 %	
"	Inventec Distribution (North America) Corporation	"	100.00 %	100.00 %	
Inventec Holding (North America) Corp. and Inventec Distribution (North America) Corporation	IEC Technologies, S. de R.L. de C.V.	"	100.00 %	100.00 %	
Inventec Appliances Corp.	Inventec Appliances (Cayman) Holding Corp.	Holding Company	100.00 %	100.00 %	
"	Inventec Appliances (Vietnam) Company Limited	Production and sales of intelligent terminal products.	100.00 %	100.00 %	
Inventec Appliances (Cayman) Holding Corp.	Inventec Appliances (USA) Distribution Corp.	Sales of intelligent terminal products.	100.00 %	100.00 %	
"	Inventec Appliances Corporation USA, Inc.	Sales service	100.00 %	100.00 %	
"	Inventec Appliances (Shanghai) Co., Ltd.	Development of intelligent terminal products.	100.00 %	100.00 %	
"	Inventec Appliances (Pudong) Corp.	Production and sales of intelligent terminal products.	100.00 %	100.00 %	
"	Inventec Appliances (Jiangning) Corp.	"	100.00 %	100.00 %	
"	Inventec Appliances (Nanjing) Corp.	"	100.00 %	100.00 %	
"	Inventec Appliances (XI'AN) Corporation	House leasing	- %	100.00 %	The share transfer registration was completed on June 4, 2025.
"	Inventec Appliances (Nanchang) Corporation	Development of intelligent terminal products.	100.00 %	100.00 %	
Inventec Appliances (Shanghai) Co., Ltd.	Inventec Appliances (Shanghai) Enterprise Co., Ltd.	Business management	100.00 %	100.00 %	
"	APEX Business Management & Consulting (Shanghai) Co., Ltd.	"	100.00 %	100.00 %	
"	Inventec Appliances (Nanchang) Intelligent Manufacturing Co., Ltd.	Production and sales of intelligent terminal products.	100.00 %	100.00 %	
Inventec Appliances (Pudong) Corp.	Inventec Appliances (Malaysia) SDN. BHD.	Production and sales of intelligent terminal products.	100.00 %	100.00 %	
"	Inventec Easy Doctor Corporation	Production and sales of medical devices	100.00 %	100.00 %	

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

(d) Foreign currencies

1.Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group entities at the exchange rates at the dates of the transactions. At the end of each subsequent reporting period, monetary items denominated in foreign currencies are translated into the functional currencies using the exchange rate at that date. Non-monetary items denominated in foreign currencies that are measured at fair value are translated into the functional currencies using the exchange rate at the date that the fair value was determined. Non-monetary items denominated in foreign currencies that are measured based on historical cost are translated using the exchange rate at the date of the transaction.

Exchange differences are generally recognized in profit or loss, except for an investment in equity securities designed as at fair value through other comprehensive income, which is recognized in other comprehensive income.

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

2.Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into the presentation currency at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into the presentation currency at the average exchange rate. Exchange differences are recognized in other comprehensive income.

When a foreign operation is disposed of such that control, significant influence, or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, exchange differences arising from such a monetary item that are considered to form part of the net investment in the foreign operation are recognized in other comprehensive income.

(e) Classification of current and non-current assets and liabilities

The Group classifies the asset as current under one of the following criteria, and all other assets are classified as non-current.

1. It is expected to be realized, or intended to be sold or consumed, in the normal operating cycle;
2. It is held primarily for the purpose of trading;
3. It is expected to be realized within twelve months after the reporting period; or
4. The asset is cash or a cash equivalent (as defined in IAS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Group classifies the liability as current under one of the following criteria, and all other liabilities are classified as non-current.

1. It is expected to be settled in the normal operating cycle;
2. It is held primarily for the purpose of trading;
3. It is due to be settled within twelve months after the reporting period; or
4. The Group does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
INVENTEC CORPORATION AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)
For the years ended December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

(f) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equipments are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Time deposits which meet the above definition and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes should be recognized as cash equivalents.

(g) Financial instruments

Trade receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivables without a significant financing component is initially measured at the transaction price.

1. Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

On initial recognition, a financial asset is classified as measured at: amortized cost; Fair value through other comprehensive income (FVOCI) equity investment; or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of next reporting period following the change in the business model.

1) Financial assets measured at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

These assets are subsequently measured at amortized cost, which is the amount at which the financial asset is measured at initial recognition, plus/minus, the cumulative amortization using the effective interest method, adjusted for any loss allowance. Interest income, foreign exchange gains and losses, as well as impairment, are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

2) Fair value through other comprehensive income (FVOCI)

Some trade receivables deriving from the collection of contractual cash flows and sales made by the Group are measured at FVOCI, and recognized as 'trade receivables' line item.

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an instrument-by-instrument basis.

Equity investments at FVOCI are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in other comprehensive income and are never reclassified to profit or loss.

Dividend income is recognized in profit or loss on the date on which the Group's right to receive payment is established.

3) Fair value through profit or loss (FVTPL)

All financial assets not classified as amortized cost or FVOCI described as above (e.g. financial assets held for trading and those that are managed and whose performance is evaluated on fair value basis) are measured at FVTPL, including derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset, which meets the requirements to be measured at amortized cost or at FVOCI, as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

4) Impairment of financial assets

The Group recognizes loss allowances for expected credit losses (ECL) on financial assets measured at amortized cost (including cash and cash equivalents, notes and trade receivables, other receivable, guarantee deposit paid and other financial assets), debt investments measured at FVOCI and contract assets.

The Group measures loss allowances at an amount equal to lifetime ECL, except for the following which are measured as 12-month ECL:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowance for trade receivables and contract assets are always measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group's historical experience and informed credit assessment as well as forward-looking information.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
INVENTEC CORPORATION AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)
For the years ended December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The Group considers a financial asset to be in default when the financial asset is more than year past due or the debtor is unlikely to pay its credit obligations to the Group in full.

Lifetime ECL are the ECL that result from all possible default events over the expected life of a financial instrument.

12-month ECL are the portion of ECL that result from default events that are possible within the 12 month after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECL is the maximum contractual period over which the Group is exposed to credit risk.

ECL are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive). ECL are discounted at the effective interest rate of the financial asset.

At each reporting date, the Group assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial assets is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 1 year past due;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charge to profit or loss and is recognized in other comprehensive income instead of reducing the carrying amount of the asset.

The gross carrying amount of a financial asset is written off either partially or in full to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

5) Derecognition of financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognized in its statement of balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

2. Financial liabilities and equity instruments

1) Classification of debt or equity

Debt and equity instruments issued by the Group are classified as financial liabilities or equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2) Equity instrument

An equity instrument is any contract that evidences residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognized as the amount of consideration received, less the direct cost of issuing.

3) Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

4) Derecognition of financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount of a financial liability extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

5) Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount presented in the statement of balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(h) Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the weighted average method, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(i) Investment in associates

Associates are those entities in which the Group has significant influence, but not control or jointly control, over the financial and operating policies.

Investments in associates are accounted for using the equity method and are recognized initially at cost. The cost of the investment includes transaction costs. The carrying amount of the investment in associates includes goodwill arising from the acquisition less any accumulated impairment losses.

The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of those associates, after adjustments to align the accounting policies with those of the Group, from the date on which significant influence commences until the date on which significant influence ceases. The Group recognizes any changes of its proportionate share in the investee within capital surplus, when an associate's equity changes due to reasons other than profit and loss or comprehensive income, which did not result in changes in actual proportionate share.

Gains and losses resulting from the transactions between the Group and an associate are recognized only to the extent of unrelated Group's interest in the associate.

When the Group's share of losses of an associate equals or exceeds its interest in associates, it discontinues recognizing its share of further losses. After the recognized interest is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

The Group discontinues the use of equity method and measures the retained interest at fair value from the date when its investment ceases to be an associate. The difference between the fair value of retained interest and proceeds from disposing and the carrying amount of the investment at the date the equity method that was discontinued is recognized in profit or loss. The Group accounts for all the amounts previously recognized in other comprehensive income in relation to that investment on the same basis as would have been required if the investee had directly disposed of the related assets or liabilities. If a gain or loss previously recognized in other comprehensive income would be reclassified to profit or loss (or retained earnings) on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (or retained earnings) (as a reclassification adjustment) when the equity method is discontinued. If the Group's ownership interest in an associate or a joint venture is reduced, while the entity continues to apply the equity method, the Group reclassifies the proportion of the gain or loss, that had previously been recognized in other comprehensive income relating to that reduction in ownership interest, to profit or loss.

If an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate, the Group shall continue to apply the equity method without remeasuring the retained interest.

When the Group subscribes to additional shares in an associate at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment will differ from the amount of the Group's proportionate interest in the net assets of the associate. The Group records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus. The aforesaid adjustment should first be adjusted under additional paid-in capital. If the additional paid-in capital resulting from changes in ownership interest is not sufficient, the remaining difference is debited to retained earnings. If the Group's ownership interest is reduced due to the additional subscription to the shares of associate by other investors, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate will be reclassified to profit or loss on the same basis as would be required if the associate had directly disposed of the related assets or liabilities.

(j) Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services, or for administrative purposes. Investment property is measured at cost on initial recognition, and subsequently at cost, less accumulated depreciation and accumulated impairment losses. Depreciation expense is calculated based on the depreciation method, useful life, and residual value which are the same as those adopted for property, plant and equipment.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount) is recognized in profit or loss.

Rental income from investment property is recognized as revenue on a straight-line basis over the term of the lease. Lease incentives granted are recognized as an integral part of the total rental income, over the term of the lease.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
INVENTEC CORPORATION AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)
For the years ended December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

(k) Property, plant, and equipment

1. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

2. Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

3. Depreciation

Depreciation is calculated on the cost of an asset less its residual value and is recognized in profit or loss on a straightline basis over the estimated useful lives of each component of an item of property, plant and equipment.

Land is not depreciated.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

Buildings	4 ~ 50 years
Machinery	2 ~ 11 years
Transportation equipment	3 ~ 6 years
Furniture and office facilities	2 ~ 10 years
Miscellaneous equipment	2 ~ 16 years
Leasehold improvements	3 ~ 15 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

4. Reclassification to investment property

A property is reclassified to investment property at its carrying amount when the use of the property changes from owner occupied to investment property.

(l) Leases

At inception of a contract, the Group assesses whether a contract is, or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration.

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

1. As a lessee

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. If the cost of a right-of-use asset reflects that the Group will exercise the purchase option, the right-of-use asset is depreciated over the useful life of the underlying asset from the lease commencement date. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be reliably determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- 1) Fixed payments, including in-substance fixed payment;
- 2) Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- 3) Amounts expected to be payable under a residual value guarantee; and
- 4) Payments for purchase or termination options that are reasonably certain to be exercised.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when:

- 1) there is a change in future lease payments arising from the change in an index or rate; or
- 2) there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee; or
- 3) there is a change in the lease term resulting from a change of its assessment on whether it will exercise an option to purchase the underlying asset; or
- 4) there is a change of its assessment on whether it will exercise an extension or termination option; or
- 5) there is any lease modifications.

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

When the lease liability is remeasured, other than lease modifications, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or in profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

When the lease liability is remeasured to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease, the Group accounts for the remeasurement of the lease liability by decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease, and recognize in profit or loss any gain or loss relating to the partial or full termination of the lease.

The Group presents right-of-use assets that do not meet the definition of investment and lease liabilities as a separate line item respectively in the statement of financial position.

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases of housing, transportation, and other equipment that have a lease term of 12 months or less and leases of low-value assets. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

2.As a lessor

When the Group acts as a lessor, it determines at lease commencement whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers to the lessee substantially all of the risks and rewards of ownership incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then the lease is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

(m) Intangible assets

1.Recognition and measurement

Goodwill arising on the acquisition of subsidiaries is measured at cost, less accumulated impairment losses.

Expenditure on research activities is recognized in profit or loss as incurred.

Development expenditure is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to, and has sufficient resources to, complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost, less accumulated amortization and any accumulated impairment losses.

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

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

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
INVENTEC CORPORATION AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)
For the years ended December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

(o) Provisions

A provision is recognized if, as a result of a past event, the Group has a present obligation that can be estimated reliably, and it is probably that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

1. Warranties

A provision for warranties is recognized when the underlying products or services are sold, based on historical warranty data and a weighting of all possible outcomes against their associated probabilities.

2. Onerous contracts

A provision for onerous contracts is recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognizes any impairment loss on the assets associated with that contract.

3. The Group has periodically assessed the obligation of all litigation and claims and relative legal costs based on historical experience. If settling present obligation is probable and the amount can be reasonably estimated, the Group recognizes a provision for legal claims.

(p) Revenue from contracts with customers

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring goods or services to a customer. The Group recognizes revenue when it satisfies a performance obligation by transferring control of a good or a service to a customer. The accounting policies for the Group's main types of revenue are explained below.

1. Sale of goods

The Group recognizes revenue when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

A receivable is recognized when the goods are delivered as this is the point in time that the Group has a right to an amount of consideration that is unconditional.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
INVENTEC CORPORATION AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)
For the years ended December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

2.Services

The Group recognizes revenue when the performance obligation is completed.

3.Financing components

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the group does not adjust any of the transaction prices for the time value of money.

(q) Employee benefits

1.Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

2.Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each the plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income, and accumulated in retained earnings within equity. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset). Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

3.Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

4.Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(r) Income taxes

Income taxes comprise current taxes and deferred taxes. Except for expenses related to business combinations or recognized directly in equity or other comprehensive income, all current and deferred taxes are recognized in profit or loss.

