

**AMPACS Corporation and Subsidiaries**

**Consolidated Financial Statements for the  
Six Months Ended June 30, 2025 and 2024 and  
Independent Auditors' Review Report**

## **INDEPENDENT AUDITORS' REVIEW REPORT**

The Board of Directors and Shareholders

Ampacs Corporation

### **Introduction**

The consolidated balance sheets of Ampacs Corporation and its subsidiaries (the "Company" and its subsidiaries collectively, the "Group") as of June 30, 2025, and 2024, and the consolidated statements of comprehensive income from April 1 to June 30, 2025, and 2024, as well as January 1 to June 30, 2025, and 2024, the consolidated statements of changes in equity and consolidated statements of cash flow from January 1 to June 30, 2025, and 2024, along with the notes to the consolidated financial statements (including a summary of significant accounting policies), have been reviewed by our auditors. The financial statements, which have been fairly presented in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Accounting Standard 34 "Interim Financial Reporting" approved and promulgated by the Financial Supervisory Commission, are the responsibility of the management. Our auditor's responsibility is to conclude on the consolidated financial statements based on the review results.

### **Scope of Review**

We conducted our review in accordance with Review Standards 2410 'Review of Financial Statements.' Procedures performed in a review of consolidated financial statements include inquiries (primarily to individuals responsible for financial and accounting matters), analytical procedures, and other review procedures. The scope of a review is substantially less than that of an audit; thus, we might not become aware of all significant matters that could be identified in an audit, and therefore, we do not express an audit opinion.

## **Conclusion**

Based on our auditor's review, no material misstatements were found in the above-mentioned consolidated financial statements that were not prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Accounting Standard 34 "Interim Financial Reporting" approved and issued by the Financial Supervisory Commission, which could misrepresent the consolidated financial position of Ampacs Corporation and its subsidiaries as of June 30, 2025, and 2024, and the consolidated financial performance from April 1 to June 30, 2025, and 2024, as well as from January 1 to June 30, 2025, and 2024, and the consolidated cash flows.

The engagement partners on the reviews resulting in this independent auditors' review report are Chun-Yu Wang and Ming-Hsien Liu..

Deloitte & Touche  
Taipei, Taiwan  
Republic of China  
August 13, 2025

### Notice to Readers

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

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

**AMPACS CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**JUNE 30, 2025, DECEMBER 31, 2024 AND JUNE 30, 2024**  
(In Thousands of New Taiwan Dollars)

ASSETS	June 30, 2025		December 31, 2024		June 30, 2024	
	Amount	%	Amount	%	Amount	%
<b>CURRENT ASSETS</b>						
Cash	\$ 186,125	2	\$ 370,058	4	\$ 130,117	1
Financial assets at fair value through profit or loss - current	5,727	-	8,060	-	-	-
Financial assets at amortized cost	478,919	6	503,276	5	517,100	5
Trade receivables, net	1,089,686	14	1,565,268	16	1,986,199	20
Finance lease receivables	1,623	-	1,768	-	-	-
Other receivables	117,409	1	278,749	3	196,080	2
Inventories, net	2,098,998	27	2,351,993	25	2,552,422	26
Other current assets	55,482	1	56,807	1	46,604	1
Total current assets	<u>4,033,969</u>	<u>51</u>	<u>5,135,979</u>	<u>54</u>	<u>5,428,522</u>	<u>55</u>
<b>NON-CURRENT ASSETS</b>						
Financial assets at fair value through profit or loss - non-current	29,300	-	32,790	1	32,450	-
Financial assets at fair value through other comprehensive income - non-current	280,018	4	306,724	3	269,634	3
Property, plant and equipment, net	2,819,425	36	3,083,309	33	3,086,906	31
Right-of-use assets, net	402,249	5	472,725	5	486,213	5
Investment properties, net	56,059	1	84,460	1	85,611	1
Goodwill	103,427	1	115,746	1	114,546	1
Intangible assets, net	4,549	-	3,542	-	3,578	-
Deferred tax assets	86,617	1	106,721	1	151,454	2
Prepayments for business facilities	94,008	1	84,507	1	172,804	2
Other non-current assets	9,463	-	10,451	-	13,396	-
Total non-current assets	<u>3,885,115</u>	<u>49</u>	<u>4,300,975</u>	<u>46</u>	<u>4,416,592</u>	<u>45</u>
<b>TOTAL</b>	<u>\$ 7,919,084</u>	<u>100</u>	<u>\$ 9,436,954</u>	<u>100</u>	<u>\$ 9,845,114</u>	<u>100</u>
<b>LIABILITIES AND EQUITY</b>						
<b>CURRENT LIABILITIES</b>						
Short-term borrowings	\$ 2,995,507	38	\$ 3,528,101	37	\$ 3,734,495	38
Short-term bills payable	250,000	3	250,000	3	250,000	3
Trade payables	959,090	12	1,563,522	17	1,767,240	18
Dividend payables	221,250	3	-	-	79,803	1
Other payables	202,364	3	195,720	2	218,336	2
Current tax liabilities	69,431	1	98,341	1	110,893	1
Lease liabilities - current	11,824	-	29,652	-	35,746	-
Current portion of long-term borrowings	99,943	1	99,128	1	91,443	1
Other current liabilities	37,757	-	26,456	-	144,052	2
Total current liabilities	<u>4,847,166</u>	<u>61</u>	<u>5,790,920</u>	<u>61</u>	<u>6,432,008</u>	<u>66</u>
<b>NON-CURRENT LIABILITIES</b>						
Long-term borrowings	639,043	8	687,225	8	697,008	7
Deferred tax liabilities	4,814	-	5,171	-	756	-
Lease liabilities - non-current	8,688	1	8,940	-	13,030	-
Guarantee deposits	6,575	-	2,771	-	2,771	-
Total non-current liabilities	<u>659,120</u>	<u>9</u>	<u>704,107</u>	<u>8</u>	<u>713,565</u>	<u>7</u>
Total liabilities	<u>5,506,286</u>	<u>70</u>	<u>6,495,027</u>	<u>69</u>	<u>7,145,573</u>	<u>73</u>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>						
Ordinary shares	1,500,000	19	1,500,000	16	1,500,000	15
Capital surplus	804,881	10	981,881	10	984,362	10
Retained earnings						
Legal reserve	213,494	3	182,782	2	182,782	2
Special reserve	152,149	2	200,638	2	200,638	2
Unappropriated earnings	328,514	4	414,069	5	175,215	2
Total retained earnings	<u>694,157</u>	<u>9</u>	<u>797,489</u>	<u>9</u>	<u>558,635</u>	<u>6</u>
Other equity						
Exchange differences on translation of financial statements from foreign operations	(361,073)	(5)	(142,141)	(2)	(135,863)	(2)
Unrealized loss of financial assets at fair value through other comprehensive income	(39,873)	-	(10,008)	-	(28,127)	-
Total other equity	<u>(400,946)</u>	<u>(5)</u>	<u>(152,149)</u>	<u>(2)</u>	<u>(163,990)</u>	<u>(2)</u>
Treasury shares	(185,294)	(3)	(185,294)	(2)	(185,294)	(2)
Total equity attributable to owners of the Company	2,412,798	30	2,941,927	31	2,693,713	27
<b>NON-CONTROLLING INTERESTS</b>						
	-	-	-	-	5,828	-
Total equity	<u>2,412,798</u>	<u>30</u>	<u>2,941,927</u>	<u>31</u>	<u>2,699,541</u>	<u>27</u>
<b>TOTAL</b>	<u>\$ 7,919,084</u>	<u>100</u>	<u>\$ 9,436,954</u>	<u>100</u>	<u>\$ 9,845,114</u>	<u>100</u>

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

# AMPACS CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE THREE MONTHS ENDED JUNE 30, 2025 AND 2024 & FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE	\$ 1,241,895	100	\$ 1,808,832	100	\$ 2,403,893	100	\$ 2,953,661	100
OPERATING COSTS	<u>(985,773)</u>	<u>(80)</u>	<u>(1,443,653)</u>	<u>(80)</u>	<u>(2,001,537)</u>	<u>(83)</u>	<u>(2,398,418)</u>	<u>(81)</u>
GROSS PROFIT	<u>256,122</u>	<u>20</u>	<u>365,179</u>	<u>20</u>	<u>402,356</u>	<u>17</u>	<u>555,243</u>	<u>19</u>
OPERATING EXPENSES								
Selling and marketing expenses	(17,029)	(1)	(26,703)	(1)	(37,747)	(1)	(49,180)	(2)
General and administrative expenses	(57,982)	(5)	(108,751)	(6)	(158,989)	(7)	(192,857)	(6)
Research and development expenses	(52,678)	(4)	(47,151)	(3)	(89,265)	(4)	(87,108)	(3)
Expected credit loss	<u>(361)</u>	<u>-</u>	<u>(3,298)</u>	<u>-</u>	<u>(393)</u>	<u>-</u>	<u>(3,298)</u>	<u>-</u>
Total operating expenses	<u>(128,050)</u>	<u>(10)</u>	<u>(185,903)</u>	<u>(10)</u>	<u>(286,394)</u>	<u>(12)</u>	<u>(332,443)</u>	<u>(11)</u>
OPERATING PROFIT	<u>128,072</u>	<u>10</u>	<u>179,276</u>	<u>10</u>	<u>115,962</u>	<u>5</u>	<u>222,800</u>	<u>8</u>
NON-OPERATING INCOME AND EXPENSES								
Other income	9,326	1	10,389	-	16,634	1	17,504	-
Other gains and losses	(113,441)	(9)	10,976	1	(96,415)	(4)	(31,648)	(1)
Finance costs	<u>(40,766)</u>	<u>(3)</u>	<u>(50,648)</u>	<u>(3)</u>	<u>(88,350)</u>	<u>(4)</u>	<u>(93,545)</u>	<u>(3)</u>
Total non-operating income and expenses	<u>(144,881)</u>	<u>(11)</u>	<u>(29,283)</u>	<u>(2)</u>	<u>(168,131)</u>	<u>(7)</u>	<u>(107,689)</u>	<u>(4)</u>
(LOSS)/PROFIT BEFORE INCOME TAX	(16,809)	(1)	149,993	8	(52,169)	(2)	115,111	4
INCOME TAX BENEFIT/(EXPENSE)	<u>1,629</u>	<u>-</u>	<u>(42,438)</u>	<u>(2)</u>	<u>(6,913)</u>	<u>(1)</u>	<u>(45,778)</u>	<u>(1)</u>
NET (LOSS)/PROFIT FOR THE PERIOD	<u>(15,180)</u>	<u>(1)</u>	<u>107,555</u>	<u>6</u>	<u>(59,082)</u>	<u>(3)</u>	<u>69,333</u>	<u>3</u>
OTHER COMPREHENSIVE (LOSS)/INCOME								
Items that will not be reclassified subsequently to profit or loss:								
Unrealized loss on investments in equity instruments at fair value through other comprehensive income	<u>(30,035)</u>	<u>(3)</u>	<u>-</u>	<u>-</u>	<u>(30,035)</u>	<u>(1)</u>	<u>-</u>	<u>-</u>

