Stock Code:8114

Posiflex Technology, Inc. and Subsidiaries

Consolidated Financial Statements

With Independent Auditors' Review Report
For the Nine Months Ended September 30, 2025 and 2024

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Independent Auditors' Review Report

To the Board of Directors
Posiflex Technology, Inc.:

Introduction

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

Scope of Review

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

Basis for Qualified Conclusion

As stated in Note 4(2), the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect the total assets amounting to $2,161,067 thousand and $1,717,774 thousand, constituting 11.47% and 10.33% of the consolidated total assets as of September 30, 2025 and 2024, respectively, the total liabilities amounting to $347,263 thousand and $503,584 thousand constituting 7.09% and 5.18% of the consolidated total liabilities as of September 30, 2025 and 2024, as well as the total comprehensive income (loss) amounting to $(19,877) thousand, $(7,487) thousand, $(115,906) thousand and $(23,092) thousand, constituting (2.16)%, (1.71)%, (4.27)% and (1.81)% of the total consolidated comprehensive income (loss) for the three and nine months ended September 30, 2025 and 2024, respectively.

Furthermore, as stated in Note 6(4), the other equity accounted investments of the Group in its investee companies of $217,964 thousand and $236,915 thousand as of September 30, 2025 and 2024, respectively, and its equity in net earnings on these investee companies of $(4,490) thousand, $(3,907) thousand, $(13,475) thousand and $(9,298) thousand for the three and nine months ended September 30, 2025 and 2024, respectively, were recognized solely on the financial statements prepared by these investee companies, but not reviewed by independent auditors.

Qualified Conclusion

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

The engagement partners on the reviews resulting in this independent auditors' review report are Yu, Chi-Lung and Chen, Pei-Chi.

KPMG

Taipei, Taiwan (Republic of China)
October 29, 2025

Notes to Readers

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

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

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

Posiflex Technology, Inc. and Subsidiaries

Consolidated Balance Sheets

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

(Expressed in Thousands of New Taiwan Dollars)

		September 30, 2025		December 31, 2024		September 30, 2024	
	Assets	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current assets:						
1100	Cash and cash equivalents (note 6(1))	$ 4,674,709	25	3,813,326	22	3,235,520	20
1110	Financial assets at fair value through profit or loss—current (note 6(2))	-	-	-	-	968	-
1136	Financial assets at amortized cost—current (notes 6(2) and 8)	1,201,741	6	93,532	1	125,642	1
1150	Notes receivable (note 6(2))	2,718	-	748	-	11,716	-
1170	Accounts receivable, net (note 6(2))	1,874,196	10	2,602,263	15	1,951,898	12
1180	Accounts receivable—related parties (notes 6(2) and 7)	4,255	-	21,805	-	30,437	-
1210	Other receivables—related parties (note 7)	3,332	-	2,906	-	1,473	-
1310	Inventories (note 6(3))	2,430,400	13	2,909,062	16	3,194,811	19
1476	Other financial assets—current (notes 6(6) and 8)	36,055	-	26,882	-	48,503	-
1479	Other current assets (note 6(8))	210,935	1	174,408	1	205,182	1
	Total current assets	10,438,341	55	9,644,932	55	8,806,150	53
	Non-current assets:						
1510	Financial assets at fair value through profit or loss—non-current (note 6(2))	29,202	-	31,427	-	31,650	-
1517	Financial assets at fair value through other comprehensive income—non-current (note 6(2))	107,307	1	119,262	1	128,367	1
1535	Financial assets at amortized cost—non-current (notes 6(2) and 8)	458,724	3	493,674	3	476,583	3
1550	Investments accounted for using equity method (note 6(4))	218,684	1	235,552	1	236,966	2
1600	Property, plant and equipment (notes 6(9) and 8)	3,849,831	21	3,283,352	19	3,305,644	20
1755	Right-of-use assets (note 6(10))	246,966	1	293,962	2	309,103	2
1760	Investment property (note 6(11))	47,575	-	47,712	-	47,758	-
1805	Goodwill (note 6(13))	1,822,555	10	1,949,929	11	1,887,642	11
1821	Intangible assets (note 6(14))	763,131	4	815,163	5	795,486	5
1840	Deferred tax assets	749,305	4	588,737	3	529,086	3
1975	Net defined benefit asset—non-current (note 6(21))	50,536	-	49,290	-	40,485	-
1980	Other financial assets—non-current (notes 6(6) and 8)	28,519	-	23,226	-	23,242	-
1990	Other non-current assets (notes 6(8) and 8)	22,550	-	68,547	-	6,019	-
	Total non-current assets	8,394,885	45	7,999,833	45	7,818,031	47
	Total assets	**$ 18,833,226**	**100**	**17,644,765**	**100**	**16,624,181**	**100**

		September 30, 2025		December 31, 2024		September 30, 2024	
	Liabilities and Equity	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current liabilities:						
2100	Short-term borrowings (notes 6(15) and 8)	$ 310,392	2	850,875	6	1,244,572	8
2120	Financial liabilities at fair value through profit or loss—current (note 6(2))	3,010	-	1,852	-	-	-
2130	Contract liabilities—current (note 6(26))	256,438	1	302,157	2	356,984	2
2150	Notes payable	9,813	-	12,441	-	16,802	-
2170	Accounts payable	860,174	5	1,236,812	7	1,316,528	8
2180	Payables to related parties (note 7)	25,544	-	17,854	-	27,462	-
2200	Other payables (note 6(16))	1,753,242	9	1,255,179	7	1,022,218	6
2230	Current tax liabilities	519,135	3	383,609	2	174,720	1
2250	Provisions—current (note 6(17))	341,143	2	168,059	1	66,478	-
2280	Lease liabilities—current (note 6(18))	75,354	-	79,742	1	77,930	1
2320	Current portion of long-term liabilities (notes 6(19) and 8)	7,771	-	9,305	-	6,002	-
2399	Other current liabilities	20,039	-	50,758	-	22,203	-
	Total current liabilities	4,182,055	22	4,368,643	26	4,331,899	26
	Non-current liabilities:						
2527	Contract liabilities—non-current (note 6(26))	65,169	-	87,600	-	98,001	1
2540	Long-term borrowings (notes (19) and 8)	61,644	-	62,854	-	61,522	-
2570	Deferred tax liabilities	89,225	1	119,527	1	65,176	-
2580	Lease liabilities—non-current (note 6(18))	343,471	2	390,888	2	407,787	2
2635	Preference share liabilities—non-current (note 6(20))	-	-	4,595,089	26	4,595,089	28
2640	Net defined benefit liability—non-current	24,642	-	25,274	-	26,036	-
2645	Guarantee deposits received (notes 7 and 9)	132,635	1	142,277	1	137,378	1
2650	Credit balance of investments accounted for using equity method (note 6(4))	720	-	275	-	51	-
	Total non-current liabilities	717,506	4	5,423,784	30	5,391,040	32
	Total liabilities	4,899,561	26	9,792,427	56	9,722,939	58
	Equity (notes 6(23) and (24)):						
	Equity attributable to parent company shareholders:						
3110	Ordinary share	763,848	4	762,378	4	757,568	5
3120	Preference share	311,531	2	-	-	-	-
3140	Advance receipts for share capital	270	-	570	-	4,140	-
3200	Capital surplus	5,146,834	27	837,467	5	819,466	5
3300	Retained earnings	3,924,793	21	2,904,187	16	2,503,408	15
3400	Other equity	(220,399)	(1)	20,557	-	(75,770)	-
	Total equity attributable to parent company shareholders	9,926,877	53	4,525,159	25	4,008,812	25
36XX	Non-controlling interests	4,006,788	21	3,327,179	19	2,892,430	17
	Total equity	13,933,665	74	7,852,338	44	6,901,242	42
	Total liabilities and equity	**$ 18,833,226**	**100**	**17,644,765**	**100**	**16,624,181**	**100**

See accompanying notes to consolidated financial statements.

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

Posiflex Technology, Inc. and Subsidiaries

Consolidated Statements of Comprehensive Income

For the Three and Nine Months Ended September 30, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Share)

		For the three months ended September 30,				For the nine months ended September 30,			
		2025		2024		2025		2024	
		Amount	%	Amount	%	Amount	%	Amount	%
4000	**Operating revenue** (notes 6(26) and 7)	$ 3,499,640	100	3,597,225	100	15,252,322	100	9,001,040	100
5000	**Operating costs** (notes 6(3), (21), (24), (27), 7 and 12)	1,940,865	55	1,923,805	53	7,735,445	51	4,947,673	55
5900	**Gross profit**	1,558,775	45	1,673,420	47	7,516,877	49	4,053,367	45
5910	Unrealized (gain) loss from sales	7	-	(2)	-	3	-	(2)	-
5900	**Realized gross profit**	1,558,782	45	1,673,418	47	7,516,880	49	4,053,365	45
6000	**Operating expenses** (notes 6(2), (21), (24), (27), 7 and 12)**:**								
6100	Selling expenses	312,305	9	377,603	10	1,386,115	9	1,010,757	11
6200	Administrative expenses	297,139	8	302,076	8	1,106,992	7	873,723	10
6300	Research and development expenses	165,880	5	269,604	8	974,746	6	642,217	7
6450	Expected credit loss	(1,209)	-	(1,218)	-	3,329	-	18,639	-
	Total operating expenses	774,115	22	948,065	26	3,471,182	22	2,545,336	28
6900	**Net operating income**	784,667	23	725,353	21	4,045,698	27	1,508,029	17
7000	**Non-operating income and expenses** (notes 6(28) and 7)**:**								
7100	Interest income	28,329	1	19,218	1	72,091	-	62,402	1
7010	Other income	6,840	-	5,537	-	18,550	-	16,621	-
7020	Other gains and losses	30,055	1	14,245	-	(97,249)	(1)	74,184	1
7050	Finance costs	64,376	2	(50,566)	(2)	(31,293)	-	(149,597)	(2)
7060	Share of profit (loss) of associates accounted for using equity method (note 6(4))	(4,490)	-	(3,907)	-	(13,475)	-	(9,298)	-
	Total non-operating income and expenses	125,110	4	(15,473)	(1)	(51,376)	(1)	(5,688)	-
7900	**Income before income tax**	909,777	27	709,880	20	3,994,322	26	1,502,341	17
7950	**Income tax expenses** (note 6(22))	190,466	5	183,261	5	928,938	6	365,126	4
8200	**Net income**	719,311	22	526,619	15	3,065,384	20	1,137,215	13
8300	**Other comprehensive income (loss):**								
8310	**Items that will not be reclassified subsequently to profit or loss**								
8316	Unrealized gains or losses from investments in equity instruments measured at fair value through other comprehensive income	483	-	1,787	-	(5,752)	-	(141)	-
8320	Shares of other comprehensive income of associates accounted for using equity method	(119)	-	(433)	-	(3,119)	-	(1,868)	-
8349	Less: Income tax related to items that will not be reclassified subsequently (note 6(22))	-	-	-	-	-	-	-	-
	Total items that will not be reclassified subsequently to profit or loss	364	-	1,354	-	(8,871)	-	(2,009)	-
8360	**Items that may be reclassified subsequently to profit or loss**								
8361	Exchange differences on translation of foreign financial statements	246,441	6	(111,658)	(4)	(421,404)	(3)	169,999	1
8370	Shares of other comprehensive income of associates accounted for using equity method	2,043	-	(1,313)	-	(3,893)	-	1,617	-
8399	Less: Income tax related to items that may be reclassified subsequently (note 6(22))	49,622	1	(22,511)	(1)	(83,555)	(1)	34,186	-
	Total items that may be reclassified subsequently to profit or loss	198,862	5	(90,460)	(3)	(341,742)	(2)	137,430	1
8300	**Other comprehensive income, net**	199,226	5	(89,106)	(3)	(350,613)	(2)	135,421	1
8500	**Total comprehensive income**	**$ 918,537**	**27**	**437,513**	**12**	**2,714,771**	**18**	**1,272,636**	**14**
	Profit attributable to:								
	Owners of parent	$ 461,107	15	294,668	8	1,702,584	11	646,078	8
	Non-controlling interests	258,204	7	231,951	7	1,362,800	9	491,137	5
		$ 719,311	**22**	**526,619**	**15**	**3,065,384**	**20**	**1,137,215**	**13**
	Comprehensive income attributable to:								
	Owners of parent	$ 599,666	17	229,287	6	1,460,973	10	745,169	8
	Non-controlling interests	318,871	10	208,226	6	1,253,798	8	527,467	6
		$ 918,537	**27**	**437,513**	**12**	**2,714,771**	**18**	**1,272,636**	**14**
	Earnings per share (New Taiwan Dollars) (note 6(25))								
9750	Basic earnings per share	**$ 3.57**		**3.51**		**15.84**		**8.02**	
9850	Diluted earnings per share	**$ 3.52**		**2.82**		**15.56**		**6.72**	

See accompanying notes to consolidated financial statements.