The Group has determined that the global minimum top-up tax – which it is required to pay under Pillar Two legislation – is an income tax in the scope of IAS 12. 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.

Current taxes comprise the expected tax payables or receivables on the taxable profits (losses) for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payables or receivables are the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred taxes arise due to temporary differences between the carrying amounts of assets and liabilities at the reporting date and their respective tax bases. Deferred taxes are recognized except for the following:

1. temporary differences on the initial recognition of assets and liabilities in a transaction that is not a business combination and at the time of the transaction (i) affects neither accounting nor taxable profits (losses) and (ii) does not give rise to equal taxable and deductible temporary differences;
2. temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
3. taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for the carry forward of unused tax losses, unused tax credits, and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date, and are reduced to the extent that it is no longer probable that the related tax benefits will be realized; such reductions are reversed when the probability of future taxable profits improves.

Deferred taxes are measured at tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
INVENTEC CORPORATION AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)
For the years ended December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

Deferred tax assets and liabilities are offset if the following criteria are met:

- 1.the Group has a legally enforceable right to set off current tax assets against current tax liabilities;
and
- 2.the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same
taxation authority on either:
 - 1) the same taxable entity; or
 - 2) different taxable entities which intend to settle current tax assets and liabilities on a net basis, or
to realize the assets and liabilities simultaneously, in each future period in which significant
amounts of deferred tax liabilities or assets are expected to be settled or recovered.

(s) Earnings per share

The Group disclose the Company's basic and diluted earnings per share attributable to ordinary equity holders of the Company. The calculation of basic earnings per share is based on the profit attributable to the ordinary shareholders of the Company divided by the weighted-average number of ordinary shares outstanding. The calculation of diluted earnings per share is based on the profit attributable to ordinary shareholders of the Company, divided by the weighted-average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares, such as employee compensation.

(t) Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group). Operating results of the operating segment are regularly reviewed by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance. Each operating segment consists of standalone financial information.

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

In preparing these consolidated financial statements, management has made 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 in the future. Actual results may differ from these estimates.

The management continues to monitor the accounting estimates and assumptions, which is consistent with the Company's risk management and climate-related commitments. The management recognizes any changes in accounting estimates during the period and the impact of those changes in accounting estimates in the following period.

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is as follows:

(a) Valuation of inventories

As inventories are stated at the lower of cost or net realizable value, the Group estimates the net realizable value of inventories for obsolescence and unmarketable items at the end of the reporting period and then writes down the cost of inventories to net realizable value. The net realizable value of the inventory is mainly determined based on assumptions as to future demand within a specific time horizon. Due to the rapid industrial transformation, there may be significant changes in the net realizable value of inventories. Refer to Note (6)(e) for further description of the valuation of inventories.

(6) Explanation to Significant Accounts

(a) Cash and cash equivalents

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Cash on hand	\$ 5,678	6,153
Demand deposits and checking accounts	48,343,744	29,866,983
Time deposits	5,965,988	1,060,665
Cash and cash equivalents in the consolidated statements of cash flows	<u>\$ 54,315,410</u>	<u>30,933,801</u>

Refer to Note (6)(y) for the sensitivity analysis and interest rate risk of the financial assets of the Group.

(b) Financial instruments

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

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Financial assets at fair value through profit or loss		
Derivative instruments not used for hedging		
Forward exchange contracts	\$ 12,836	18,667
Hybrid contract	62,900	-
Non-derivative financial assets		
Stocks of listed companies	454,697	2,741
Emerging stock	309,822	160,131
Unquoted financial instruments	1,123,351	2,079,457
Total	<u>\$ 1,963,606</u>	<u>2,260,996</u>

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Financial liabilities at fair value through profit or loss		
Derivative instruments not used for hedging		
Forward exchange contracts	\$ 75,951	15,802
Foreign exchange swap	<u>79,160</u>	<u>104,188</u>
Total	<u>\$ 155,111</u>	<u>119,990</u>

The Group entered into a hybrid contract, Simple Agreement for Future Equity (SAFE), to invest \$62,900 in NEOAI CLOUD, INC.

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>December 31, 2025</u>			
	<u>Contract Amount (in thousands)</u>	<u>Currency</u>	<u>Maturity Period</u>
Forward	USD 80,000	USD to TWD	2026.02.25~2026.03.26
Forward	USD 30,000	USD to CNY	2026.01.07~2026.01.29
<u>December 31, 2024</u>			
	<u>Contract Amount (in thousands)</u>	<u>Currency</u>	<u>Maturity Period</u>
Forward	USD 15,000	USD to CNY	2025.05.13

2) Financial liabilities:

<u>December 31, 2025</u>			
	<u>Contract Amount (in thousands)</u>	<u>Currency</u>	<u>Maturity Period</u>
Foreign exchange swap	USD 260,000	USD to TWD	2026.01.08~2026.02.26
Forward	USD 180,000	USD to CNY	2026.01.22~2026.03.25
Forward	USD 6,000	USD to INR	2026.01.30
Forward	USD 20,000	USD to TWD	2026.04.29
<u>December 31, 2024</u>			
	<u>Contract Amount (in thousands)</u>	<u>Currency</u>	<u>Maturity Period</u>
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

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

2. Financial assets at fair value through other comprehensive income

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Equity investments at fair value through other comprehensive income		
Stocks of listed companies	\$ 848,023	566,754
Stocks of unlisted companies	920,555	10,421,292
Total	<u>\$ 1,768,578</u>	<u>10,988,046</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 \$32,115 for the year ended December 31, 2025, resulting in the Group to reclassify the gain of \$13,455 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., resulting in the Group to reclassify the gain of \$8,343,406 (net of tax) from other equity to retained earnings for the year ended December 31, 2025.

On December 30, 2025, the Group disposed of 884 thousand shares of Advanced Micro Devices, Inc. common stock which were acquired through the aforementioned business combination transaction. The fair value at the time of disposal was \$5,969,691 (recognized under other receivables), resulting in a cumulative gain on disposal of \$2,630,234 (net of tax). The aforementioned cumulative gain on disposal has been transferred from other equity to retained earnings.

The aforementioned transaction includes contingent consideration. On May 18, 2025, Advanced Micro Devices, Inc., entered into an equity purchase agreement with Sanmina Corporation to dispose of the manufacturing business of ZT Group Int'l, Inc. Advanced Micro Devices, Inc. announced the completion of the disposal agreement on October 27, 2025, pursuant to the original acquisition terms, the Group received the amount of \$957,851 in cash and 78 thousand of ordinary shares of Advanced Micro Devices, Inc., recognized under current financial assets at fair value through profit or loss.

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

3) As of December 31, 2025, the aforesaid financial assets were not pledged as collateral.

(c) Accounts receivable

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Accounts receivable- non-related parties	\$ 119,746,784	164,869,625
Accounts receivable- related parties	18,093	5,040
Less: Loss allowance	(106,742)	(112,723)
	<u>\$ 119,658,135</u>	<u>164,761,942</u>

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

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 December 31, 2025 and 2024, the amounts of accounts receivable measured at fair value through other comprehensive income were \$14,074,577 and \$8,458,640, 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:

	December 31, 2025		
	Gross carrying amount	Weighted-average loss rate	Loss allowance
Current	\$ 116,569,848	0%~0.5%	83,487
1 to 180 days past due	3,175,063	0.04%~10%	3,289
More than 180 days past due	19,966	0.04%~100%	19,966
	\$ 119,764,877		106,742

As of February 24, 2026, the amount received in subsequent period by the Group was \$84,928,864.

	December 31, 2024		
	Gross carrying amount	Weighted-average loss rate	Loss allowance
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	-	0.04%~100%	-
	\$ 164,874,665		112,723

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

	For the years ended December 31,	
	2025	2024
Balance at January 1	\$ 112,723	73,960
Impairment (reversed) losses recognized	(6,229)	38,137
Effect of movements in exchange rates	248	626
Balance at December 31	\$ 106,742	112,723

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.

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

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

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

December 31, 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>47,240,444</u>	USD <u>540,712</u>	USD <u>1,503,515</u>	-	4.13%~5.16%	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>48,996,179</u>	USD <u>591,372</u>	USD <u>1,494,697</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				

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

	December 31, 2025	December 31, 2024
Other accounts receivable	\$ <u>7,774,285</u>	<u>1,839,801</u>

Other account receivables consist of proceeds from the disposal of shares, interests and other income.

(e) Inventories

	December 31, 2025	December 31, 2024
Raw materials and consumables	\$ 42,547,324	40,208,656
Work in process	12,864,833	13,085,715
Finished goods	17,390,767	10,179,357
Materials and supplies in transit	4,109,086	1,673,219
	<u>\$ 76,912,010</u>	<u>65,146,947</u>

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

For the year ended December 31, 2025 and 2024, the write-down of inventories amounted to \$485,232 and \$211,367, 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. For the years ended December 31, 2025 and 2024, idle capacity loss amounted to \$7,692 and \$4,523, respectively.

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

(f) Investments accounted for using equity method

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

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Associates	<u>\$ 584,822</u>	<u>469,877</u>

1. Associate

The Group's financial information for investments in individually insignificant associates accounted for using equity method at the reporting date was as follows. These financial information are included in the consolidated financial statements.

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Individually insignificant associates	<u>\$ 584,822</u>	<u>469,877</u>
	<u>For the years ended December 31,</u>	
	<u>2025</u>	<u>2024</u>
Attributable to the Group		
Gain (loss) from continuing operations	\$ 14,341	(15,717)
Other comprehensive income	118	14,315
Total comprehensive income (loss)	<u>\$ 14,459</u>	<u>(1,402)</u>

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

2. 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 six 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.

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

(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 for the year ended December 31, 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><u>\$ (8,135)</u></u>

(h) Loss of control over subsidiaries

1. The Group had sold all of its 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>

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

3) Net cash inflows from disposal of the subsidiary

Disposal consideration	\$	345,306
Less: Cash and cash equivalents disposed		<u>(11,321)</u>
	\$	<u>333,985</u>

2. Inventec Solar Energy Corporation resolved at its extraordinary shareholders' meeting on August 29, 2025, to dissolve. The liquidation process was completed on December 3, 2025. The Group has lost control over it.

1) The carrying amounts of assets and liabilities of Inventec Solar Energy Corporation on the date of disposal were as follows:

Cash and cash equivalents	\$	28
Other payables - other related parties		(949,582)
Other payables - the Group		<u>(37,065)</u>
Carrying amount of net assets	\$	<u>(986,619)</u>

2) Gains on disposal of the subsidiary:

Fair value of the remaining investment at the date control was lost	\$	-
Less: Net assets disposed		(986,619)
Less: Non-controlling interests at the date control was lost		515,901
Less: Receivables of the Group		<u>37,065</u>
Gains on disposal	\$	<u>433,653</u>

3) Net cash outflows from disposal of the subsidiary

Disposal consideration	\$	-
Less: Cash and cash equivalents disposed		<u>(28)</u>
	\$	<u>(28)</u>

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

(i) Property, plant and equipment

The cost, depreciation, and impairment of the property, plant and equipment of the Group for the years ended December 31, 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		-	289,974	4,221,986	-	977,995	1,509,282	179,994	2,676,314	9,855,545
Disposals		-	(8,514)	(680,064)	(11,793)	(466,419)	(1,143,711)	(139,808)	-	(2,450,309)
Others		-	1,181,225	23,117	-	32,856	68,882	1,707,477	(3,243,050)	(229,493)
Effect of movements in exchange rates		(48,367)	(402,694)	(359,490)	(2,678)	(99,090)	(133,484)	121,142	78,991	(845,670)
Balance at December 31, 2025	\$	<u>9,072,752</u>	<u>20,894,400</u>	<u>21,703,887</u>	<u>88,113</u>	<u>6,257,393</u>	<u>8,594,433</u>	<u>2,928,480</u>	<u>4,657,799</u>	<u>74,197,257</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		216,087	13,991	1,503,886	-	464,681	289,799	196,102	4,328,912	7,013,458
Disposals		-	(41,530)	(1,659,056)	(6,997)	(360,511)	(50,767)	(16,257)	-	(2,135,118)
Others		-	2,228,766	645,033	-	46,761	30,229	-	(2,849,485)	101,304
Effect of movements in exchange rates		64,583	699,823	898,040	4,702	189,559	290,929	34,962	225,300	2,407,898
Balance at December 31, 2024	\$	<u>9,121,119</u>	<u>19,834,409</u>	<u>18,498,338</u>	<u>102,584</u>	<u>5,812,051</u>	<u>8,293,464</u>	<u>1,059,675</u>	<u>5,145,544</u>	<u>67,867,184</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		-	512,194	1,237,122	5,436	540,374	427,567	175,763	-	2,898,456
Disposals		-	(8,514)	(637,983)	(11,678)	(450,981)	(1,126,399)	(139,404)	-	(2,374,959)
Others		-	(109,719)	-	-	(175)	(3,513)	(24,337)	-	(137,744)
Effect of movements in exchange rates		-	(111,794)	(217,515)	(2,022)	(83,719)	(128,548)	7,918	-	(535,680)
Balance at December 31, 2025	\$	<u>-</u>	<u>6,096,182</u>	<u>14,281,206</u>	<u>76,177</u>	<u>4,855,231</u>	<u>6,449,170</u>	<u>635,114</u>	<u>-</u>	<u>32,393,080</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		-	464,515	1,155,212	6,110	424,660	272,992	89,813	-	2,413,302
Disposals		-	(41,530)	(1,595,611)	(6,913)	(352,676)	(48,152)	(16,257)	-	(2,061,139)
Effect of movements in exchange rates		-	216,855	675,950	3,589	149,309	263,806	13,241	-	1,322,750
Balance at December 31, 2024	\$	<u>-</u>	<u>5,814,015</u>	<u>13,899,582</u>	<u>84,441</u>	<u>4,849,732</u>	<u>7,280,063</u>	<u>615,174</u>	<u>-</u>	<u>32,543,007</u>
Carrying amounts:										
Balance at December 31, 2025	\$	<u>9,072,752</u>	<u>14,798,218</u>	<u>7,422,681</u>	<u>11,936</u>	<u>1,402,162</u>	<u>2,145,263</u>	<u>2,293,366</u>	<u>4,657,799</u>	<u>41,804,177</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 December 31, 2024	\$	<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>