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# AMPACS CORPORATION AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE THREE MONTHS ENDED JUNE 30, 2025 AND 2024 & FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2025		2024		2025		2024	
	Amount	%	Amount	%	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translation of financial statements of foreign operations	\$ (240,030)	(19)	\$ 1,147	-	\$ (216,005)	(9)	\$ 37,151	1
Unrealized gain/(loss) on investments in debt instruments at fair value through other comprehensive income	439	-	(90)	-	170	-	(255)	-
Income tax related to items that may be reclassified subsequently to profit or loss	-	-	-	-	(2,927)	-	-	-
	<u>(239,591)</u>	<u>(19)</u>	<u>1,057</u>	<u>-</u>	<u>(218,762)</u>	<u>(9)</u>	<u>36,896</u>	<u>1</u>
Other comprehensive (loss)/income for the period, net of income tax	<u>(269,626)</u>	<u>(22)</u>	<u>1,057</u>	<u>-</u>	<u>(248,797)</u>	<u>(10)</u>	<u>36,896</u>	<u>1</u>
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD	<u>\$ (284,806)</u>	<u>(23)</u>	<u>\$ 108,612</u>	<u>6</u>	<u>\$ (307,879)</u>	<u>(13)</u>	<u>\$ 106,229</u>	<u>4</u>
NET (LOSS)/ PROFIT ATTRIBUTABLE TO:								
Owners of the Company	\$ (15,180)	(1)	\$ 106,596	6	\$ (59,082)	(2)	\$ 68,263	2
Non-controlling interests	-	-	959	-	-	-	1,070	-
	<u>\$ (15,180)</u>	<u>(1)</u>	<u>\$ 107,555</u>	<u>6</u>	<u>\$ (59,082)</u>	<u>(2)</u>	<u>\$ 69,333</u>	<u>2</u>
TOTAL COMPREHENSIVE (LOSS)/INCOME ATTRIBUTABLE TO:								
Owners of the Company	\$ (284,806)	(23)	\$ 107,598	6	\$ (307,879)	(13)	\$ 104,911	4
Non-controlling interests	-	-	1,014	-	-	-	1,318	-
	<u>\$ (284,806)</u>	<u>(23)</u>	<u>\$ 108,612</u>	<u>6</u>	<u>\$ (307,879)</u>	<u>(13)</u>	<u>\$ 106,229</u>	<u>4</u>
(LOSS)/EARNINGS PER SHARE (NEW TAIWAN DOLLARS)								
Basic	\$ (0.10)		\$ 0.72		\$ (0.40)		\$ 0.46	
Diluted	\$ (0.10)		\$ 0.72		\$ (0.40)		\$ 0.46	

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

(Concluded)

**AMPACS CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024**  
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company										
	Share Capital		Capital Surplus	Retained Earnings			Other Equity	Treasury Stock	Total	Non-controlling Interests	Total Equity
	Share (In Thousands)	Amount		Legal Reserve	Special Reserve	Unappropriated Earnings					
BALANCE AT JANUARY 1, 2024	150,000	\$ 1,500,000	\$ 1,044,837	\$ 182,782	\$ 144,026	\$ 176,839	\$ (200,638)	\$ (185,294)	\$ 2,662,552	\$ 10,518	\$ 2,673,070
Appropriation of the 2023 earnings											
Special reserve	-	-	-	-	56,612	(56,612)	-	-	-	-	-
Cash dividends distributed by the company - \$0.09 per share	-	-	-	-	-	(13,275)	-	-	(13,275)	-	(13,275)
Other changes in capital surplus											
Issuance of cash dividends from capital surplus - \$0.41 per share	-	-	(60,475)	-	-	-	-	-	(60,475)	-	(60,475)
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	(6,008)	(6,008)
Net income for the six months ended June 30, 2024	-	-	-	-	-	68,263	-	-	68,263	1,070	69,333
Other comprehensive income for the six months ended June 30, 2024	-	-	-	-	-	-	36,648	-	36,648	248	36,896
Total comprehensive income for the six months ended June 30, 2024	-	-	-	-	-	68,263	36,648	-	104,911	1,318	106,229
BALANCE AT JUNE 30, 2024	<u>150,000</u>	<u>\$ 1,500,000</u>	<u>\$ 984,362</u>	<u>\$ 182,782</u>	<u>\$ 200,638</u>	<u>\$ 175,215</u>	<u>\$ (163,990)</u>	<u>\$ (185,294)</u>	<u>\$ 2,693,713</u>	<u>\$ 5,828</u>	<u>\$ 2,699,541</u>
BALANCE AT JANUARY 1, 2025	150,000	\$ 1,500,000	\$ 981,881	\$ 182,782	\$ 200,638	\$ 414,069	\$ (152,149)	\$ (185,294)	\$ 2,941,927	\$ -	\$ 2,941,927
Appropriation of the 2024 earnings											
Legal reserve	-	-	-	30,712	-	(30,712)	-	-	-	-	-
Cash dividends distributed by the company - \$0.30 per share	-	-	-	-	-	(44,250)	-	-	(44,250)	-	(44,250)
Special reserve	-	-	-	-	(48,489)	48,489	-	-	-	-	-
Other changes in capital surplus											
Issuance of cash dividends from capital surplus - \$1.20 per share	-	-	(177,000)	-	-	-	-	-	(177,000)	-	(177,000)
Net loss for the six months ended June 30, 2025	-	-	-	-	-	(59,082)	-	-	(59,082)	-	(59,082)
Other comprehensive loss for the six months ended June 30, 2025, net of income tax	-	-	-	-	-	-	(248,797)	-	(248,797)	-	(248,797)
Total comprehensive loss for the six months ended June 30, 2025	-	-	-	-	-	(59,082)	(248,797)	-	(307,879)	-	(307,879)
BALANCE AT JUNE 30, 2025	<u>150,000</u>	<u>\$ 1,500,000</u>	<u>\$ 804,881</u>	<u>\$ 213,494</u>	<u>\$ 152,149</u>	<u>\$ 328,514</u>	<u>\$ (400,946)</u>	<u>\$ (185,294)</u>	<u>\$ 2,412,798</u>	<u>\$ -</u>	<u>\$ 2,412,798</u>

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

**AMPACS CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024**  
**(In Thousands of New Taiwan Dollars)**

	For the Six Months Ended June 30	
	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Loss)/income before income tax	\$ (52,169)	\$ 115,111
Adjustments to reconcile profit (loss):		
Depreciation expenses	224,220	221,000
Amortization expenses	916	971
Expected credit loss recognized on trade receivables	393	3,298
Finance costs	88,350	93,545
Interest income	(5,084)	(4,694)
Net (gain)/loss on disposal of property, plant and equipment	(1,963)	356
Gain on disposal of associate	-	(6,825)
Write-down of inventories	16,512	9,715
Net loss/(gain) on foreign currency exchange	1,085	(26,629)
Gain on modification of lease arrangements	(139)	-
Changes in operating assets and liabilities		
Trade receivables	432,830	(895,923)
Other receivables	143,014	(31,810)
Inventories	(51,269)	(720,766)
Other current assets	1,351	32,324
Trade payables	(503,293)	906,907
Other payables	38,416	9,348
Other current liabilities	<u>11,301</u>	<u>112,486</u>
Cash generated from/(used in) operations	344,471	(181,586)
Interest received	5,084	4,694
Finance costs paid	(92,027)	(96,531)
Income tax paid	<u>(28,465)</u>	<u>(33,709)</u>
Net cash generated from/(used in) operating activities	<u>229,063</u>	<u>(307,132)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at fair value through other comprehensive income	(6,826)	-
Purchase of financial assets at amortized cost	-	(119,107)
Proceeds from sale of financial assets at amortized cost	11,830	-
Proceeds from sale of financial assets at fair value through profit or loss	1,754	-

Proceeds from disposal of investments accounted for using the equity method	-	20,000
Payments of property, plant and equipment	(123,561)	(243,513)
Proceeds from disposal of property, plant and equipment	10,312	6,476
Increase in refundable deposits	-	(158)
Decrease in refundable deposits	196	-
Payments of intangible assets	(26,176)	(136)
Increase in finance lease receivables	<u>(8)</u>	<u>-</u>
Net cash used in investing activities	<u>(132,479)</u>	<u>(336,438)</u>

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**AMPACS CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024**  
**(In Thousands of New Taiwan Dollars)**

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	<b>For the Six Months Ended</b>	
	<b>June 30</b>	
	<b>2025</b>	<b>2024</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from short-term borrowings	\$ -	\$ 668,012
Repayments of short-term borrowings	(319,256)	-
Proceeds from long-term borrowings	-	49,000
Repayments of long-term borrowings	(47,367)	(41,862)
Proceeds from guarantee deposits received	3,804	-
Repayments of the principal portion of lease liabilities	<u>(14,009)</u>	<u>(22,710)</u>
Net cash (used in)/generated from financing activities	<u>(376,828)</u>	<u>652,440</u>
<b>EFFECTS OF EXCHANGE RATE CHANGES ON THE</b>		
<b>BALANCE OF CASH HELD IN FOREIGN CURRENCIES</b>	<u>96,311</u>	<u>(28,710)</u>
<b>NET DECREASE IN CASH</b>	(183,933)	(19,840)
<b>CASH AT THE BEGINNING OF PERIOD</b>	<u>370,058</u>	<u>149,957</u>
<b>CASH AT THE END OF THE PERIOD</b>	<u>\$ 186,125</u>	<u>\$ 130,117</u>

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

**AMPACS CORPORATION AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024**  
**(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

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**1. GENERAL INFORMATION**

AMPACS Corporation (the “Company”) was founded in July 1998. The Company is mainly engaged in the design and manufacture of consumer electronics and the development of plastic components and molds. The Company’s shares were listed and have been trading on the Taiwan Stock Exchange since December 14, 2020.

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

**2. APPROVAL OF FINANCIAL STATEMENTS**

The consolidated financial statements were approved by the Group’s board of directors on August 13, 2025.

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

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

The initial application of the amendments to the IFRSs endorsed and issued into effect by the FSC would not have any material impact on the accounting policies of the Consolidated Company.

- b. The IFRS Accounting Standards issued by International Accounting Standards Board (IASB) and endorsed by the FSC with effective date starting 2026

<u>New, Revised or Amended Standards and Interpretations</u>	<u>Effective Date Announced by IASB</u>
Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”	January 1, 2026
Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”	January 1, 2026
Annual Improvements to IFRS Accounting Standards - Volume 11	January 1, 2026
IFRS 17 “Insurance Contracts”	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Initial application of IFRS 17 and IFRS 9 - Comparative Information (Amendment to IFRS 17)	January 1, 2023

As of the date of approval and issuance of this consolidated financial report, the Group has assessed that the amendments to the aforementioned standards and interpretations are not expected to have a material impact on the financial position or financial performance.

- c. The IFRS Accounting Standards issued by International Accounting Standards Board (IASB), but not yet endorsed and issued into effect by the FSC

<b>New, Amended and Revised Standards and Interpretations</b>	<b>Effective Date Announced by IASB (Note)</b>
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	To be determined by IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027
IFRS 19 “Subsidiaries without Public Accountability: Disclosures	January 1, 2027

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

**IFRS 18 “Presentation and Disclosure in Financial Statements”**

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

- Items of income and expenses included in the statement of profit or loss shall be classified into the operating, investing, financing, income taxes and discounted operations categories.
- The statement of profit or loss shall present totals and subtotals for operating profit or loss, profit or loss before financing and income taxes and profit or loss.
- Provides guidance to enhance the requirements of aggregation and disaggregation: The Group shall identify the assets, liabilities, equity, income, expenses and cash flows that arise from individual transactions or other events and shall classify and aggregate them into groups based on shared characteristics, so as to result in the presentation in the primary financial statements of line items that have at least one similar characteristic. The Group shall disaggregate items with dissimilar characteristics in the primary financial statements and in the notes. The Group labels items as “other” only if it cannot find a more informative label.
- Disclosures on Management-defined Performance Measures (MPMs): When in public communications outside financial statements and communicating to users of financial statements management’s view of an aspect of the financial performance of the Group as a whole, the Group shall disclose related information about its MPMs in a single note to the financial statements, including the description of such measures, calculations, reconciliations to the subtotal or total specified by IFRS Accounting Standards and the income tax and non-controlling interests effects of related reconciliation items.

