

English Translation of a Report and Financial Statements Originally Issued in Chinese

**UNITECH ELECTRONICS CO., LTD.**  
**AND SUBSIDIARIES**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**WITH**  
**REPORT OF INDEPENDENT ACCOUNTANTS**  
**FOR THE SIX MONTHS ENDED**  
**JUNE 30, 2025 AND 2024**

Notice to Readers

The reader is advised that these financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.

## Consolidated Financial Statements

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English Translation of a Report Originally Issued in Chinese

**Review Report of Independent Accountants**

To Unitech Electronics Co., Ltd.

**Introduction**

We have reviewed the accompanying consolidated balance sheets of Unitech Electronics Co., Ltd. and its subsidiaries as of June 30, 2025 and 2024, the related consolidated statements of comprehensive income for the three-month and six-month periods ended June 30, 2025 and 2024, changes in equity and cash flows for the six-month periods ended June 30, 2025 and 2024, and notes to the consolidated financial statements, including the summary of significant accounting policies (together “the consolidated financial statements”). Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the No. 34, “Interim Financial Reporting” as endorsed and became effective by Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on these consolidated financial statements based on our reviews.

**Scope of Review**

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

**Basis for Qualified Conclusion**

As explained in Note 4(3), the financial statements of certain insignificant subsidiaries were not reviewed by independent accountants. Those statements reflect total assets of NT\$152,171 thousand and NT\$145,752 thousand, constituting 6.02% and 5.71% of the consolidated total assets, and total liabilities of NT\$30,819 thousand and NT\$14,522 thousand, constituting 4.57% and 2.01% of the consolidated total liabilities as of June 30, 2025 and 2024, respectively; and total comprehensive income of NT\$3,761 thousand, NT\$3,472 thousand, NT\$8,965 thousand and NT\$7,964 thousand, constituting (20.09)%, 11.35%, 53.65% and 17.32% of the consolidated total comprehensive income for the three-month and six-month periods ended June 30, 2025 and 2024, respectively. The information related to above subsidiaries disclosed in Note 13 was also not reviewed by independent accountants.

## Qualified Conclusion

Based on our reviews, except for the effect of such adjustments, if any, as might have been determined to be necessary had the financial statements of certain insignificant subsidiaries and the information been reviewed by independent accountants described in the preceding paragraph, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of Unitech Electronics Co., Ltd. and its subsidiaries as of June 30, 2025 and 2024, and their consolidated financial performance for the three-month and six-month periods ended June 30, 2025 and 2024, and cash flows for the six-month periods ended June 30, 2025 and 2024, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” as endorsed and became effective by Financial Supervisory Commission of the Republic of China.

Hu, Shen-Chieh

Kuo, Shao-Pin

Ernst & Young, Taiwan

August 5, 2025

### Notice to Readers

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

Accordingly, the accompanying financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or the Standards on Auditing of the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

UNITECH ELECTRONICS CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

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

(Amounts in Thousands of New Taiwan Dollars)

ASSETS			June 30, 2025		December 31, 2024		June 30, 2024	
Code	Description	Notes	Amount	%	Amount	%	Amount	%
	<b>Current assets</b>							
1100	Cash and cash equivalents	6(1)	\$ 422,473	16.70	\$ 972,051	38.15	\$ 417,413	16.34
1110	Financial assets at fair value through profit or loss-current	6(2)	102,473	4.05	272	0.01	1,258	0.05
1136	Financial assets measured at amortized cost-current	6(4)	392,676	15.52	7,416	0.29	428,853	16.79
1140	Contract assets-current	6(16), 6(17)	24,652	0.98	24,979	0.98	12,098	0.47
1150	Notes receivable, net	6(5), 6(17)	13,248	0.52	9,603	0.38	11,673	0.46
1170	Trade receivables, net	6(6), 6(17), 7	453,947	17.95	451,204	17.71	570,664	22.35
1197	Finance lease receivable, net	6(17), 6(18)	3,330	0.13	3,539	0.14	3,387	0.13
1200	Other receivables		2,533	0.10	11,226	0.44	30,317	1.19
1220	Current tax assets	4, 6(22)	7,420	0.29	5,584	0.22	7,347	0.29
130x	Inventories, net	6(7)	497,050	19.65	451,105	17.71	437,688	17.14
1410	Prepayments		94,037	3.72	63,245	2.48	78,408	3.07
11xx	Total current assets		2,013,839	79.61	2,000,224	78.51	1,999,106	78.28
	<b>Non-current assets</b>							
1517	Financial assets at fair value through other comprehensive income-noncurrent	6(3)	24,110	0.95	22,190	0.87	22,452	0.88
1535	Financial assets measured at amortized cost-noncurrent	6(4), 8	7,491	0.30	7,491	0.29	7,385	0.29
1600	Property, plant and equipment	6(8), 7, 8	337,236	13.33	347,750	13.65	357,891	14.01
1755	Right-of-use assets	6(18)	45,463	1.80	57,316	2.25	56,497	2.21
1780	Intangible assets	6(9)	22,894	0.91	29,117	1.14	29,350	1.15
1840	Deferred tax assets	4, 6(22)	38,066	1.50	37,670	1.48	37,512	1.47
1920	Refundable deposits		27,693	1.09	38,689	1.52	33,610	1.32
1900	Other non-current assets	6(10)	9,906	0.39	2,192	0.09	3,135	0.12
194D	Long-term finance lease receivable, net	6(17), 6(18)	2,935	0.12	5,075	0.20	6,806	0.27
15xx	Total non-current assets		515,794	20.39	547,490	21.49	554,638	21.72
1xxx	<b>Total assets</b>		\$ 2,529,633	100.00	\$ 2,547,714	100.00	\$ 2,553,744	100.00