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

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

(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	293,428	1,795,411	6,544	-	2,095,383
Reductions	(17,630)	(68,786)	(7,038)	-	(93,454)
Others	-	1,098	-	(1,098)	-
Effect of movements in exchange rates	(64,538)	65,405	(617)	(94)	156
Balance at December 31, 2025	<u>\$ 1,978,971</u>	<u>5,135,673</u>	<u>31,348</u>	<u>1,253</u>	<u>7,147,245</u>
Balance at January 1, 2024	\$ 944,054	1,598,804	28,636	2,327	2,573,821
Additions	371,523	2,021,166	7,907	-	2,400,596
Reductions	(6,454)	(371,962)	(5,010)	-	(383,426)
Others	370,428	14,190	-	-	384,618
Effect of movements in exchange rates	88,160	80,347	926	118	169,551
Balance at December 31, 2024	<u>\$ 1,767,711</u>	<u>3,342,545</u>	<u>32,459</u>	<u>2,445</u>	<u>5,145,160</u>
Depreciation and impairment losses:					
Balance at January 1, 2025	\$ 175,287	721,953	17,423	2,157	916,820
Depreciation for the period	40,891	367,653	10,756	139	419,439
Reductions	(2,318)	(65,938)	(7,038)	-	(75,294)
Effect of movements in exchange rates	(12,116)	16,075	434	(1,162)	3,231
Balance at December 31, 2025	<u>\$ 201,744</u>	<u>1,039,743</u>	<u>21,575</u>	<u>1,134</u>	<u>1,264,196</u>
Balance at January 1, 2024	\$ 118,892	649,069	11,677	1,803	781,441
Depreciation for the period	38,412	355,623	10,434	241	404,710
Reductions	(6,454)	(306,343)	(5,010)	-	(317,807)
Effect of movements in exchange rates	24,437	23,604	322	113	48,476
Balance at December 31, 2024	<u>\$ 175,287</u>	<u>721,953</u>	<u>17,423</u>	<u>2,157</u>	<u>916,820</u>
Carrying amounts:					
Balance at December 31, 2025	<u>\$ 1,777,227</u>	<u>4,095,930</u>	<u>9,773</u>	<u>119</u>	<u>5,883,049</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 December 31, 2024	<u>\$ 1,592,424</u>	<u>2,620,592</u>	<u>15,036</u>	<u>288</u>	<u>4,228,340</u>

(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.

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

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 improvements</u>	<u>Total</u>
Cost:			
Balance at January 1, 2025	\$ 3,639,617	1,928,137	5,567,754
Additions	-	-	-
Effect of movements in exchange rates	(63,499)	(38,031)	(101,530)
Balance at December 31, 2025	<u><u>\$ 3,576,118</u></u>	<u><u>1,890,106</u></u>	<u><u>5,466,224</u></u>
Balance at January 1, 2024	\$ 3,470,399	1,815,921	5,286,320
Additions	7,746	-	7,746
Effect of movements in exchange rates	161,472	112,216	273,688
Balance at December 31, 2024	<u><u>\$ 3,639,617</u></u>	<u><u>1,928,137</u></u>	<u><u>5,567,754</u></u>
Accumulated depreciation and impairment losses:			
Balance at January 1, 2025	\$ 112,028	259,059	371,087
Depreciation for the period	71,061	45,936	116,997
Effect of movements in exchange rates	(258)	4,988	4,730
Balance at December 31, 2025	<u><u>\$ 182,831</u></u>	<u><u>309,983</u></u>	<u><u>492,814</u></u>
Balance at January 1, 2024	\$ 34,532	199,337	233,869
Depreciation for the period	74,636	48,661	123,297
Effect of movements in exchange rates	2,860	11,061	13,921
Balance at December 31, 2024	<u><u>\$ 112,028</u></u>	<u><u>259,059</u></u>	<u><u>371,087</u></u>
Carrying amounts:			
Balance at December 31, 2025	<u><u>\$ 3,393,287</u></u>	<u><u>1,580,123</u></u>	<u><u>4,973,410</u></u>
Balance at January 1, 2024	<u><u>\$ 3,435,867</u></u>	<u><u>1,616,584</u></u>	<u><u>5,052,451</u></u>
Balance at December 31, 2024	<u><u>\$ 3,527,589</u></u>	<u><u>1,669,078</u></u>	<u><u>5,196,667</u></u>
Fair value:			
Balance at December 31, 2025			<u><u>\$ 6,950,482</u></u>
Balance at January 1, 2025			<u><u>\$ 7,266,311</u></u>

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

The fair value of investment property was evaluated by independent appraisers and assessed based on the latest market price of the investment property in similar locations and conditions. It was also categorized as Level 3 in the fair value hierarchy.

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>
Cost:			
Balance at January 1, 2025	\$ 980,719	1,618,531	2,599,250
Additions	-	553,036	553,036
Reductions	-	(290,524)	(290,524)
Reclassification	-	1,015	1,015
Effect of movements in exchange rates	-	219	219
Balance at December 31, 2025	<u>\$ 980,719</u>	<u>1,882,277</u>	<u>2,862,996</u>
Balance at January 1, 2024	\$ 980,719	1,278,210	2,258,929
Additions	-	486,303	486,303
Disposals	-	(162,076)	(162,076)
Reclassification	-	15,436	15,436
Effect of movements in exchange rates	-	658	658
Balance at December 31, 2024	<u>\$ 980,719</u>	<u>1,618,531</u>	<u>2,599,250</u>
Amortization and impairment losses:			
Balance at January 1, 2025	\$ 571,184	1,365,611	1,936,795
Amortization for the period	-	513,770	513,770
Impairment loss	409,535	-	409,535
Reductions	-	(290,524)	(290,524)
Effect of movements in exchange rates	-	(111)	(111)
Balance at December 31, 2025	<u>\$ 980,719</u>	<u>1,588,746</u>	<u>2,569,465</u>
Balance at January 1, 2024	\$ 571,184	1,104,833	1,676,017
Amortization for the period	-	422,372	422,372
Disposals	-	(162,076)	(162,076)
Effect of movements in exchange rates	-	482	482
Balance at December 31, 2024	<u>\$ 571,184</u>	<u>1,365,611</u>	<u>1,936,795</u>

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

	<u>Goodwill</u>	<u>Software cost</u>	<u>Total</u>
Carrying amounts:			
Balance at December 31, 2025	\$ <u>-</u>	<u>293,531</u>	<u>293,531</u>
Balance at January 1, 2024	\$ <u>409,535</u>	<u>173,377</u>	<u>582,912</u>
Balance at December 31, 2024	\$ <u>409,535</u>	<u>252,920</u>	<u>662,455</u>

The amortization of intangible assets and impairment losses are respectively included in the statements of comprehensive income:

	<u>For the years ended December 31,</u>	
	<u>2025</u>	<u>2024</u>
Operating costs	\$ 7,099	6,348
Operating expenses	<u>506,671</u>	<u>416,024</u>
Total	\$ <u>513,770</u>	<u>422,372</u>

The Group's goodwill has been tested for impairment at the end of the annual 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 for the year ended December 31, 2025 to reflect the relevant specific risk in the cash-generating unit.

For the year ended December 31, 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 year ended December 31, 2024, the Group did not recognize any impairment loss for goodwill.

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

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

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

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Refundable deposits	\$ 119,190	158,670
Current asset recognized as right to recover products from customers	275,513	384,864
Prepayments to suppliers	5,606	15,669
Restricted assets	406,736	1,319,933
Other financial assets (Bank time deposits with maturity over three months)	3,189,684	4,128,902
Payments on behalf of others	1,921,005	932,549
Deferred tax assets	3,448,789	3,271,558
Others	<u>6,374,579</u>	<u>3,919,121</u>
	\$ <u>15,741,102</u>	<u>14,131,266</u>

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

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

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

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

	December 31, 2025	December 31, 2024
Provisions	\$ 3,992,812	4,144,330
Temporary credits	7,588,221	7,845,358
Receipts under custody	1,075,698	1,071,034
Deferred tax liabilities	7,395,687	6,798,106
Others	346,131	434,146
	\$ 20,398,549	20,292,974

(o) Long-term and short-term borrowings

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

December 31, 2025				
	Interest Rate	Currency	Maturity Date	Amount
Secured bank loans	2.07%~2.90%	TWD	2031.02.26	\$ 1,550,000
		CNY	2039.01.31	3,732,573
Unsecured bank loans	1.85%~5.85%	TWD	2026.01.02~2029.02.06	2,780,000
		USD	2026.01.05~2030.09.02	37,793,227
		CNY	2026.01.09~2026.10.30	29,544,621
		THB	2026.01.15~2026.06.09	9,584,627
Total				\$ 84,985,048
Current				\$ 76,306,856
Non-current				8,678,192
Total				\$ 84,985,048
Unused credit line				\$ 107,717,929

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

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				\$ 73,155,123
Current				\$ 64,765,434
Non-current				8,389,689
Total				\$ 73,155,123
Unused credit line				\$ 91,367,621

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 December 31, 2025 and 2024, non of the credit line were used by the Company.

The secured bank loan of \$3,732,573 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.

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

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 funds from a third party to pay for the 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 from debt settlement had not yet been fully met, a balance of \$1,109,367 was still accounted as short-term borrowings and long-term borrowings due within one year or one business cycle as of July 15, 2025.

On July 15, 2025, the Board meeting of Inventec Solar Energy Corporation resolved to withdraw its bankruptcy petition filed with the Taoyuan District Court and process with liquidation proceedings instead. The liquidator will negotiate with creditors regarding debt settlement. Additionally, pursuant to the statement of settlement signed on April 11, 2022, between Inventec Solar Energy Corporation and seven creditor banks, short-term and long-term loans due within one year or one business cycle were derecognized, and a gain on debt settlement of \$1,109,367 was recognized.

(p) Lease liabilities

The Group lease liabilities were as follows:

	December 31, 2025	December 31, 2024
Current	<u>\$ 2,055,549</u>	<u>265,016</u>
Non-current	<u>\$ 2,238,764</u>	<u>2,095,134</u>

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

The amounts recognized in profit or loss were as follows:

	For the years ended December 31	
	2025	2024
Interests on lease liabilities	<u>\$ 162,257</u>	<u>67,062</u>
Variable lease payments not included in the measurement of lease liabilities	<u>\$ 19,295</u>	<u>20,244</u>
Expenses relating to short-term leases	<u>\$ 69,614</u>	<u>45,201</u>
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	<u>\$ 74,613</u>	<u>7,652</u>

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

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

	For the years ended December 31,	
	2025	2024
Total cash outflow for leases	\$ 613,822	658,296

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.

(q) Operating Leases

The Group leased investment property and certain equipments. Since the substantially all of the risks and rewards incidental to underlying assets are not transferred, the lease is an operating lease. Refer to Note (6)(k) for further description of the investment property.

A maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date, is as follows:

	December 31, 2025	December 31, 2024
Less than one year	\$ 408,567	525,232
One to two years	493,458	394,548
Two to three years	379,027	498,188
Three to four years	436,190	385,908
Four to five years	51,940	451,538
More than five years	192,561	260,135
Total undiscounted lease payments	\$ 1,961,743	2,515,549

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

The rental related income incurred were \$529,724 and \$519,893 for the years ended December 31, 2025 and 2024, respectively.

(r) Employee benefits

1. Defined benefit plans

Reconciliation of defined benefit obligation at present value and plan asset at fair value are as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Present value of the defined benefit obligations	\$ 1,567,296	1,536,479
Fair value of plan assets	<u>(1,620,284)</u>	<u>(1,528,515)</u>
Net defined benefit (assets) liabilities	<u>\$ (52,988)</u>	<u>7,964</u>

The Group makes defined benefit plan contributions to the pension fund account at Bank of Taiwan that provides pensions for employees upon retirement. The plans (covered by the Labor Standards Law) entitle a retired employee to receive an annual payment based on years of service and average salary for the six months prior to retirement. As of December 31, 2025 and 2024, the defined benefit plans amounted to \$331,958 and \$283,685, respectively, which were accounted as other current assets.

1) Composition of plan assets

The Group allocates pension funds in accordance with the Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund, and such funds are managed by the Bureau of Labor Funds, Ministry of Labor. With regard to the utilization of the funds, minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued two-year time deposits with interest rates offered by local banks.

The Group's pension reserve account in Bank of Taiwan amounted to \$1,620,284 at the end of December 31, 2025. For information on the utilization of the labor pension fund assets including the assets allocation and yield of the fund, please refer to the website of the Bureau of Labor Funds, Ministry of Labor.