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

#### 4. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

##### a. Statement of compliance

The consolidated financial statements have been prepared in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34, “Interim Financial Reporting,” endorsed and issued into effect by the FSC. The consolidated financial statements do not present all the disclosures required for a complete set of annual consolidated financial statements prepared under the IFRS Accounting Standards.

##### b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair value.

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

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- 3) Level 3 inputs are unobservable inputs for an asset or liability.

##### c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e., its subsidiaries). Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company. All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

See Note 12, Table 5 and Table 6 for detailed information on subsidiaries (including percentages of ownership and main businesses).

##### d. Other material accounting policies

Except for the following, refer to the consolidated financial statements for the year ended

December 31, 2024

Income tax expense

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

**5. MATERIAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

Refer to the consolidated financial statements for the year ended December 31, 2024.

**6. CASH AND CASH EQUIVALENTS**

	<u>June 30,2025</u>	<u>December 31,2024</u>	<u>June 30,2024</u>
Cash on hand	\$ 936	\$ 1,496	\$ 1,520
Checking accounts and demand deposits	<u>185,189</u>	<u>368,562</u>	<u>128,597</u>
	<u>\$ 186,125</u>	<u>\$ 370,058</u>	<u>\$ 130,117</u>

**7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS**

	<u>June 30,2025</u>	<u>December 31,2024</u>	<u>June 30,2024</u>
<u>Financial assets - current</u>			
Financial assets mandatorily classified as at FVTPL RMB wealth investment product (1)	<u>\$ 5,727</u>	<u>\$ 8,060</u>	<u>\$ -</u>
<u>Financial assets - non-current</u>			
Gains or losses on equity instruments mandatorily measured at fair value			
Other financial assets (2)	<u>\$ 29,300</u>	<u>\$ 32,790</u>	<u>\$ 32,450</u>

- a. The Group signed a financial investment product contract with the bank. The entire contract was recognized as financial asset at fair value through profit or loss upon initial recognition.
- b. The Group acquired financial assets containing stock options. The entire contract recognized as financial asset at fair value through profit or loss upon initial recognition.

## 8. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	June 30,2025	December 31,2024	June 30,2024
<u>Non-current</u>			
Investments in equity instruments	\$ 252,156	\$ 282,191	\$ 259,600
Investments in debt instruments	<u>27,862</u>	<u>24,533</u>	<u>10,034</u>
	<u>\$ 280,018</u>	<u>\$ 306,724</u>	<u>\$ 269,634</u>

### a. Investments in equity instruments at FVTOCI

	June 30,2025	December 31,2024	June 30,2024
<u>Non-current</u>			
Foreign unlisted shares	\$ 284,697	\$ 284,697	\$ 284,697
Adjustments for change in value of investment	( <u>32,541</u> )	( <u>2,506</u> )	( <u>25,097</u> )
	<u>\$ 252,156</u>	<u>\$ 282,191</u>	<u>\$ 259,600</u>

These investments in equity instruments are held for medium- to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

### b. Investments in debt instruments at FVTOCI

	June 30,2025	December 31,2024	June 30,2024
<u>Non-current</u>			
Foreign investments			
Corporate bonds - Ford Motor Company (1)	\$ 3,040	\$ 3,648	\$ 3,714
Corporate bonds - Pfizer Inc. (2)	5,853	6,364	6,320
Corporate bonds -Apple Inc. (3)	12,981	14,521	-
Corporate bonds - Amazon Inc.(4)	<u>5,988</u>	<u>-</u>	<u>-</u>
	<u>\$ 27,862</u>	<u>\$ 24,533</u>	<u>\$ 10,034</u>

1) In February 2021, the Group bought 26-year corporate bonds issued by Ford Motor Company with a coupon rate of 5.291% and an effective interest rate of 4.70%.

2) In August 2023, the Group bought 10-year corporate bonds issued by Pfizer Inc. with a coupon rate of 4.75% and an effective interest rate of 4.63%.

- 3) In September 2024, the Group bought 30-year corporate bonds issued by Apple Inc. with a coupon rate of 4.38% and an effective interest rate of 4.45%.
- 4) In February 2025, the Group bought 20-year corporate bonds issued by Amazon Inc. with a coupon rate of 4.8% and an effective interest rate of 4.62%.

## 9. FINANCIAL ASSETS AT AMORTIZED COST

	June 30,2025	December 31,2024	June 30,2024
<u>Current</u>			
Pledged demand deposits	\$ 247,059	\$ 254,350	\$ 255,829
Pledged time deposit	211,860	228,926	241,271
Pledged repurchase agreements collateralized by bonds	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>
	<u>\$ 478,919</u>	<u>\$ 503,276</u>	<u>\$ 517,100</u>

Refer to Note 29 for information relating to investments in financial assets at amortized cost pledged as security.

## 10. TRADE RECEIVABLES, NET

	June 30,2025	December 31,2024	June 30,2024
<u>Trade receivables</u>			
At amortized cost			
Gross carrying amount	\$ 1,094,019	\$ 1,569,662	\$ 1,990,520
Allowance for impairment loss	( <u>4,333</u> )	( <u>4,394</u> )	( <u>4,321</u> )
	<u>\$ 1,089,686</u>	<u>\$ 1,565,268</u>	<u>\$ 1,986,199</u>

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

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated by reference to the past default records of the customer, the customer's current financial position and economic condition of the industry in which the customer operates. Since the credit loss historical experience of the Group shows that there is no significant difference in the loss of different customer bases, the expected credit loss rate is only determined by the number of days overdue accounts receivable without further distinguishing customer groups.

The Group recognizes adequate loss allowance when there is evidence indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, whichever occurs

earlier. For loss allowance that has been recognized adequate, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognized in profit or loss.

The aging of trade receivables is as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Up to 30 Days	\$ 1,073,192	\$ 1,464,104	\$ 1,981,164
31 to 120 Days	7,336	100,711	4,973
121 to 240 Days	9,151	22	62
241 to 360 Days	7	401	-
Over 360 Days	<u>4,333</u>	<u>4,424</u>	<u>4,321</u>
	<u>\$ 1,094,019</u>	<u>\$ 1,569,662</u>	<u>\$ 1,990,520</u>

The above is an aging analysis based on the number of past due days.

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

	For the Six Months Ended 30 June, 2025	For the Six Months Ended 30 June, 2024
Balance at January 1	\$ 4,394	\$ 996
Add: Net remeasurement of loss allowance	393	3,298
Foreign exchange gains and losses	( <u>454</u> )	<u>27</u>
Balance at June 31	<u>\$ 4,333</u>	<u>\$ 4,321</u>

Refer to Note 29 for information on the part of trade receivables pledged as security.

## 11. INVENTORIES, NET

	June 30, 2025	December 31, 2024	June 30, 2024
Raw materials	\$ 870,711	\$ 1,115,940	\$ 1,125,411
Work in progress	385,664	3,006	589,963
Semi-finished goods	646,691	509,557	300,547
Finished goods	<u>195,932</u>	<u>723,490</u>	<u>536,501</u>
	<u>\$ 2,098,998</u>	<u>\$ 2,351,993</u>	<u>\$ 2,552,422</u>

The nature of the cost of goods sold is as follows:

For the three Months	For the three Months	For the Six Months	For the Six Months
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	Ended 30 June, 2025	Ended 30 June, 2024	Ended 30 June, 2025	Ended 30 June, 2024
Operating costs related to inventory	\$ 974,891	\$ 1,434,336	\$ 1,985,025	\$ 2,388,703
Write-down and obsolescence (reversal) loss	<u>10,882</u>	<u>9,317</u>	<u>16,512</u>	<u>9,715</u>
	<u>\$ 985,773</u>	<u>\$ 1,443,653</u>	<u>\$ 2,001,537</u>	<u>\$ 2,398,418</u>

## 12. SUBSIDIARIES

- a. The entities included in the consolidated financial statements are listed below:

<u>Investor</u>	<u>Investee</u>	<u>Nature of Activities</u>	<u>Proportion of Ownership (%)</u>			<u>Remark</u>
			June 30, 2025	December 31, 2024	June 30, 2024	
Ampacs Corporation, (parent company)	Tech. Pioneer, Ltd.	Investment activities	100.00	100.00	100.00	—
	Ampacs International company Limited	Production and sale of plastic products and consumer electronics	100.00	100.00	100.00	—
	Vogten Import Export Trading Co., Ltd	the sale consumer electronics	100.00	100.00	100.00	(1)
Tech. Pioneer, Ltd.	Brilliance Investment Co., Ltd.	Investment activities and the sale of plastic products	100.00	100.00	100.00	—
Tech. Pioneer, Ltd.	Sunlight Ocean Holding Limited	Investment activities	100.00	100.00	100.00	—
Tech. Pioneer, Ltd.	Richmake International Limited	Investment activities and the sale consumer electronics	100.00	100.00	100.00	—
Tech. Pioneer, Ltd.	Fortune Channel Universal Limited	Investment activities and sale of plastic products	100.00	100.00	100.00	—
Brilliance Investment Co., Ltd.	Dong Guan Yi Zhuo Electronics Co., Ltd.	Production and sale of plastic products	100.00	100.00	100.00	—
Sunlight Ocean Holding Limited	Dong Guan Han Lei Electronics Co., Ltd.	Production and sale of plastic products and consumer electronics	100.00	100.00	100.00	—
Richmake International Limited	Dong Guan Yi Xing Electronics Co., Ltd.	Production and sale of plastic products and consumer electronics	100.00	100.00	100.00	—
Fortune Channel Universal Limited	Modern Pioneer (Kunshan) Co., Ltd.	Production and sale of plastic products	100.00	100.00	100.00	—
Dong Guan Han Lei Electronics Co., Ltd.	Dongguan Hong Jun Electronics Co., Ltd.	Production and sale of headphone cables	100.00	100.00	51.00	(2)

Note 1: The company established Vogten Import Export Trading Co., Ltd in the second quarter of 2024. As of December 31, 2024, the Company has paid US\$500 thousand for the investment.

Note 2: In November 2024, the Group acquired 49% of Dongguan Hong Jun Electronics Co., Ltd.'s shares, increasing its ownership percentage from 51% to 100%.

b. Subsidiaries excluded from consolidated financial statements: None.

c. Details of subsidiaries that have material non-controlling interests: None.