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

UNITECH ELECTRONICS CO., LTD. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

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

(Amounts in Thousands of New Taiwan Dollars)

LIABILITIES AND EQUITY			June 30, 2025		December 31, 2024		June 30, 2024	
Code	Description	Notes	Amount	%	Amount	%	Amount	%
	<b>Current liabilities</b>							
2120	Financial liabilities at fair value through profit or loss-current	6(2)	\$ 203	0.01	\$ 41	-	\$ -	-
2130	Contract liabilities-current	6(16)	61,417	2.43	79,178	3.11	63,466	2.48
2150	Notes payable		65	-	129	0.01	542	0.02
2170	Trade payables	7	303,883	12.01	269,806	10.59	376,512	14.74
2200	Other payables	7	174,757	6.91	167,012	6.55	135,996	5.33
2230	Current tax liabilities	4, 6(22)	9,087	0.36	4,090	0.16	5,501	0.22
2250	Provisions-current	6(12)	2,936	0.11	2,346	0.09	2,423	0.09
2280	Lease liabilities-current	6(18)	27,996	1.11	29,709	1.17	24,453	0.96
2300	Other current liabilities	6(13)	11,843	0.47	10,632	0.42	11,980	0.47
21xx	Total current liabilities		592,187	23.41	562,943	22.10	620,873	24.31
	<b>Non-current liabilities</b>							
2527	Contract liabilities-noncurrent	6(16)	41,363	1.64	41,945	1.65	36,626	1.44
2570	Deferred tax liabilities	4, 6(22)	8,421	0.33	10,579	0.41	6,733	0.27
2580	Lease liabilities-noncurrent	6(18)	27,202	1.08	39,470	1.55	45,939	1.80
2640	Net defined benefit liabilities-noncurrent	4, 6(14)	4,927	0.19	8,866	0.35	11,320	0.44
2645	Deposits received		300	0.01	329	0.01	325	0.01
25xx	Total non-current liabilities		82,213	3.25	101,189	3.97	100,943	3.96
2xxx	<b>Total liabilities</b>		674,400	26.66	664,132	26.07	721,816	28.27
	<b>Equity attributable to owners of the parent</b>							
31xx	Share capital							
3100	Common stock	6(15)	750,975	29.69	750,975	29.48	750,975	29.41
3200	Capital surplus	6(15)	935,226	36.97	935,226	36.71	935,226	36.62
3300	Retained earnings	6(15)						
3310	Legal reserve		46,426	1.84	37,083	1.45	37,083	1.45
3320	Special reserve		18,586	0.73	22,513	0.88	22,513	0.88
3350	Undistributed earnings		133,911	5.29	154,039	6.05	104,693	4.10
	Total retained earnings		198,923	7.86	213,635	8.38	164,289	6.43
3400	Other equity		(32,359)	(1.28)	(18,586)	(0.73)	(20,648)	(0.81)
	Equity attributable to owners of the parent		1,852,765	73.24	1,881,250	73.84	1,829,842	71.65
36xx	<b>Non-controlling interests</b>	6(15)	2,468	0.10	2,332	0.09	2,086	0.08
3xxx	Total equity		1,855,233	73.34	1,883,582	73.93	1,831,928	71.73
3x2x	<b>Total liabilities and equity</b>		\$ 2,529,633	100.00	\$ 2,547,714	100.00	\$ 2,553,744	100.00

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

English Translation of Financial Statements Originally Issued in Chinese  
**UNITECH ELECTRONICS CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**For the three months and six months ended June 30, 2025 and 2024**  
(Amounts in Thousands of New Taiwan Dollars, Except for Earnings Per Share)