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

2) Movements in present value of the defined benefit obligations

The movements in present value of defined benefit obligations for the Group on 2025 and 2024 were as follows:

	For the years ended December 31,	
	2025	2024
Defined benefit obligation at January 1	\$ 1,536,479	1,642,506
Current service costs and interest cost	53,343	39,830
Remeasurement on the net defined benefit liability		
— Actuarial loss arising from changes in demographic assumption	229	-
— Experience adjustments arising on the actuarial losses and gains	69,708	(14,596)
— Actuarial losses (gains) arising from changes in financial assumptions	38,597	(19,178)
Benefits paid by the plan assets	(135,616)	(109,313)
Effect of movements in exchange rates	4,556	(2,770)
Defined benefit obligation at December 31	<u>\$ 1,567,296</u>	<u>1,536,479</u>

3) Movements of defined benefit plan assets

The movements in the present value of the defined benefit plan assets for the Group on 2025 and 2024 were as follows:

	For the years ended December 31,	
	2025	2024
Fair value of plan assets at January 1	\$ 1,528,515	1,405,780
Interest income	24,910	18,155
Remeasurement on the net defined benefit liability		
— Return on plan assets (excluding current interest)	105,536	122,514
Contributions made	96,939	91,379
Benefits paid by the plan assets	(135,616)	(109,313)
Fair value of plan assets at December 31	<u>\$ 1,620,284</u>	<u>1,528,515</u>

4) Expenses recognized in profit or loss

The expenses recognized in profit or loss for the Group on 2025 and 2024 were as follows:

	For the years ended December 31,	
	2025	2024
Current service costs	\$ 25,744	17,408
Net interest of net liabilities for defined benefit obligations	2,689	4,267
Past service credit and settlement losses	-	-
	<u>\$ 28,433</u>	<u>21,675</u>

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

	For the years ended December 31,	
	2025	2024
Operating cost	\$ 18,922	8,964
Selling expenses	1,805	1,851
Administration expenses	3,958	3,619
Research and development expenses	3,748	7,241
	\$ 28,433	21,675

5) Actuarial assumptions

The following are the Group's principal actuarial assumptions:

Present Value of defined benefit obligations:

	December 31, 2025	December 31, 2024
Discount rate	1.38%~9.95%	1.50%~10.90%
Future salary increases rate	2.00%~5.00%	2.00%~5.00%

The expected allocation payment made by the Group to the defined benefit plans for the one year period after the reporting date was \$81,117.

The weighted-average duration of the defined benefit obligation is 6.9~19 years.

6) Sensitivity analysis

If the actuarial assumptions had changed, the impact on the present value of the defined benefit obligation for 2025 and 2024 shall be as follows:

	Influences of defined benefit obligations	
	Increased 0.25%-0.50%	Decreased 0.25%-0.50%
December 31, 2025		
Discount rate	\$ (32,929)	33,546
Future salary increasing rate	32,454	(30,120)
December 31, 2024		
Discount rate	\$ (31,396)	32,458
Future salary increasing rate	31,161	(30,420)

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown above. The method used in the sensitivity analysis is consistent with the calculation of pension liabilities in the balance sheets.

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

There is no change in the method and assumptions used in the preparation of sensitivity analysis for 2025 and 2024.

2. Defined contribution plans

In accordance with the provisions of the Labor Pension Act, the Group's domestic entities contribute an amount equal to 6% of the employee's monthly wages to the Labor Pension personal account with the Bureau of the Labor Insurance.

The pension costs incurred from the contributions to the to the Bureau of the Labour Insurance amounted to \$334,340 and \$315,324 for the years ended December 31, 2025 and 2024, respectively.

The pension expenses contributed by the foreign entities following the local regulations amounted to \$935,878 and \$1,007,389 for the years ended December 31, 2025 and 2024, respectively.

(s) Income taxes

1. The components of income tax expense for the years ended December 31, 2025 and 2024 were as follows:

	For the years ended December 31	
	2025	2024
Current tax expenses		
Income tax expenses	\$ 1,840,914	1,973,932
Land value increment tax	20,122	95,525
Adjustment for prior periods	11,786	(285,316)
	<u>1,872,822</u>	<u>1,784,141</u>
Deferred tax expense		
Origination and reversal of temporary differences	849,199	159,556
Income tax expense from continuing operations	<u>\$ 2,722,021</u>	<u>1,943,697</u>

The amounts of current and deferred income tax recognized in other comprehensive income for the years ended December 31, 2025 and 2024 were as follows:

	For the years ended December 31	
	2025	2024
Items that will not be reclassified subsequently to profit or loss:		
Remeasurement from defined benefit plans	\$ 2,904	31,718
Gains on equity instruments at fair value through other comprehensive income	2,305,277	-
	<u>\$ 2,308,181</u>	<u>31,718</u>

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

Reconciliations between profit before tax and income tax expense for the years ended December 31, 2025 and 2024 were as follows:

	For the years ended December 31,	
	2025	2024
Profit before tax	\$ 12,012,148	9,209,915
Income tax using the Company's domestic tax rate	\$ 2,856,133	2,400,461
Permanent differences	(39,415)	155,009
Tax-exempt income	(38,019)	(28,608)
Tax incentives	(924,898)	(886,025)
Current-year losses for which no deferred tax asset was recognized	243,467	117,345
Changes in unrecognized temporary differences	605,050	392,807
Over provision in prior periods	11,786	(285,316)
Under (over) provision of temporary differences	153,946	40
Effect of loss carry forward	(190,835)	(5,538)
Others	44,806	83,522
Income tax expense	\$ 2,722,021	1,943,697

2. Deferred Tax Assets and Liabilities

1) Unrecognized Deferred Tax Assets

Deferred tax assets that have not been recognized in respect of the following items:

	December 31, 2025	December 31, 2024
Tax effect of deductible Temporary Differences	\$ 1,514,889	1,021,492
The carryforward of unused tax losses	3,142,776	3,280,152
	\$ 4,657,665	4,301,644

The carryforward of unused tax credits were determined in accordance with the rules established by each taxation authorities, and can be applied to offset against profit and income tax in the future respectively. The deferred tax assets have not been recognized in respect of the aforementioned items because they are not probable that future taxable profit will be available against which the Group can utilize the benefits therefrom.

The Group invested in the companies which were located in the Cayman Islands. The earnings of these entities are not taxable by the local government in their respective jurisdictions. Other foreign subsidiaries are taxed in accordance with the Income Tax Law of their respective jurisdiction.

As of December 31, 2025 and 2024, the Group estimated that the part of the temporary differences have slight chance to realize in the visible future, so they were not recognized as deferred tax assets.

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

As of December 31, 2025, the Group did not recognized its prior years' loss carry-forwards as deferred tax assets, whose expiry years were as follows:

	Unused loss	Expiry year
The carryforward of unused losses	\$ <u>12,598,035</u>	2026~2035

Due to the unstable economic environment recovery, the realizability of tax assets of the tax losses, which amounted to \$12,598,035, is doubtful. Therefore, the Group has not recognized the tax losses as deferred tax assets. If the sales grow continuously, the Group would recognize the aforementioned tax losses in the future and generate the additional tax benefits.

2) Recognized Deferred Tax Assets and Liabilities

Changes in the amount of deferred tax assets and liabilities for the years ended December 31, 2025 and 2024 were as follows:

	Gain on investment	Other	Total
Deferred Tax Liabilities:			
Balance at January 1, 2025	\$ 6,321,362	476,744	6,798,106
Recognized in profit or loss	431,451	124,775	556,226
Effect of movements in exchange rate	-	41,355	41,355
Balance at December 31, 2025	\$ <u>6,752,813</u>	<u>642,874</u>	<u>7,395,687</u>
Balance at January 1, 2024	\$ 5,752,554	49,270	5,801,824
Recognized in profit or loss	568,808	435,191	1,003,999
Effect of movements in exchange rate	-	(7,717)	(7,717)
Balance at December 31, 2024	\$ <u>6,321,362</u>	<u>476,744</u>	<u>6,798,106</u>
	Warranty expense	Others	Total
Deferred Tax Assets:			
Balance at January 1, 2025	\$ 1,626,984	1,644,574	3,271,558
Recognized in profit or loss	374,865	(667,838)	(292,973)
Recognized in other comprehensive income	-	435,229	435,229
Effect of movements in exchange rate	-	34,975	34,975
Balance at December 31, 2025	\$ <u>2,001,849</u>	<u>1,446,940</u>	<u>3,448,789</u>
Balance at January 1, 2024	\$ 1,245,100	1,205,870	2,450,970
Recognized in profit or loss	381,884	462,559	844,443
Recognized in other comprehensive income	-	(31,718)	(31,718)
Effect of movements in exchange rate	-	7,863	7,863
Balance at December 31, 2024	\$ <u>1,626,984</u>	<u>1,644,574</u>	<u>3,271,558</u>

3. Income Tax approval

The Company's income tax returns for the years through 2023 have been assessed and approved by the Tax Authority.

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

4. Profit-seeking enterprise income tax administrative remedies

The Group adopted the transfer pricing method on its income tax declaration from 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.

5. 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 December 31, 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

As of December 31, 2025 and 2024, the authorized capital of the Company both consisted of 3,650,000 thousand shares and both issued worth \$36,500,000, with par value of \$10 per share, and its outstanding capital both consisted of 3,587,475 thousand shares of stock. All issued shares were paid up upon issuance.

1. Capital surplus

The balances of the capital surplus were as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Share capital	\$ 2,891,959	2,891,959
Others	471	2,086
	<u>\$ 2,892,430</u>	<u>2,894,045</u>

In accordance with the ROC company Act, realized capital reserves can only be reclassified as share capital or distributed as cash dividends after offsetting losses. The aforementioned capital reserves include share premiums and donation gains. In accordance with the securities offering and Issuance Guidelines, the amount of capital reserve to be reclassified under share capital shall not exceed 10 percent of the actual share capital amount.

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

2. 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>

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

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

On March 10, 2026, the Company's Board of Directors resolved to appropriate the 2025 earnings as follows:

	2025	
	Dividend per share (\$)	Amount
Dividends distributed to ordinary shareholders		
Cash	\$ 2.00	<u><u>7,174,950</u></u>

3.Other equity (net of taxes) and non-controlling interests

	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Non-controlling interests
Balance at January 1, 2025	\$ 2,210,213	5,347,172	(833,529)
Exchange differences on foreign operations	(1,653,351)	-	(4,352)
Exchange differences on associates and joint ventures accounted for using equity method	(4,449)	-	-
Unrealized gains from financial assets measured at fair value through other comprehensive income	-	3,926,627	-
Unrealized gains from financial assets measured at fair value through other comprehensive income, associates and joint ventures accounted for using equity method	-	4,829	-
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	(10,987,095)	-
Disposal of investments in equity instruments designated at fair value through other comprehensive income, associates and joint ventures accounted for using equity method	-	57,763	-
Profit attributable to non-controlling interest	-	-	594,373
Changes in non-controlling interests	-	-	514,555
Balance at December 31, 2025	<u><u>\$ 552,413</u></u>	<u><u>(1,650,704)</u></u>	<u><u>271,047</u></u>
Balance at January 1, 2024	\$ (975,494)	327,006	(861,161)
Exchange differences on foreign operations	3,173,190	-	12,160
Exchange differences on associates and joint ventures accounted for using equity method	12,517	-	-
Unrealized gains from financial assets measured at fair value through other comprehensive income	-	5,019,570	-
Unrealized gains from financial assets measured at fair value through other comprehensive income, associates and joint ventures accounted for using equity method	-	807	-
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	(211)	-
Profit (loss) attributable to non-controlling interest	-	-	(1,189)
Changes in non-controlling interests	-	-	16,661
Balance at December 31, 2024	<u><u>\$ 2,210,213</u></u>	<u><u>5,347,172</u></u>	<u><u>(833,529)</u></u>

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

(u) Earnings per share

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

	For the years ended December 31	
	2025	2024
Basic earnings per share:		
Profit attributable to ordinary shareholders	\$ <u>8,695,754</u>	<u>7,267,407</u>
Weighted average number of ordinary shares (thousand shares)	<u>3,587,475</u>	<u>3,587,475</u>
Basic earnings per share (NT dollars)	\$ <u>2.42</u>	<u>2.03</u>
Diluted earnings per share:		
Profit attributable to ordinary shareholders (diluted)	\$ <u>8,695,754</u>	<u>7,267,407</u>
Weighted average number of ordinary shares (thousand shares)	<u>3,587,475</u>	<u>3,587,475</u>
Effect of dilutive potential ordinary shares (thousand shares)		
Effect of employee share bonus	<u>23,151</u>	<u>14,692</u>
Weighted average number of ordinary shares (diluted)	<u>3,610,626</u>	<u>3,602,167</u>
Diluted earnings per share (NT dollars)	\$ <u>2.41</u>	<u>2.02</u>

(v) Revenue from contracts with customers

1. Disaggregation of revenue

	For the years ended December 31, 2025		
	Core	Others	Total
Primary geographical markets			
Taiwan	\$ 126,277,591	411,956	126,689,547
USA	430,155,813	3,130,719	433,286,532
Japan	3,368,667	656,094	4,024,761
Hong Kong, Macao and Mainland China	63,980,562	537,918	64,518,480
Other countries	<u>62,183,405</u>	<u>487,601</u>	<u>62,671,006</u>
	<u>\$ 685,966,038</u>	<u>5,224,288</u>	<u>691,190,326</u>
Major products			
Computer products	\$ 684,777,342	-	684,777,342
Services	1,188,696	12,956	1,201,652
Others	<u>-</u>	<u>5,211,332</u>	<u>5,211,332</u>
	<u>\$ 685,966,038</u>	<u>5,224,288</u>	<u>691,190,326</u>

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

	For the years ended December 31, 2024		
	Core	Others	Total
Primary geographical markets			
Taiwan	\$ 97,681,981	157,450	97,839,431
USA	410,757,956	3,333,028	414,090,984
Japan	10,613,751	583,152	11,196,903
Hong Kong, Macao and Mainland China	61,188,447	735,853	61,924,300
Other countries	61,041,637	168,699	61,210,336
	\$ 641,283,772	4,978,182	646,261,954
Major products			
Computer products	\$ 640,049,956	-	640,049,956
Services	1,233,816	5,763	1,239,579
Others	-	4,972,419	4,972,419
	\$ 641,283,772	4,978,182	646,261,954

2.Contract balances

	December 31, 2025	December 31, 2024	January 1, 2024
Accounts receivable (included related parties)	\$ 119,764,877	164,874,665	92,280,763
Less: Loss allowance	(106,742)	(112,723)	(73,960)
Total	\$ 119,658,135	164,761,942	92,206,803
Contract liabilities	\$ 19,074,851	17,602,440	13,654,891

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

The amount of revenue recognized for the years ended December 31, 2025 and 2024 were \$5,845,020 and \$3,051,689, 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.