### 13. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Machinery Equipment	Transportation Equipment	Office Equipment	Other Equipment	Property under construction	Total
<u>Cost</u>								
Balance at January 1, 2025	\$ 1,206,525	\$ 900,301	\$ 2,116,106	\$ 18,818	\$ 31,329	\$ 355,259	\$ 229	\$ 4,628,567
Additions	-	-	53,672	-	11	10,123	-	63,806
Disposals	-	( 58)	( 42,113)	-	( 1,729)	( 15,143)	-	( 59,043)
Reclassifications	-	26,364	73,613	2,597	-	883	-	103,457
Effects of foreign currency exchange differences	-	( 100,340)	( 263,516)	( 2,395)	( 1,854)	( 32,554)	( 29)	( 400,688)
Balance at June 30, 2025	<u>\$ 1,206,525</u>	<u>\$ 826,267</u>	<u>\$ 1,937,762</u>	<u>\$ 19,020</u>	<u>\$ 27,757</u>	<u>\$ 318,568</u>	<u>\$ 200</u>	<u>\$ 4,336,099</u>
<u>Accumulated depreciation</u>								
Balance at January 1, 2025	\$ -	\$ 280,257	\$ 980,269	\$ 9,087	\$ 24,278	\$ 251,367	\$ -	\$ 1,545,258
Depreciation expenses	-	21,202	148,336	1,073	1,413	28,169	-	200,193
Disposals	-	( 58)	( 37,299)	-	( 1,671)	( 11,666)	-	( 50,694)
Reclassifications	-	6,152	-	-	-	-	-	6,152
Effects of foreign currency exchange differences	-	( 32,584)	( 125,769)	( 1,084)	( 1,326)	( 23,472)	-	( 184,235)
Balance at June 30, 2025	<u>\$ -</u>	<u>\$ 274,969</u>	<u>\$ 965,537</u>	<u>\$ 9,076</u>	<u>\$ 22,694</u>	<u>\$ 244,398</u>	<u>\$ -</u>	<u>\$ 1,516,674</u>
Carrying amount at June 30, 2025	<u>\$ 1,206,525</u>	<u>\$ 551,298</u>	<u>\$ 972,225</u>	<u>\$ 9,944</u>	<u>\$ 5,063</u>	<u>\$ 74,170</u>	<u>\$ 200</u>	<u>\$ 2,819,425</u>
Carrying amount at December 31, 2024 and January 1, 2025	<u>\$ 1,206,525</u>	<u>\$ 620,044</u>	<u>\$ 1,135,837</u>	<u>\$ 9,731</u>	<u>\$ 7,051</u>	<u>\$ 103,892</u>	<u>\$ 229</u>	<u>\$ 3,083,309</u>
<u>Cost</u>								
Balance at January 1, 2024	\$ 1,206,525	\$ 879,945	\$ 1,853,958	\$ 21,362	\$ 31,002	\$ 411,675	\$ 4,946	\$ 4,409,413
Additions	-	59	131,312	-	2,348	15,075	1,992	150,786
Disposals	-	-	( 11,684)	( 6,590)	( 508)	( 9,120)	-	( 27,902)
Reclassifications	-	2,740	( 37,736)	-	( 308)	( 33,868)	( 4,752)	( 73,924)
Effects of foreign currency exchange differences	-	11,022	22,620	382	282	2,178	62	36,546
Balance at June 30, 2024	<u>\$ 1,206,525</u>	<u>\$ 893,766</u>	<u>\$ 1,958,470</u>	<u>\$ 15,154</u>	<u>\$ 32,816</u>	<u>\$ 385,940</u>	<u>\$ 2,248</u>	<u>\$ 4,494,919</u>
<u>Accumulated depreciation</u>								
Balance at January 1, 2024	\$ -	\$ 229,706	\$ 756,547	\$ 13,223	\$ 23,829	\$ 264,967	\$ -	\$ 1,288,272
Depreciation expenses	-	21,531	132,310	728	1,775	32,796	-	189,140
Disposals	-	-	( 7,671)	( 5,931)	( 475)	( 6,993)	-	( 21,070)
Reclassifications	-	( 30)	( 36,846)	-	( 310)	( 30,001)	-	( 67,187)
Effects of foreign currency exchange differences	-	5,332	9,670	261	203	3,392	-	18,858
Balance at June 30, 2024	<u>\$ -</u>	<u>\$ 256,539</u>	<u>\$ 854,010</u>	<u>\$ 8,281</u>	<u>\$ 25,022</u>	<u>\$ 264,161</u>	<u>\$ -</u>	<u>\$ 1,408,013</u>
Carrying amount at June 30, 2024	<u>\$ 1,206,525</u>	<u>\$ 637,227</u>	<u>\$ 1,104,460</u>	<u>\$ 6,873</u>	<u>\$ 7,794</u>	<u>\$ 121,779</u>	<u>\$ 2,248</u>	<u>\$ 3,086,906</u>

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

Buildings	20-50 years
Machinery equipment	2-10 years
Transportation equipment	4-10 years
Office equipment	2-10 years
Other equipment	2-10 years

Property, plant and equipment used by the Group and pledged as collateral for bank borrowings are set out in Note 29.

## 14. LEASE ARRANGEMENTS

### a. Right-of-use assets

	June 30,2025	December 31,2024	June 30,2024	
<u>Carrying amount</u>				
Land use rights	\$ 382,592	\$ 436,415	\$ 438,009	
Buildings	19,657	36,310	47,357	
Transportation equipment	<u>-</u>	<u>-</u>	<u>847</u>	
	<u>\$ 402,249</u>	<u>\$ 472,725</u>	<u>\$ 486,213</u>	
	For the three Months Ended June 30, 2025	For the three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Additions to right-of-use assets	<u>\$ -</u>	<u>\$ 6,312</u>	<u>\$ 9,205</u>	<u>\$ 6,312</u>
<u>Depreciation expense of right-of-use assets</u>				
Land use rights	\$ 2,840	\$ 3,868	\$ 5,880	\$ 6,869
Buildings	8,240	8,716	17,030	21,532
Transportation equipment	<u>-</u>	<u>1,035</u>	<u>-</u>	<u>2,049</u>
	<u>\$ 11,080</u>	<u>\$ 13,619</u>	<u>\$ 22,910</u>	<u>\$ 30,450</u>

The amount of the right-of-use assets that set as loan guarantee, please refer to Note 29.

### b. Lease liabilities

	June 30,2025	December 31,2024	June 30,2024
Current	<u>\$ 11,824</u>	<u>\$ 29,652</u>	<u>\$ 35,746</u>
Non-current	<u>\$ 8,688</u>	<u>\$ 8,940</u>	<u>\$ 13,030</u>

Range of discount rate for lease liabilities was as follows:

	June 30,2025	December 31,2024	June 30,2024
Buildings	1.32% ~ 5.91%	1.32% ~ 5.91%	1.32% ~ 2.85%

Transportation equipment	-	1.43%~2.85%	1.43%~2.85%
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c. Other lease information

	For the three Months Ended June 30, 2025	For the three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Expenses relating to short-term leases	<u>\$ 1,321</u>	<u>\$ 4,547</u>	<u>\$ 2,913</u>	<u>\$ 5,501</u>
Expenses relating to low-value asset leases	<u>\$ 161</u>	<u>\$ 237</u>	<u>\$ 268</u>	<u>\$ 402</u>
Total cash outflow for leases	<u>\$ 6,937</u>	<u>\$ 14,265</u>	<u>\$ 17,601</u>	<u>\$ 29,046</u>

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

15. INVESTMENT PROPERTY

	<u>INVESTMENT PROPERTY</u>
<u>Cost</u>	
Balance at January 1, 2025	\$ 96,126
Reclassified to property, plant and equipment and right-of-use assets	( 34,805)
Balance at June 30, 2025	<u>\$ 61,321</u>
<u>Accumulated amortization</u>	
Balance at January 1, 2025	\$ 11,666
Depreciation expense	1,117
Reclassified to property, plant and equipment and right-of-use assets	( 7,521)
Balance at June 30, 2025	<u>\$ 5,262</u>
Balance at June 30, 2025	<u>\$ 56,059</u>
Carrying amount at December 31, 2024 and January 1, 2025	<u>\$ 84,460</u>
<u>Cost</u>	
Balance at January 1, 2024	\$ 95,576
Net exchange differences	276
Balance at June 30, 2024	<u>\$ 95,852</u>

<u>Accumulated amortization</u>	
Balance at January 1, 2024	\$ 8,794
Depreciation expense	1,410
Net exchange differences	<u>37</u>
Balance at June 30,2024	<u>\$ 10,241</u>
Balance at June 30,2024	<u>\$ 85,611</u>

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

Buildings 50 years

The fair values of investment properties located in Taipei were not evaluated by an independent valuer but valued by the Group's management refers to the market evidence of similar properties transaction prices. The fair values obtained from the appraisals on June 30, 2025 and June 30, 2024 are not significantly different from those on 2024/12/31 and 2023/12/31 respectively. Please refer to the notes on investment real estate in the consolidated financial reports for 2024 and 2023.

The investment properties pledged as collateral for bank borrowings are set out in Note 29.

## 16. GOODWILL

	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
<u>Cost</u>		
Balance at January	\$ 115,746	\$ 108,404
Effect of foreign currency exchange differences	( <u>12,319</u> )	<u>6,142</u>
Balance at June 30	<u>\$ 103,427</u>	<u>\$ 114,546</u>

## 17. BORROWINGS

### a. Short-term borrowings

	June 30,2025	December 31,2024	June 30,2024
<u>Secured borrowings</u> (Note 29)			
Bank loans	\$ 2,197,559	\$ 2,357,029	\$ 2,337,355
Trade receivables	<u>444,425</u>	<u>767,049</u>	<u>903,016</u>
	<u>2,641,984</u>	<u>3,124,078</u>	<u>3,240,371</u>
<u>Unsecured borrowings</u>			
Bank loans	<u>353,523</u>	<u>404,023</u>	<u>494,124</u>
	<u>\$ 2,995,507</u>	<u>\$ 3,528,101</u>	<u>\$ 3,734,495</u>

Interest rate range	<u>2.13%~6.37%</u>	<u>0.50%~6.92%</u>	<u>2.10%~7.30%</u>
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b. Short-term bills payable

	June 30,2025	December 31,2024	June 30,2024
Commercial notes payable (Note 29)	\$ 250,000	\$ 250,000	\$ 250,000
Interest rate range	<u>1.84%~2.90%</u>	<u>1.80%~2.90%</u>	<u>1.58%~2.89%</u>

c. Long-term borrowings

	June 30,2025	December 31,2024	June 30,2024
<u>Secured borrowings</u> (Note 29)			
Bank loans	\$ 698,653	\$ 731,239	\$ 765,951
Less: Current portion	( 69,820)	( 69,380)	( 68,943)
	<u>628,833</u>	<u>661,859</u>	<u>697,008</u>
<u>Unsecured borrowings</u>			
Line of credit borrowings	40,333	55,114	22,500
Less: Current portion	( 30,123)	( 29,748)	( 22,500)
	<u>10,210</u>	<u>25,366</u>	<u>-</u>
	<u>\$ 639,043</u>	<u>\$ 687,225</u>	<u>\$ 697,008</u>
Interest rate range	<u>2.12%~2.55%</u>	<u>2.12%~2.51%</u>	<u>2.05%~2.35%</u>

**18. OTHER PAYABLES**

	June 30,2025	December 31,2024	June 30,2024
Payables for salaries and bonuses	\$ 106,985	\$ 123,887	\$ 130,613
Payables for interest	8,798	12,475	11,691
Payables for equipment	7,636	5,555	13,798
Payables for professional services	3,196	4,352	4,198
Others (Note)	<u>75,749</u>	<u>49,451</u>	<u>58,036</u>
	<u>\$ 202,364</u>	<u>\$ 195,720</u>	<u>\$ 218,336</u>

Note: Mainly including miscellaneous purchases, employee food expenses, utilities fee and repair fee, etc.

## 19. RETIREMENT BENEFIT PLANS

The Company adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, the Company makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

Some subsidiaries, which are mainly investment holding companies, have no staff. Such subsidiaries have no pension plans; thus, they do not contribute to pension funds and do not recognize pension costs.

Except for such subsidiaries, the remaining subsidiaries all contribute to pension funds and recognize pension costs based on the regulations of their local governments.