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

Posiflex Technology, Inc. and Subsidiaries

Consolidated Statements of Changes in Equity

For the Nine Months Ended September 30, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	Attributable to owner of parent													
					Retained earnings				Other equity					
	Ordinary share capital	Preference share capital	Advance receipts for share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total	Exchange differences on translation of foreign financial statements	Unrealized gains or losses from investments in equity instruments measured at fair value through other comprehensive income	Total	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance as of January 1, 2024	$ 755,958	-	-	777,122	885,227	164,268	1,208,749	2,258,244	(115,061)	(59,800)	(174,861)	3,616,463	2,713,399	6,329,862
Net income for the period	-	-	-	-	-	-	646,078	646,078	-	-	-	646,078	491,137	1,137,215
Other comprehensive income for the period	-	-	-	-	-	-	-	-	101,100	(2,009)	99,091	99,091	36,330	135,421
Total comprehensive income for the period	-	-	-	-	-	-	646,078	646,078	101,100	(2,009)	99,091	745,169	527,467	1,272,636
Appropriation and distribution of retained earnings:														
Appropriation for legal reserve	-	-	-	-	41,928	-	(41,928)	-	-	-	-	-	-	-
Appropriation for special reserve	-	-	-	-	-	10,593	(10,593)	-	-	-	-	-	-	-
Cash dividends distributed to common shareholders	-	-	-	-	-	-	(355,300)	(355,300)	-	-	-	(355,300)	-	(355,300)
Difference between consideration and carrying amount of subsidiaries shareholding acquired or disposed	-	-	-	(9,966)	-	-	(45,614)	(45,614)	-	-	-	(55,580)	(83,341)	(138,921)
Share-based payment transactions	-	-	-	8,596	-	-	-	-	-	-	-	8,596	344	8,940
Exercise of employee stock options	1,610	-	4,140	43,714	-	-	-	-	-	-	-	49,464	-	49,464
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(265,439)	(265,439)
Balance as of September 30, 2024	**$ 757,568**	**-**	**4,140**	**819,466**	**927,155**	**174,861**	**1,401,392**	**2,503,408**	**(13,961)**	**(61,809)**	**(75,770)**	**4,008,812**	**2,892,430**	**6,901,242**
Balance as of January 1, 2025	$ 762,378	-	570	837,467	927,155	174,861	1,802,171	2,904,187	89,512	(68,955)	20,557	4,525,159	3,327,179	7,852,338
Net income for the period	-	-	-	-	-	-	1,702,584	1,702,584	-	-	-	1,702,584	1,362,800	3,065,384
Other comprehensive income for the period	-	-	-	-	-	-	-	-	(232,740)	(8,871)	(241,611)	(241,611)	(109,002)	(350,613)
Total comprehensive income for the period	-	-	-	-	-	-	1,702,584	1,702,584	(232,740)	(8,871)	(241,611)	1,460,973	1,253,798	2,714,771
Appropriation and distribution of retained earnings:														
Appropriation for legal reserve	-	-	-	-	100,124	-	(100,124)	-	-	-	-	-	-	-
Cash dividends distributed to common shareholders	-	-	-	-	-	-	(593,043)	(593,043)	-	-	-	(593,043)	-	(593,043)
Cash dividends distributed to preference shareholders	-	-	-	-	-	-	(88,280)	(88,280)	-	-	-	(88,280)	-	(88,280)
Reversal of special reserve	-	-	-	-	-	(174,861)	174,861	-	-	-	-	-	-	-
Convertible Preferred Stock converted to Common Stock	-	311,531	-	4,283,558	-	-	-	-	-	-	-	4,595,089	-	4,595,089
Share-based payment transactions	-	-	-	16,196	-	-	-	-	-	-	-	16,196	109	16,305
Disposal of equity instruments measure at fair value through other comprehensive income	-	-	-	-	-	-	(655)	(655)	-	655	655	-	-	-
Exercise of employee stock options	1,470	-	(300)	8,613	-	-	-	-	-	-	-	9,783	-	9,783
Other changes in capital surplus	-	-	-	1,000	-	-	-	-	-	-	-	1,000	819	1,819
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(575,117)	(575,117)
Balance as of September 30, 2025	**$ 763,848**	**311,531**	**270**	**5,146,834**	**1,027,279**	**-**	**2,897,514**	**3,924,793**	**(143,228)**	**(77,171)**	**(220,399)**	**9,926,877**	**4,006,788**	**13,933,665**

See accompanying notes to consolidated financial statements.

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

Posiflex Technology, Inc. and Subsidiaries
Consolidated Statements of Cash Flows
For the Nine Months Ended September 30, 2025 and 2024
(Expressed in Thousands of New Taiwan Dollars)

	For the nine months ended September 30,	
	2025	**2024**
Cash flows from operating activities:		
Income before income tax	$ 3,994,322	1,502,341
Adjustments:		
Adjustments to reconcile profit (loss)		
Depreciation expenses	202,903	188,528
Amortization expenses	13,977	64,664
Expected credit loss	3,329	18,639
Net loss on financial assets and liabilities at fair value through loss	9,729	3,645
Interest expense	31,293	149,597
Interest income	(72,091)	(62,402)
Dividend income	(982)	(8)
Compensation cost arising from share-based payment transactions	16,305	8,940
Shares of loss (gain) of associates accounted for using equity method	13,475	9,298
Gains on disposal of property, plant and equipment	(1,336)	(2,130)
Provisions for inventory devaluation and obsolescence loss and inventory scrap loss	185,733	95,402
Adjustment for other non-cash-related profit, net	(6,403)	(3,735)
Total adjustments to reconcile profit (loss)	395,932	470,438
Changes in operating assets and liabilities:		
Notes receivable	(1,970)	(9,488)
Accounts receivable (including related parties)	719,777	(690,555)
Inventories	246,300	(780,351)
Other operating assets	(28,030)	(120,359)
Contract liabilities	(49,971)	49,705
Notes payable	(2,628)	10,527
Accounts payable (including related parties)	(353,245)	586,610
Other payables	694,930	360,423
Net defined benefit assets/liabilities	(1,878)	(1,480)
Other operating liabilities	137,340	(38,578)
Total changes in operating assets and liabilities	1,360,625	(633,546)
Total adjustments	1,756,557	(163,108)
Cash flows generated from operations	5,750,879	1,339,233
Interest received	66,672	60,384
Interest paid (including preferred stock dividends)	(185,571)	(184,256)
Income taxes paid	(941,650)	(451,052)
Net cash flows from operating activities	4,690,330	764,309

(Continued)

See accompanying notes to consolidated financial statements.

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Posiflex Technology, Inc. and Subsidiaries

Consolidated Statements of Cash Flows (Continued)

For the Nine Months Ended September 30, 2025 and 2024

(Expressed in Thousands of New Taiwan Dollars)

	For the nine months ended September 30,	
	2025	**2024**
Cash flows from investing activities:		
Proceeds from disposal of financial assets at fair value through other comprehensive income	59	-
Increase in financial assets at amortized cost	$ (1,108,388)	(36,176)
Acquisition of financial assets at fair value through profit or loss	-	(31,320)
Acquisition of investments accounted for using equity method	-	(474)
Net cash flow from acquisition of subsidiaries	-	(138,921)
Acquisition of property, plant and equipment	(693,542)	(106,738)
Proceeds from disposal of property, plant and equipment	1,500	2,495
Acquisition of intangible assets	(9,110)	(13,897)
(Increase) decrease in other financial assets	(4,953)	1,331
Increase in other non-current assets	(13,900)	(4,481)
Dividends received	981	15
Net cash flows used in investing activities	(1,827,353)	(328,166)
Cash flows from financing activities:		
Increase in short-term borrowings	329,558	923,553
Decrease in short-term borrowings	(846,615)	(642,257)
Proceeds from long-term borrowings	3,951	-
Repayments of long-term borrowings	(4,849)	(25,505)
(Increase) decrease in guarantee deposits received	174	(1,940)
Repayment of the principal portion of lease liabilities	(60,712)	(57,470)
Cash dividends paid	(681,323)	(355,300)
Exercise of employee share options	9,783	49,464
Payments of non-controlling cash dividends	(575,117)	(265,439)
Expired and uncollected dividends turn into capital surplus	1,819	-
Net cash flows used in financing activities	(1,823,331)	(374,894)
Effect of exchange rate changes on cash and cash equivalents	(178,263)	76,702
Net increase in cash and cash equivalents	861,383	137,951
Cash and cash equivalents at beginning of period	3,813,326	3,097,569
Cash and cash equivalents at end of period	**$ 4,674,709**	**3,235,520**

See accompanying notes to consolidated financial statements.

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

Posiflex Technology, Inc. and Subsidiaries

Notes to the Consolidated Financial Statements

For the Nine Months Ended September 30, 2025 and 2024

**(Expressed in Thousands of New Taiwan Dollars,
except for per share information and unless otherwise specified)**

1. Company History

Posiflex Technology, Inc. (the "Company") was founded in New Taipei City, Republic of China (R.O.C.), on August 11, 1984. The registered address of the Company's office is 4-8F., No. 23, Datong St., Tucheng Dist., New Taipei City 236, Taiwan, R.O.C. The Company's ordinary shares were publicly listed on Taipei Exchange and Taiwan Stock Exchange Corporation on July 20, 2005 and November 26, 2012, respectively.

The Company and its subsidiaries (together referred to as the "Group") are engaged mainly in the manufacture and sale of industrial computers and peripheral equipment.

2. Approval Date and Procedures of the Financial Statements

The consolidated financial statements were authorized for issue by the Board of Directors on October 29, 2025.

3. New Standards, Amendments and Interpretations Adopted:

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

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

- Amendments to IAS21 "Lack of Exchangeability"

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

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

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

Posiflex Technology, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements

(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:

Standards or Interpretations	Content of amendment	Effective date per IASB
IFRS 18 "Presentation and Disclosure in Financial Statements"	The new standard introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information for users, and will affect all the entities. ● 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 September 25, 2025, the FSC announced in a press release that Taiwan will adopt IFRS 18 starting from the fiscal year 2028. Companies that wish to apply the standard earlier may do so upon obtaining approval from the FSC.

Posiflex Technology, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements

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

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

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

4. Summary of Material Accounting Policies

(1) Statement of compliance

The 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 guidelines of IAS 34 Interim Financial Reporting (hereinafter referred to as “IAS 34”) which are endorsed by the FSC, and do not include all of the information required by the Regulations and by the IFRS endorsed by the FSC for a complete set of the annual consolidated financial statements.

Except as described in the following paragraph, the Group’s material accounting policies are applied consistently for the consolidated financial statements for the year ended December 31, 2024. For related information, please refer to note 4 of the consolidated financial statements for the year ended December 31, 2024.

(2) Basis of consolidation

The principle of preparation of the consolidated financial statements is consistent with those of the consolidated financial statements for the year ended December 31, 2024. For related information, please refer to note 4(3) of the consolidated financial statements for the year ended December 31, 2024.

A. List of subsidiaries in the consolidated financial statements

The list of subsidiaries is included in the consolidated financial statements:

			Percentage of Ownership			
Name of Investor	**Name of Subsidiary**	**Business**	**September 30, 2025**	**December 31, 2024**	**September 30, 2024**	**Note**
The Company	Portwell Inc. (PORTWELL)	Manufacture and sale of industrial computers and peripheral equipment and information software services	55 %	55 %	55 %	
The Company	Posiflex Business Machines, Inc. (PBM)	Foreign trade	100 %	100 %	100 %	Note 2
The Company	Posiflex GmbH (PG)	Foreign trade	100 %	100 %	100 %	Note 1

(Continued)

Posiflex Technology, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements

			Percentage of Ownership			
Name of Investor	**Name of Subsidiary**	**Business**	**September 30, 2025**	**December 31, 2024**	**September 30, 2024**	**Note**
The Company	Posiflex International Co., Ltd. (PIC)	Foreign trade	100 %	100 %	100 %	Note 1
The Company	Posiflex Business Machines Sdn. Bhd. (PBMM)	Foreign trade	83.46 %	83.46 %	83.46 %	〃
The Company	Posiflex Technologies South Cone (PTSC)	Foreign trade	100 %	100 %	100 %	〃
The Company	Posiflex Technology (India) Pvt Ltd. (PTIL)	Foreign trade	51 %	51 %	51 %	〃
The Company	Posiflex Technology Pte. Ltd. (PTPL)	Foreign trade	100 %	100 %	100 %	〃
The Company	Posiflex Technology Japan (PJ)	Foreign trade	100 %	100 %	100 %	〃
The Company	KOMING Technology Inc. (KOMING)	Foreign trade and software services	100 %	100 %	100 %	〃
The Company	ONK Cloud Computing Technology Inc. (ONK Cloud)	Software services	99.90 %	99.90 %	99.90 %	〃
The Company	Penetek Technology Inc. (PENETEK)	Manufacture and sale of industrial computers and peripheral equipment	61.52 %	61.52 %	61.52 %	〃
The Company	KIOSK Integrated Solutions, Inc. (KIOSKTW)	Software services	100 %	100 %	100 %	Notes 1、3
PIC	Posiflex Business Machines (Beijing) Co., Ltd. (PBMB)	Foreign trade	100 %	100 %	100 %	Note 1
PTIL	Mustek Technologies Pvt Ltd. (Mustek)	Foreign trade	82 %	82 %	100 %	Notes 1, 4
PTIL	Quinta Systems Pvt Ltd. (QUINTA)	Foreign trade	70 %	70 %	70 %	Note 1
ONK Cloud	ONK Clouding International Ltd. (ONK International)	Investing	100 %	100 %	100 %	〃
ONK International	ONK Clouding Shanghai (ONK Shanghai)	Software services	100 %	100 %	100 %	〃
PBM	KIS Acquisition Corp. (KIA)	Investing	82 %	82 %	82 %	

(Continued)