Code	Description	Notes	Three Months Ended June 30				Six Months Ended June 30			
			2025	%	2024	%	2025	%	2024	%
4000	<b>Operating revenue</b>	6(16), 7	\$ 623,571	100.00	\$ 701,110	100.00	\$ 1,187,293	100.00	\$ 1,227,950	100.00
5000	<b>Operating cost</b>	6(7), 6(9), 6(19), 7	(399,668)	(64.09)	(500,946)	(71.45)	(771,192)	(64.95)	(858,479)	(69.91)
5900	<b>Gross profit</b>		223,903	35.91	200,164	28.55	416,101	35.05	369,471	30.09
6000	<b>Operating expenses</b>									
6100	Selling expenses	6(9), 6(18), 6(19), 7	(122,648)	(19.67)	(118,043)	(16.84)	(250,567)	(21.11)	(235,745)	(19.20)
6200	Administrative expenses	6(9), 6(18), 6(19), 7	(19,714)	(3.16)	(20,729)	(2.96)	(38,518)	(3.25)	(39,626)	(3.23)
6300	Research and development expenses	6(9), 6(18), 6(19), 7	(39,519)	(6.34)	(33,055)	(4.71)	(72,701)	(6.12)	(74,779)	(6.09)
6450	Expected credit (losses) gains	6(17)	(2,987)	(0.48)	(61)	(0.01)	(365)	(0.03)	1,558	0.13
	Total operating expenses		(184,868)	(29.65)	(171,888)	(24.52)	(362,151)	(30.51)	(348,592)	(28.39)
6900	<b>Operating income</b>		39,035	6.26	28,276	4.03	53,950	4.54	20,879	1.70
7000	<b>Non-operating income and expenses</b>	6(20)								
7100	Interest income		6,149	0.99	8,161	1.16	13,130	1.11	15,085	1.23
7010	Other income	7	95	0.01	181	0.03	5,418	0.46	351	0.03
7020	Other gains and losses		(37,229)	(5.97)	6,326	0.90	(31,771)	(2.68)	22,161	1.81
7050	Finance costs		(386)	(0.06)	(476)	(0.07)	(813)	(0.07)	(956)	(0.08)
	Total non-operating income and expenses		(31,371)	(5.03)	14,192	2.02	(14,036)	(1.18)	36,641	2.99
7900	<b>Income before income tax</b>		7,664	1.23	42,468	6.05	39,914	3.36	57,520	4.69
7950	<b>Income tax expense</b>	4, 6(22)	(2,611)	(0.42)	(10,179)	(1.45)	(9,399)	(0.79)	(13,236)	(1.08)
8200	<b>Net income</b>		5,053	0.81	32,289	4.60	30,515	2.57	44,284	3.61
8300	<b>Other comprehensive income (loss)</b>	6(21)								
8310	Items that will not be reclassified subsequently to profit or loss									
8316	Unrealized gains (losses) from equity instrument investments measured at fair value through other comprehensive income		1,649	0.26	(2,894)	(0.41)	1,920	0.16	(6,841)	(0.56)
8349	Income tax relating to those items that will not be reclassified to profit or loss		(330)	(0.05)	578	0.08	(384)	(0.03)	1,368	0.11
8360	Items that may be reclassified subsequently to profit or loss									
8361	Exchange differences resulting from translating the financial statements of foreign operations		(31,324)	(5.02)	798	0.11	(19,169)	(1.61)	9,017	0.74
8399	Income tax relating to those items that may be reclassified to profit or loss		6,230	1.00	(179)	(0.02)	3,828	0.32	(1,834)	(0.15)
	<b>Other comprehensive income (loss), net of income tax</b>		(23,775)	(3.81)	(1,697)	(0.24)	(13,805)	(1.16)	1,710	0.14
8500	<b>Total comprehensive income (loss)</b>		\$ (18,722)	(3.00)	\$ 30,592	4.36	\$ 16,710	1.41	\$ 45,994	3.75
8600	<b>Net income attributable to:</b>									
8610	Owners of the parent	6(23)	\$ 5,023		\$ 32,200		\$ 30,347		\$ 44,086	
8620	Non-controlling interests		30		89		168		198	
			\$ 5,053		\$ 32,289		\$ 30,515		\$ 44,284	
8700	<b>Total comprehensive income (loss) attributable to:</b>									
8710	Owners of the parent		\$ (18,577)		\$ 30,602		\$ 16,574		\$ 45,951	
8720	Non-controlling interests		(145)		(10)		136		43	
			\$ (18,722)		\$ 30,592		\$ 16,710		\$ 45,994	
	<b>Earnings per share (NT\$)</b>									
9750	Basic earnings per share	6(23)	\$ 0.07		\$ 0.43		\$ 0.40		\$ 0.59	
9850	Diluted earnings per share	6(23)	\$ 0.07		\$ 0.43		\$ 0.40		\$ 0.59	

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

English Translation of Financial Statements Originally Issued in Chinese

**UNITECH ELECTRONICS CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

For the six months ended June 30, 2025 and 2024

(Amounts in Thousands of New Taiwan Dollars)