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

The remuneration of employees amounted to \$881,097 and \$646,036 and the remuneration of directors amounted to \$105,732 and \$84,266 for the years ended December 31, 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 were expensed under operating cost or expenses in 2025 and 2024. Related information would be available at the Market Observation Post System after the meeting of the shareholders has been convened.

There were no differences between the amounts to be distributed as remuneration to employees and directors in 2024 and 2023 and the amounts stated in the individual reports. Related information would be available at the Market Observation Post System.

(x) Non-operating income and expenses

1. Interest income

The details of interest income were as follows:

	For the years ended December 31	
	2025	2024
Interest income from bank deposits	<u>\$ 2,759,406</u>	<u>2,931,839</u>

2. Other income

The details of other income were as follows:

	For the years ended December 31	
	2025	2024
Rent income	\$ 125,694	111,330
Dividend income	18,365	259,990
	<u>\$ 144,059</u>	<u>371,320</u>

3. Other gains and losses

The details of other income and losses were as follows:

	For the years ended December 31	
	2025	2024
Foreign exchange (losses) gains	\$ (1,099,434)	4,891
Gains on disposal of investments (Note 1)	703,020	-
Net gains (losses) on financial assets (liabilities) measured at fair value through profit or loss (Note 2)	1,427,420	(771,579)
Gains on disposal of property, plant and equipment	98,550	322,320
Impairment loss on intangible assets (Note 3)	(409,535)	-
Gain on debt settlement (Note 4)	1,109,367	-
Others	696,639	577,325
	<u>\$ 2,526,027</u>	<u>132,957</u>

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

Note 1: Please refer to Note 6(h) for the details.

Note 2: Please refer to Note 6(b) for the details.

Note 3: Please refer to Note 6(l) for the details.

Note 4: Please refer to Note 6(o) for the details.

4. Finance costs

The details of finance expenses were as follows:

	For the years ended December 31	
	2025	2024
Interest expenses		
Bank borrowings	\$ 3,964,826	3,852,189
Others	2,179,456	2,174,856
	<u>\$ 6,144,282</u>	<u>6,027,045</u>

(y) Financial instruments

1. Credit risks

1) Credit risks exposure

The carrying amounts of financial assets and contract assets represented the maximum credit risk exposure of the Group.

2) Concentration of credit risk

Implicit credit risk of the Group is inherent in its cash and accounts receivable. The cash is deposited in different financial institutions. The Group manages the credit risk exposure with each of these financial institutions and believes that cash do not have a significant credit risk concentration.

The major customers of the Group are centralized in the high-tech computer industry. To minimize credit risk, the Group periodically evaluates the Group's financial positions and the possibility of collecting trade receivables.

Besides, the Group monitors and reviews the recoverable amount of the trade receivables to ensure the uncollectible amount are recognized appropriately as impairment loss. Therefore, the executives evaluate the Group's credit risk to be limited.

As of December 31, 2025 and 2024, 58% and 41% of accounts receivable were attributable to two major customers. Thus, credit risk is significantly centralized.

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

2. 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
December 31, 2025							
Non-derivative financial liabilities							
Secured bank loans	\$ 5,282,573	6,090,547	308,790	306,245	603,864	1,817,378	3,054,270
Unsecured bank loans	79,702,475	80,607,053	60,663,090	15,762,777	1,162,800	3,018,386	-
Accounts payable	109,168,153	109,168,153	109,168,153	-	-	-	-
Other payables	12,305,305	12,305,305	12,305,305	-	-	-	-
Lease liabilities	4,294,313	5,204,582	2,003,064	178,451	326,484	724,859	1,971,724
Derivative financial liabilities							
Forward exchange contracts not used for hedging:							
Outflow	75,951	(6,391,280)	(6,391,280)	-	-	-	-
Inflow	-	6,315,329	6,315,329	-	-	-	-
Foreign exchange swap contracts not used for hedging:							
Outflow	79,160	(8,081,750)	(8,081,750)	-	-	-	-
Inflow	-	8,002,590	8,002,590	-	-	-	-
	<u>\$ 210,907,930</u>	<u>213,220,529</u>	<u>184,293,291</u>	<u>16,247,473</u>	<u>2,093,148</u>	<u>5,560,623</u>	<u>5,025,994</u>
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>

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

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
INVENTEC CORPORATION AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)
For the years ended December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

3.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:

December 31, 2025				
	Foreign currency (In thousand)		Exchange rate	TWD
<u>Financial assets</u>				
<u>Monetary items</u>				
USD	\$ 6,487,501	USD : TWD	31.42	203,837,281
	127,127	USD : CNY	7.03	3,994,343
	30,054	USD : CZK	20.63	944,297
CNY	8,315,609	CNY : USD	0.14	37,172,435
	1,131,368	CNY : TWD	4.47	5,057,418
THB	407,524	THB : USD	0.03	405,446
<u>Non-monetary items</u>				
USD	532,494	USD : TWD	31.42	16,730,954
CNY	31,365	CNY : USD	0.14	140,208
<u>Financial Liabilities</u>				
<u>Monetary items</u>				
USD	5,917,256	USD : TWD	31.42	185,920,184
	39,221	USD : CNY	7.03	1,232,324
	33,594	USD : CZK	20.63	1,055,523
CNY	9,005,794	CNY : USD	0.14	40,257,700
THB	10,165,982	THB : USD	0.03	10,114,135

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

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
<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

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 December 31, 2025 and 2024 would have increased or decreased the net profit after tax by \$54,053 and \$206,591, respectively. The analysis is performed on the same basis for both periods.

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 years ended December 31, 2025 and 2024, the foreign exchange gains (losses), including realized and unrealized, amounted to \$(1,099,434) and \$4,891, respectively.

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

4. 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 \$166,476 and \$145,085 for the years ended December 31, 2025 and 2024, respectively, with all other variable factors remaining constant. This is mainly due to the Group's borrowing at variable rates.

5. 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 identical 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 lease liabilities, the disclosure of their fair value information is not required:

	December 31, 2025				
	Book Value	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value through profit or loss					
Derivative financial assets	\$ 75,736	-	12,836	62,900	75,736
Non-derivative financial assets mandatorily measured at fair value through profit or loss	1,887,870	309,822	-	1,578,048	1,887,870
Subtotal	1,963,606	309,822	12,836	1,640,948	1,963,606
Financial assets at fair value through other comprehensive income					
Accounts receivable	14,074,577	-	-	-	-
Stocks of listed companies	848,023	831,735	-	16,288	848,023
Unquoted equity instruments	920,555	-	-	920,555	920,555
Subtotal	15,843,155	831,735	-	936,843	1,768,578

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

		December 31, 2025			
		Fair Value			
	Book Value	Level 1	Level 2	Level 3	Total
Financial assets measured at amortized cost					
Cash and cash equivalents	54,315,410	-	-	-	-
Accounts receivable and other receivables	113,357,843	-	-	-	-
Restricted assets and other financial assets	3,596,420	-	-	-	-
Refundable deposits	119,190	-	-	-	-
Subtotal	171,388,863	-	-	-	-
Total	<u>\$ 189,195,624</u>	<u>1,141,557</u>	<u>12,836</u>	<u>2,577,791</u>	<u>3,732,184</u>
Financial liabilities at fair value through profit or loss					
Derivative financial liabilities	\$ 155,111	-	155,111	-	155,111
Financial liabilities measured at amortized cost					
Bank loans	84,985,048	-	-	-	-
Accounts payable	109,168,153	-	-	-	-
Other payables	12,305,305	-	-	-	-
Lease liabilities	4,294,313	-	-	-	-
Subtotal	210,752,819	-	-	-	-
Total	<u>\$ 210,907,930</u>	<u>-</u>	<u>155,111</u>	<u>-</u>	<u>155,111</u>
		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

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

	December 31, 2024				
	Book Value	Fair Value			Total
		Level 1	Level 2	Level 3	
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	<u>\$ 216,392,091</u>	<u>715,831</u>	<u>18,667</u>	<u>12,514,544</u>	<u>13,249,042</u>
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	<u>\$ 225,238,789</u>	<u>-</u>	<u>119,990</u>	<u>-</u>	<u>119,990</u>

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.
- 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, in which the fair value of the appraisal target takes into account the effects of the discount for lack of control and the discount for lack of market liquidity.
- 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.

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

(2.2) Derivative financial instruments

Foreign exchange swap and forward exchange were usually evaluated in the latest forward rate.

3) Transfers between level 1 and level 2

There were no transfers between level 1 and level 2 of the fair value for the years ended December 31, 2025 and 2024.

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	1,458,769	-
Other comprehensive income	-	3,185,788
Purchases	1,622,060	-
Disposals	(3,380,494)	(12,128,915)
Transfers out of Level 3	(73,563)	(3,234,468)
Acquisition resulting from investee's merger	-	2,681,898
Effect of movements in exchange rates	(65,281)	(2,547)
Balance as of December 31, 2025	\$ 1,640,948	936,843
Balance as of January 1, 2024	\$ 191,732	5,160,038
Total gains and losses recognized in		
Profit or loss	114,922	-
Other comprehensive income	-	5,235,849
Purchases	4,051,800	-
Disposals	(2,251,000)	-
Reclassified	-	33,500
Effect of movements in exchange rates	(27,997)	5,700
Balance as of December 31, 2024	\$ 2,079,457	10,435,087

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

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 December 31, 2025 and 2024, were as follow:

	For the years ended December 31,	
	2025	2024
Total gains and losses recognized:		
In profit or loss, and presented in “other gains and losses”	\$ 474,498	79,169
In other comprehensive income, and presented in “unrealized gains and losses from financial assets at fair value through other comprehensive income”	(410,511)	5,202,355

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%~2.31% on December 31, 2025, and 2.29%~2.61% on December 31, 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 (1.00~4.52) · 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—equity instruments investments without an active market	Market Price Method	· Discount due to Lack of Market liquidity (14% on December 31, 2025)	· 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	Comparable Companies Method	· Market Multiple (1.2~4.52) · 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 control (24.1% on December 31, 2024) · Discount due to Lack of Market liquidity (11.6% on December 31, 2024)	· The higher the discount due to lack of control, the lower the fair value · 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

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

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:

	Input	Variation	Impact on Fair Value Change on Net income or loss		Impact on Fair Value Change on Other Comprehensive income or loss		
			Favorable Change	Unfavorable Change	Favorable Change	Unfavorable Change	
December 31, 2025							
Financial assets at fair value through profit or loss							
Financial instruments without an active market	Market Multiple	0.5%	\$	7,890	(7,890)	-	-
Financial assets at fair value through other comprehensive income							
Equity instruments without an active market	Market Multiple	0.5%		-	-	4,238	(4,238)
December 31, 2024							
Financial assets at fair value through profit or loss							
Financial instruments without an active market	Discount rate	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)

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.

6. 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.

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.

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

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

December 31, 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 offset in the balance sheet (d)		Net amount (e)=(c)-(d)
				Financial instruments (Note)	Cash collateral received	
Derivative financial instruments	\$ 12,836	-	12,836	-	-	12,836
Offsetting agreement	275,612,141	274,852,811	759,330	-	-	759,330
Accounts receivable and payable	18,085,255	5,366,190	12,719,065	-	-	12,719,065
Total	<u>\$ 293,710,232</u>	<u>280,219,001</u>	<u>13,491,231</u>	<u>-</u>	<u>-</u>	<u>13,491,231</u>

December 31, 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 offset in the balance sheet (d)		Net amount (e)=(c)-(d)
				Financial instruments (Note)	Cash collateral received	
Derivative financial instruments	\$ 118,865	-	118,865	-	-	118,865
Accounts receivable and payable	14,235,546	5,366,190	8,869,356	-	-	8,869,356
Total	<u>\$ 14,354,411</u>	<u>5,366,190</u>	<u>8,988,221</u>	<u>-</u>	<u>-</u>	<u>8,988,221</u>

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 offset 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	<u>\$ 286,822,419</u>	<u>268,522,536</u>	<u>18,299,883</u>	<u>-</u>	<u>-</u>	<u>18,299,883</u>

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

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 offset 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>

Note: Master netting arrangements are included.

(z) Financial risk management

1. Overview

The Group have exposures to the following risks from its financial instruments:

- 1) credit risk
- 2) liquidity risk
- 3) market risk

The following likewise discusses the Group's objectives, policies and processes for measuring and managing the above mentioned risks. For more disclosures about the quantitative effects of these risks exposures, please refer to the respective notes in the accompanying consolidated financial statements.