Posiflex Technology, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements

Name of Investor	Name of Subsidiary	Business	Percentage of Ownership September 30, 2025	December 31, 2024	September 30, 2024	Note
PBM	Posiflex Business Machines, LLC (PBMLC)	Investing	100 %	- %	- %	Notes 1, 5
KIA	KIOSK Information Systems, Inc. (KIOSK)	Development, manufacture and sale of self-service equipment and software	100 %	100 %	100 %	
PORTWELL	American Portwell Technology, Inc. (APT)	Manufacture and sale of industrial computers and peripheral equipment	100 %	100 %	100 %	
PORTWELL	Portwell Japan, Inc. (PJI)	Manufacture and sale of industrial computers and peripheral equipment	99 %	99 %	99 %	Note 1
PORTWELL	Portwell Development Co., Ltd. (DEVELOPMENT)	Investing	100 %	100 %	100 %	〃
PORTWELL	European Portwell Technology B.V. (EPT)	Manufacture and sale of industrial computers and peripheral equipment	100 %	100 %	100 %	〃
PORTWELL	Portwell India Technology Private Limited (PIT)	Manufacture and sale of industrial computers and peripheral equipment	51 %	51 %	51 %	〃
PORTWELL	Portwell Korea, Inc. (PKI)	Manufacture and sale of industrial computers and peripheral equipment and information software service	100 %	100 %	100 %	〃
PORTWELL	GANLOT, Inc. (GANLOT)	Manufacture and sale of industrial computers and peripheral equipment	100 %	100 %	100.00 %	〃
PORTWELL	Holdwel Co., Ltd. (HOLDWEL)	Investing	100 %	100 %	100 %	Notes 1, 6
APT	KIS Acquisition Corp. (KIA)	Investing	18 %	18 %	18 %	
HOLDWEL	MEDWEL, Inc. (MEDWEL)	Manufacture and sale of industrial computers and peripheral equipment	100 %	100 %	100 %	Note 1
DEVELOPMENT	Portwell Holding Ltd. (HOLDING)	Investing	100 %	100 %	100 %	〃
EPT	Portwell (UK) Ltd. (PUK)	Manufacture and sale of industrial computers and peripheral equipment	100 %	100 %	100 %	〃
EPT	KIOSK Embedded Systems GmbH (KES)	Manufacture and sale of industrial computers and peripheral equipment	100 %	100 %	100 %	〃
EPT	Kiosk Embedded Systems Srl (KESI)	Manufacture and sale of industrial computers and peripheral equipment	100 %	100 %	100 %	〃

(Continued)

Posiflex Technology, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements

			Percentage of Ownership			
Name of Investor	**Name of Subsidiary**	**Business**	**September 30, 2025**	**December 31, 2024**	**September 30, 2024**	**Note**
HOLDING	Welink Technology Ltd. (WELINK)	Manufacture and sale of computers and peripheral equipment; design and sale of software; foreign trade	100 %	100 %	100 %	Note 1

Note 1: The financial statements of non-significant subsidiary have not been reviewed.

Note 2: In May 8, 2025, PBM resolved in its board meeting to conduct a cash capital increase at the amount of USD $25,000 thousand, which has been fully subscribed by the Group; of which $19,800 thousand (NTD $594,104 thousand) has been paid as of September 30, 2025.

Note 3: In March 2025, KIOSKTW increase its capital by cash, which were fully subscribed by the Group.

Note 4: Mustek Automation Pvt Ltd. was renamed as Mustek Technologies Pvt Ltd. in January 2024. Muskek increased its capital by cash which were not subscribed by Group, resulting in its shareholding ratio decrease from 100% to 82%. Please refer to note 6(5) for related information.

Note 5: In April 2025, the Group established a new subsidiary, PBMLC, for the purpose of purchasing a real estate property. As of September 30, 2025, the registration process has been completed, with the capital stock of USD$19,314 thousand (NTD $603,179 thousand)..

Note 6: In May 2024, the Group acquired 16.67% shares of HOLDWEL, resulting in its shareholding ratio to increase from 83.33% to 100%. Please refer to note 6(5) for related information.

B. List of subsidiaries which are not included in the consolidated financial statements: None.

(3) Employee benefits

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

(4) Income tax

Income tax expense in the financial statements is measured and disclosed according to paragraph B12 of IAS 34 endorsed by the FSC.

Income tax expense for the period are measured by multiplying together the pretax income for the interim reporting period and the management’s best estimate of effective annual tax rate. This is allocated to current and deferred taxes based on its proportionate size.

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

Posiflex Technology, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements

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

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

Except for the following, the preparation of the consolidated financial statements, as well as the major sources of accounting judgments, estimations and assumptions of uncertainty, are applied consistently with note 5 to the consolidated financial statements for the year ended December 31, 2024.

Judgment of whether the Group has substantive control over its investees

The Group holds 18.86% and 25% of the outstanding voting shares of its associates. Although the remaining shares of associates are not concentrated within specific shareholders, the Group still cannot obtain more than half of the total number of associates' directors, and it also cannot obtain more than half of the voting rights at a shareholders' meeting. Therefore, it is determined that the Group does not have substantive control over its associates.

6. Description of Significant Accounts

Except as described below, there were no material difference in the description of significant accounts mentioned in the consolidated financial statements for the year ended December 31, 2024. For other information about the description of significant accounts, please refer to note 6 of the consolidated financial statements for the year ended December 31, 2024.

(1) Cash and cash equivalents

	September 30, 2025	December 31, 2024	September 30, 2024
Cash on hand	$ 1,161	1,501	1,786
Cash in bank and checking deposits	4,045,347	3,205,786	2,825,372
Time deposits	628,201	606,039	408,362
	$ 4,674,709	**3,813,326**	**3,235,520**

Please refer to note 6(29) for the disclosure of currency risk of the financial assets and liabilities.

Posiflex Technology, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements

(2) Financial assets and liabilities

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

	September 30, 2025	December 31, 2024	September 30, 2024
Current:			
Domestic listed companies	$ 490	517	368
Domestic emerging market shares	62,902	68,052	76,190
Domestic unlisted shares	26,627	27,203	26,899
Foreign unlisted shares	17,288	23,490	24,910
	$ 107,307	**119,262**	**128,367**

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.

B. Financial assets measured at amortized cost

	September 30, 2025	December 31, 2024	September 30, 2024
Current:			
Cash in bank (restricted)	$ -	15,000	15,000
Time deposits (restricted)	1,741	76,532	108,642
Time deposits (more than three months)	1,200,000	2,000	2,000
	$ 1,201,741	**93,532**	**125,642**
Non-current:			
Time deposits (restricted)	**$ 458,724**	**493,674**	**476,583**

The Group has assessed that these financial assets are held to maturity to collect contractual cash flows, which consist solely of payments of principal and interest on principal amount outstanding. Therefore, these investments were classified as financial assets measured at amortized cost.

For credit risk, please refer to note 6(29).

The financial assets above had been pledged as collateral for bank borrowings; please refer to note 8.

Posiflex Technology, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements

C. Notes receivable and accounts receivable (including related parties):

	September 30, 2025	December 31, 2024	September 30, 2024
Notes receivable	$ 2,718	748	11,716
Accounts receivable	1,935,548	2,664,982	2,027,787
Accounts receivable－related parties	4,255	21,805	30,437
	1,942,521	2,687,535	2,069,940
Less: loss allowance	(61,352)	(62,719)	(75,889)
	$ 1,881,169	**2,624,816**	**1,994,051**

Please refer to notes 6(6) and 7 for more details on other receivable excluding from the receivables above.

The Group applies the simplified approach to provide for its loss allowance used for expected credit loss (ECL), which permits the use of lifetime expected loss provision for its receivables. To measure the ECL, receivables (including related parties) have been grouped based on the shared credit risk characteristics and the days past due, as well as the incorporated forward-looking information. The loss allowance provisions were determined as follows:

	September 30, 2025		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Current	$ 1,648,080	0.41%	6,683
1 to 60 days past due	209,146	2.26%	4,718
61 to 180 days past due	40,152	13.97%	5,608
More than 181 days past due	32,573	97.54%	31,773
	$ 1,929,951		**48,782**

	December 31, 2024		
	Gross carrying amount	Weighted-average loss rate	Expected loss allowance
Current	$ 1,948,124	0.46%	8,904
1 to 60 days past due	650,824	1.23%	8,038
61 to 180 days past due	24,814	27.89%	6,920
More than 181 days past due	50,786	50.94%	25,870
	$ 2,674,548		**49,732**

(Continued)

Posiflex Technology, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements

	September 30, 2024		
	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Current	$ 1,596,004	0.57%	9,075
1 to 60 days past due	333,223	1.29%	4,312
61 to 180 days past due	75,110	8.88%	6,672
More than 181 days past due	54,478	82.06%	44,705
	$ 2,058,815		**64,764**

Note: As of September 30, 2025, December 31 and September 30, 2024, the outstanding balance of the Group's receivables amounted to $12,570 thousand, $12,987 thousand and $11,125 thousand, respectively, all of which have been recognized as credit losses.

The movement in the allowance for doubtful accounts with respect to receivables was as follows:

	For the nine months ended September 30,	
	2025	2024
Beginning balance	$ 62,719	59,821
Impairment loss recognized	3,329	18,639
Amounts written off	(246)	(4,297)
Effect of exchange rate changes	(4,450)	1,726
Ending balance	**$ 61,352**	**75,889**

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

	September 30, 2025	December 31, 2024	September 30, 2024
Financial assets mandatorily measured at fair value through profit or loss－current:			
Non-hedge derivative financial instruments			
Forward exchange contracts	**$ -**	**-**	**968**
Financial liabilities mandatorily measured at fair value through profit or loss－current:			
Non-derivative financial instruments			
Forward exchange contracts	**$ 3,010**	**1,852**	**-**
Financial assets mandatorily measured at fair value through loss－non-current:			
Non-derivative financial assets			
Convertible promissory note	**$ 29,202**	**31,427**	**31,650**

For long-term investment strategies, the Group subscribed to the 2-year convertible promissory notes issued by Banyan Hills Technologies, Inc. for USD $1,000 thousand (NTD $31,320 thousand), wherein the Group has the right to convert them into preferred shares before maturity.

For the net gain or loss on fair value on financial instruments at FVTPL, please refer to note 6(28).

Derivatives:

The Group holds derivative financial instruments to hedge the foreign exchange rate risk the Group is exposed to, arising from its operating activities. The following derivatives instruments, without the application of hedge accounting, were classified as financial assets and liabilities mandatorily measured at fair value through profit or loss:

	September 30, 2025			
	Amount (thousand)		**Currency**	**Maturity Dates**
Forward exchange	USD	5,749	USD to NTD	2025.10.3~2026.1.9

	December 31, 2024			
	Amount (thousand)		**Currency**	**Maturity Dates**
Forward exchange	USD	2,500	USD to NTD	2025.1.10~2025.3.7

	September 30, 2024			
	Amount (thousand)		**Currency**	**Maturity Dates**
Forward exchange	USD	3,500	USD to NTD	2024.10.4~2024.12.6

(3) Inventories

	September 30, 2025	**December 31, 2024**	**September 30, 2024**
Raw materials	$ 869,934	1,302,411	1,418,823
Work-in-process and semi-finished products	298,157	513,301	629,116
Finished goods	1,262,309	1,093,350	1,146,872
	$ 2,430,400	**2,909,062**	**3,194,811**

Posiflex Technology, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements

The details of operating costs were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	**2024**	**2025**	**2024**
Cost of goods sold	$ 1,932,855	1,889,154	7,549,712	4,852,271
Inventory devaluation and obsolescence loss and inventory scrap loss	8,010	34,651	185,733	95,402
	$ 1,940,865	**1,923,805**	**7,735,445**	**4,947,673**

As of September 30, 2025, December 31 and September 30, 2024, the Group did not provide any inventories as collateral for its loans.

(4) Investments accounted for using equity method

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

	September 30, 2025	**December 31, 2024**	**September 30, 2024**
Associates	**$ 218,684**	**235,552**	**236,966**
Credit balance of investments accounted for using equity method-associate	**$ (720)**	**(275)**	**(51)**

A. Associates

In March 2024, the Group acquired 25% shares of Qugo Travel Technologies Private Limited, who mainly engages in the e-commerce platform for travel, for INR $1,250 thousand (approximately NTD $474 thousand), resulting in the Group to have significant influence over the company.

Aggregate information of associates accounted for using equity method that are not individually material to the Group was included in the consolidated financial statements as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	**2024**	**2025**	**2024**
Attributable to the Group:				
Net (loss) income	$ (4,490)	(3,907)	(13,475)	(9,298)
Other comprehensive income	1,635	(1,051)	(3,055)	1,293
Total comprehensive income (loss)	**$ (2,855)**	**(4,958)**	**(16,530)**	**(8,005)**

The investments above were accounted for using the equity method, and the shares of profit or loss, and other comprehensive income of those investments, were calculated based on the financial statements that have not been reviewed.

(Continued)

B. Collateral

As of September 30, 2025, December 31 and September 30, 2024, the Group did not provide any investment accounted for using equity method as collaterals for its loans.

(5) Changes in Company's ownership interest in a subsidiary

In May 2024, the Group acquired 16.67% shares of HOLDWEL for $138,921 thousand in cash, resulting in shareholding ratio to increase from 83.33% to 100%. The effects of the change in equity attributable to parent company were a decrease in capital surplus of $9,966 thousand and unappropriated retained earnings of $45,614 thousand, respectively.

In November 2024, Muskek increased its capital by cash which were not subscribed by Group, resulting in its shareholding ratio to decrease from 100% to 82%.The effect of the change in equity attributable to parent company was an increase in capital surplus of $2,712 thousand.

(6) Other financial assets

		September 30, 2025	**December 31, 2024**	**September 30, 2024**
Current				
Lease receivables (note 6(9))	$	280	1,492	1,615
Other receivables		35,775	24,238	45,866
Other		-	1,152	1,022
	$	**36,055**	**26,882**	**48,503**
Non-current:				
Lease receivables (note 6(9))	$	-	5	281
Guarantee deposits paid		28,519	23,221	22,961
	$	**28,519**	**23,226**	**23,242**

The guarantee deposits served as the lease guarantee; please refer to note 8.

(7) Material non-controlling interests of subsidiaries

As of September 30, 2025, December 31 and September 30, 2024, the Group has holding PORTWELL' s ownership by 55%. Please refer to note 6(7) to the 2024 annual consolidated financial statements for other related information.