Code	Description	Equity attributable to owners of the parent									Non-controlling interests	Total equity
		Share capital		Retained earnings			Other equity		Equity attributable to owners of the parent			
		Common stock	Capital surplus	Legal reserve	Special reserve	Undistributed earnings	Exchange differences resulting from translating the financial statements of foreign operations	Unrealized gains (losses) from financial assets at fair value through other comprehensive income				
3110	3200	3310	3320	3350	3410	3420	31XX	36XX	3XXX			
A1	Balance as of January 1, 2024	\$ 750,975	\$ 935,226	\$ 33,126	\$ 23,142	\$ 89,909	\$ (21,574)	\$ (939)	\$ 1,809,865	\$ 2,043	\$ 1,811,908	
	Appropriation and distribution of 2023 earnings:											
B1	Legal reserve	-	-	3,957	-	(3,957)	-	-	-	-	-	
B5	Cash dividends	-	-	-	-	(25,974)	-	-	(25,974)	-	(25,974)	
B17	Reversal of special reserve	-	-	-	(629)	629	-	-	-	-	-	
D1	Net income for the six months ended June 30, 2024	-	-	-	-	44,086	-	-	44,086	198	44,284	
D3	Other comprehensive income (loss) for the six months ended June 30, 2024	-	-	-	-	-	7,338	(5,473)	1,865	(155)	1,710	
D5	Total comprehensive income (loss) for the six months ended June 30, 2024	-	-	-	-	44,086	7,338	(5,473)	45,951	43	45,994	
Z1	Balance as of June 30, 2024	\$ 750,975	\$ 935,226	\$ 37,083	\$ 22,513	\$ 104,693	\$ (14,236)	\$ (6,412)	\$ 1,829,842	\$ 2,086	\$ 1,831,928	
A1	Balance as of January 1, 2025	\$ 750,975	\$ 935,226	\$ 37,083	\$ 22,513	\$ 154,039	\$ (11,964)	\$ (6,622)	\$ 1,881,250	\$ 2,332	\$ 1,883,582	
	Appropriation and distribution of 2024 earnings:											
B1	Legal reserve	-	-	9,343	-	(9,343)	-	-	-	-	-	
B5	Cash dividends	-	-	-	-	(45,059)	-	-	(45,059)	-	(45,059)	
B17	Reversal of special reserves	-	-	-	(3,927)	3,927	-	-	-	-	-	
D1	Net income for the six months ended June 30, 2025	-	-	-	-	30,347	-	-	30,347	168	30,515	
D3	Other comprehensive income (loss) for the six months ended June 30, 2025	-	-	-	-	-	(15,309)	1,536	(13,773)	(32)	(13,805)	
D5	Total comprehensive income (loss) for the six months ended June 30, 2025	-	-	-	-	30,347	(15,309)	1,536	16,574	136	16,710	
Z1	Balance as of June 30, 2025	\$ 750,975	\$ 935,226	\$ 46,426	\$ 18,586	\$ 133,911	\$ (27,273)	\$ (5,086)	\$ 1,852,765	\$ 2,468	\$ 1,855,233	

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

Chairman: Yeh, Chia-Wen

President: Hsu, Chih-Ta

Chief Financial Officer: Chang, Chia-Lin

English Translation of Financial Statements Originally Issued in Chinese  
**UNITECH ELECTRONICS CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**For the six months ended June 30, 2025 and 2024**  
(Amounts in Thousands of New Taiwan Dollars)

Code	Description	Six Months Ended June 30		Code	Description	Six Months Ended June 30	
		2025	2024			2025	2024
AAAA	<b>Cash flows from operating activities:</b>			BBBB	<b>Cash flows from investing activities:</b>		
A10000	Net income before income tax	\$ 39,914	\$ 57,520	B00040	Acquisition of financial assets at amortized cost	(388,050)	(22,377)
A20000	Adjustments for:			B00050	Disposal of financial assets at amortized cost	2,456	-
A20010	Profit or loss item which did not affect cash flows:			B00100	Acquisition of financial assets at fair value through profit or loss	(100,000)	-
A20100	Depreciation	28,502	28,857	B02700	Acquisition of property, plant and equipment	(3,145)	(13,494)
A20200	Amortization	8,545	8,892	B02800	Proceeds from disposal of property, plant and equipment	-	519
A20300	Expected credit losses (gains)	365	(1,558)	B03700	Increase in refundable deposits	(1,741)	(1,559)
A20400	Gains on financial assets and liabilities			B03800	Decrease in refundable deposits	12,616	7,490
	at fair value through profit or loss	(2,039)	(1,085)	B04500	Acquisition of intangible assets	(1,663)	(3,315)
A20900	Interest expense	813	956	B06100	Decrease in long-term lease receivables	1,684	1,578
A21200	Interest income	(13,130)	(15,085)	B07100	Increase in prepayments for equipment	(8,932)	(2,986)
A22500	Gains on disposal of property, plant and equipment	-	(17)	BBBB	Net cash used in investing activities	(486,775)	(34,144)
A22800	Losses on disposal of intangible assets	-	1				
A29900	Gains on lease modifications	-	(2)	CCCC	<b>Cash flows from financing activities:</b>		
A30000	Changes in operating assets and liabilities:			C04020	Cash payment for the principal portion of the lease liabilities	(15,457)	(14,739)
A31125	Increase in contract assets	(928)	(126)	CCCC	Net cash used in financing activities	(15,457)	(14,739)
A31130	(Increase) decrease in notes receivable, net	(3,654)	6,731				
A31150	Increase in trade receivables, net	(1,822)	(165,527)	DDDD	Effect of changes in exchange rate on cash and cash equivalents	(16,592)	9,091
A31180	Decrease (increase) in other receivables	4,947	(4,657)	EEEE	Net decrease in cash and cash equivalents	(549,578)	(34,462)
A31200	Increase in inventories	(45,945)	(35,694)	E00100	Cash and cash equivalents at the beginning of the period	972,051	451,875
A31230	Increase in prepayments	(30,792)	(800)	E00200	Cash and cash equivalents at the end of the period	\$ 422,473	\$ 417,413
A32125	Decrease in contract liabilities	(18,343)	(25,210)				
A32130	Decrease in notes payable	(64)	(2,833)				
A32150	Increase in trade payables	34,077	192,196				
A32180	Decrease in other payables	(37,314)	(27,792)				
A32200	Increase (decrease) in provisions-current	590	(11)				
A32230	Increase (decrease) in other current liabilities	1,211	(275)				
A32240	Decrease in net defined benefit liabilities	(3,939)	(1,390)				
A33000	Cash (used in) generated from operating activities	(39,006)	13,091				
A33100	Interest received	16,859	2,389				
A33300	Interest paid	(813)	(956)				
A33500	Income tax paid	(7,794)	(9,194)				
AAAA	Net cash (used in) provided by operating activities	(30,754)	5,330				