## 20. EQUITY

### a. Share capital

#### Ordinary shares

	<u>June 30,2025</u>	<u>December 31,2024</u>	<u>June 30,2024</u>
Number of shares authorized (in thousands)	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
Shares authorized	<u>\$ 5,000,000</u>	<u>\$ 5,000,000</u>	<u>\$ 5,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>
Shares issued	<u>\$ 1,500,000</u>	<u>\$ 1,500,000</u>	<u>\$ 1,500,000</u>

### b. Capital surplus

	<u>June 30,2025</u>	<u>December 31,2024</u>	<u>June 30,2024</u>
<u>May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (1)</u>			
Share premiums	\$ 801,700	\$ 978,700	\$ 978,700
Difference between the consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal or acquisition	-	-	2,481
Treasury share transactions	<u>801</u>	<u>801</u>	<u>801</u>

	<u>802,501</u>	<u>979,501</u>	<u>981,982</u>
<u>May only be used to offset a deficit</u>			
Changes in percentage of ownership interests in subsidiaries (2)	<u>2,380</u>	<u>2,380</u>	<u>2,380</u>
	<u>\$ 804,881</u>	<u>\$ 981,881</u>	<u>\$ 984,362</u>

- 1) Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and to once a year).
- 2) Such capital surplus arises from the effects of changes in ownership interests in subsidiaries resulting from equity transactions other than actual disposals or acquisitions.

c. Retained earnings and dividends policy

Under the dividends policy as set forth in the Company's amended articles of incorporation (the "Articles"), where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, and setting aside or reversing a special reserve in accordance with the laws and regulations. If the Company distribute its earnings in the form of cash, it shall be approved by the board of directors in their meeting; if the earnings are distributed in the form of new shares, it shall be approved by the shareholders in their meeting.

For the policies on the distribution of compensation of employees and remuneration of directors after the amendment, refer to compensation of employees and remuneration of directors in Note 22-f.

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

When a special reserve is appropriated for cumulative net debit balance reserves from prior period, the sum of net profit for current period and items other than net profit that are included directly in the unappropriated earnings for current period is used if the prior unappropriated earnings is not sufficient.

"Cash distributions of the aforementioned dividends, legal reserve, and capital surplus may be resolved by the Board of Directors with the attendance of at least two-thirds of the directors and approval by a majority of the directors present, and shall be reported to the shareholders' meeting. Distributions made in the form of new shares shall be subject to approval by the shareholders' meeting in accordance with applicable laws and regulations."

The distribution of dividends to shareholders of the Company can be made in cash or shares, the distribution is dependent on the Company's current and future investment environment, capital needs, domestic and international competition and capital budget, etc., taking into account the interests of shareholders, balance of dividends and long-term financial planning of the Company.

The Company's dividend distribution shouldn't be less than 10% of the accumulated retained

earnings for each year should be distributed as shareholder dividends., however, that if the accumulated retained earnings is less than 10% of the capital paid up, the Company may not declare dividends. If the Company decides to distribute dividends to shareholders, the proportion of cash dividends should not be less than 10% of the total dividends.

The earnings distribution proposals for the years ended December 31, 2024 and 2023 are as follows:

	<u>Appropriation of Earnings</u>		<u>Dividends Per Share</u>	
	<u>2024</u>	<u>2023</u>	<u>(NT\$)</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Legal reserve	\$ 30,712	\$ -	\$ -	\$ -
(Reversal) special				
reserve	( 48,489)	56,612	-	-
Cash dividends	44,250	13,275	0.30	0.09
Cash dividends from				
capital surplus	177,000	60,475	1.20	0.41

The above cash dividends were approved for distribution by the Board of Directors on May 14, 2025 and April 25, 2024, respectively. The remaining items of earnings distribution were approved at the shareholders' meetings on June 25, 2025 and June 21, 2024, respectively."

d. Treasury shares

	<u>Jan. 1 to June 30,</u>	<u>Jan. 1 to June 30,</u>
	<u>2025</u>	<u>2024</u>
Number of shares at January		
1 and June 30 (in thousand		
shares)	<u>2,500</u>	<u>2,500</u>

In August 2021, the Company's board of directors approved to buy back treasury shares and intend to transfer shares to the employees.

Under the Securities and Exchange Act, the Company shall neither pledge treasury shares nor exercise shareholders' rights on these shares, such as the rights to dividends and to vote.

**21. REVENUE**

	<u>For the three</u>	<u>For the three</u>	<u>For the Six</u>	<u>For the Six</u>
	<u>Months</u>	<u>Months</u>	<u>Months</u>	<u>Months</u>
	<u>Ended June</u>	<u>Ended June</u>	<u>Ended June</u>	<u>Ended June</u>
	<u>30, 2025</u>	<u>30, 2024</u>	<u>30, 2025</u>	<u>30, 2024</u>
Revenue from contracts				
with customers				
Consumer electronics	\$ 1,172,895	\$ 1,740,561	\$ 2,298,581	\$ 2,796,059
Plastic components	<u>69,000</u>	<u>68,271</u>	<u>105,312</u>	<u>157,602</u>
	<u>\$ 1,241,895</u>	<u>\$ 1,808,832</u>	<u>\$ 2,403,893</u>	<u>\$ 2,953,661</u>

**22. NET PROFIT (LOSS)**

a. Other income

	For the three Months Ended June 30, 2025	For the three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Rental income	\$ 5,138	\$ 6,404	\$ 11,550	\$ 12,810
Interest income	<u>4,188</u>	<u>3,985</u>	<u>5,084</u>	<u>4,694</u>
	<u>\$ 9,326</u>	<u>\$ 10,389</u>	<u>\$ 16,634</u>	<u>\$ 17,504</u>

b. Other gains and losses

	For the three Months Ended June 30, 2025	For the three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Net foreign exchange (loss) gains	( \$ 113,275 )	\$ 1,708	( \$ 99,034 )	( \$ 26,664 )
Gain (loss) on disposal of property, plant and equipment	( 56 )	( 251 )	1,963	( 356 )
Depreciation expense of investment property	( 417 )	( 714 )	( 1,117 )	( 1,410 )
Disposal of investments accounted for using the equity method	-	6,825	-	6,825
Gain from lease modification	-	-	139	-
Others	<u>307</u>	<u>3,408</u>	<u>1,634</u>	( <u>10,043</u> )
	( <u>\$ 113,441</u> )	<u>\$ 10,976</u>	( <u>\$ 96,415</u> )	( <u>\$ 31,648</u> )

c. Finance costs

	For the three Months Ended June 30, 2025	For the three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Interest on loans	\$ 39,592	\$ 50,380	\$ 86,172	\$ 93,002
Interest on lease liabilities	173	199	411	433
Fees on pledged trade receivables	<u>1,001</u>	<u>69</u>	<u>1,767</u>	<u>110</u>

Total	<u>\$ 40,766</u>	<u>\$ 50,648</u>	<u>\$ 88,350</u>	<u>\$ 93,545</u>
d. Depreciation and amortization				
	For the three Months Ended June 30, 2025	For the three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
An analysis of depreciation by function				
Operating costs	\$ 97,330	\$ 90,375	\$ 198,600	\$ 186,140
Operating expenses	11,544	16,483	24,503	33,450
Other gains and losses	417	714	1,117	1,410
	<u>\$ 109,291</u>	<u>\$ 107,572</u>	<u>\$ 224,220</u>	<u>\$ 221,000</u>
	For the three Months Ended June 30, 2025	For the three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
An analysis of amortization by function				
Operating costs	\$ 4	\$ -	\$ 6	\$ -
Operating expenses	401	433	910	971
	<u>\$ 405</u>	<u>\$ 433</u>	<u>\$ 916</u>	<u>\$ 971</u>
e. Employee benefits expense				
	For the three Months Ended June 30, 2025	For the three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Short-term benefits	\$ 287,560	\$ 360,992	\$ 594,384	\$ 658,755
Other employee expenses	2,719	1,581	5,700	4,824
Post-employment benefits				
Defined contribution plans	13,593	14,351	28,158	25,817
Total employee benefits expense	<u>\$ 303,872</u>	<u>\$ 376,924</u>	<u>\$ 628,242</u>	<u>\$ 689,396</u>

An analysis of  
employee  
benefits expense  
by function

Operating costs	\$ 226,261	\$ 278,394	\$ 445,778	\$ 513,612
Operating expenses	<u>77,611</u>	<u>98,530</u>	<u>182,464</u>	<u>175,784</u>
	<u>\$ 303,872</u>	<u>\$ 376,924</u>	<u>\$ 628,242</u>	<u>\$ 689,396</u>

f. Compensation of employees and remuneration of directors

According to the Company's Articles, the Company accrues the compensation of employees and remuneration of directors and supervisors at rates of no less than 1% and no higher than 3%, respectively, of net profit before income tax, compensation of employees, and remuneration of directors and supervisors. However, if the Company has accumulated losses, it should offset the losses in advance. According to the amendment to the Securities and Exchange Act in August 2024, the company plans to approve an amendment to its Articles of Incorporation at the 2025 shareholders' meeting, stipulating that no less than 50% of the annual employee compensation allocation shall be distributed to grassroots employees

The years 2025 from January 1 to June 30 are all net losses, so employee compensation and director compensation are not estimated. The amounts of employee compensation and director remuneration accrued from January 1 to June 30, 2024, were estimated based on past experience and the probable amounts that may be incurred, and were accrued based on the aforementioned pre-tax profit.

Accrual rate

	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Compensation of employees	-	1%
Remuneration of directors	-	1%

	For the three Months Ended June 30, 2025	For the three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Compensation of employees	<u>\$ -</u>	<u>\$ 1,122</u>	<u>\$ -</u>	<u>\$ 1,122</u>
Remuneration of directors	<u>\$ -</u>	<u>\$ 1,122</u>	<u>\$ -</u>	<u>\$ 1,122</u>

The compensation of employees and the remuneration of directors for the years ended December 31, 2024, which were approved by the Company's board of directors on April 24, 2025 is as follows:

Accrual rate

	<b>For the Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
Compensation of employees	3%	-
Remuneration of directors	1%	-

Amount

	<b>For the Year Ended December 31</b>			
	<b>2024</b>		<b>2023</b>	
	<b>Cash</b>	<b>Shares</b>	<b>Cash</b>	<b>Shares</b>
Compensation of employees	\$ 11,491	-	\$ -	-
Remuneration of directors	3,830	-	-	-

The Company did not estimate and allocate compensation of employees and remuneration of directors for the year ended December 31, 2023 because of the net loss.

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

The Board of Directors of the Company convened on April 24, 2025. The actual amounts of employee compensation approved for distribution differed from the amounts recognized in the annual consolidated financial statements. The difference has been adjusted to the profit or loss of the year 2025.

	<b>2024</b>	
	<b>Employee Compensation</b>	<b>Directors' Remuneration</b>
Amount Approved by the Board	<u>\$ 11,491</u>	<u>\$ 3,830</u>
Amount Recognized in Financial Statements	<u>\$ 3,830</u>	<u>\$ 3,830</u>

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

## 23. INCOME TAXES

- a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

<u>For the three</u>	<u>For the three</u>	<u>For the Six</u>	<u>For the Six</u>
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	Months Ended June 30, 2025	Months Ended June 30, 2024	Months Ended June 30, 2025	Months Ended June 30, 2024
Current tax				
In respect of the current year	(\$ 31)	\$ 36,061	\$ 2,051	\$ 42,474
Adjustments for prior year	( <u>2,899</u> ) ( <u>2,930</u> )	( <u>2,581</u> ) <u>33,480</u>	( <u>2,291</u> ) ( <u>240</u> )	( <u>2,353</u> ) <u>40,121</u>
Deferred tax				
In respect of the current year	<u>1,301</u>	<u>8,958</u>	<u>7,153</u>	<u>5,657</u>
Income tax expense recognized in profit or loss(gain)	( <u>\$ 1,629</u> )	<u>\$ 42,438</u>	<u>\$ 6,913</u>	<u>\$ 45,778</u>
Deferred tax				
In respect of the current year		<u>5,852</u>		( <u>3,301</u> )
Income tax expense recognized in profit or loss		<u>\$ 8,542</u>		<u>\$ 3,340</u>

According to the Law on Corporate Income Tax approved by the government of Vietnam, local subsidiaries are eligible for tax exemption in the first two years and a 50% deduction in the following four years since the first profit-earning year should they have investments in the industrial park.

b. Income tax recognized in other comprehensive income

	For the three Months Ended June 30, 2025	For the three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
<u>Deferred tax</u>				
In respect of the current year				
Exchange differences on translation of foreign operations	\$ -	\$ -	\$ 2,927	\$ -
Total income tax recognized in other comprehensive income	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,927</u>	<u>\$ -</u>

c. Income tax assessments

The income tax returns of the Company through 2022 have been assessed by the tax authorities. The Group has no material discrepancy with the approved content.