Posiflex Technology, Inc. and Subsidiaries
Notes to the Consolidated Financial Statements

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

Details of other current and non-current assets were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Current:			
Current tax assets	$ 21,497	2,370	2,427
Prepayments	85,709	80,654	93,346
Other prepayments	51,926	52,162	59,242
Overpaid business tax and refunds receivable	44,447	33,991	41,226
Other	7,356	5,231	8,941
	$ 210,935	174,408	205,182
Non-current:			
Prepayments for deposits of equipment	$ 21,735	67,732	5,205
Other	815	815	814
	$ 22,550	68,547	6,019

(9) Property, plant and equipment

A. The carrying value of the property, plant and equipment of the Group's were as follows:

	Land	Buildings and structures	Machinery equipment	Other equipment	Total
Cost:					
Balance as of January 1, 2025	$ 622,017	3,588,286	608,044	775,818	5,594,165
Additions	124,923	487,025	21,229	53,084	686,261
Disposals and obsolescence	-	(328)	(55,359)	(14,745)	(70,432)
Reclassification	-	-	53,611	7,971	61,582
Effect of changes in exchange rate	(12,786)	(28,753)	(8,554)	(14,022)	(64,115)
Balance as of September 30, 2025	$ 734,154	4,046,230	618,971	808,106	6,207,461
Balance as of January 1, 2024	$ 618,575	3,575,134	599,203	713,960	5,506,872
Additions	-	358	34,336	66,862	101,556
Disposals and obsolescence	-	(1,418)	(24,968)	(38,123)	(64,509)
Reclassification	-	-	-	15,389	15,389
Effect of changes in exchange rate	6,641	10,347	3,439	7,408	27,835
Balance as of September 30, 2024	$ 625,216	3,584,421	612,010	765,496	5,587,143
Accumulated depreciation:					
Balance as of January 1, 2025	$ -	1,322,143	439,295	549,375	2,310,813
Depreciation for the period	-	71,259	26,126	47,896	145,281
Disposals and obsolescence	-	(328)	(55,359)	(14,581)	(70,268)
Effect of changes in exchange rate	-	(8,653)	(7,509)	(12,034)	(28,196)
Balance as of September 30, 2025	$ -	1,384,421	402,553	570,656	2,357,630

(Continued)

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	Land	Buildings and structures	Machinery equipment	Other equipment	Total
Balance as of January 1, 2024	$ -	1,221,955	438,985	539,415	2,200,355
Depreciation for the period	-	71,195	23,846	36,415	131,456
Disposals and obsolescence	-	(1,418)	(24,950)	(37,776)	(64,144)
Reclassification	-	-	-	355	355
Effect of changes in exchange rate	-	4,792	2,995	5,690	13,477
Balance as of September 30, 2024	**$ -**	**1,296,524**	**440,876**	**544,099**	**2,281,499**
Carrying value:					
Balance as of January 1, 2025	**$ 622,017**	**2,266,143**	**168,749**	**226,443**	**3,283,352**
Balance as of September 30, 2025	**$ 734,154**	**2,661,809**	**216,418**	**237,450**	**3,849,831**
Balance as of January 1, 2024	**$ 618,575**	**2,353,179**	**160,218**	**174,545**	**3,306,517**
Balance as of September 30, 2024	**$ 625,216**	**2,287,897**	**171,134**	**221,397**	**3,305,644**

B. Lease receivables

The Group leases out its machinery and equipment with an average lease period of 5 years.

The above machinery and equipment were pledged as collateral by the lessees.

As of September 30, 2025, December 31 and September 30, 2024, the balance of lease receivables please refer to note 6(6).

For credit risk information, please refer to note 6(29).

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

C. As of September 30, 2025, December 31 and September 30, 2024, the property, plant and equipment of the Group had been pledged as collateral for long-term borrowings, please refer to note 8.

(10) Right-of-use assets

The Group leases many assets including land, buildings and transportation equipment. The carrying amounts of the right-of-use assets of the Group were as below:

	Land	Buildings	Transportation equipment	Total
Carrying value:				
Balance as of January 1, 2025	**$ 147,444**	**142,325**	**4,193**	**293,962**
Balance as of September 30, 2025	**$ 142,565**	**91,122**	**13,279**	**246,966**
Balance as of January 1, 2024	**$ 83,635**	**176,932**	**9,527**	**270,094**
Balance as of September 30, 2024	**$ 149,071**	**154,193**	**5,839**	**309,103**

(11) Investment property

The carrying amounts of the investment property of the Group were as follows:

(Continued)

		Land	Buildings	Total
Carrying value:				
Balance as of January 1, 2025	$	**40,719**	**6,993**	**47,712**
Balance as of September 30, 2025	$	**40,719**	**6,856**	**47,575**
Balance as of January 1, 2024	$	**40,719**	**7,175**	**47,894**
Balance as of September 30, 2025	$	**40,719**	**7,039**	**47,758**

There were no signifiant addition and disposal of investment property for the nine months ended September 30, 2025 and 2024. Information on depreciation for the period was discussed in note 12. Please refer to note 6(11) of the 2024 annual consolidated financial statements for the other related information.

The fair value of the investment property was not significantly different from those disclosed in the note 6(11) of the annual consolidated financial statements for the year ended December 31, 2024.

(12) Operating lease

The Group leases out its investment property. The Group has classified these leases as operating leases because it does not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

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

		September 30, 2025	December 31, 2024	September 30, 2024
Less than one year	$	925	1,221	1,229
Two to five years		61	679	978
Total undiscounted lease payments	**$**	**986**	**1,900**	**2,207**

For the three and nine months ended September 30, 2025 and 2024, the rental income from investment properties amounted to $305 thousand, $305 thousand, $828 thousand and $828 thousand, respectively.

(13) Goodwill

There were no significant additions, disposal, or recognition and reversal of impairment losses of goodwill for the nine months ended September 30, 2025 and 2024. Please refer to note 6(13) of the 2024 annual consolidated financial statements for other related information.

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(14) Intangible assets

The carrying value of the intangible assets of the Group's were as follows:

	Customer relationships	Acquired specific technology	Trademarks	Computer software	Others	Total
Carrying value:						
Balance as of January 1, 2025	$ -	5	774,884	40,274	-	815,163
Balance as of September 30, 2025	$ -	-	728,232	34,899	-	763,131
Balance as of January 1, 2024	$ 33,039	14,585	733,076	43,910	12	824,622
Balance as of September 30, 2024	$ -	-	752,071	43,415	-	795,486

There were no significant additions, disposal, or recognition and reversal of impairment losses of intangible assets for the nine months ended September 30, 2025 and 2024. Information on amortization for the period was discussed in note 12. Please refer to note 6(14) of the 2024 annual consolidated financial statement for other related information.

(15) Short-term borrowings

	September 30, 2025	December 31, 2024	September 30, 2024
Unsecured bank loans	$ -	250,000	380,000
Secured bank loans	310,392	600,875	864,572
	$ 310,392	850,875	1,244,572
Range of interest rates	4.76%~8.5%	1.89%~8.5%	1.86%~8.5%

Please refer to note 6(29) for the disclosure of liquidity risk.

For the collateral for short-term borrowings, please refer to note 8.

(16) Other payables

The details of other payables of the Group were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Payables for salaries and bonus	$ 1,410,712	808,410	673,799
Accrued dividends on preference shares	-	153,935	115,452
Compensation payables to directors and employees	109,661	59,822	36,127
Payables for equipment	6,760	11,574	9,220
Others	226,109	221,438	187,620
	$ 1,753,242	1,255,179	1,022,218

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(17) Provisions

	September 30, 2025	December 31, 2024	September 30, 2024
Advertising	$ 43,937	59,557	53,483
Warranties	297,206	108,502	12,995
	$ 341,143	**168,059**	**66,478**

There were no significant changes in provisions for the nine months ended September 30, 2025 and 2024. For other related information, please refer to note 6(17) of the 2024 annual consolidated financial statements for other related information.

(18) Lease liabilities

The carrying amounts of lease liabilities were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Current	**$ 75,354**	**79,742**	**77,930**
Non-current	**$ 343,471**	**390,888**	**407,787**

The lease liabilities mentioned above contain the lease liabilities of the state-owned land leased by the subsidiary, PORTWELL, as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Current	$ 6,447	6,366	6,339
Non-current	291,715	296,560	298,162
	$ 298,162	**302,926**	**304,501**

For the maturity analysis, please refer to note 6(29).

The amounts recognized in profit or loss were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	**2024**	**2025**	**2024**
Interests on lease liabilities	**$ 2,988**	**3,517**	**9,739**	**11,560**
Expenses relating to short-term leases	**$ 328**	**838**	**2,096**	**2,681**
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	**$ 738**	**414**	**1,661**	**1,060**

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

	For the nine months ended September 30,	
	2025	**2024**
Total cash outflow for leases	$ 74,209	72,771

A. Real estate leases

The Group leases land (the state-owned land) and buildings for its plants and office spaces. The leases of land typically run for a period of 20 years, and the plants and office spaces for 1 to 10 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.

Also, some leases of land and office spaces contain extension options exercisable. These leases are negotiated and monitored by the 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, in which the lessee is not reasonably certain to use an optional extended lease term. Payments associated with the optional period are not included within lease liabilities.

B. Other leases

The Group leases transportation equipment, with lease terms of 2 to 7 years. The Group does not have the options to purchase the assets at the end of the contract term. In addition, the Group is prohibited from sub-leasing or transferring the entire or portion of the assets without the lessor's consent.

Furthermore, the Group has elected not to recognize the right-of-use assets and lease liabilities for its printers, which qualify as short-term leases and low-value asset leases.

(19) Long-term borrowings

The details, conditions and terms of the long-term borrowings of the Group were as follows:

	September 30, 2025			
	Currency	**Range of interest rates**	**Maturity dates**	**Amounts**
Secured bank loans				
Bank loans	USD	6.6%	September 2030	$ 12,411
Bank loans	JPY	1.9%	December 2035	57,004
				69,415
Less: Current portion				(7,771)
Total				$ 61,644

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	December 31, 2024				
	Currency	Range of interest rates	Maturity dates		Amounts
Secured bank loans					
Bank loans	USD	9.49%	September 2029	$	9,819
Bank loans	JPY	1.65%	December 2035		62,340
					72,159
Less: Current portion					(9,305)
Total				**$**	**62,854**

	September 30, 2024				
	Currency	Range of interest rates	Maturity dates		Amounts
Secured bank loans					
Bank loans	JPY	1.65%	December 2035	$	67,524
Less: Current portion					(6,002)
Total				**$**	**61,522**

For the collateral for bank loans, please refer to note 8.

(20) Preference share liabilities

The details of the preference share liabilities of the Group were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
A preference stock	**$ -**	**4,595,089**	**4,595,089**

There were no significant issues, repurchases and repayments of preference share liabilities for the nine month ended September 30, 2024. Information on interest expense for the period is discussed in note 6(28). Please refer to note 6(20) of the 2024 annual consolidated financial statements for other related information.

On July 30,2025 , the Company's special shareholders' meeting resolved to amend the Articles of Incorporation in order to support the ongoing transformation of the Company's Group sustainability development and to strengthen the equity features of the Class A preferred shares. The amendment eliminates both the cash mandatory redemption rights of Class A preferred shareholders and the cumulative preferred dividend rights in the event of partial or non-distribution of dividends. As a result of this amendment, the Class A preferred shares previously classified as liabilities will be reclassified under equity to reflect the adjustment in their equity nature. Interest expense for the nine month ended September 30,2025, please refer note 6(28).

According to the declaration from the preference shareholder, Embedded City, recieved by the Company on August 2024, the Company should not breach the preference share subscription agreement. Otherwise, Embedded City will send a written notice to the Company requiring the Company to redeem its entire uncoverted preference shares, held in part or in whole, by cash before July 2026.

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According to the declaration from the preference shareholder, Embedded City, received by the Company on August 2023, the Company should not breach the preference share subscription agreement. Otherwise, Embedded City will send a written notice to the Company requiring the Company to redeem its entire unconverted preference shares, held in part or in whole, by cash before July 2025.

The Company received a declaration from the preference shareholder, Embedded City, on May 2024, wherein Embedded City should receive the preference dividends for 2024 according to the preference share subscription agreement and participate in dividend distribution declared in 2025 on ordinary shares such that Embedded City agrees on the dividend distribution for 2025 that belongs to net income in 2024, if the total amount of the preference shares (including the preference dividends and further participation in dividend distributions) reaches the adjusted net profit multiplied by the ownership proportion of preference shares of 70%, the excess of the Embedded City agrees not to continue to participate in the distribution.

The Company received a declaration from the preference shareholder, Embedded City, on May 9, 2023, wherein Embedded City should receive the preference dividends for 2023 according to the preference share subscription agreement and participate in dividend distribution declared in 2024 on ordinary shares such that Embedded City agrees on the dividend distribution for 2024 that belongs to net income in 2023, if the total amount of the preference shares (including the preference dividends and further participation in dividend distributions) reaches the adjusted net profit multiplied by the ownership proportion of preference shares of 70%, the excess of the Embedded City agrees not to continue to participate in the distribution.

(21) Employee benefits

Since there were no significant market fluctuations, curtailments, settlements, and no other significant one off event from the previous fiscal year, the pension costs in the financial statements were measured and disclosed based on the actuarial results determined on December 31, 2024 and 2023.

For information related to the Group's pension costs, please refer to note 12(1).