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

Chairman: Yeh, Chia-Wen

President: Hsu, Chih-Ta

Chief Financial Officer: Chang, Chia-Lin

English Translation of Financial Statements Originally Issued in Chinese  
UNITECH ELECTRONICS CO., LTD. AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED JUNE 30, 2025 AND 2024  
(Expressed in Thousands of New Taiwan Dollars unless Otherwise Specified)

## **1. History and Organization**

In order to achieve organizational restructuring and to improve competitiveness and business performance, on January 1, 2008, in accordance with the Business Mergers and Acquisitions Act, Unitech Computer Co., Ltd. carved out its automatic identification data division, with the business value of NT\$900,000 thousand, and established Unitech Electronics Co., Ltd. (“the Company”). The Company issued 40,000 thousand shares of common stock, with a par value of NT\$22.5 per share to Unitech Computer Co., Ltd. for this carve-out transaction.

The Company principally engaged in the development, manufacture and sale of automatic identification data capture products and related businesses.

The Company’s shares had been listed and traded in the Taipei Exchange (TPEX) since August 2009. But on September 21, 2022, its shares were transferred to the Taiwan Stock Exchange for trading.

The Company’s registered office is at 5F, No.136, Lane 235, Baoqiao Road, Xindian District, New Taipei City, Taiwan (R.O.C.). Unitech Computer Co., Ltd. is the Company’s parent company, which is also the ultimate controller of the group to which the Company belongs to.

## **2. Date and Procedures of Authorization of Financial Statements for Issue**

The consolidated financial statements of the Company and its subsidiaries (“the Group”) for the six months ended June 30, 2025 and 2024 were authorized for issue in accordance with a resolution of the Board of Directors on August 5, 2025.

## **3. Newly Issued or Revised Standards and Interpretations**

- (1) Changes in accounting policies resulting from applying for the first time certain standards and amendments

The Group applied for the first time International Financial Reporting Standards, International Accounting Standards, and Interpretations issued, revised or amended which are recognized by Financial Supervisory Commission (“FSC”) and become effective for annual periods beginning on or after January 1, 2025. The adoption of these new standards and amendments had no material impact on the Group.

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- (2) Standards or interpretations issued, revised or amended, by International Accounting Standards Board (“IASB”) which have been endorsed by FSC, and not yet adopted by the Group as of the date when the Group’s financial statements were authorized for issue, are listed below.

Items	New, Revised or Amended Standards and Interpretations	Effective Date Issued by IASB
a	IFRS 17 “Insurance Contracts”	January 1, 2023
b	Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	January 1, 2026
c	Annual Improvements to IFRS Accounting Standards – Volume 11	January 1, 2026
d	Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7	January 1, 2026

(a) IFRS 17 “Insurance Contracts”

IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects (including recognition, measurement, presentation and disclosure requirements). The core of IFRS 17 is the General (building block) Model, under this model, on initial recognition, an entity shall measure a group of insurance contracts at the total of the fulfilment cash flows and the contractual service margin. The carrying amount of a group of insurance contracts at the end of each reporting period shall be the sum of the liability for remaining coverage and the liability for incurred claims.

Other than the General Model, the standard also provides a specific adaptation for contracts with direct participation features (the Variable Fee Approach) and a simplified approach (Premium Allocation Approach) mainly for short-duration contracts.

IFRS 17 was issued in May 2017 and it was amended in 2020 and 2021. The amendments include deferral of the date of initial application of IFRS 17 by two years to annual beginning on or after January 1 2023 (from the original effective date of January 1 2021); provide additional transition reliefs; simplify some requirements to reduce the costs of applying IFRS 17 and revise some requirements to make the results easier to explain. IFRS 17 replaces an interim Standard – IFRS 4 Insurance Contracts – from annual reporting periods beginning on or after January 1 2023.

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(b) Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7

The amendments include:

- (1) Clarify that a financial liability is derecognised on the settlement date and describe the accounting treatment for settlement of financial liabilities using an electronic payment system before the settlement date.
- (2) Clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features.
- (3) Clarify the treatment of non-recourse assets and contractually linked instruments.
- (4) Require additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income.

(c) Annual Improvements to IFRS Accounting Standards – Volume 11

- (1) Amendments to IFRS 1  
The amendments mainly improve the consistency in wording between first-time adoption of IFRS and requirements for hedge accounting in IFRS 9.
- (2) Amendments to IFRS 7  
The amendments update an obsolete cross-reference relating to gain or loss on derecognition.
- (3) Amendments to Guidance on implementing IFRS 7  
The amendments improve some of the wordings in the implementation guidance, including the introduction, disclosure of deferred difference between fair value and transaction price and credit risk disclosures.
- (4) Amendments to IFRS 9  
The amendments add a cross-reference to resolve potential confusion for a lessee applying the derecognition requirements and clarify the term “transaction price”.