2. Risk management framework

The group are exposed to credit risk, market risk, operating risk and liquidity risk due to its operating activities. To lower the latent unfavorable effects of changing market to the Group's financial performance, the Group have made efforts in identifying and evaluating the risks and avoiding the uncertainty of the market through derivative financial instruments.

The Board of Directors has the overall responsibility for the establishment and oversight of the Group's risk management framework. The financial units follows the risk management policies, and report the operating status to the Board of Directors regularly. The internal auditors perform regular reviews by taking risk management control procedures and report to the Board of Directors.

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

3.Credit risk

Please refer to Note (6)(y) for the analysis of credit risk of cash, cash equivalent and accounts receivable.

4.Liquidity risk

Liquidity risk is a risk that the Group is unable to meet the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as much as possible, that it always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group use actual cost to estimate the cost of its products and services to better assist the Group's monitoring on the cash flow and optimizing the return on investment. As of December 31, 2025, the capital and working funds of the Group are sufficient to meet its entire contractual obligation; therefore, the management is not expecting any significant issue on liquidity risk. As of December 31, 2025 and 2024, the Group's unused credit line were amounted to \$107,717,929 and \$91,367,621, respectively.

5.Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rate, and equity prices which will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return.

The Group buys and sells derivatives, and also incurs financial liabilities, in order to manage market risks. All such transactions are carried out within the guidelines set by the Group.

1) Currency risk

The Group is exposed to currency risk on sales, purchases and borrowings that are denominated in a currency other than the respective functional currencies of the Group's entities, primarily the New Taiwan Dollars (TWD), US Dollars (USD), Czech Koruna (CZK), Japanese Yen (JPY) and China Yuan (CNY). The currencies used in these transactions are denominated in TWD, USD, JPY and CNY.

The Group often uses the principle of natural hedging as its basis, and proceed supplemented by derivative instruments for hedging exchange rate risk.

The interest is denominated in the same currency as borrowings. Generally, borrowings are denominated in currencies that match the cash flows generated by the underlying operations of the Group. This provides an economic hedge without derivatives being entered into, and therefore, hedge accounting is not applied in these circumstances.

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

In respect of other monetary assets and liabilities denominated in foreign currencies, the Group ensures that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

2) Interest rate risk

The Group's interest rate risk arises from short-term and long-term borrowings bearing floating interest rates. The fluctuation of the market interest rate changes the floating interest rates of the long-term borrowings, and thus affect the future cash flow. In order to decrease the effect of the market interest rate fluctuation on to the future cash flow, the Group periodically evaluates bank and currency borrowing rate to hedge the cash flow risk caused by the market interest rate fluctuation.

(aa) Capital Management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consists of ordinary shares, additional paid-in capital, retained earnings, other equity interest and non-controlling interests of the Group. The Board of Directors monitors the return on capital as well as the level of dividends to ordinary shareholders.

The group's objective for managing capitals is to maintain investor, creditor and market confidence, and to sustain future development of the business by making debts and capital the most suitable capital structure and optimizing the best of it based on industrial scales, future growth development, and capital expenditures needed for plants and equipment. Thus, the Group calculates the operating funds based on the life cycle of the products, plans for the development in the long run, and then decides the most suitable capital structure considering the business cycle.

The Group ensures the financial resources and the operating plan are sufficient to support the future needs of operating funds, capital expenditures, debt refunding and dividend distribution.

The Group's debt to equity ratio at the reporting date was as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Total Liabilities	\$ 255,224,056	265,457,532
Less: cash and cash equivalents	(54,315,410)	(30,933,801)
Net debt	<u>\$ 200,908,646</u>	<u>234,523,731</u>
Total equity	<u>\$ 76,448,059</u>	<u>70,486,783</u>
Debt to capital ratio	<u>262.80 %</u>	<u>332.72 %</u>

According to the Company's management, there were no changes in the Group's approach to capital management as of December 31, 2025.

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

(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 for the years ended December 31, 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			December 31, 2025
			Reclassification	Other	Foreign exchange movement	
Long-term borrowings	January 1, 2025	Cash flows				
	\$ 8,389,689	1,332,538	(1,119,687)	-	75,652	8,678,192
Short-term borrowings (including current portion of long-term borrowings) (Note1)	64,765,434	11,721,899	1,119,687	(1,109,367)	(190,797)	76,306,856
Lease liabilities (Note2)	2,360,150	(288,043)	2,136,149	-	86,057	4,294,313
Total liabilities from financing activities	<u>\$ 75,515,273</u>	<u>12,766,394</u>	<u>2,136,149</u>	<u>(1,109,367)</u>	<u>(29,088)</u>	<u>89,279,361</u>

			Non-cash changes			December 31, 2024
			Reclassification	Other	Foreign exchange movement	
Long-term borrowings	January 1, 2024	Cash flows				
	\$ 2,992,412	5,982,691	(657,682)		72,268	8,389,689
Short-term borrowings (including current portion of long-term borrowings)	46,355,548	16,230,219		657,682	1,521,985	64,765,434
Lease liabilities (Note 2)	774,588	(518,137)		2,396,549	(292,850)	2,360,150
Total liabilities from financing activities	<u>\$ 50,122,548</u>	<u>21,694,773</u>	<u>2,396,549</u>	<u>1,301,403</u>	<u>75,515,273</u>	

Note 1: Other items are due to derecognition of current borrowings resulting from debt settlement.
Please refer to Note (6)(o).

Note 2: Reclassification is due to additions of lease and lease modification during the periods.

(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.

Names of related party	Relationships with the Group
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

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

<u>Names of related party</u>	<u>Relationships with the Group</u>
Inventec Solar Energy Corporation	Substantive related party (Note 1)
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

Note 1: The liquidation process was completed on December 3, 2025.

(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 years ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Associates	\$ 68,556	64,466
Other related parties	5	20
	<u>\$ 68,561</u>	<u>64,486</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 years ended December 31</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.

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>December 31, 2025</u>	<u>December 31, 2024</u>
Accounts receivable	Associates	\$ 18,093	5,040
Other receivables	Associates	10	8

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

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>December 31, 2025</u>	<u>December 31, 2024</u>
Other payables	Associates	\$ 52,792	98,474
"	Other related parties (Note)	-	942,347
		<u>\$ 52,792</u>	<u>1,040,821</u>

As of December 31, 2024, and 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 \$7,235 and \$10,321 for the years ended December 31, 2025 and 2024, respectively.

Note: Please refer to Note (6)(h).

5. Property transactions

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

	<u>For the years ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Associates	<u>\$ 190,995</u>	<u>237,097</u>

- 2) In 1999, the Group sold property, deferred assets, assets stated under expense, and trademarks to Inventec Besta Co., Ltd., resulting in a gain on property disposal of \$51,712 and other revenue of \$40,453. As of December 31, 2025 and 2024, the unrealized other revenues are both \$1,211.

6. Others

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

	<u>For the years ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Associates	\$ 3,458	1,870
Other related parties	27	-
	<u>\$ 3,485</u>	<u>1,870</u>

2) Donations to other related parties were as follows:

	<u>For the years ended December 31</u>	
	<u>2025</u>	<u>2024</u>
Other related parties	<u>\$ 10,000</u>	<u>10,000</u>

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

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

	For the years ended December 31	
	2025	2024
Associates	\$ <u>78,769</u>	<u>71,925</u>

- 4) Acquisition of investments accounted for using the equity method

Through a resolution of the Board of Directors on April 28, 2025, the Group resolved to invest in Dixon IT Devices Private Limited. In 2025, the Group invested \$47,755, and the shareholding ratio is 40%.

Truswe (Chong Qing) Technology Co., Ltd., through a resolution of the Shareholders' Meeting on December 9, 2025, made a cash capital increase. The Group invested \$13,157 on December 23, 2025, and the shareholding ratio remained at 20%.

Based on the shareholders' meeting on July 13, 2024, Good Future Biomedical Technology Corp. conducted a cash capital increase, wherein the Group invested the amount of \$5,210 on August 2, 2024, resulting in the Group's shareholding ratio to decrease from 30.00% to 18.81%.

The Group invested \$43,605 in Needleless Corporation on April 10, 2025, and the shareholding ratio is 20%.

(c) Key management personnel compensation

Key management personnel compensation comprised:

	For the years ended December 31	
	2025	2024
Short-term employee benefits	\$ 503,830	457,516
Post-employment benefits	5,239	4,934
	\$ <u>509,069</u>	<u>462,450</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	December 31, 2025	December 31, 2024
Refundable deposits (Other non-current assets)	Membership guarantee and rental deposit	\$ 119,190	158,670
Restricted cash in banks (Other current assets and Other non-current assets)	Collateral deposits and performance guarantee	406,736	1,319,933
Land, buildings and constructions (Property, plant and equipment, and Investment property)	Current portion of long-term borrowings and long-term borrowings	9,183,243	9,309,235
Total		\$ <u>9,709,169</u>	<u>10,787,838</u>

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
INVENTEC CORPORATION AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)
For the years ended December 31, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars, Unless Otherwise Specified)

(9) Significant Commitments and Contingencies

(a) Major Commitments:

1. Promissory notes issued for bank credit, forward contracts and property deposits were as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
TWD	\$ 23,725,253	22,854,982
USD (in thousands)	2,526,000	2,070,000
THB (in thousands)	1,500,000	-

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:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Property, plant and quipment	\$ 7,515,308	5,325,469

(10) Losses Due to Major Disasters: None.

(11) Subsequent Events: None.

(12) Other

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

By function By item	For the years ended December 31, 2025			For the years ended December 31, 2024		
	Operating costs	Operating and non-operating expense	Total	Operating costs	Operating and non-operating expense	Total
Employee benefits						
Salary	11,130,646	12,195,879	23,326,525	9,425,391	11,703,162	21,128,553
Labor and health insurance	833,782	937,005	1,770,787	863,887	988,057	1,851,944
Pension	659,659	638,992	1,298,651	690,062	654,326	1,344,388
Others	1,551,763	692,918	2,244,681	637,168	610,532	1,247,700
Depreciation	2,478,796	956,096	3,434,892	2,040,090	901,219	2,941,309
Amortization	257,901	810,732	1,068,633	426,712	640,526	1,067,238

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

(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 year ended December 31, 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	-	629,205	629,205
2	Inventec Appliances (Shanghai) Co., Ltd.(Note 2)	Inventec Appliances (Nanchang) Intelligent Manufacturing Co., Ltd.	Other receivables	Y	221,856	214,560	184,835	3.045%	2	-	"	-	"	-	661,514	661,514
3	Inventec Appliances Corp.(Note 3)	Inventec Appliances (Malaysia) SDN. BHD.	Other receivables	Y	1,426,740	1,193,960	1,193,960	2.25%	2	-	"	-	"	-	1,554,592	3,109,183
3	"	Inventec Appliances (Vietnam) Company Limited	Other receivables	Y	995,400	471,300	-	-	2	-	"	-	"	-	1,554,592	3,109,183
4	Inventec (Pudong) Corp.(Note 4)	Inventec Asset-Management (Shanghai) Corporation	Other receivables	Y	462,200	268,200	268,200	2.55%	2	-	"	-	"	-	1,849,927	1,849,927
4	"	SQ Technology (Shanghai) Corporation	Other receivables	Y	2,011,500	2,011,500	2,011,500	2.11%	2	-	"	-	"	-	4,624,818	4,624,818
5	Inventec (Shanghai) Corp. (Note 2)	SQ Technology (Shanghai) Corporation	Other receivables	Y	894,000	894,000	894,000	2.11%	2	-	"	-	"	-	1,977,544	1,977,544

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.

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

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	Endorsements 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	38,088,506	4,658,472	4,411,368	3,142,000	-	5.79 %	38,088,506	Y	N	N
0	"	Inventec (Czech), s.r.o.	2	38,088,506	1,177,890	1,115,410	1,101,710	172,810	1.46 %	38,088,506	Y	N	N
0	"	Inventec Electronics (Thailand) Co., Ltd.	2	38,088,506	14,154,716	14,154,716	11,155,612	-	18.58 %	38,088,506	Y	N	N
0	"	Inventec (USA) Corporation	2	38,088,506	2,094,488	2,094,488	-	-	2.75 %	38,088,506	Y	N	N
1	Inventec Appliances Corp.	Inventec Appliances (Malaysia) SDN. BHD.	2	3,886,479	2,691,750	2,552,195	695,552	-	32.83 %	3,886,479	Y	N	N
2	Inventec Holding (North America) Corp.	Inventec (USA) Corporation	2	8,365,763	2,094,488	2,094,488	-	-	25.04 %	8,365,763	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. shall not exceed 50 percent of its net worth as stated in its latest financial statement.

Note 4: Both the aggregate amount of endorsements/guarantees and the amount of endorsements/guarantees for a single enterprise provided by Inventec Holdings (North America) Corp. shall not exceed its most recent net worth as stated in its latest financial statement.