## 24. EARNINGS (LOSS) PER SHARE

	<b>Unit: NT\$ Per Share</b>			
	For the three Months Ended June 30, 2025	For the three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Basic (loss) earnings per share	(\$ 0.10)	\$ 0.72	(\$ 0.40)	\$ 0.46
Diluted (loss) earnings per share	(\$ 0.10)	\$ 0.72	(\$ 0.40)	\$ 0.46

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

### Net Profit (Loss) for the Year

	For the three Months Ended June 30, 2025	For the three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Earnings (loss) used in the computation of basic and diluted earnings (loss) per share	(\$ 15,180)	\$ 106,596	(\$ 59,082)	\$ 68,263

The weighted average number of ordinary shares outstanding (in thousands of shares) was as follows:

	For the three Months Ended June 30, 2025	For the three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Weighted average number of ordinary shares used in the computation of basic earnings per share	147,500	147,500	147,500	147,500
Effect of potentially dilutive ordinary				

shares				
Compensation of employees	_____ -	_____ 17	_____ -	_____ 17
Weighted average number of ordinary shares used in the computation of diluted earnings per share	_____ 147,500	_____ 147,517	_____ 147,500	_____ 147,517

The Group may settle the compensation of employees in cash or shares; therefore, the Group assumes that the entire amount of the compensation will be settled in shares, and the resulting potential shares will be included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year. Since the compensation of employees are anti-dilutive in the computation of diluted losses per share from January 1 to June 30, 2025, they are excluded from the computation.

## 25. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

On November 2024, the Group acquired 49% more shares in Dongguan Hong Jun Electronics Co., Ltd., and increased its continuing interest from 51% to 100%.

The above transactions were accounted for as equity transactions, since the Group did not cease to have control over the subsidiary.

	<b>Dongguan Shi Hong Jun Electronics Co., Ltd.</b>
	<hr/>
Consideration received	\$ 9,099
The proportionate share of the carrying amount of the net assets of the subsidiary transferred from non-controlling interests	(____ 4,009)
Differences recognized from equity transactions	<u>\$ 5,090</u>
<u>Line items adjusted for equity transactions</u>	
Capital surplus - difference between consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal or acquisition	(\$ 2,481)
Retained earnings	(____ 2,609)
	<u>(\$ 5,090)</u>

## 26. CAPITAL MANAGEMENT

The Group conducts capital management to ensure the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. There is no material change in the overall strategy of the Group.

The Group must maintain its capital to support equipment upgrades. The capital management of the Group is to make sure that the Group has sufficient and necessary financial resources and operating plans to be able to provide the required funds for operating capital, capital expenditure, research and development expenses, repayment of debts, and payment of dividends.

## 27. FINANCIAL INSTRUMENTS

- a. The fair value of financial instruments at amortized cost

The management of the Group considered that the carrying amount of financial assets and financial liabilities at amortized cost in the financial statement is close to the fair value.

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

### Fair value hierarchy

#### June 30, 2025

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTPL</u>				
RMB wealth				
investment product	\$ -	\$ -	\$ 5,727	\$ 5,727
Other financial assets	-	-	29,300	29,300
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,027</u>	<u>\$ 35,027</u>

#### Financial assets at FVTOCI

Foreign unlisted shares	\$ -	\$ -	\$ 252,156	\$ 252,156
Investments in debt instruments	27,862	-	-	27,862
	<u>\$ 27,862</u>	<u>\$ -</u>	<u>\$ 252,156</u>	<u>\$ 280,018</u>

#### December 31, 2024

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Financial assets at FVTPL</u>				
RMB wealth				
investment product	\$ -	\$ -	\$ 8,060	\$ 8,060
Other financial assets	-	-	32,790	32,790
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,850</u>	<u>\$ 40,850</u>

<u>Financial assets at</u>								
<u>FVTOCI</u>								
Foreign unlisted shares	\$	-	\$	-	\$	282,191	\$	282,191
Investments in debt instruments		<u>24,533</u>		<u>-</u>		<u>-</u>		<u>24,533</u>
	\$	<u>24,533</u>	\$	<u>-</u>	\$	<u>282,191</u>	\$	<u>306,724</u>

June 30, 2024

		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>			
Financial assets at FVTPL								
Other financial assets	\$	<u>-</u>	\$	<u>-</u>	\$	<u>32,450</u>	\$	<u>32,450</u>

<u>Financial assets at</u>								
<u>FVTOCI</u>								
Foreign unlisted shares	\$	-	\$	-	\$	259,600	\$	259,600
Investments in debt instruments		<u>10,034</u>		<u>-</u>		<u>-</u>		<u>10,034</u>
	\$	<u>10,034</u>	\$	<u>-</u>	\$	<u>259,600</u>	\$	<u>269,634</u>

There were no transfers between Levels 1 and 2 in 2025 and 2024 from January 1 to June 30.

c. Reconciliation of Level 3 fair value measurements of financial instruments

January 1 to June 30, 2025

	<u>Financial Assets at FVTPL</u>		<u>Financial Assets at FVTOCI</u>					
	<u>Equity Instruments</u>	<u>RMB Wealth Investment Product</u>	<u>Equity Instruments</u>	<u>Total</u>				
Balance at January 1	\$	32,790	\$	8,060	\$	282,191	\$	323,041
Disposals during the year		-	(	2,333)		-	(	2,333)
Recognized in profit or loss (included in other gains and losses)	(	3,490)		-		-	(	3,490)
Unrealized valuation gains (losses) on financial assets measured at fair value through other comprehensive income (FVOCI), recognized in other comprehensive income		<u>-</u>		<u>-</u>	(	<u>30,035</u> )	(	<u>30,035</u> )
Balance at June 30	\$	<u>29,300</u>	\$	<u>5,727</u>	\$	<u>252,156</u>	\$	<u>287,183</u>

January 1 to June 30, 2024

<u>Financial Assets</u>	<u>Financial</u>	<u>Financial</u>	<u>Total</u>
-------------------------	------------------	------------------	--------------

	Assets at FVTPL Equity Instruments	Assets at FVTOCI Equity Instruments	
Balance at January 1	\$ 30,710	\$ 245,680	\$ 276,390
Recognized in profit or loss (included in other gains and losses)	<u>1,290</u>	<u>10,320</u>	<u>11,610</u>
Balance at June 30	<u>\$ 32,000</u>	<u>\$ 256,000</u>	<u>\$ 288,000</u>

d. Valuation techniques and inputs applied for Level 3 fair value measurement

The fair value of unlisted equity instruments is estimated based on the most recent trading price of the investee and the valuation multiplier of comparable companies, etc., and is not based on assumptions supported by prices or interest rates in an observable market. The remaining financial assets were based on the Group use counterparty quotations as evaluation techniques and significant unobservable input values to calculate the expected return from the investment.

The RMB-denominated wealth management products acquired by the consolidated entities are valued using counterparty quotations as the valuation technique, incorporating significant unobservable inputs to estimate the expected returns from these investments."

e. Categories of financial instruments

	June 30,2025	December 31,2024	June 30,2024
<u>Financial assets</u>			
Financial assets classified as at FVTPL			
Financial assets mandatorily classified as at FVTPL	\$ 35,027	\$ 40,850	\$ 32,450
Financial assets at amortized cost (1)	1,881,945	2,728,264	2,841,227
Financial assets at FVTOCI	280,018	306,724	269,634
<u>Financial liabilities</u>			
Measured at amortized cost (2)	5,152,522	6,326,467	6,761,293

1) The balances include financial assets at amortized cost, which comprise cash, financial assets at amortized cost, receivables, other receivables and refundable deposits.

2) The balances included financial liabilities measured at amortized cost, which comprise short-term borrowings, short-term bills payable, trade payables, other payables, current portion of long-term borrowings, long-term borrowings and guarantee deposits received.

f. Financial risk management objectives and policies

The Group's major financial instruments include trade receivables, trade payables, lease liabilities, short-term and long-term borrowings. The Group's corporate treasury function provides services to the business, coordinates access to domestic and international financial markets, and monitors and manages the financial risks relating to the operations of the Group through internal risk reports that analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below) and interest rates (see (b) below).

There has been no change to the Group's exposure to market risks or the manner in which these risks are managed and measured.

a) Foreign currency risk

The Group had foreign currency sales and purchases, which exposed the Group to foreign currency risk. The management routinely monitors foreign currency risk and would take necessary measures in response to significant foreign currency fluctuations.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) at the end of the year are set out in Note 30.

Sensitivity analysis

The Group is mainly exposed to the U.S. dollar.

The following table details the Group's sensitivity to a 1% increase and decrease in the New Taiwan dollar, Chinese Yuan and Vietnamese dong (the functional currency) against the U.S. dollar. The sensitivity analysis included only outstanding foreign currency denominated monetary items, financial assets at fair value through profit or loss and investment in debt instruments at fair value through other comprehensive income. A negative number below indicates an decrease in pre-tax profit associated with the New Taiwan dollar weakening 1% against the U.S. dollar. For a 1% strengthening of the New Taiwan dollar against the U.S. dollar, there would be an equal and opposite impact on profit or loss, and the balances below would be positive.

	<b>USD Impact</b>	
	<u>June 30,2025</u>	<u>June 30,2024</u>
Profit or loss	<u>(\$ 437)</u>	<u>\$ 10,435</u>

b) Interest rate risk

The Group is exposed to interest rate risk because the Group borrows funds at floating interest rates. The risk is managed by the Group by maintaining an appropriate mix of floating rate borrowings.

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

	<u>June 30,2025</u>	<u>December 31,2024</u>	<u>June 30,2024</u>
Fair value interest rate risk			
Financial assets	\$ 231,860	\$ 248,926	\$ 261,271
Financial liabilities	270,512	288,592	298,776
Cash flow interest rate risk			
Financial assets	432,115	622,779	384,293
Financial liabilities	3,734,493	4,314,454	4,522,946

### Sensitivity analysis

The sensitivity analysis below was determined based on the Group's exposure to interest rates for both derivative and non-derivative instruments at the end of the year. For floating rate liabilities, the analysis was prepared assuming the amount of each liability outstanding at the end of the year was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100 basis points higher and all other variables were held constant, the Group's pre-tax profit from January 1 to June 30, 2025 and 2024 would have decreased by \$16,512 thousand and \$20,693 thousand, respectively, which was mainly a result of variable-rate bank deposits and variable-rate borrowings. If interest rates had been 100 basis points lower, there would be an equal and opposite impact on pre-tax profit, and the balances would be negative.

#### c) Other price risk

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

If equity prices had been 10% higher/lower, other comprehensive income from January 1 to June 30, 2025 and 2024 would have increased/decreased by \$25,216 thousand and \$25,960 thousand, respectively, as a result of the changes in fair value of financial assets at FVTOCI.

The Group was exposed to debt instrument price risk through its investments in debt instrument. The main purpose of the Group is to collect the cash flow of debt instruments and evaluate to sell if necessary.

#### 2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. As at the end of the reporting period, the Group's maximum exposure to credit risk which would cause a financial loss to the Group due to failure of counterparties to discharge an obligation provided by the Group could arise from the carrying amount of the respective recognized financial assets as stated in the balance sheet.