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(5) Amendments to IFRS 10

The amendments remove the inconsistency between paragraphs B73 and B74 of IFRS 10.

(6) Amendments to IAS 7

The amendments remove a reference to “cost method” in paragraph 37 of IAS 7.

(d) Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

The amendments include:

- (1) Clarify the application of the ‘own-use’ requirements.
- (2) Permit hedge accounting if these contracts are used as hedging instruments.
- (3) Add new disclosure requirements to enable investors to understand the effect of these contracts on a company’s financial performance and cash flows.

The abovementioned standards and amendments are applicable for annual periods beginning on or after January 1 2026 and have no material impact on the Group.

- (3) Standards or interpretations issued, revised or amended, by IASB which have not been endorsed by FSC, and not yet adopted by the Group as of the date when the Group’s financial statements were authorized for issue, are listed below.

Items	New, Revised or Amended Standards and Interpretations	Effective Date Issued by IASB
a	IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures” — Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures	To be determined by IASB
b	IFRS 18 “Presentation and Disclosure in Financial Statements”	January 1, 2027
c	Disclosure Initiative – Subsidiaries without Public Accountability: Disclosures (IFRS 19)	January 1, 2027

- (a) IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures” — Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures

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The amendments address the inconsistency between the requirements in IFRS 10 “Consolidated Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures”, in dealing with the loss of control of a subsidiary that is contributed to an associate or a joint venture. IAS 28 restricts gains and losses arising from contributions of non-monetary assets to an associate or a joint venture to the extent of the interest attributable to the other equity holders in the associate or joint ventures. IFRS 10 requires full profit or loss recognition on the loss of control of the subsidiary. IAS 28 was amended so that the gain or loss resulting from the sale or contribution of assets that constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized in full.

IFRS 10 was also amended so that the gains or loss resulting from the sale or contribution of a subsidiary that does not constitute a business as defined in IFRS 3 between an investor and its associate or joint venture is recognized only to the extent of the unrelated investors’ interests in the associate or joint venture.

(b) IFRS 18 “Presentation and Disclosure in Financial Statements”

IFRS 18 replaces IAS 1 Presentation of Financial Statements. The main changes are as below:

- (1) Improved comparability in the statement of profit or loss (income statement)  
IFRS 18 requires entities to classify all income and expenses within their statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. The first three categories are new, to improve the structure of the income statement, and requires all entities to provide new defined subtotals, including operating profit or loss. The improved structure and new subtotals will give investors a consistent starting point for analyzing entities’ performance and make it easier to compare entities.
- (2) Enhanced transparency of management-defined performance measures  
IFRS 18 requires entities to disclose explanations of those entity-specific measures that are related to the income statement, referred to as management-defined performance measures.

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(3) Useful grouping of information in the financial statements

IFRS 18 sets out enhanced guidance on how to organize information and whether to provide it in the primary financial statements or in the notes. The changes are expected to provide more detailed and useful information. IFRS 18 also requires entities to provide more transparency about operating expenses, helping investors to find and understand the information they need.

(c) Disclosure Initiative – Subsidiaries without Public Accountability: Disclosures (IFRS 19)

This standard permits subsidiaries without public accountability to provide reduced disclosures when applying IFRS Accounting Standards in their financial statements. IFRS 19 is optional for subsidiaries that are eligible and sets out the disclosure requirements for subsidiaries that elect to apply it.

The abovementioned standards and interpretations issued by IASB have not yet endorsed by FSC at the date when the Group’s financial statements were authorized for issue, the local effective dates are to be determined by FSC. As the Group is still currently determining the potential impact of the new or amended standards and interpretations listed under (b), it is not practicable to estimate their impact on the Group at this point in time. The remaining new or amended standards and interpretations have no material impact on the Group.

#### **4. Summary of Significant Accounting Policies**

(1) Statement of compliance

The consolidated financial statements of the Group for the six months ended June 30, 2025 and 2024 have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (“the Regulations”) and IAS 34 Interim Financial Reporting as endorsed and became effective by FSC.

(2) Basis of preparation

The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments that have been measured at fair value. The consolidated financial statements are expressed in thousands of New Taiwan Dollars (“NT\$”) unless otherwise stated.

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(3) Basis of consolidation

Preparation principle of consolidated financial statements

Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Company controls an investee if and only if the Company has:

- A. power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- B. exposure, or rights, to variable returns from its involvement with the investee, and
- C. the ability to use its power over the investee to affect its returns.

When the Company has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- A. the contractual arrangement with the other vote holders of the investee;
- B. rights arising from other contractual arrangements;
- C. the Company's voting rights and potential voting rights.

The Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Subsidiaries are fully consolidated from the acquisition date, being the date on which the Company obtains control, and continue to be consolidated until the date that such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using uniform accounting policies. All intra-group balances, income and expenses, unrealized gains and losses and dividends resulting from intra-group transactions are eliminated in full.

A change in the ownership interest of a subsidiary, without a change of control, is accounted for as an equity transaction.

Total comprehensive income of the 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.

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If the Group loses control of a subsidiary, it:

- A. derecognizes the assets (including goodwill) and liabilities of the subsidiary;
- B. derecognizes the carrying amount of any non-controlling interest;
- C. recognizes the fair value of the consideration received;
- D. recognizes the fair value of any investment retained;
- E. reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss, or transfer directly to retained earnings if required by other IFRSs; and
- F. recognizes any resulting difference in profit or loss.