Note 5: The transactions in foreign currencies were translated into New Taiwan Dollars using spot rates at the financial reporting 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				Highest percentage of ownership (%) during the year	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	743,472	0.96 %	743,472	0.96 %	
"	Top Taiwan Xiv Venture Capital Co., Ltd.	-	Non-current financial assets at fair value through other comprehensive income	30,000	309,516	13.76 %	309,516	13.76 %	
"	Advanced Micro Devices, Inc. common stock	-	Current financial assets at fair value through profit or loss	79	454,697	- %	454,697	- %	
Inventec (Pudong) Corp.	BOSC Yixiang Li Wealth Management Products	-	Current financial assets at fair value through profit or loss	-	497,958	- %	497,958	- %	

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

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

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	163,378,753	26.44 %	105 days	Negotiated price	No general trading partner can be compared.	55,501,364	42.53 %	
"	Inventec (Czech), s.r.o.	"	Sales	196,181	0.03 %	105 days	"	"	101,213	0.08 %	
"	Inventec Corporation (Hong Kong) Ltd.	"	Purchases	296,063,871	50.32 %	105 days	"	"	(54,408,871)	35.46 %	
"	Inventec Electronics (Thailand) Co., Ltd.	"	Purchases	56,087,785	9.53 %	105 days	"	"	(26,368,568)	17.18 %	
"	Inventec Holding (North America) Corp.	"	Purchases	2,174,311	0.37 %	105 days	"	"	(318,543)	0.21 %	
Inventec Holding (North America) Corp.	The Company	Parent	Purchases	163,378,753	97.75 %	105 days	"	"	(55,501,364)	98.79 %	
"	The Company	"	Sales	2,174,311	1.36 %	105 days	"	"	318,543	1.32 %	
Inventec (Czech), s.r.o.	The Company	"	Purchases	196,181	73.52 %	105 days	"	"	(101,213)	82.43 %	
Inventec Corporation (Hong Kong) Ltd.	The Company	"	Sales	296,063,871	95.41 %	105 days	"	"	54,408,871	57.66 %	
"	Inventec Electronics (Thailand) Co., Ltd.	Associates	Sales	14,218,437	4.59 %	105 days	"	"	2,512,376	2.66 %	
"	Inventec (Pudong) Technology Corp.	"	Purchases	18,263,921	5.90 %	105 days	"	"	(8,971,439)	9.51 %	
"	SQ Technology (Shanghai) Corporation	"	Purchases	16,302,441	5.26 %	105 days	"	"	(9,633,068)	10.21 %	
"	Inventec (Chongqing) Corp.	"	Purchases	275,152,194	88.84 %	105 days	"	"	(38,320,750)	40.61 %	
Inventec (Pudong) Technology Corp.	Inventec Corporation (Hong Kong) Ltd.	"	Sales	18,263,921	66.74 %	105 days	"	"	8,971,439	77.83 %	
"	SQ Technology (Shanghai) Corporation	"	Sales	7,006,439	25.60 %	105 days	"	"	2,039,250	17.69 %	
"	SQ Technology (Shanghai) Corporation	"	Purchases	196,654	0.80 %	105 days	"	"	(107,424)	1.34 %	
"	Inventec (Shanghai) Corp.	"	Sales	484,275	1.77 %	105 days	"	"	192,628	1.67 %	
Inventec (Chongqing) Corp.	Inventec Corporation (Hong Kong) Ltd.	"	Sales	275,152,194	99.81 %	105 days	"	"	38,320,750	99.73 %	

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

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)	
SQ Technology (Shanghai) Corporation	Inventec Corporation (Hong Kong) Ltd.	Associates	Sales	16,302,441	22.96 %	105 days	Negotiated price	No general trading partner can be compared.	9,633,068	35.76 %	
"	Inventec (Pudong) Technology Corp.	"	Sales	196,654	0.28 %	105 days	"	"	107,424	0.40 %	
"	Inventec (Pudong) Technology Corp.	"	Purchases	7,006,439	4.46 %	105 days	"	"	(2,039,250)	9.04 %	
Inventec Appliances Corp.	Inventec Appliances (Pudong) Corp.	"	Purchases	3,866,728	23.89 %	110 days	"	"	(1,806,969)	44.85 %	
"	Inventec Appliances (Jiangning) Corp.	"	Purchases	255,942	1.58 %	45 days	"	"	(15,450)	0.38 %	
"	Inventec Appliances (Malaysia) SDN. BHD.	"	Purchases	3,131,763	19.35 %	110 days	"	"	(620,925)	15.41 %	
"	Inventec Appliances (Vietnam) Company Limited	"	Purchases	6,625,387	40.94 %	60 days	"	"	(1,130,838)	28.07 %	
"	Inventec Appliances (Nanjing) Corp.	"	Purchases	406,082	2.51 %	45 days	"	"	(53,728)	1.33 %	
"	Inventec Appliances (USA) Distribution Corp.	"	Sales	152,704	0.85 %	45 days	"	"	-	- %	
Inventec Appliances (USA) Distribution Corp.	Inventec Appliances Corp.	"	Purchases	152,704	100.00 %	45 days	"	"	-	- %	
Inventec Appliances (Pudong) Corp.	Inventec Appliances Corp.	"	Sales	3,866,728	79.89 %	110 days	"	"	1,806,969	84.18 %	
"	Inventec Appliances (Vietnam) Company Limited	"	Sales	897,820	18.55 %	90 days	"	"	303,360	14.13 %	
Inventec Appliances (Jiangning) Corp.	Inventec Appliances Corp.	"	Sales	255,942	7.88 %	45 days	"	"	15,450	1.53 %	
"	Inventec Appliances (Nanjing) Corp.	"	Sales	422,606	13.01 %	45 days	"	"	113,201	11.24 %	
Inventec Appliances (Nanjing) Corp.	Inventec Appliances Corp.	"	Sales	406,082	66.71 %	45 days	"	"	53,728	45.90 %	
"	Inventec Appliances (Vietnam) Company Limited	"	Sales	154,795	25.43 %	90 days	"	"	58,958	50.36 %	
"	Inventec Appliances (Jiangning) Corp.	"	Purchases	422,606	67.10 %	45 days	"	"	(113,201)	73.60 %	

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

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 (Malaysia) SDN. BHD.	Inventec Appliances Corp.	Associates	Sales	3,131,763	99.34 %	110 days	Negotiated price	No general trading partner can be compared.	620,925	98.23 %	
Inventec Appliances (Vietnam) Company Limited	Inventec Appliances Corp.	"	Sales	6,625,387	99.51 %	60 days	"	"	1,130,838	96.24 %	
"	Inventec Appliances (Pudong) Corp.	"	Purchases	897,820	13.96 %	90 days	"	"	(303,360)	15.50 %	
"	Inventec Appliances (Nanjing) Corp.	"	Purchases	154,795	2.41 %	90 days	"	"	(58,958)	3.01 %	
Inventec Electronics (Thailand) Co., Ltd.	Inventec Corporation (Hong Kong) Ltd.	"	Purchases	14,218,437	23.58 %	105 days	"	"	(2,512,376)	9.54 %	
"	The Company	Parent	Sales	56,087,785	95.94 %	105 days	"	"	26,368,568	95.54 %	
Inventec (Shanghai) Corp.	Inventec (Pudong) Technology Corp.	Associates	Purchases	484,275	100.00 %	105 days	"	"	(192,628)	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	55,501,364	3.44	609,157	Received in the subsequent period	19,228,929	-
"	Inventec Corporation (Hong Kong) Ltd.	"	36,011,518	(Note 1)	2,214,465	Received in the subsequent period	27,223,911	-
"	Inventec Electronics (Thailand) Co., Ltd.	"	21,266,076	(Note 1)	90,238	Received in the subsequent period	4,833,050	-
"	Inventec (Czech), s.r.o.	"	101,213	3.74	-		58,863	-
Inventec Holding (North America) Corp.	The Company	Parent	318,543	5.80	-		152,469	-
Inventec Corporation (Hong Kong) Ltd.	The Company	"	54,408,871	4.71	8,254,999	Received in the subsequent period	37,639,108	-
"	Inventec (Pudong) Technology Corp.	Associates	4,082,781	(Note 1)	2,213,481	Received in the subsequent period	1,524,038	-
"	SQ Technology (Shanghai) Corporation	"	13,952,630	(Note 1)	-		7,725,779	-
"	Inventec (Chongqing) Corp.	"	19,204,843	(Note 1)	2,012	Received in the subsequent period	17,974,094	-
"	Inventec Electronics (Thailand) Co., Ltd.	"	2,512,376	7.80	-		624,767	-
Inventec (Pudong) Technology Corp.	Inventec Corporation (Hong Kong) Ltd.	"	8,971,439	2.04	3,695,211	Received in the subsequent period	1,187,875	-
"	SQ Technology (Shanghai) Corporation	"	2,039,250	2.37	441,977	Received in the subsequent period	646,017	-
"	Inventec (Shanghai) Corp.	"	192,628	3.74	63,001	Received in the subsequent period	-	-

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

Name of company	Counter party	Relationship	Ending balance	Turnover	Overdue		Amounts received in subsequent period	Allowance for bad debts
					Amount	Action taken		
Inventec (Chongqing) Corp.	Inventec Corporation (Hong Kong) Ltd.	Associates	38,320,750	6.91	117,782	Received in the subsequent period	29,572,710	-
SQ Technology (Shanghai) Corporation	Inventec Corporation (Hong Kong) Ltd.	"	9,633,068	1.03	4,827,587	Received in the subsequent period	1,233	-
"	Inventec (Pudong) Technology Corp.	"	107,424	2.38	19,521	Received in the subsequent period	107,424	-
Inventec Appliances (Pudong) Corp.	Inventec Appliances Corp.	"	1,806,969	1.25	-		1,023,961	-
"	Inventec Appliances (Vietnam) Company Limited	"	303,360	2.49	-		75,937	-
Inventec Appliances (Jiangning) Corp.	Inventec Appliances (Nanjing) Corp.	"	113,201	2.82	-		83,405	-
Inventec Appliances (Malaysia) SDN. BHD.	Inventec Appliances Corp.	"	620,925	3.71	-		395,117	-
Inventec Appliances (Vietnam) Company Limited	Inventec Appliances Corp.	"	1,130,838	5.25	-		621,173	-
Inventec (Czech), s.r.o.	The Company	Parent	343,006	0.10	-		141,510	-
Inventec Electronics (Thailand) Co., Ltd.	The Company	"	26,368,568	3.67	-		13,000,710	-
"	Inventec Corporation (Hong Kong) Ltd.	Associates	1,215,913	(Note 1)	-		161,209	-

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 February 24, 2026.

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	163,378,753	Negotiated price	24 %
	"	"	1	Accounts Receivable	55,501,364	105 days	17 %
	"	Inventec Corporation (Hong Kong) Ltd.	1	Purchases	296,063,871	Negotiated price	43 %
	"	"	1	Other Receivables	36,011,518	105 days	11 %
	"	"	1	Accounts Payable	54,408,871	"	16 %
	"	Inventec Electronics (Thailand) Co., Ltd.	1	Purchases	56,087,785	Negotiated price	8 %
	"	"	1	Accounts Payable	26,368,568	105 days	8 %
	"	"	1	Other Receivables	21,266,076	"	6 %
1	Inventec Corporation (Hong Kong) Ltd.	Inventec (Pudong) Technology Corp.	3	Purchases	18,263,921	Negotiated price	3 %
	"	"	3	Accounts Payable	8,971,439	105 days	3 %
	"	"	3	Accounts Receivable	4,082,781	"	1 %
	"	SQ Technology (Shanghai) Corporation	3	Purchases	16,302,441	Negotiated price	2 %
	"	"	3	Accounts Payable	9,633,068	105 days	3 %
	"	"	3	Accounts Receivable	13,952,630	"	4 %

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

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
1	Inventec Corporation (Hong Kong) Ltd.	Inventec (Chongqing) Corp.	3	Purchases	275,152,194	Negotiated price	40 %
	"	"	3	Accounts Payable	38,320,750	105 days	12 %
	"	"	3	Accounts Receivable	19,204,843	"	6 %
	"	Inventec Electronics (Thailand) Co., Ltd.	3	Sales	14,218,437	Negotiated price	2 %
	"	"	3	Accounts Receivable	2,512,376	105 days	1 %
2	Inventec Appliances Corp.	Inventec Appliances (Pudong) Corp.	3	Purchases	3,866,728	Negotiated price	1 %
	"	"	3	Accounts Payable	1,806,969	110 days	1 %
	"	Inventec Appliances (Vietnam) Company Limited	3	Purchases	6,625,387	Negotiated price	1 %
3	Inventec (Pudong) Technology Corp.	SQ Technology (Shanghai) Corporation	3	Sales	7,006,439	Negotiated price	1 %
	"	"	3	Accounts Receivable	2,039,250	105 days	1 %

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 year ended December 31, 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 December 31, 2025			Highest percentage of ownership during the year	Net income (loss) of the investee	Share of profits/losses of investee	Note
				December 31, 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 %	173,040	37.53 %	(22,018)	(8,263)	Investment accounted for using equity method
"	Inventec Corporation (Hong Kong) Ltd.	Hong Kong	Trading	167,162	167,162	2,500	100.00 %	584,902	100.00 %	74,588	74,588	Subsidiary
"	Inventec Holding (North America) Corp.	USA	Holding Company	5,317,193	3,946,943	2,017	100.00 %	8,349,425	100.00 %	646,771	630,433	"
"	Inventec Appliances Corp.	New Taipei City	Production and sales of intelligent terminal devices	9,656,877	9,656,877	536,857	100.00 %	7,772,958	100.00 %	89,949	(280,621)	"