(22) Income tax

A. Income tax expenses:

The amounts of income tax expenses were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	**2024**	**2025**	**2024**
Current income tax expense	190,463	182,078	927,747	369,762
Adjustment for prior period	3	1,183	1,191	(4,636)
	$ 190,466	**183,261**	928,938	365,126

The amount of income tax expense (income) recognized in other comprehensive income were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	**2024**	**2025**	**2024**
Exchange differences on translation of foreign financial statements	$ 49,622	(22,511)	(83,555)	34,186

B. The Company's tax returns have been examined by the tax authorities through 2023.

(23) Capital and other equity

Except as described in the following paragraph, there were no significant changes in the Group's capital and other equity interest for the nine months ended September 30, 2025 and 2024. For related information on the shareholders' equity, please refer to note 6(23) of the 2024 annual consolidated financial statements.

A. Issuance of Common and Preferred Shares

The Group received the amount of $9,783 thousand as subscription to the 117 thousand capital stocks executed by its employees for the nine month ended September 30, 2025, of which the amounts of $1,170 thousand, $270 thousand and $8,613 thousand were recognized as share capital, advance receipts for share capital and increase in capital surplus, respectively. As of September 30, 2025, the related registration procedures of the 90 thousand capital stocks have been completed, while the remaining 27 thousand capital stocks are being processed. In addition, the share capital of $570 thousand capital stocks which have been advance received in beginning period have completed the related registration procedure.

The Group received the amount of $49,464 thousand as subscription to the 575 thousand capital stocks executed by its employees for the nine month ended September 30, 2024, of which the amounts of $1,610 thousand, $4,140 thousand and $43,714 thousand were recognized as share capital, advance receipts for share capital and increase in capital surplus, respectively. As of September 30, 2024, the related registration procedures of the 161 thousand capital stocks have been completed, while the remaining 414 thousand capital stocks are being processed.

A resolution was approved during the Company's special shareholders' meeting held on July 30, 2025 for the amendment to the Articles of Incorporation, resulting in the increase of NT$311,531 thousand and NT$4,283,558 thousand in the preferred share capital and capital surplus, respectively. For related information, please refer to Note 6(20).

B. Capital surplus

	September 30, 2025	December 31, 2024	September 30, 2024
Paid-in capital in excess of par value	$ 483,999	471,624	458,265
Preferred share premium	2,220,225	-	-
Paid-in capital in excess of the par value derived from corporate bond conversion	186,826	186,826	186,826
Share options－bonds payable	87,533	87,533	87,533
Employee share options	41,259	28,825	26,895
Conversion right－preference share	2,098,524	35,191	35,191
Changes in equity of investments accounted for using equity method	26,555	26,555	23,843
Others	1,913	913	913
	$ 5,146,834	837,467	819,466

C. Retained earnings

The following are the appropriation of earnings in 2024 and 2023 which were approved during the shareholders' meeting held on June 11, 2025 and June 11, 2024, respectively:

	2024		2023	
	Amount per share (NTD)	Total amount	Amount per share (NTD)	Total amount
Dividends distributed to ordinary shareholders:				
Cash	$ 7.77	593,043	4.70	355,300
Dividends distributed to preference shareholders:				
Cash	$ 2.83	88,280		-

The preference share dividends of A shares for 2024 and 2023, each amounting to $153,935 thousand, were calculated based on an annual interest rate of 3.35%.

(24) Share-based payment

Share-based payment for the nine months ended September 30, 2025 and 2024. For related information on the share-based payment, please refer to note 6(24) of the consolidated financial statements for the year ended December 31, 2024.

The amount of compensation costs generated from share-based payment were as follow:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Compensation cost	$ 5,440	5,690	16,305	8,940

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(25) Earnings per share

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	**2024**	**2025**	**2024**
Basic earnings per share:				
Net income attributable to the Company	$ 461,107	294,668	1,702,584	646,078
Net income attributable to preference shareholders	(188,127)	(28,743)	(493,104)	(39,283)
Net income attributable to ordinary shareholders of the Company	**$ 272,980**	**265,925**	**1,209,480**	**606,795**
Weighted-average number of ordinary shares (in thousands)	**76,397**	**75,841**	**76,362**	**75,680**
Basic earnings per share	**$ 3.57**	**3.51**	**15.84**	**8.02**

	For the three months ended September 30,		For the nine months ended September 30	
	2025	**2024**	**2025**	**2024**
Diluted earnings per share:				
Net income attributable to ordinary shareholders of the Company (basic)	$ 272,980	265,925	1,209,480	606,795
Interest expense on convertible preference shares	-	38,484	-	115,452
Net income attributable to ordinary shareholders of the Company (diluted)	**$ 272,980**	**304,409**	**1,209,480**	**722,247**
Weighted-average number of ordinary shares (in thousands) (basic)	76,397	75,841	76,362	75,680
Employee remuneration	316	138	352	157
Employee share options	926	960	1,028	546
Convertible preference shares	-	31,153	-	31,153
Weighted-average number of ordinary shares (in thousands) (diluted)	**77,639**	**108,092**	**77,742**	**107,536**
Diluted earnings per share	**$ 3.52**	**2.82**	**15.56**	**6.72**

(Continued)

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(26) Revenue from contracts with customers

A. Disaggregation of revenue

	For the three months ended September 30, 2025			
	Domestic	**U.S.A.**	**Others**	**Total**
Revenue from sale of goods	$ 585,022	2,396,459	464,345	3,445,826
Revenue from warranty and managed services	1,367	52,447	-	53,814
	$ 586,389	**2,448,906**	**464,345**	**3,499,640**

	For the three months ended September 30, 2024			
	Domestic	**U.S.A.**	**Others**	**Total**
Revenue from sale of goods	$ 699,830	2,345,065	478,673	3,523,568
Revenue from warranty and managed services	1,567	72,090	-	73,657
	$ 701,397	**2,417,155**	**478,673**	**3,597,225**

	For the Nine Months Ended September 30, 2025			
	Domestic	**U.S.A.**	**Others**	**Total**
Revenue from sale of goods	$ 1,810,764	11,879,976	1,391,655	15,082,395
Revenue from warranty and managed services	4,849	165,078	-	169,927
	$ 1,815,613	**12,045,054**	**1,391,655**	**15,252,322**

	For the Nine Months Ended September 30, 2024			
	Domestic	**U.S.A.**	**Others**	**Total**
Revenue from sale of goods	$ 1,795,994	5,623,152	1,376,536	8,795,682
Revenue from warranty and managed services	6,105	199,253	-	205,358
	$ 1,802,099	**5,822,405**	**1,376,536**	**9,001,040**

B. Contract liabilities

	September 30, 2025	**December 31, 2024**	**September 30, 2024**
Contract liabilities－current			
Sale of goods	$ 163,709	199,728	259,012
Warranty and managed services	92,729	102,429	97,972
	256,438	302,157	356,984
Contract liabilities－non-current			
Warranty and managed services	65,169	87,600	98,001
	$ 321,607	**389,757**	**454,985**

(Continued)

For details on notes and accounts receivable, and loss allowance, please refer to note 6(2).

The amounts of revenue recognized for the years ended September 30, 2025 and 2024 that were included in the contract liability balance at the beginning of the period were $169,772 thousand and $207,919 thousand, respectively.

(27) Remuneration to employees and directors

On June 11, 2025, the Company resolved at the shareholders’ meeting to amend its Articles of Incorporation. According to the amended Articles, it the company has profit in a given fiscal year, the profit shall be used to offset against any accumulated losses incurred by the Company. The remainder, if any, 2%~10% shall be allocated as employee remuneration (including a minimum of 40% to those base-level employees) , and no more than 4% to its directors as remuneration.The recipients of the aforementioned employee remuneration, whether in the form of shares or cash, may include employees of the subsidiaries who meet certain specific requirements. Directors’ remuneration shall be paid in cash only. Prior to the amendment, the Articles of Incorporation stipulated that, if the Company has profit in a given fiscal year, the profit shall be used to offset against any accumulated losses incurred by the Company. The remainder, if any, 2%~10% should be allocated as employee remuneration and no more than 4% as remunerations for directors.

The remunerations to employees amounted to $19,872 thousand, $21,076 thousand, $72,273 thousand and $28,901 thousand, as well as the remunerations to directors amounted to $6,210 thousand, $3,313 thousand, $22,585 thousand and $7,226 thousand for the three and nine months ended September 30, 2025 and 2024, respectively. These amounts were calculated using the Group’s net income before tax without the remunerations to employees and directors for each period, multiplied by the percentage which is stated under the Group’ s Article of Incorporation. These remunerations were expensed under operating costs or expenses for each period. If there are any subsequent adjustments to the actual remuneration amounts approved by the Board of Directors, the adjustment will be regarded as changes in accounting estimates and will be reflected in profit or loss in the following year. Shares distributed to employees as employees remuneration are calculated based on the closing price of the Company’s shares on the day before the approval by the Board of Directors.

For the years ended December 31, 2024 and 2023, the remunerations to employees both amounted to $45,579 thousand and $10,197 thousand, and the remunerations to directors amounted to $14,243 thousand and $5,099 thousand, respectively. The remunerations for the year 2024 and 2023 were both settled in cash. There were no differences between the estimated amounts and the actual amounts of remuneration. The information is available on the Market Observation Post System website.

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(28) Non-operating income and expenses

A. Interest income

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Interest income from bank deposits	$ 28,317	19,198	72,054	62,332
Interest income on lease receivable	2	16	17	57
Other interest income	10	4	20	13
	$ 28,329	**19,218**	**72,091**	**62,402**

B. Other income

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Rental income	$ 5,864	5,537	17,568	16,613
Dividend income	976	-	982	8
	$ 6,840	**5,537**	**18,550**	**16,621**

C. Other gains and losses

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Gains on disposal of property, plant and equipment	$ -	1,540	1,336	2,130
Foreign exchange gains (losses), net	44,574	5,431	(99,788)	62,463
Net gains (losses) on financial assets and liabilities at FVTPL	(14,594)	1,397	(9,729)	(3,645)
Other	75	5,877	10,932	13,236
	$ 30,055	**14,245**	**(97,249)**	**74,184**

(Continued)

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D. Finance costs

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Interest expenses on preference share liabilities	$ (76,968)	38,484	-	115,452
Interest expenses on bank loans	9,604	8,565	21,554	22,585
Interest expenses on lease liabilities	2,988	3,517	9,739	11,560
	$ (64,376)	50,566	$ 31,293	149,597

On July 30, 2025, the Company resolved at an extraordinary shareholders' meeting to amend its Articles of Incorporation, eliminating the cumulative preferential distribution right of Class A preferred shares in the event of insufficient or no dividend distribution. In response to this amendment, the previously recognized interest expense on Class A preferred shares liabilities has been reversed, resulting in a credit balance in finance costs for the three month ended September 30,2025.

(29) Financial Instruments

Except as described in the following paragraph, there were no significant changes in the Group's fair value of financial instruments exposed to credit risk and market risk. For related information about the fair value on financial instruments, please refer to note 6(29) of the 2024 annual consolidated financial statements.

A. Credit risk

(a) Credit risk exposure

The carrying amount of financial assets represents the maximum amount exposed to credit risk.

(b) Concentration of credit risk

The Group mainly transacts with entities with good credit ratings, domestic and foreign. Aside from granting credit facilities to customers according to procedures for granting credits, the Group also continues to obtain understanding of the credit status of its customers. As of September 30, 2025, December 31 and September 30, 2024, The amounts of Customers account for more than 10% of the Group's accounts receivable were $437,933 thousand, $1,359,523 thousand and $626,746 thousand, respectively, resulting in the Group's accounts receivable were concentrated, but have evaluated the possibility of collecting accounts receivable periodically and recognize loss allowances properly, the authority expect the situation will not lead to significant loss in the future.

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(c) Receivables and debt securities

For credit risk exposure on receivables, please refer to note 6(2). No loss allowances were recognized under other financial assets at amortized cost, including other receivables and other financial assets.

All of these financial assets are considered to have low risk, and thus, the impairment provision recognized during the period was limited to 24 months expected credit losses.

B. Liquidity risk

The following are the contractual maturities of financial liabilities, including estimated interest payments but excluding the impact of netting agreements, except for notes and accounts payable (including related parties) and other payables that are financial liabilities with contractual maturities within one year:

	Carrying amount	Contractual cash flows	Within 1 year	1~5 years	Over 5 years
September 30, 2025					
Non-derivative financial liabilities					
Short-term borrowings	$ 310,392	327,659	327,659	-	-
Lease liabilities	418,825	494,099	85,326	105,106	303,667
Long-term borrowings (including current portion)	69,415	77,686	9,673	37,381	30,632
Guarantee deposits received	132,635	132,635	1,197	130,253	1,185
	$ 931,267	**1,032,079**	**423,855**	**272,740**	**335,484**
December 31, 2024					
Non-derivative financial liabilities					
Short-term borrowings	$ 850,875	859,815	859,815	-	-
Lease liabilities (including current portion)	470,630	555,282	91,306	150,529	313,447
Long-term borrowings (including current portion)	72,159	78,078	16,768	25,647	35,663
Preference share liabilities	4,595,089	4,595,089	-	4,595,089	-
Guarantee deposits received	142,277	142,277	168	140,924	1,185
	$ 6,131,030	**6,230,541**	**968,057**	**4,912,189**	**350,295**

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	Carrying amount	Contractual cash flows	Within 1 year	1~5 years	Over 5 years
September 30, 2024					
Non-derivative financial liabilities					
Short-term borrowings	$ 1,244,572	1,256,969	1,256,969	-	-
Lease liabilities	485,717	562,931	84,926	161,297	316,708
Long-term borrowings (including current portion)	67,524	73,748	7,063	27,262	39,423
Preference share liabilities	4,595,089	4,595,089	-	4,595,089	-
Guarantee deposits received	137,378	137,378	-	136,193	1,185
	$ 6,530,280	**6,626,115**	**1,348,958**	**4,919,841**	**357,316**

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

C. Currency risk

(a) Exposure to currency risk

The Group' s financial assets and liabilities exposed to exchange rate risk were as follows:

	September 30, 2025		
	Foreign currency	**Exchange rate**	**NTD**
Financial assets			
Monetary items			
USD	$ 48,133	30.464	1,466,325
CNY	6,511	4.277	27,851
Investments accounted for using equity method			
USD	1,660	30.464	50,585
Financial liabilities			
Monetary items			
USD	24,303	30.464	740,404
CNY	7	4.277	30

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	December 31, 2024		
	Foreign currency	Exchange rate	NTD
Financial assets			
Monetary items			
USD	$ 49,318	32.785	1,616,885
CNY	7,494	4.478	33,557
Investments accounted for using equity method			
USD	1,709	32.785	56,017
Financial liabilities			
Monetary items			
USD	27,851	32.785	913,097
CNY	775	4.478	3,471

	September 30, 2024		
	Foreign currency	Exchange rate	NTD
Financial assets			
Monetary items			
USD	$ 51,152	31.650	1,618,965
CNY	7,524	4.523	34,031
Investments accounted for using equity method			
USD	1,694	31.650	53,625
Financial liabilities			
Monetary items			
USD	27,429	31.650	868,142
CNY	960	4.523	4,342

(b) Sensitivity analysis

The Group's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, receivables, short-term borrowings, notes and accounts payable (including related parties), and other payables that are denominated in foreign currency. Assuming all other variable factors remain constant, a strengthening (weakening) of 5% of the NTD against the USD and CNY, as of September 30, 2025 and 2024, would have decreased (increased) the comprehensive income $30,150 thousand and $31,220 thousand for the nine months ended September 30, 2025 and 2024, respectively.