The consolidated entities are listed as follows:

Investor Company	Subsidiary	Main businesses	Percentage of ownership		
			June 30, 2025	December 31, 2024	June 30, 2024
The Company	Unitech America Ventures Inc. ("UAV")	Investment business such as financial trust holding	100.00%	100.00%	100.00%
The Company	Unitech Europe Ventures Inc. ("UEV")	Investment business such as financial trust holding	100.00%	100.00%	100.00%
The Company	Unitech Japan Holding Inc. ("UJH")	Investment business such as financial trust holding	100.00%	100.00%	100.00%
The Company	Unitech Asia Ventures Inc. ("UCV")	Investment business such as financial trust holding	100.00%	100.00%	100.00%
The Company	Unitech Japan Co., Ltd. ("UTJ")	Selling of automatic data capture products in Japan	10.86%	10.86%	10.86%
UAV	Unitech America Holding Inc. ("UAH")	Investment business such as financial trust holding	100.00%	100.00%	100.00%
UAH	Unitech America Inc. ("UTA")	Selling of automatic data capture products in America	100.00%	100.00%	100.00%
UEV	Unitech Europe Holding Inc. ("UEH")	Investment business such as financial trust holding	100.00%	100.00%	100.00%
UEH	Unique Technology Europe B.V. ("UTI")	Selling of automatic data capture products in Europe	100.00%	100.00%	100.00%
UJH	Unitech Japan Co., Ltd. ("UTJ")	Selling of automatic data capture products in Japan	85.57%	85.57%	85.57%
UCV	Unitech Industries Holding Inc. ("UIH")	Investment business such as financial trust holding	100.00%	100.00%	100.00%
UIH	Xiamen Unitech Co., Ltd. ("UTC")	Selling of automatic data capture products in China	100.00%	100.00%	100.00%

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The financial statements of some of the consolidated subsidiaries listed above had not been reviewed by auditors. As of June 30, 2025 and 2024, the related assets of the subsidiaries which were not reviewed by auditors amounted to NT\$152,171 thousand and NT\$145,752 thousand, and the related liabilities amounted to NT\$30,819 thousand and NT\$14,522 thousand. The comprehensive income of these subsidiaries amounted to NT\$3,761 thousand, NT\$3,472 thousand, NT\$8,965 thousand and NT\$7,964 thousand for the three months and six months periods ended June 30, 2025 and 2024, respectively.

Note: The subsidiaries that have not been reviewed by auditors included UJH, UCV, UTJ, UIH and UTC.

(4) Explanation of other significant accounting policies

Except for the following accounting policies, the same accounting policies have been followed in the consolidated financial statements for the six months ended June 30, 2025 and 2024 as were applied in the preparation of the Group's consolidated financial statements for the year ended December 31, 2024. For the summary of other significant accounting policies, please refer to the consolidated financial statements Note 4 for the year ended December 31, 2024.

A. Income taxes

Interim period income tax expense is accrued using the tax rate that would be applicable to expected total annual earnings, that is, the estimated average annual effective income tax rate applied to the pre-tax income of the interim period. The estimated average annual effective income tax rate only includes current income tax. The recognition and measurement of deferred tax follows annual financial reporting requirements in accordance with IAS 12. The Group recognizes the effect of change in tax rate for deferred taxes in full if the new tax rate is enacted by the end of the interim reporting period, by charging to profit or loss, other comprehensive income, or directly to equity.

B. Post-employment benefits

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

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## 5. Significant Accounting Judgments, Estimates and Assumptions

The same significant accounting judgments, estimates and assumptions have been followed in the consolidated financial statements for the six months ended June 30, 2025 and 2024 as were applied in the preparation of the Group's consolidated financial statements for the year ended December 31, 2024. Please refer to the consolidated financial statements Note 5 for the year ended December 31, 2024.

## 6. Contents of Significant Accounts

### (1) Cash and cash equivalents

	June 30, 2025	December 31, 2024	June 30, 2024
Cash on hand	\$ 430	\$ 522	\$ 537
Checking and savings accounts	422,043	460,389	416,876
Time deposits	-	511,140	-
Total	<u>\$ 422,473</u>	<u>\$ 972,051</u>	<u>\$ 417,413</u>

### (2) Financial assets and financial liabilities at fair value through profit or loss-current

	June 30, 2025	December 31, 2024	June 30, 2024
<u>Financial assets</u>			
Financial assets mandatorily measured at fair value through profit or loss:			
Funds	\$ 100,040	\$ -	\$ -
Forward exchange contracts	2,433	272	1,258
Total	<u>\$ 102,473</u>	<u>\$ 272</u>	<u>\$ 1,258</u>
<u>Financial liabilities</u>			
Held for trading:			
Forward exchange contracts	<u>\$ 203</u>	<u>\$ 41</u>	<u>\$ -</u>

Financial assets at fair value through profit or loss were not pledged.

Please refer to Note 12(8) for more details on financial instruments of derivative transactions.