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

Investor company	Investee company	Location	Main businesses and products	Original investment amount		Balance as of December 31, 2025			Highest percentage of ownership during the year	Net income (loss) of the investee	Share of profits/losses of investee	Note
				December 31, 2025	December 31, 2024	Shares (In thousands)	Percentage of ownership	Carrying value				
The Company	Inventec (Cayman) Corp.	Cayman	Holding Company	9,812,963	9,812,963	301,768	100.00 %	31,679,599	100.00 %	1,590,629	1,590,629	Subsidiary
"	IEC (Cayman) Corporation	Cayman	Holding Company	739,500	739,500	50,000	100.00 %	2,691,273	100.00 %	255,883	255,883	"
"	Inventec (Czech), S.R.O.	Czech	Production and sales of computer products	1,582,551	1,582,551	-	100.00 %	2,321,034	100.00 %	135,898	135,898	"
"	Inventec Investment Co., Ltd.	Taipei	Investment Company	62,000	62,000	15,000	100.00 %	160,962	100.00 %	99,378	99,378	"
"	Inventec Development Japan Corporation	Japan	Trading	630,845	630,845	45	100.00 %	19,769	100.00 %	(506)	(506)	"
"	Inventec Japan Corporation	Japan	Trading and management service	2,954	2,954	-	100.00 %	3,406	100.00 %	610	610	"
"	AlMobile Co., Ltd.	Taipei	Developing, production and sales of intelligent mobile devices	151,820	142,340	15,965	100.00 %	(1,226)	100.00 %	(28,704)	(27,070)	"
"	InveneXt System Co., Ltd.	Taipei	Sales of 5G Services, hardware and software	50,000	50,000	5,000	100.00 %	49,938	100.00 %	(91)	(91)	"
"	Inventec Electronics (Thailand) Co., Ltd.	Thailand	Production and sales of computer products	6,218,801	3,742,038	681,000	100.00 %	6,899,246	100.00 %	595,819	595,819	"
"	Inventec Technology (Vietnam) Company Limited	Vietnam	Production and sales of intelligent terminal devices	791,460	791,460	-	53.74 %	750,031	100.00 %	(12,128)	(12,128)	"
"	Inventec Technology (Singapore) Pte. Ltd.	Singapore	Development of computer products	186,360	63,640	9,000	100.00 %	99,629	100.00 %	(81,965)	(81,965)	"
"	Asic AI Co., Ltd	Taoyuan	Artificial Intelligence chip design	120,000	-	12,000	100.00 %	113,102	100.00 %	(6,898)	(6,898)	"
"	Dixon IT Devices Private Limited	India	Computer products	47,755	-	13,680	40.00 %	47,721	40.00 %	(74)	(29)	Investment accounted for using equity method
Inventec Investment Co., Ltd.	Inventec Electronics (Thailand) Co., Ltd.	Thailand	Production and sales of computer products	-	-	-	- %	-	- %	595,819	-	Associate Company
Inventec Appliances Corp.	Inventec Appliances (Cayman) Holding Corp.	Cayman	Holding Company	2,374,555	6,075,052	75,575	100.00 %	7,749,710	100.00 %	(692,170)	-	"
"	Gainia Intellectual Asset Services, Inc.	Taipei	Intellectual property rights integrative services	6,240	6,240	189	35.87 %	1,646	35.87 %	56	-	Investment accounted for using equity method

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

Investor company	Investee company	Location	Main businesses and products	Original investment amount		Balance as of December 31, 2025			Highest percentage of ownership during the year	Net income (loss) of the investee	Share of profits/losses of investee	Note
				December 31, 2025	December 31, 2024	Shares (In thousands)	Percentage of ownership	Carrying value				
Inventec Appliances Corp.	Good Future Biomedical Technology Corp.	Taoyuan	Biotechnology services and retail sale and wholesale of medical devices	28,922	28,922	10,423	18.81 %	17,863	18.81 %	(15,104)	-	Investment accounted for using equity method
"	Needleless Corporation	Taoyuan	Manufacturing and Sales of Medical Devices	43,605	-	1,530	20.00 %	47,097	20.00 %	19,031	-	"
"	Inventec Appliances (Vietnam) Company Limited	Vietnam	Production and sales of intelligent terminal devices	1,036,860	1,036,860	-	100.00 %	1,225,841	100.00 %	119,749	-	Associate Company
"	Inventec Technology (Vietnam) Company Limited	Vietnam	Production and sales of intelligent terminal devices	628,400	-	-	46.26 %	645,635	46.26 %	(12,128)	-	"
Inventec Appliances (Cayman) Holding Corp.	Inventec Appliances (USA) Distribution Corp.	USA	Production and sales of intelligent terminal devices	25,136	25,136	400	100.00 %	107,612	100.00 %	994	-	"
"	Inventec Appliances Corporation USA, Inc.	USA	Sales services	1,571	1,571	10	100.00 %	18,459	100.00 %	609	-	"
Inventec Appliances (Pudong) Corp.	Inventec Appliances (Malaysia) SDN. BHD.	Malaysia	Production and sales of intelligent terminal devices	902,155	902,155	121,000	100.00 %	(836,006)	100.00 %	(216,522)	-	"

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 reporting 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.

(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 December 31, 2025	Net income (losses) of the investee	Percentage of ownership	Highest percentage of ownership during the year	Investment income (losses) (Note 2)	Book value	Accumulated remittance of earnings in current period (Note 6)
					Out-flow	In-flow							
Inventec (Shanghai) Service Co., Ltd	Sales of computer products	372,043	(2)	62,840	-	-	62,840	16,212	100.00 %	100.00 %	16,212	376,284	30,234
Inventec (ChongQing) Service Co., Ltd	Sales of computer products	31,420	(2)	31,420	-	-	31,420	(45)	100.00 %	100.00 %	(45)	42,010	-
Inventec (Pudong) Corp.	Sales of computer products	1,571,000	(2)	1,571,000	-	-	1,571,000	59,730	100.00 %	100.00 %	59,730	4,626,743	-
Inventec (Shanghai) Corp.	Sales of computer products	2,137,516	(2)	926,890	-	-	926,890	84,219	100.00 %	100.00 %	103,685	1,795,483	-

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

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 December 31, 2025	Net income (losses) of the investee	Percentage of ownership	Highest percentage of ownership during the year	Investment income (losses) (Note 2)	Book value	Accumulated remittance of earnings in current period (Note 6)
					Out-flow	Inflow							
Inventec (ChongQing) Corporation	Production and Sales of computer products	2,356,500	(2)	2,356,500	-	-	2,356,500	2,104,642	100.00 %	100.00 %	2,094,608	18,950,153	2,242,107
Inventec (Pudong) Technology Corp.	Production and Sales of computer products	1,840,952	(2)	1,571,000	-	-	1,571,000	(305,414)	100.00 %	100.00 %	(318,758)	7,323,452	321,599
Inventec Electronics (Tianjin) Co.,Ltd.	Electronic product software development	157,100	(2)	133,535	-	-	133,535	6,710	100.00 %	100.00 %	6,710	292,452	149,517
Inventec (Beijing) Electronics Technology Co., Ltd.	Electronic product software development	45,559	(2)	45,559	-	-	45,559	3,051	100.00 %	100.00 %	3,051	89,355	-
Inventec Hi-Tech Corporation	Sales of computer products	1,571,000	(2)	1,571,000	-	-	1,571,000	(33,814)	100.00 %	100.00 %	(33,814)	1,722,339	-
Inventec Asset Management (Shanghai) Corporation	Leasing	1,914,163	(3)	-	-	-	-	83,478	78.00 %	78.00 %	65,113	1,171,779	-
Saint Investment Consulting Corporation	Business management	268,212	(3)	-	-	-	-	18,227	100.00 %	100.00 %	18,227	346,581	-
SQ Technology (Shanghai) Corporation	Production and Sales of computer products	240,558	(3)	-	-	-	-	(259,348)	100.00 %	100.00 %	(259,348)	(1,334,089)	-
Truswe (ChongQing) Technology Co.,Ltd	Sales of computer products	379,967	(3)	-	-	-	-	18,838	20.00 %	20.00 %	3,768	63,905	-
Testron Technology (JiangSu) Co., Ltd.	Production and Sales of computer products	124,324	(3)	-	-	-	-	212,818	9.99 %	9.99 %	21,196	157,459	-
Shanghai Haixin Electronic Technology Co.,Ltd	Production and Sales of computer products	14,553	(3)	-	-	-	-	(3,914)	16.56 %	16.56 %	(913)	41,059	-
Dawline (Nanjing) Intelligent Technology Co., Ltd.	Solution of intelligent transportation	6,843	(3)	-	-	-	-	(12,240)	15.00 %	15.00 %	(2,088)	35,032	-
Inventec Appliances (Shanghai) Co., Ltd.	Production and sales of intelligent terminal devices	678,672	(2)	1,511,868	-	942,600	569,268	14,931	100.00 %	100.00 %	14,931	661,514	1,535,981
Inventec Appliances (Pudong) Corp.	Production and sales of intelligent terminal devices	534,140	(2)	2,419,340	-	1,885,200	534,140	(1,008,238)	100.00 %	100.00 %	(1,008,238)	3,567,675	2,297,117
Inventec Appliances (Jiangning) Corp.	Production and sales of intelligent terminal devices	1,193,960	(2)	1,319,640	-	942,600	377,040	160,402	100.00 %	100.00 %	160,402	2,783,936	3,571,176
Inventec Appliances (Nanjing) Corp.	Production and sales of intelligent terminal devices	157,100	(2)	282,198	-	-	282,198	13,635	100.00 %	100.00 %	(25,330)	629,205	85,353
Inventec Appliances (Nanchang) Corp.	Production and sales of intelligent terminal devices	65,982	(2)	65,982	-	-	65,982	(15,123)	100.00 %	100.00 %	(15,123)	4,233	-
Apex Business Managements & Consulting (Shanghai) Co., Ltd.	Property management	2,243	(3)	-	-	-	-	(379)	100.00 %	100.00 %	(379)	128,617	-

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

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 December 31, 2025	Net income (losses) of the investee	Percentage of ownership	Highest percentage of ownership during the year	Investment income (losses) (Note 2)	Book value	Accumulated remittance of earnings in current period (Note 6)
					Out-flow	Inflow							
Inventec Appliances (Shanghai) Enterprise	Business management and Consulting	35,761	(3)	-	-	-	-	(329)	100.00 %	100.00 %	(329)	13,404	-
Inventec Appliances (Nanchang) Intelligent Manufacturing Co., Ltd.	Production and sales of intelligent terminal devices	268,211	(3)	-	-	-	-	(4,246)	100.00 %	100.00 %	(4,246)	(184,016)	-
Inventec Easy Doctor Corporation	Production and sales of medical devices	44,702	(3)	-	-	-	-	(843)	100.00 %	100.00 %	(843)	8,796	-

2. Upper limit on investment in Mainland China:

Name of Company	Accumulated Investment in Mainland China as of December 31, 2025	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment (Note 3,4,7)
The Company	8,335,726	8,335,726	-
Inventec Appliances Corp.	1,898,648	1,898,648	4,663,775

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 audited by CPA of the 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 December 31, 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 year ended December 31, 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 terminal devices and sells them to customers. The other department is engaged in environmental energy and emerging technology business, due to its immateriality, its is not required to be disclosed as a reportable segment.

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.

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

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

	For the year ended December 31, 2025			
	Core	Others	Adjustment and Elimination	Total
Revenue				
Revenue from external customers	\$ 685,966,038	5,224,288	-	691,190,326
Intersegment revenues	-	-	-	-
Interest revenues	-	-	-	-
Total revenue	\$ 685,966,038	5,224,288	-	691,190,326
Interest expenses	\$ 6,137,047	7,235	-	6,144,282
Depreciation and amortization	4,108,068	395,457	-	4,503,525
Other material non-cash item				
Impairment of assets	409,535	-	-	409,535
Reportable segment profit (loss)	\$ 13,353,956	(1,341,808)	-	12,012,148
Reportable segment assets	\$ -	-	-	-
	For the year ended December 31, 2024			
	Core	Others	Adjustment and Elimination	Total
Revenue				
Revenue from external customers	\$ 641,283,772	4,978,182	-	646,261,954
Intersegment revenues	-	-	-	-
Total revenue	\$ 641,283,772	4,978,182	-	646,261,954
Interest expenses	\$ 6,016,725	10,320	-	6,027,045
Depreciation and amortization	3,442,761	565,786	-	4,008,547
Other material non-cash item				
Reportable segment profit (loss)	\$ 10,884,146	(1,674,231)	-	9,209,915
Reportable segment assets	\$ -	-	-	-

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.

(c) Product and service information

For the revenue from the external customers of the Group please refer to Note (6)(v).

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

INVENTEC CORPORATION AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

For the years ended December 31, 2025 and 2024

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

(d) Geographical information

In presenting information on the basis of geography, the revenue geographical information please refer to Note (6)(v) and non-current assets which presenting based on the geographical location of the assets was as follows:

<u>By region</u>	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Non-current assets:		
Taiwan	\$ 13,844,076	13,958,079
Mainland China	14,310,280	15,816,212
USA	9,476,294	5,933,154
Thailand	10,078,594	4,649,472
Other countries	<u>6,544,548</u>	<u>6,068,486</u>
Total	<u><u>\$ 54,253,792</u></u>	<u><u>46,425,403</u></u>

Non-current assets include property, plant and equipment, right-of-use assets, intangible assets, investment property and other assets, not including financial instruments, deferred tax assets, and pension fund assets.

(e) Major customers: Revenue

	<u>For the years ended December 31,</u>	
	<u>2025</u>	<u>2024</u>
A	\$ 346,090,047	337,402,947
B	98,024,589	79,803,981
C	<u>59,194,496</u>	<u>73,052,360</u>
	<u><u>\$ 503,309,132</u></u>	<u><u>490,259,288</u></u>