The Group's accounts receivable is mainly from the sale of wireless headsets, game headsets, and plastic products in various geographic regions. The Group continuously evaluates the financial status of its accounts receivable customers. The Group's credit risk is concentrated in the Americas and Asia.

### 3) Liquidity risk

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

The Group relies on bank borrowings as a significant source of liquidity. As of June 30, 2025, December 31, 2024 and June 30, 2024, the Group had available unutilized short-term bank loan facilities set out in (b) below.

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

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

To the extent that interest flows are at floating rates, the undiscounted amount was derived from the interest rate curve at the end of the year.

June 30, 2025

	<b>Less than 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
<u>Non-derivative financial liabilities</u>			
Variable interest rate liabilities	\$ 3,114,585	\$ 327,482	\$ 352,599
Fixed interest rate liabilities	250,000	-	-
Non-interest bearing	1,266,921	-	-
Lease liabilities	12,250	9,120	-
	<u>\$ 4,643,756</u>	<u>\$ 336,602</u>	<u>\$ 352,599</u>

December 31,2024

	<b>Less than 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
<u>Non-derivative financial liabilities</u>			
Variable interest rate liabilities	\$ 3,650,924	\$ 343,386	\$ 390,025
Fixed interest rate liabilities	250,000	-	-
Non-interest bearing	1,622,880	-	-
Lease liabilities	<u>32,898</u>	<u>10,768</u>	<u>-</u>
	<u>\$ 5,556,702</u>	<u>\$ 354,154</u>	<u>\$ 390,025</u>

June 30,2024

	<b>Less than 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
<u>Non-derivative financial liabilities</u>			
Variable interest rate liabilities	\$ 3,846,759	\$ 315,884	\$ 429,595
Fixed interest rate liabilities	250,000	-	-
Non-interest bearing	1,923,075	-	-
Lease liabilities	<u>36,212</u>	<u>13,270</u>	<u>-</u>
	<u>\$ 6,056,046</u>	<u>\$ 329,154</u>	<u>\$ 429,595</u>

b)Financing facilities

	<u>June 30,2025</u>	<u>December 31,2024</u>	<u>June 30,2024</u>
Unsecured bank overdraft facilities:			
Amount used	\$ 393,856	\$ 459,137	\$ 516,624
Amount unused	<u>345,644</u>	<u>332,713</u>	<u>281,450</u>
	<u>\$ 739,500</u>	<u>\$ 791,850</u>	<u>\$ 798,074</u>
Secured bank overdraft facilities:			

Amount used	\$ 3,590,637	\$ 4,105,317	\$ 4,256,322
Amount unused	<u>7,515,483</u>	<u>6,340,648</u>	<u>5,868,005</u>
	<u>\$ 11,106,120</u>	<u>\$ 10,445,965</u>	<u>\$ 10,124,327</u>

g. Transfers of financial assets

As of June 30, 2025, December 31, 2024 and June 30, 2024, the Group discounted the derecognized trade receivables with an aggregate carrying amount of \$633,711 thousand, \$909,505 thousand and \$1,203,109 thousand, respectively, to banks for cash proceeds of related debt of \$444,425 thousand, \$767,049 thousand and \$903,016 thousand, respectively. According to the contract, if these trade receivables are not recoverable at maturity, banks have the right to request that the Group pay the unsettled balance. As the Group has not transferred the significant risks and rewards relating to these trade receivables, it continues to recognize the full carrying amounts of these trade receivables and treats these trade receivables that have been transferred to banks as collateral for borrowings (see Note 29).

## 28. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed as follows.

a. Related party name and category

<u>Related Party Name</u>	<u>Related Party Merged Company</u>
Ability Technology Co., Ltd.	Other related parties(no longer a related party as of June 2024)

b. Sales of goods

<u>Line Item</u>	<u>Related Party Category/ Name</u>	For the three Months Ended June 30, 2025	For the three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Sales	Ability Technology Co., Ltd.	<u>\$ -</u>	<u>\$ 5,061</u>	<u>\$ -</u>	<u>\$ 10,118</u>

The Group's sales price and collection period to related parties are the same as those to regular customers.

c. Lease arrangements

Operating lease

The Group leases the factory to its associates, Ability Technology Co., Ltd. as the operating lease with the lease term of five year, and the rent is referred to the similar assets' rental level, and a

fixed payment is received monthly according to the lease agreement. The rental income recognized from April 1 to June 30 and from January 1 to June 30 in 2024 are NT\$1,757 thousand and NT\$3,515 thousand respectively.

d. Compensation of key management personnel

	For the three Months Ended June 30, 2025	For the three Months Ended June 30, 2024	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
Short-term employee benefits	\$ 6,847	\$ 5,234	\$ 15,580	\$ 11,941
Post-employment benefits	<u>108</u>	<u>81</u>	<u>251</u>	<u>188</u>
	<u>\$ 6,955</u>	<u>\$ 5,315</u>	<u>\$ 15,831</u>	<u>\$ 12,129</u>

The remuneration of directors and key executives is based on the performance of individuals and market trends.

**29. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY**

	<u>June 30,2025</u>	<u>December 31,2024</u>	<u>June 30,2024</u>
Property, plant and equipment (including construction in progress)	\$ 2,337,873	\$ 2,524,330	\$ 2,597,703
Trade receivables	633,711	909,505	1,203,109
Pledged demand deposits (classified as financial assets at amortized cost)	458,919	483,276	497,100
Right-of-use assets	155,787	173,573	183,166
Investment property	56,059	84,460	85,611
Pledged repurchase agreements collateralized by bonds (classified as financial assets at amortized cost)	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>
	<u>\$ 3,662,349</u>	<u>\$ 4,195,144</u>	<u>\$ 4,586,689</u>

The above assets were provided as collateral for bank borrowings.

**30. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES**

The Group's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies of the entities in the Group and the related

exchange rates between the foreign currencies and the respective functional currencies were as follows:

June 30,2025

	<b>Foreign Currency (In Thousands)</b>	<b>Exchange Rate</b>	<b>Carrying Amount (In Thousands)</b>
<u>Financial assets</u>			
<u>Monetary items</u>			
USD	\$ 81,951	29.300 (USD:TWD)	\$ 2,401,154
USD	20,953	7.1621 (USD:CNY)	<u>613,912</u>
			<u>\$ 3,015,066</u>
<u>Non-monetary items</u>			
Non-derivative financial assets			
USD	10,557	29.300 (USD : TWD)	<u>\$ 309,318</u>
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD	39,345	29.300 (USD : TWD)	\$ 1,152,821
USD	62,065	26,516 (USD : VND)	<u>1,818,516</u>
			<u>\$ 2,971,337</u>

December 31, 2024

	<u>Foreign Currency (In Thousands)</u>	<u>Exchange Rate</u>	<u>Carrying Amount (In Thousands)</u>
<u>Financial assets</u>			
Monetary items			
USD	\$ 88,774	32.79 (USD:TWD)	\$ 2,910,915
USD	16,298	7.3225 (USD:CNY)	<u>534,382</u>
			<u>\$ 3,445,297</u>
Non-monetary items			
Non-derivative financial assets			
USD	10,354	32.79 (USD:TWD)	<u>\$ 339,514</u>
<u>Financial liabilities</u>			
Monetary items			
USD	41,838	32.79 (USD:TWD)	\$ 1,371,882
USD	75,243	25,921(USD:VND)	<u>2,467,210</u>
			<u>\$ 3,839,092</u>

June 30,2024

	<u>Foreign Currency (In Thousands)</u>	<u>Exchange Rate</u>	<u>Carrying Amount (In Thousands)</u>
<u>Financial assets</u>			
<u>Monetary items</u>			
USD	\$ 111,804	32.450 (USD : TWD)	\$ 3,628,033
USD	29,274	7.3003 (USD : CNY)	<u>949,920</u>
			<u>\$ 4,577,953</u>
<u>Non-monetary items</u>			
Non-derivative financial assets			
USD	9,309	32.450 (USD : TWD)	<u>\$ 302,084</u>
<u>Financial liabilities</u>			
<u>Monetary items</u>			

USD	72,433	32.450 (USD : TWD)	2,350,300
USD	90,395	25,857 (USD : VND)	\$ 2,933,318
USD	10,410	7.3003 (USD : CNY)	<u>337,791</u>
			<u>\$ 5,621,409</u>

The combined company's foreign currency exchange gains (losses) (realized and unrealized) from April 1 to June 30, 2025 and 2024, and from January 1 to June 30, 2025 and 2024, respectively, were NT\$(113,275) thousand, 1,708 thousand, (99,034) thousand and (26,664) thousand. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the entities in the Group.

### 31. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions and b. information on investees:

- 1) Financing provided to others (Table 1)
- 2) Endorsements/guarantees provided (None)
- 3) Marketable securities held (excluding investments in subsidiaries and associates) (None)
- 4) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 2)
- 5) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 3)
- 6) Intercompany Relationships and Significant inter company transactions (Table 4)

b. Information on Investees (Table 5)

c. Information on investments in mainland China

- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the year, repatriations of investment income, and limit on the amount of investment in the mainland China area (Table 6)
- 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses (Tables 1, 2 and 3)

### 32. SEGMENT INFORMATION

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. Specifically, the Group's reportable segments were the manufacture, process and sale of audio electronic devices, computer peripherals and plastic products. For the purposes of financial statement presentation, these individual operating segments have been aggregated into a single operating segment given that the Group centrally manages the manufacture and sale of products.

## AMPACS CORPORATION AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS  
FOR THE SIX MONTHS ENDED JUNE 30, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period (Note 5)	Ending Balance (Note 5)	Actual Amount Borrowed	Interest Rate (%)	Nature of Financing	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limit	Note
													Item	Value			
1	Brilliance Investment Co., Ltd.	Richmake International Limited	Other receivables from related parties	Yes	\$ 257,840 (USD 8,800)	\$ 257,840 (USD 8,800)	\$ 234,471 (USD 8,002)	-	Short-term financing	\$ -	Operational needs	\$ -	-	\$ -	\$ 296,296 (USD 10,112)	\$ 296,296 (USD 10,112)	Note 3
2	Dong Guan Yi Zhuo Electronics Co., Ltd.	Brilliance Investment Co., Ltd.	Other receivables from related parties	Yes	147,672 (USD 5,040)	147,672 (USD 5,040)	143,202 (USD 4,887)	-	Short-term financing	-	Operational needs	-	-	-	181,974 (CNY 44,481)	181,974 (CNY 44,481)	Note 4

Note 1: The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

Note 2: The amount was calculated using the spot rate on June 30, 2025 (US\$1=NT\$29.30; CNY1=NT\$4.091).

Note 3: The aggregate financing limit and financing limit for each borrower of Brilliance Investment Co., Ltd., calculated based on the Group's policy, were both 120% of the Company's net asset value.

Note 4: The aggregate financing limit and financing limit for each borrower of Dong Guan Yi Zhuo Electronics Co., Ltd., calculated based on the Group's policy, were both 120% of the Company's net asset value.

Note 5: The highest balance and ending balance for the period are the financing limits approved by the lender's board of directors.

Note 6: All intercompany financing transactions have been eliminated upon consolidation.