(Continued)

(c) Foreign exchange gains or losses on monetary items

Due to the variety of the functional currencies of the Group's entities, the Group's foreign (losses) gains on monetary items amounted to $44,574 thousand, $5,431 thousand, $(99,788) thousand and $62,463 thousand for the three and nine months ended September 30, 2025 and 2024, respectively.

D. Interest rate risk

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 the interest rate risk of non-derivative financial instruments 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 1%, the Group's net income would have decreased or increased by $2,279 thousand and $7,873 thousand for the nine month ended September 30, 2025 and 2024, respectively, with all other variable factors remaining constant.

E. Fair value of financial instruments

(a) Categories of financial instruments and fair value

The fair value of financial assets at FVTPL and FVOCI is measured on a recurring basis. The Group's carrying amount and the fair value of financial assets (including information for fair value hierarchy, but excluding financial instruments whose fair values approximate the carrying amounts, and lease liabilities), were as follows:

	September 30, 2025				
	Carrying	Fair value			
	amount	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL					
Foreign convertible promissory note	$ **29,202**	**-**	**-**	**29,202**	**29,202**
Financial liabilities at FVTPL					
Forward foreign exchange contract	$ **3,010**	**-**	**3,010**	**-**	**3,010**
Financial assets at FVOCI					
Domestic listed stocks	$ 490	490	-	-	490
Domestic emerging market shares	62,902	-	15,298	47,604	62,902
Domestic unlisted stocks	26,627	-	-	26,627	26,627
Foreign unlisted stocks	17,288	-	-	17,288	17,288
	$ **107,307**	**490**	**15,298**	**91,519**	**107,307**

	December 31, 2024				
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets at FVTPL					
Foreign convertible promissory note	$ 31,427	-	-	31,427	31,427
Financial liabilities at FVTPL					
Forward foreign exchange contract	$ 1,852	-	1,852	-	1,852
Financial assets at FVOCI					
Domestic listed stocks	$ 517	517	-	-	517
Domestic emerging market shares	68,052	-	20,448	47,604	68,052
Domestic unlisted stocks	27,203	-	-	27,203	27,203
Foreign unlisted stocks	23,490	-	-	23,490	23,490
	$ 119,262	517	20,448	98,297	119,262

	September 30, 2024				
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets at FVTPL					
Forward foreign exchange contract	$ 968	-	968	-	968
Foreign convertible promissory note	31,650	-	-	31,650	31,650
	$ 32,618	-	968	31,650	32,618
Financial assets at FVOCI					
Domestic listed stocks	$ 368	368	-	-	368
Domestic emerging market shares	76,190	-	20,868	55,322	76,190
Domestic unlisted stocks	26,899	-	-	26,899	26,899
Foreign unlisted stocks	24,910	-	-	24,910	24,910
	$ 128,367	368	20,868	107,131	128,367

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

The Group estimates its financial instruments not measured at fair value using the following methods and assumptions:

Fair value measurement for financial assets and liabilities measured at amortized cost will be based on the latest quoted price and agreed upon price if these prices are available in active markets. When market value is unavailable, the fair value of financial assets and liabilities is evaluated based on the discounted cash flow of the financial assets and liabilities.

(Continued)

(c) Valuation techniques for financial instruments that are measured at fair value

A. Non-derivative

The Group held its domestic listed stocks and domestic emerging market shares, which are measured at fair value, according to standard provisions and conditions, with the fair value being measured using the quoted prices in an active market.

Except for the above financial instruments with an active market, the Group estimated the fair value of the remaining financial instruments by using the valuation techniques. The valuation technique is used to arrive at their fair value, for which the market transaction prices of the similar companies and market conditions are considered Including calculation by using gettable market information at the report date.

B. Derivative

The fair value is measured using the public quotation. When a public quotation cannot be obtained, the fair value will be based on third-party pricing information. Forward foreign exchange contracts are usually valued based on the current forward exchange rate.

(d) Transfer between level 1 and level 2: None.

(e) Reconciliation of level 3 fair values:

	Financial assets at FVTPL-convertible promissory note	Financial assets at FVOCI-equity investments without at active market
Balance as of January 1, 2025	$ 31,427	98,297
Total gains and losses		
Recognized in income	(2,225)	-
Recognized in other comprehensive income	-	(6,778)
Balance as of September 30, 2025	**$ 29,202**	**91,519**

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		Financial assets at FVTPL-convertible promissory note	Financial assets at FVOCI-equity investments without at active market
Balance as of January 1, 2024	$	-	108,611
Purchase		31,320	-
Total gains and losses			
Recognized in income		330	-
Recognized in other comprehensive income		-	(1,480)
Balance as of September 30, 2024	$	**31,650**	**107,131**

The total gains and losses that were included in "other gains and losses" and "unrealized gains and losses on financial assets at fair value through other comprehensive income" mentioned above.

(f) Quantified information on significant unobservable inputs (Level 3) used in fair value measurement

The Group's financial instruments that use Level 3 inputs to measure their fair value include financial assets at FVTPL – convertible promissory note and financial assets at FVOCI – equity investments.

The Group classified its equity investments without an active market as recurring level 3 fair values in the fair value hierarchy due to the use of significant unobservable inputs. The significant unobservable inputs of the equity investments without an active market are independent, therefore, there is no correlation between them.

For the related information about Quantified imformation on significant inputs (level 3) used in fair value measurement, please refer to note 6(29) of the consolidated financial statements for the year ended December 31, 2024.

(30) Financial risk management

There were no significant changes in the Group's objectives and policies applied in the financial risk management from those in the consolidated financial statement for the year ended December 31, 2024. For related information about the financial risk management, please refer to note 6(30) of the consolidated financial statements for the year ended December 31, 2024.

(31) Capital management

The Group' s objectives, policies and processes for capital management were consistent with those of consolidated financial statements for the year ended December 31, 2024. There were no significant changes in quantified factors of capital management from those in the consolidated financial statement for the year ended December 31, 2024. For related information about the capital management, please refer to note 6(31) of the consolidated financial statements for the year ended December 31, 2024.

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(32) Financing activities of non-cash transactions

Reconciliation of liabilities arising from financing activities was as follows:

	January 1, 2025	Cash flow	Non-cash changes: Foreign exchange movement	Non-cash changes: Other changes	September 30, 2025
Short-term borrowings	$ 850,875	(517,057)	(23,426)	-	310,392
Lease liabilities (including current portion)	470,630	(60,712)	(9,616)	18,523	418,825
Guarantee deposits received	142,277	174	(9,816)	-	132,635
Long-term borrowings (including current portion)	72,159	(898)	(1,846)	-	69,415
	$ 1,535,941	(578,493)	(44,704)	18,523	931,267

	January 1, 2024	Cash flow	Non-cash changes: Foreign exchange movement	Non-cash changes: Other changes	September 30, 2024
Short-term borrowings	$ 959,809	281,296	3,467	-	1,244,572
Lease liabilities (including current portion)	446,922	(57,470)	6,452	89,813	485,717
Guarantee deposits received	135,162	(1,940)	4,156	-	137,378
Long-term borrowings (including current portion)	92,092	(25,505)	937	-	67,524
	$ 1,633,985	196,381	15,012	89,813	1,935,191

7. Related-party Transactions

(1) Parent company and ultimated controlling company

In addition to holding 29% of the Company’s major shareholders in July 2025, granting Acer Inc. the ability to exercise voting rights representing a majority of the shareholders attending the general meeting, Acer Inc. has also obtained control over the Company, including the authority to direct its relevant activities and make decisions regarding its day-to-day operations, resulting in the Company to become one of its subsidiaries thereafter.

(2) Names and relationship with related parties

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

Name of related parties	Relationship with the Group
Acer Inc. (Acer) (Note 1)	Parent Company
MiTwell, Inc. (MiTwell) (Note 2)	Associate
LePOS Limited (Note 3)	Associate
Qugo Travel Technologies Private Limited (QUGO)	Associate

(Continued)

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Name of related parties	Relationship with the Group
WELINK SOLUTIONS Inc. (WELINK)	Subsidiary of associate
Esquarre Capital Taiwan Branch (Esquarre)	Substantive related party
Weblink International Inc. (Note 4)	Other related parties
Acer Synergy Manpower Corp. (Note 4)	Other related parties
ACER E-ENABLING SERVICE BUSINESS INC. (Note 4)	Other related parties
Apacer Technology Inc. (Note 5)	Other related parties
All directors, general manager, and deputy general managers	Key management personnel of the Group

(Note 1) Acer Inc. obtained control over the Company on July 1, 2025 and has become the parent company of the Group thereafter.
(Note 2) MiTwell renamed its Chinese name in May 2024.
(Note 3) LPK Limited rename as LePOS Limited in October 2024.
(Note 4) The Company is a subsidiary of Acer Inc, who indirectly acquired the entire equity interests of Embedded City Taiwan Limited, a major shareholder of the Company, on April 30, 2025. As a result, Acer Inc. obtained a significant influence over the Group, with Embedded City Taiwan Limited become one of its related party.
(Note 5) The Company is an associate of Acer Inc. and has become a related party of the Group since July 1, 2025.

(3) Significant related-party transactions

A. Operating revenue

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	**2024**	**2025**	**2024**
Associates and their Subsidiaries	$ 5,213	30,896	22,117	78,420

The selling prices for sales to related parties were determined by the products' fair market value, and the collection terms were mainly 30-90 days, which were similar to those offered to third party customers.

The Group's receivables due from related parties as a result of transactions mentioned above were as follows:

	September 30, 2025	**December 31, 2024**	**September 30, 2024**
Associates and their Subsidiaries	$ 4,255	21,805	30,437

(Continued)

B. Purchases

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	**2024**	**2025**	**2024**
Parent company	$ 697	-	697	-
Associates and their Subsidiaries	49,484	72,895	208,625	164,009
Other related parties	4,591	-	4,607	-
	$ 54,772	**72,895**	**213,929**	**164,009**

The terms and pricing of purchase transactions with related parties were not significantly different from those with third party vendors.

The Group's payables to related parties as a result of transactions mentioned above were as follows:

	September 30, 2025	**December 31, 2024**	**September 30, 2024**
Parent company	$ 60	-	-
Associates and their Subsidiaries	22,491	17,621	27,082
Other related parties	1,480	-	-
	$ 24,031	**17,621**	**27,082**

C. Property transactions

(a) Disposals of property, plant and equipment

The disposals of property, plant and equipment (investment property) to related parties are summarized as follows:

	For the three months ended September 30,			
	2025		**2024**	
	Disposal price	**Gain from disposal**	**Disposal price**	**Gain from disposal**
Key management personnel of the Group	**$ -**	**-**	**-**	**-**

	For the nine months ended September 30,			
	2025		**2024**	
	Disposal price	**Gain from disposal**	**Disposal price**	**Gain from disposal**
Key management personnel of the Group	**$ 333**	**170**	**-**	**-**

(Continued)

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D. Other transactions

(a) The amounts paid by the Group to its related parties for administrative and other expenses were as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Parent company	$ 2,097	-	2,097	-
Substantive related party	1,500	1,500	4,500	4,500
Associates and their Subsidiaries	328	877	4,535	3,063
Other related parties	3,415	-	7,045	-
	$ 7,340	**2,377**	**18,177**	**7,563**

The Group's payables as a result of transactions mentioned above were as follow:

	September 30, 2025	December 31, 2024	September 30, 2024
Associates and their Subsidiaries	$ 81	233	380
Other related parties	1,432	-	-
	$ 1,513	**233**	**380**

Accounts payable of Subsidiary of associate mentioned above including collection and payment on behalf.

(b) The Group signed lease contracts with its related parties, with lease terms based on their mutual agreements, and the related rental revenue was as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Associates and their Subsidiaries	**$ 1,498**	**1,046**	**4,518**	**3,045**

As of September 30, 2025, December 31 and September 30, 2024, the Group received the rental guaranteed deposits of $528 thousand, $528 thousand and $369 thousand, respectively.

(c) The Group's receivables as a result of transactions mentioned above were as follows:

	September 30, 2025	December 31, 2024	September 30, 2024
Associates and their Subsidiaries	**$ 3,332**	**2,906**	**1,473**

(4) Transactions with key management personnel

Key management personnel compensation comprised the following:

	For the three months ended September 30,		For the nine months ended September 30,	
	2025	**2024**	**2025**	**2024**
Short-term employee benefits	$ 87,342	67,443	261,780	179,579
Post-employment benefits	935	955	3,816	3,151
Share-based payment	2,180	3,326	6,657	5,228
	$ 90,457	**71,724**	**272,253**	**187,958**

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

Please refer to note 6(24) for further information on share-based payment.

8. Assets pledged as security

The carrying values of the Group's pledged assets are as follows:

Assets	Purpose of Pledged	September 30, 2025	December 31, 2024	September 30, 2024
Security deposit for loans (recognized as other financial assets－current)	Collateral for short-term bank loans	$ -	1,152	1,022
Property, plant and equipment	Collateral for bank borrowing	1,911,611	1,943,537	1,966,681
Cash in bank (recognized as financial assets at amortized cost)	Collateral for short-term bank loans	-	15,000	15,000
Time deposits (recognized as financial assets at amortized cost)	Collateral for long-term and short-term bank loans	460,465	570,206	585,225
Guarantee deposits paid (recognized as other financial assets－non-current)	Lease guarantee	28,519	23,221	22,961
Equipment waiting for inspection (recognized as other assets－non-current)	Collateral for long-term and bank loans	-	9,819	-
		$ 2,400,595	**2,562,935**	**2,590,889**

9. Significant Commitments and Contingencies

Company A, a customer of the Group, provided the guarantee deposit amounting to $129,379 thousand (USD $4,247 thousand) to ensure the delivery of its order. The deposit is not deductible to the payables and shall be fully refunded to Company A after the end of the project. The deposit received by the Group had been recognized as guarantee deposits received-non-current.

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10. Significant Casualty Loss: None.

11. Significant Subsequent Events:

On October 1, 2025, the Company's subsidiary, Portwell Inc., resolved at its board meeting, to acquire 41% equity interests of WINCOMM CORPORATION at a price of NT$27.8 per share, for a total consideration of NT $299,239 thousand.

12. Other

(1) Summaries of current-period employee benefits, depreciation, and amortization, by function, were as follows:

By function / By item	For the three months ended September 30, 2025			For the three months ended September 30, 2024		
	Classified as Operating Costs	Classified as Operating Expenses	Total	Classified as Operating Costs	Classified as Operating Expenses	Total
Employee benefits						
Salary	131,475	466,828	598,303	173,060	622,556	795,616
Labor and health insurance	12,757	38,308	51,065	11,948	35,932	47,880
Pension	4,353	15,164	19,517	4,266	15,649	19,915
Others	6,119	21,436	27,555	5,797	19,157	24,954
Depreciation (note)	26,064	43,067	69,131	22,996	41,091	64,087
Amortization	104	4,186	4,290	4,066	13,753	17,819

By function / By item	For the nine months ended September 30, 2025			For the nine months ended September 30, 2024		
	Classified as Operating Costs	Classified as Operating Expenses	Total	Classified as Operating Costs	Classified as Operating Expenses	Total
Employee benefits						
Salary	647,145	2,465,832	3,112,977	446,817	1,561,744	2,008,561
Labor and health insurance	39,632	114,378	154,010	34,793	104,207	139,000
Pension	12,883	49,035	61,918	12,273	47,203	59,476
Others	21,072	65,703	86,775	14,986	51,854	66,840
Depreciation (note)	75,104	127,662	202,766	67,904	120,487	188,391
Amortization	364	13,613	13,977	15,871	48,793	64,664

Note: For the three and nine month ended September 30, 2025 and 2024, the deprecation expenses of the assets leased to the third parties under operating leases amounted to $46 thousand, $47 thousand, $137 thousand and $137 thousand recognized as deductions of rental revenue.

(2) Seasonality of operations

The Group’s operations were not affected by seasonality or cyclicaity factors.

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13. Other disclosures:

(1) Information on significant transactions:

The followings were the information on significant transactions required by the “ Regulations Governing the Preparation of Financial Reports by Securities Issuers” for the Group for the nine months ended September 30, 2025:

A. Loans to other parties:None

B. Guarantees and endorsements for other parties: Please refer to Table 1.

C. Significant securities held as of September 30, 2025 (excluding investment in subsidiaries, associates and joint ventures): Please refer to Table 2.

D. Related-party transactions for purchases and sales with amounts exceeding the lower of $100 million or 20% of the capital stock: Please refer to Table 3.

E. Receivables from related parties with amounts exceeding the lower of $100 million or 20% of the capital stock: Please refer to Table 4.

F. Business relationships and significant intercompany transactions: Please refer to Table 5.

(2) Information on investees: Please refer to Table 6.

(3) Information on investment in Mainland China: Please refer to Table 7.

(i) The names of investees in Mainland China, their main businesses and products, and other information: Please refer to Table 7.

(ii) Limitation on investment in Mainland China: Please refer to Table 7.

(iii) Significant transactions:

The significant intercompany transactions with the subsidiaries in Mainland China, which were eliminated in the preparation of consolidated financial statements, are disclosed in “Information on significant transactions”.

14. Segment information:

The Group’s operating segment information and reconciliation were as follows:

	For the three months ended September 30, 2025			
	Domestic	**U.S.A.**	**Others**	**Total**
Revenue from external customers	**$ 586,389**	**2,448,906**	**464,345**	**3,499,640**
Reportable segment profit	**$ 217,684**	**967,316**	**61,477**	**1,246,477**
Total segment assets				$ 18,614,542
Investments accounted for using equity method				218,684
Total assets				**$ 18,833,226**

(Continued)

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Notes to the Consolidated Financial Statements

	For the three months ended September 30, 2024			
	Domestic	**U.S.A.**	**Others**	**Total**
Revenue from external customers	**$ 701,397**	**2,417,155**	**478,673**	**3,597,225**
Reportable segment profit	**$ 105,898**	**1,137,883**	**52,034**	**1,295,815**
Total segment assets				$ 16,387,266
Investments accounted for using equity method				236,915
Total assets				**$ 16,624,181**

	For the nine months ended September 30, 2025			
	Domestic	**U.S.A.**	**Others**	**Total**
Revenue from external customers	**$ 1,815,613**	**12,045,054**	**1,391,655**	**15,252,322**
Reportable segment profit	**$ 436,506**	**5,544,534**	**149,725**	**6,130,765**
Total segment assets				$ 18,614,542
Investments accounted for using equity method				218,684
Total assets				**$ 18,833,226**

	For the nine months ended September 30, 2024			
	Domestic	**U.S.A.**	**Others**	**Total**
Revenue from external customers	**$ 1,802,099**	**5,822,405**	**1,376,536**	**9,001,040**
Reportable segment profit	**$ 527,229**	**2,337,402**	**177,977**	**3,042,608**
Total segment assets				$ 16,387,266
Investments accounted for using equity method				236,915
Total assets				**$ 16,624,181**

Posiflex Technology, Inc. and Subsidiaries
Guarantees and endorsements for other parties
For the nine months ended September 30, 2025

Table 1 (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 (Note 2)	Highest balance for guarantees and endorsements during the period (Note 4)	Balance of guarantees and endorsements as of the reporting date (Note 4)	Actual usage amount during the period	Property pledged for guarantees and endorsements (Amount)	Ratio of the accumulated amounts of guarantees and endorsements to net worth of the latest financial statements (Note 3)	Maximum amount for guarantees and endorsements (Note 2)	Parent company endorsements/ guarantees to third parties on behalf of the subsidiary	Subsidiary endorsements/ guarantees to third parties on behalf of the parent company	Endorsements/ guarantees to third parties on behalf of the companies in Mainland China	Note
		Name	Relationship with the Company (Note1)											
0	The Company	PBM and KIOSK	b	19,853,754	265,640	243,712	158,413	-	2.46 %	19,853,754	Y	N	N	
0	The Company	PTIL	b	19,853,754	25,402	23,305	23,305	-	0.23 %	19,853,754	Y	N	N	
0	The Company	KIOSK	b	19,853,754	431,665	396,032	111,194	-	3.99 %	19,853,754	Y	N	N	
1	APT	PORTWELL	d	8,381,618	498,075	-	-	-	- %	8,381,618	N	N	N	
2	PTIL	MUSTEK	d	110,952	62,240	-	-	-	- %	110,952	N	N	N	

Note 1: The Company may make endorsements/guarantees for the following companies:

a. A company which has business transactions with the Company
b. A company in which the Company directly and indirectly holds more than 50% of the voting shares.
c. A company that directly and indirectly holds more than 50% of the voting shares in the Company.
d. Companies in which the Company holds, directly or indirectly, 90% or more of the voting shares.
e. The Company fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project.
f. All capital contributing shareholders make endorsements/guarantees for their jointly invested company in proportion to their shareholding percentages.
g. Companies in the same industry provide among themselves joint and several securities for a performance guarantee of a sales contract for pre-construction homes pursuant to the Consumer Protection Act for each other.

Note 2: According to the Company's guarantee of the endorsement:

a. Limit for the total endorsements/ guarantees amount shall not exceed 200% of the latest financial statements of the Company's net assets. The amount of endorsements/ guarantees for any single entity shall not exceed 200% of the latest financial statements of the Company's net assets.

b. The total amount of endorsements/ guarantees of the Company and its subsidiaries shall not exceed 200% of the latest financial statements of the Company’s net assets. The amount of endorsements/ guarantees of the Company and its subsidiaries for any single entity shall not exceed 200% of the latest financial statements of the Company’s net assets.

c. Besides the restrictions mentioned in the two paragraphs above, the Company makes endorsements/guarantees for another entity due to their business transactions, wherein the amount of endorsements/ guarantees for the individual entity shall not exceed the total amount of transactions between the Company and the entity in recent year (the higher of the purchase or sales amount between the parties).

d. Limit for the total endorsements/ guarantees amount shall not exceed 200% of the latest financial statements of APT’s net assets, and it shall not exceed 200% of the latest financial statements of the Company’s net assets as well. The amount of endorsements/ guarantees for any single entity shall not exceed 200% of the latest financial statements of APT’s net assets, and it shall not exceed 200% of the latest financial statements of the Company’s net assets as well.

e. Limit for the total endorsements/ guarantees amount shall not exceed 150% of the latest financial statements of PTIL's net assets, and it shall not exceed 200% of the latest financial statements of the Company’s net assets as well. The amount of endorsements/ guarantees for any single entity shall not exceed 150% of the latest financial statements of PTIL's net assets and it shall not exceed 200% of the lastest statements of the Company's net assets as well.

According to the Regulations Governing the Preparation of Financial Reports by Securities Issuers, the net assets mentioned above refer to equity attributable to the shareholders of the Company on the balance sheet.

Note 3: The ratio of endorsements/guarantees to net assets from the financial statements of the Company for the year ended September 30, 2025.

Note 4: Both of the highest balance and the balance at the end of the period of the endorsements/guarantees for PBM and KIOSK each amounted to US$8,000 thousand; both of the highest balance and the balance at the end of the period of the endorsements/guarantees for PTIL each amounted to US$765 thousand; both of the highest balance and the balance at the end of the period of the endorsements/guarantees for KIOSK each amounted to US$13,000 thousand; both of the highest balance and the balance at the end of the period of the endorsements/guarantees by APT for PORTWELL each amounted to US$15,000 thousand; both of the highest balance and the balance at the end of the period of the endorsements/guarantees by PTIL for MUSTEK each amounted to INR$160,000 thousand and INR$0 thousand. The ending balance of endorsements/guarantees with NTD was calculated by the exchange rate of US$1:NT$30.464; INR$1=NTD$0.343 as of September 30,2025.

Posiflex Technology, Inc. and Subsidiaries

Significant Securities held (excluding investment in subsidiaries, associates and joint ventures)

As of September 30, 2025

Table 2 (In Thousands of New Taiwan Dollars/share)

Name of holder	Category and name of security	Relationship with company	Account	Ending balance				Note
				Shares/Units	Carrying value	Percentage of ownership (%)	Fair value	
The Company	Banyan Hills Technologies, Inc. Convertible promissory note	-	Financial assets at fair value through profit and loss－non-current	-	29,202 (USD959)	-	29,202 (USD959)	
PORTEWLL	AcSiP Technology Corp.'s stock	-	Financial assets at fair value through other comprehensive income－non-current	5,180,000	47,604	14.14 %	47,604	
PORTEWLL	Welink Solutions, Inc.' stock	Subsidiary of associate	Financial assets at fair value through other comprehensive income－non-current	1,935,346	26,627	9.68 %	26,627	

Note 1: For more information about the investment of subsidiaries, associates and joint ventures, please refer to Tables 6 and 7.

Posiflex Technology, Inc. and Subsidiaries

Related-party transactions for purchases and sales with amounts exceeding the lower of $100 million or 20% of the capital stock

For the nine months ended September 30, 2025

Table 3 (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/sales	Payment terms	Unit price	Payment terms	Ending balance	Percentage of total notes/accounts receivable (payable)	
The Company	PBM	Subsidiary	Sale	(180,666)	(10) %	Net 150 days from invoice date	-	-	205,912	24%	Note
The Company	PTIL	Subsidiary	Sale	(145,969)	(8) %	Net 150 days from invoice date	-	-	123,915	14%	Note
PORTWELL	APT	Subsidiary	Sale	(6,653,351)	(90) %	Net 22 days from invoice date	-	-	109,455	23%	Note

Note : The relevant transactions and ending balance were eliminated in the consolidated financial statements.