## AMPACS CORPORATION AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL  
FOR THE SIX MONTHS ENDED JUNE 30, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Buyer	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts (Payable) or Receivable		Note
			Purchase/Sale	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
AMPACS Corporation	Ampacs International Company Limited	Subsidiary	Purchase	(\$ 2,424,062)	( 97%)	About 120 days	Contract price	No significant difference	\$ -	-	
Tech. Pioneer, Ltd.	AMPACS Corporation	Parent company	Purchase	( 508,679)	( 100%)	About 120 days	Contract price	No significant difference	( 101,423)	( 100%)	
Ampacs International Company Limited	Dongguan Yi Xing Electronics Co., Ltd.	Sister company	Purchase	( 197,003)	( 9%)	About 180 days	Contract price	No significant difference	( 139,430)	( 8%)	
Ampacs International Company Limited	Dongguan Han Lei Electronics Co., Ltd.	Sister company	Purchase	( 144,613)	( 6%)	About 180 days	Contract price	No significant difference	( 186,008)	( 10%)	
Ampacs International Company Limited	AMPACS Corporation	Parent company	Sale	2,424,062	99%	About 120 days	Contract price	No significant difference	-	-	
AMPACS Corporation	Tech. Pioneer, Ltd.	Subsidiary	Sale	508,679	22%	About 180 days	Contract price	No significant difference	101,423	11%	
Dongguan Yi Xing Electronics Co., Ltd.	Ampacs International Company Limited	Sister company	Sale	197,003	93%	About 180 days	Contract price	No significant difference	139,430	99%	
Dongguan Han Lei Electronics Co., Ltd.	Ampacs International Company Limited	Sister company	Sale	144,613	99%	About 180 days	Contract price	No significant difference	186,008	99%	

Note: All intercompany gains and losses from investment have been eliminated upon consolidation.

**TABLE 3**

**AMPACS CORPORATION AND SUBSIDIARIES**

**RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL**

**JUNE 30, 2025**

**(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Company Name	Related Party	Relationship	Ending Balance of Trade Receivables	Ending Balance of Other Receivables	Turnover Rate	Past Due		Amounts Received in Subsequent Period	Allowance for Impairment Loss
						Amount	Action Taken		
AMPACS Corporation	Ampacs International Company Limited	Subsidiary	\$ -	\$ 632,275	Note 1	\$ -	—	\$ -	\$ -
AMPACS Corporation	Tech. Pioneer, Ltd.	Subsidiary	101,423	-	5.90	-	—	44,536	-
Brilliance Investment Co., Ltd.	Richmake International Limited	Sister company	-	234,471	Note 2	-	—	-	-
Dongguan Yi Xing Electronics Co., Ltd.	Ampacs International Company Limited	Sister company	139,430	-	2.70	-	—	14,650	-
Modern Pioneer (Kunshan) Co., Ltd.	Fortune Channel Universal Limited	Sister company	147,152	-	0.96	-	—	1,465	-
Dong Guan Yi Zhuo Electronics Co., Ltd.	Brilliance Investment Co., Ltd.	Sister company	-	143,202	Note 2	-	—	-	-
Dongguan Han Lei Electronics Co., Ltd.	Ampacs International Company Limited	Sister company	186,008	-	1.20	-	—	-	-

Note 1: The other receivables are purchased raw materials.

Note 2: Financing.

Note 3: All intercompany gains and losses from investment have been eliminated upon consolidation.

## AMPACS CORPORATION AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS  
FOR THE THREE MONTHS ENDED JUNE 30, 2025  
(Amounts in Thousands of New Taiwan Dollars)

No. (Note 1)	Company Name	Counterparty	Nature of Relationship (Note 2)	Intercompany Transaction			% of Consolidated Net Revenue or Total Assets (Note 3)
				Financial Statement Item	Amount	Terms	
0	AMPACS Corporation	Ampacs International Company Limited	1	Advance payment	\$ 533,374	Mutual agreement	7%
0	AMPACS Corporation	Ampacs International Company Limited	1	Other receivables	632,275	Mutual agreement	8%
0	AMPACS Corporation	Tech. Pioneer, Ltd.	1	Sales	508,679	Mutual agreement	21%
0	AMPACS Corporation	Richmake International Limited	1	Advance payment	84,946	Mutual agreement	1%
0	AMPACS Corporation	Tech. Pioneer, Ltd.	1	Accounts receivable	101,423	Mutual agreement	1%
1	Ampacs International Company Limited	AMPACS Corporation	2	Sales	2,424,062	Mutual agreement	99%
3	Fortune Channel Universal Limited	AMPACS Corporation	2	Sales	73,134	Mutual agreement	3%
3	Fortune Channel Universal Limited	AMPACS Corporation	2	Accounts receivable	82,719	Mutual agreement	1%
4	Brilliance Investment Co., Ltd.	Richmake International Limited	3	Other receivables	234,471	Financing provided	3%
5	Dongguan Yi Xing Electronics Co., Ltd.	Ampacs International Company Limited	3	Sales	197,003	Mutual agreement	8%
5	Dongguan Yi Xing Electronics Co., Ltd.	Ampacs International Company Limited	3	Accounts receivable	139,430	Mutual agreement	2%
6	Modern Pioneer (Kunshan) Co., Ltd.	Fortune Channel Universal Limited	3	Sales	73,134	Mutual agreement	3%
6	Modern Pioneer (Kunshan) Co., Ltd.	Fortune Channel Universal Limited	3	Accounts receivable	147,152	Mutual agreement	2%
7	Dongguan Yi Zhao Electronics Co., Ltd.	Brilliance Investment Co., Ltd.	3	Other receivables	143,202	Financing provided	2%
8	Dongguan Han Lei Electronics Co., Ltd.	Ampacs International Company Limited	3	Sales	144,613	Mutual agreement	6%
8	Dongguan Han Lei Electronics Co., Ltd.	Ampacs International Company Limited	3	Accounts receivable	186,008	Mutual agreement	2%
9	Dongguan Hong Jun Electronics Co., Ltd.	Ampacs International Company Limited	3	Sales	30,593	Mutual agreement	1%

Note 1: The Company and its subsidiaries are coded as follows:

- The Company is coded "0".
- The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

Note 2: Nature of relationship is as follows:

- From the Company to its subsidiary.
- From a subsidiary to its parent company.
- Between subsidiaries.

Note 3: The percentage calculation is based on the consolidated total operating revenues or total assets. For balance sheet items, each item's period-end balance was shown as a percentage to consolidated total assets as of June 30, 2025. For profit or loss items, the cumulative amounts were shown as a percentage to consolidated total operating revenues for the six months ended June 30, 2025.

Note 4: The above table only discloses each of the related-party transactions which amount to significant of total revenue or total assets, while the reverse flow of transactions are not additionally disclosed.

Note 5: The intercompany transactions have been eliminated upon consolidation.

## AMPACS CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTEEES  
FOR THE SIX MONTHS ENDED JUNE 30, 2025  
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of June 30, 2025			Net Income (Losses) of the Investee	Share of Profits/Losses of Investee	Note
				June 30, 2025	December 31, 2024	Number of Shares (In Thousands)	Percentage of Ownership (%)	Carrying Amount			
AMPACS Corporation	Tech. Pioneer, Ltd.	Samoa	Investment activities	USD 21,780 HKD 9,500	USD 21,780 HKD 9,500	23,003	100.00	\$ 678,166	( \$ 19,425 ) ( USD -610 )	( \$ 19,425 )	Subsidiary
	Ampacs International company Limited	Vietnam	Production and sale of plastic products and consumer electronics	USD 50,000	USD 50,000	-	100.00	1,008,857	( 21,085 ) ( VND -17,212,249 )	( 21,085 )	Subsidiary
	Vogten Import Export Trading Co., Ltd	Vietnam	the sale of consumer electronics	USD 500	USD 500	-	100.00	7,762	( 2,144 ) ( VND -1,750,489 )	( 2,144 )	Subsidiary
Tech. Pioneer, Ltd.	Brilliance Investment Co., Ltd.	Samoa	Investment activities and the sale of plastic products	USD 1,050	USD 1,050	1,050	100.00	246,914	( 6,064 ) ( USD -190 )	( 6,064 )	Subsidiary
	Sunlight Ocean Holding Limited	Samoa	Investment activities	USD 850	USD 850	850	100.00	65,246	3,485 USD 109	3,485	Subsidiary
	Richmake International Limited	Samoa	Investment activities and the sale of consumer electronics	HKD 9,500	HKD 9,500	1,224	100.00	47,994	7,964 ( USD 250 )	7,964	Subsidiary
	Fortune Channel Universal Limited	Seychelles	Investment activities and the sale of plastic products	USD 16,000	USD 16,000	16,000	100.00	335,812	( 16,363 ) ( USD -514 )	( 16,363 )	Subsidiary

Note 1: Refer to Table 6 for information on investments in mainland China.

Note 2: All intercompany gains and losses from investment have been eliminated upon consolidation.

TABLE 6

## AMPACS CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA  
 FOR THE SIX MONTHS ENDED JUNE 30, 2025  
 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company	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 3)	Investment of Flows (Note 3)		Accumulated Outflow of Investment from Taiwan as of June 30, 2025 (Note 3)	Net Income (Loss) of the Investee (Note 4,6)	Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 4,6)	Carrying Amount as of June 30, 2025 (Note 3)	Accumulated Inward Remittance of Earnings as of June 30, 2025
					Outflow	Inflow						
Dongguan Yi Zhao Electronics Co., Ltd.	Production and sale of plastic products	\$ 30,765 (USD 1,050)	Note 1	\$ 30,765 (USD 1,050)	\$ -	\$ -	\$ 30,765 (USD 1,050)	(\$ 6,098) (CNY -1,390)	100%	(\$ 6,098) (USD -191)	\$ 151,646 (USD 5,176)	\$ -
Dongguan Han Lei Electronics Co., Ltd.	Production and sale of plastic products and consumer electronics	24,905 (USD 850)	Note 1	24,905 (USD 850)	-	-	24,905 (USD 850)	3,482 (CNY 794)	100%	3,482 (USD 109)	63,882 (USD 2,180)	-
Dongguan Yi Xing Electronics Co., Ltd.	Production and sale of plastic products and consumer electronics	35,454 (HKD 9,500)	Note 1	35,454 (HKD 9,500)	-	-	35,454 (HKD 9,500)	7,997 (CNY 1,823)	100%	7,997 (USD 251)	120,617 (USD 4,117)	-
Modern Pioneer (Kunshan) Co., Ltd.	Production and sale of plastic products	395,550 (USD 13,500)	Note 1	395,550 (USD 13,500)	-	-	395,550 (USD 13,500)	(12,674) (CNY -2,890)	100%	(16,311) (USD -512)	347,329 (USD 11,854)	-
Dongguan Hong Jun Electronics Co., Ltd.	Production and sale of headphone wire	8,182 (CNY 2,000)	Note 2	Note 2	-	-	註二	(2,179) (CNY -497)	100%	(2,179) (CNY -497)	5,324 (CNY 1,301)	-

<b>Accumulated Investment in Mainland China as of June 30, 2025 (Note 3)</b>	<b>Investment Amounts Authorized by Investment Commission, MOEA (Note 3)</b>	<b>Upper Limit on Investment</b>
\$ 486,674 (USD 15,400) (HKD 9,500)	\$ 486,674 (USD 15,400) (HKD 9,500)	\$ 1,447,678 (Note 5)

Note 1: The companies were invested through regions outside of Taiwan and mainland China (the third region).

Note 2: The capital of Dongguan Hong Jun Electronics Co., Ltd. is remitted out with the self-owned fund of Dongguan Han Lei Electronics Co., Ltd.

Note 3: The amount was calculated using the spot rates on June 30, 2025(US\$1=\$29.3、HKD\$1=\$3.732 及 CNY\$1=\$4.091).

Note 4: Converted based on the average exchange rates from January 1 to June 30, 2025(US\$1=\$31.86、HKD\$1=\$4.089 及 CNY\$1=\$4.386).

Note 5: The amount was calculated based on 60% of the Group's net worth.

Note 6: It is recognized based on the financial statements for the same period reviewed by accountants.

Note 7: All intercompany gains and losses from investment have been eliminated upon consolidation.