Posiflex Technology, Inc. and Subsidiaries

Receivables from related parties with amounts exceeding the lower of $100 million or 20% of the capital stock

For the nine months ended September 30, 2025

Table 4 (In Thousands of New Taiwan Dollars)

Name of company	Related party	Nature of relationship	Ending balance	Turnover rate	Overdue		Amounts received in subsequent period	Loss Allowance	Note
					Amount	Action taken			
The Company	PBM	Subsidiary of the Group	205,912	1.72	85,836	Strengthen collections of receivables	96	-	Note
The Company	PTIL	Subsidiary of the Group	123,915	1.45	49,274	Strengthen collections of receivables	19,502	-	Note
PORTWELL	APT	Subsidiary of the Group	109,455	43.45	-	-	109,455	-	Note
PORTWELL	EPT	Subsidiary of the Group	130,422	1.12	79,978	Strengthen collections of receivables	-	-	Note

Note : The relevant transactions and ending balance were eliminated in the consolidated financial statements.

Posiflex Technology, Inc. and Subsidiaries

Business relationships and significant intercompany transactions

For the nine months ended September 30, 2025

Table 5 (In Thousands of New Taiwan Dollars)

No. (Note 2)	Name of company	Name of counter-party	Nature of relationship (Note 3)	Intercompany transactions			
				Account (Note 5)	Amount	Trading terms	Percentage of the consolidated total revenue or total assets (Notes 1, 4)
0	The Company	PBM	1	Sales revenue	180,666	The selling price for related parties, determined by the consumption situation in their regions, approximated the market price	1 %
0	The Company	PBM	1	Accounts Receivable	205,912	Net 150 days from invoice date	1 %
1	PORTWELL	APT	3	Sales Revenue	6,653,351	The selling price for related parties, determined by the consumption situation in their regions, approximated the market price.	44 %

Note 1: The transactions with amount that account for more than 1% of the consolidated total revenue or total assets were disclosed.

Note 2: The information of number is as follow:
1. The number 0 represents the parent company.
2. The subsidiaries are numbered in order starting from number 1.

Note 3: The types of relationships with traders are as follows:
1. The parent company to the subsidiary.
2. The subsidiary to the parent company.
3. The subsidiary to the subsidiary.

Note 4: The ratio of the transaction amount to the consolidated total sales revenue or consolidated total assets was calculated as follows:
1. For transaction amount accounted for as asset or liability, the ratio is calculated based on the ending balance of the consolidated total assets.
2. For transaction amount accounted for as profit or loss, the ratio is calculated based on the accumulated amount of profit or loss at the end of the financial period of the consolidated total sales revenue.

Note 5: Only the sales revenue and accounts receivable from related parties were disclosed; the relative purchase and accounts payable need not be redisclosed.

Posiflex Technology, Inc. and Subsidiaries

Information on investees

For the nine months ended September 30, 2025

Table 6 (In Thousands of New Taiwan Dollars/ Share)

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount		Balance as of September 30, 2025			Net income (losses) of investee	Share of profits/losses of investee	Note
				September 30, 2025	December 31, 2024	Shares	Percentage of ownership	Carrying value			
The Company	PORTWELL	Taiwan	Manufacture and sale of industrial computers and peripheral equipment and information software services.	2,534,078	2,534,078	54,070,812	55.00 %	4,828,133	3,053,505	1,669,530	Subsidiary (Notes 1,2)
The Company	PBM	U.S.A.	Foreign trade	3,404,598	2,810,494	417,034,408	100.00 %	2,268,810	(125,766)	(125,766)	Subsidiary (Note 1,3)
The Company	PIC	Seychelles	Foreign trade	107,055	107,055	-	100.00 %	46,811	(10,929)	(10,929)	Subsidiary (Note 1)
The Company	PENETEK	Taiwan	Manufacture and sale of industrial computers and peripheral equipment	36,910	36,910	3,691,000	61.52 %	26,807	(10,613)	(6,529)	Subsidiary (Note 1)
The Company	KOMING	Taiwan	Foreign trade and software services	15,000	15,000	1,500,000	100.00 %	10,519	108	108	Subsidiary (Note 1)
The Company	PBMM	Malaysia	Foreign trade	7,795	7,795	801,214	83.46 %	12,630	1,480	1,235	Subsidiary (Note 1)
The Company	PTSC	Argentina	Foreign trade	15,151	15,151	-	100.00 %	(27)	-	-	Subsidiary (Note 1)
The Company	ONK Cloud	Taiwan	Software services	3,196	3,196	319,667	99.90 %	87	1	1	Subsidiary (Note 1)
The Company	PG	Germany	Foreign trade	67,989	67,989	-	100.00 %	23,320	(5,544)	(5,544)	Subsidiary (Note 1)
The Company	PTIL	India	Foreign trade	8,441	8,441	51,000	51.00 %	26,966	(3,751)	(1,913)	Subsidiary (Note 1)
The Company	PTPL	Singapore	Foreign trade	11,612	11,612	500,000	100.00 %	1,293	(1,731)	(1,731)	Subsidiary (Note 1)
The Company	PJ	Japan	Foreign trade	43,162	43,162	2,400	100.00 %	(6,096)	(842)	(842)	Subsidiary (Note 1)
The Company	LePOS	Hong Kong	Foreign trade	52,403	52,403	17,500	35.00 %	50,585	(4,293)	(1,502)	Investment accounted for using the equity method
The Company	KIOSKTW	Taiwan	Software services	29,000	20,000	2,900,000	100.00 %	22,274	6,195	6,195	Subsidiary (Notes 1, 4)
ONK Cloud	ONK International	Samoa	Investing	5,027	5,027	-	100.00 %	(90)	-	-	Subsidiary (Note 1)
PBM	KIA	U.S.A.	Investing	3,295,755	3,295,755	1,012,355	82.00 %	1,687,390	(64,946)	(53,261)	Subsidiary (Note 1)
PBM	PBMLC	U.S.A.	Investing	603,179	-	-	100.00 %	588,128	(250)	(250)	Subsidiary (Notes 1, 5)
PTIL	MUSTEK	India	Foreign trade	48	48	-	82.00 %	9,770	1,997	1,637	Subsidiary (Note 1)
PTIL	QUINTA	India	Foreign trade	931	931	69,999	70.00 %	(10,809)	(1,799)	(1,259)	Subsidiary (Note 1)
QUINTA	QUGO	India	Ecommerce platform for travel	474	474	12,500	25.00 %	(720)	(1,991)	(498)	Investment accounted for using the equity method

Name of investor	Name of investee	Location	Main businesses and products	Original investment amount: September 30, 2025	Original investment amount: December 31, 2024	Balance as of September 30, 2025: Shares	Balance as of September 30, 2025: Percentage of ownership	Balance as of September 30, 2025: Carrying value	Net income (losses) of investee	Share of profits/losses of investee	Note
PORTWELL	APT	U.S.A.	Manufacture and sale of industrial computers and peripheral equipment	909,329	909,329	42,777,780	100.00 %	4,101,242	749,753	749,753	Subsidiary(Note 1)
PORTWELL	PJI	Japan	Manufacture and sale of industrial computers and peripheral equipment	31,383	31,383	1,980	99.00 %	160,943	7,900	7,821	Subsidiary (Note 1)
PORTWELL	DEVELOPMENT	Samoa	Investing	91,840	91,840	2,800,000	100.00 %	42,203	(3,909)	(3,909)	Subsidiary (Note 1)
PORTWELL	EPT	Netherland	Manufacture and sale of industrial computers and peripheral equipment	208,574	208,574	45,000	100.00 %	53,128	(81,739)	(81,739)	Subsidiary (Note 1)
PORTWELL	PIT	South Korea	Manufacture and sale of industrial computers and peripheral equipment	14,470	14,470	2,877,776	51.00 %	6,930	5,305	2,706	Subsidiary (Note 1)
PORTWELL	PKI	Taiwan	Manufacture and sale of industrial computers and peripheral equipmentand software services	36,457	36,457	278,153	100.00 %	(1,504)	1,174	1,174	Subsidiary (Note 1)
PORTWELL	GANLOT	Taiwan	Manufacture and sale of industrial computers and peripheral equipment	16,800	16,800	2,800,000	100.00 %	61,584	(153)	(153)	Subsidiary (Note 1)
PORTWELL	MiTwell	Taiwan	Manufacture and sale of industrial computers and peripheral equipment	64,047	64,047	6,097,663	18.86 %	168,099	(61,148)	(11,475)	Investment accounted for using the equity method
PORTWELL	HOLDWEL	Cayman Islands	Investing	233,441	233,441	120,000,000	100.00 %	333,781	(6,754)	(6,550)	Subsidiary (Note 1)
APT	KIA	U.S.A.	Investing	525,215	525,215	222,225	18.00 %	489,497	(64,946)	(11,690)	Subsidiary (Note 1)
DEVELOPMENT	HOLDING	Samoa	Investing	91,840	91,840	2,800,000	100.00 %	42,870	(3,909)	(3,909)	Subsidiary (Note 1)
EPT	KES	Germany	Manufacture and sale of industrial computers and peripheral equipment	59,953	59,953	1	100.00 %	90,795	1,779	1,779	Subsidiary (Note 1)
EPT	PUK	U.K.	Manufacture and sale of industrial computers and peripheral equipment	3,883	3,883	200,000	100.00 %	14,414	205	205	Subsidiary (Note 1)
EPT	KESI	Italy	Manufacture and sale of industrial computers and peripheral equipment	1,586	1,586	50,000	100.00 %	4,176	1,080	1,080	Subsidiary (Note 1)
HOLDWEL	MEDWELL	Taiwan	Manufacture and sale of industrial computers and peripheral equipment	92,000	92,000	9,200,000	100.00 %	253,447	(1,892)	(1,892)	Subsidiary (Note 1)

Note 1: The relevant transactions and ending balance were eliminated in the consolidated financial statements.

Note 2: Share of profits / losses of investee includes the amortized adjustment caused by consilidation.

Note 3: In May 8, 2025, PBM resolved in its board meeting to conduct a cash capital increase at the amount of USD $25,000 thousand, which has been fully subscribed by the Group, of which USD $19,800 thousand (NTD $594,104 thousand) had been paid as of September 30, 2025.

Note 4: KIOSKTW increased its capital by cash in March 2025 which were fully subscribed by Group.

Note 5: In April 2025, the Group established a new subsidiary, PBMLC, for the purpose of purchasing a real estate property. As of September 30, 2025, the registration process has been completed; the share capital amounted to USD $19,314 (NTD $603,179 thousand).

Posiflex Technology, Inc. and Subsidiaries
Information on investment in Mainland China
For the nine months ended September 30, 2025

Table 7 (In Thousands of New Taiwan Dollars)

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

Name of investee	Main businesses and products	Total amount of paid-in capital (note 3)	Method of investment	Accumulated outflow of investment from Taiwan as of January 1, 2025 (note 4)	Investment flows		Accumulated outflow of investment from Taiwan as of September 30, 2025 (note 4)	Net income (losses) of the investee	Percentage of ownership	Investment income (losses) (note 1)	Book value	Accumulated remittance of earnings in current period	Note
					Outflow	Inflow							
Posiflex Business Machines (Beijing) Co., Ltd. (PBMB)	Foreign trade	106,624	(note 5)	106,624	-	-	106,624	(10,929)	100.00%	(10,929)	46,811	-	
ONK Clouding Shanghai (ONK Shanghai)	Software services	5,179	(note 5)	5,179	-	-	5,179	-	99.90 %	-	(90)	-	
Beijing Caswell Ltd.	Manufacture and sale of networking and communication equipment	115,763	(note 5)	20,837	-	-	20,837	(41,305)	18.00 %	-	17,288	-	Note 2
Welink Technology Co., Ltd.	Manufacture and sale of computers and peripheral equipment; design and sale of software; foreign trade	37,928	(note 5)	-	-	-	-	(2,615)	100.00%	(2,615)	(1,867)	-	Note 2

Note 1: The investment income (losses) recognized was based on the financial statements from the investee company, which had not been reviewed.

Note 2: The beginning investment amounts of Welink Technology were RMB $174 thousand and US$1,045 thousand; and the beginning investment amounts of Beijing Caswell were US$180 thousand. All investment capitals were remitted through third regions.

Note 3: The amounts with NTD were calculated based on the exchange rate of US$1: NT$30.464 and RMB1: NT$4.277 at the end of September 2025. The paid-in capitals of PBMB, ONK Clouding Shanghai, Beijing Caswell, Welink Technology were US$3,500 thousand, US$170 thousand, US$3,800 thousand, US$1,245 thousand, respectively.

Note 4: The amounts with NTD were calculated based on the exchange rate of US$1: NT$30.464 at the end of September 2025. The cumulative investment amount from Taiwan at the beginning and the end of the period were US$3,500 thousand for PBMB, US$170 thousand for ONK Clouding Shanghai and US$684 thousand for Beijing Caswell.

Note 5: Investments in companies in Mainland China through the existing companies in the third regions.

(2) Limitation on investment in Mainland China

Accumulated Investment in Mainland China as of September 30, 2025 (Note 2)	Investment Amounts Authorized by Investment Commission, MOEA (Note 3)	Upper Limit on Investment (Note 1)
197,102	197,102	8,360,199

Note 1: According to Directions Governing the Examination of Investment or Technical Cooperation in Mainland China, the upper limit of investment in mainland China is the higher between 60% of the total equity or total consolidated equity.

Note 2: The amount with NTD was calculated based on the exchange rate of US$1: NT$30.464 at the end of September 2025. The amount of accumulated investments included that of the Company of US$3,670 thousand and PORTWELL of US$2,800 thousand.

Note 3: The amount with NTD was calculated based on the exchange rate of US$1: NT$30.464 at the end of September 2025. The investment amounts authorized by Investment Commission, MOEA included those of the Company of US$3,670 thousand, and PORTWELL of US$2,800 thousand.