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(3) Financial assets at fair value through other comprehensive income-noncurrent

	June 30, 2025	December 31, 2024	June 30, 2024
Equity instrument investments measured at fair value through other comprehensive income-noncurrent:			
Preferred stocks	\$ 24,110	\$ 22,190	\$ 22,452

Financial assets at fair value through other comprehensive income were not pledged.

(4) Financial assets measured at amortized cost

	June 30, 2025	December 31, 2024	June 30, 2024
Time deposits-current	\$ 392,676	\$ 7,416	\$ 428,853
Time deposits-noncurrent	7,491	7,491	7,385
Total	\$ 400,167	\$ 14,907	\$ 436,238

The Group classifies some financial assets as financial assets measured at amortized cost. Since credit risk is low, expected credit losses during the duration are not significant. Please refer to Note 8 for more details on financial assets measured at amortized cost under pledge and Note 12(4) for more details on credit risk.

(5) Notes receivable

	June 30, 2025	December 31, 2024	June 30, 2024
Notes receivable from operating activities	\$ 13,280	\$ 9,626	\$ 11,701
Less: loss allowance	(32)	(23)	(28)
Total	\$ 13,248	\$ 9,603	\$ 11,673

Notes receivable were not pledged.

The Group follows the requirement of IFRS 9 to assess the impairment. Please refer to Note 6(17) for more details on impairment of notes receivables and Note 12(4) for more details on credit risk.

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(6) Trade receivables and trade receivables from related parties

	June 30, 2025	December 31, 2024	June 30, 2024
Trade receivables	\$ 458,317	\$ 456,459	\$ 574,966
Less: loss allowance	(4,390)	(5,311)	(4,310)
Subtotal	453,927	451,148	570,656
Trade receivables from related parties	20	56	8
Less: loss allowance	-	-	-
Subtotal	20	56	8
Total	\$ 453,947	\$ 451,204	\$ 570,664

Trade receivables were not pledged.

Trade receivables are generally on month-end 30 to 120 day terms. The total carrying amounts of trade receivables were NT\$458,337 thousand, NT\$456,515 thousand and NT\$574,974 thousand as of June 30, 2025, December 31, 2024, and June 30, 2024, respectively. Please refer to Note 6(17) for more details on impairment of trade receivables and Note 12(4) for more details on credit risk.

Certain of the Group's trade receivables are expected to be sold to banks without recourse. The financial assets at fair value through profit or loss were NT\$3,755 thousand, NT\$3,988 thousand, and NT\$6,692 thousand as of June 30, 2025, December 31, 2024, and June 30, 2024, respectively.

The information of the Group's trade receivables transferred is as follows:

Transferred financial assets that were derecognized in their entirety

The Group entered into trade receivables factoring agreements without recourse with a financial institute. Under the agreements, the Group has transferred the contractual rights to receive the cash flows of the financial asset and the Group does not bear the credit risk that the accounts receivable are not paid when due (except for commercial disputes), which met the conditions for derecognizing financial assets. Transaction-related information is as follows:

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June 30, 2025			
Counterparty	Factoring amount	Advanced amount	Interest rate
MUFG Bank	\$ 11,447	\$ 11,447	1.375%~1.875%

  

December 31, 2024			
Counterparty	Factoring amount	Advanced amount	Interest rate
MUFG Bank	\$ 21,962	\$ 21,962	1.125%~1.625%

  

June 30, 2024			
Counterparty	Factoring amount	Advanced amount	Interest rate
MUFG Bank	\$ 10,884	\$ 10,884	0.975%~1.475%

(7) Inventories

A. Inventories, net including:

	June 30, 2025	December 31, 2024	June 30, 2024
Raw materials	\$ 30,698	\$ 23,661	\$ 32,210
Work in process	56,608	47,458	63,595
Semi-finished goods	83,735	92,075	93,652
Finished goods	275,838	222,405	186,909
Merchandise inventories	50,171	65,506	61,322
Net amount	\$ 497,050	\$ 451,105	\$ 437,688

B. The cost of inventories recognized in expenses amounted to NT\$399,668 thousand and NT\$500,946 thousand for the three months ended June 30, 2025 and 2024, respectively, including the reversal of write-down of NT\$2,007 thousand and NT\$3,934 thousand, mainly as a result of inventory consumption. The cost of inventories recognized in expenses amounted to NT\$771,192 thousand and NT\$858,479 thousand for the six months ended June 30, 2025 and 2024, respectively, including the reversal of write-down of NT\$156 thousand, mainly as a result of inventory consumption, and the written-down of inventories of NT\$2,897 thousand, mainly as result that inventory costs may not be recovered.

C. Inventories were not pledged.

(8) Property, plant and equipment

	June 30, 2025	December 31, 2024	June 30, 2024
Owner-occupied property, plant and equipment	\$ 337,236	\$ 347,750	\$ 357,891

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	Land	Buildings and facilities	Machinery equipment	Tooling equipment	Transportation equipment	Office equipment	Leasehold improvement	Total
Cost:								
As of January 1, 2025	\$ 220,863	\$ 107,652	\$ 82,606	\$ 224,574	\$ 520	\$ 12,226	\$ 12,752	\$ 661,193
Additions	-	-	413	2,608	-	124	-	3,145
Disposals and retirements	-	-	(448)	-	-	-	(86)	(534)
Transfers	-	-	-	559	-	-	-	559
Exchange differences	-	-	126	-	-	(101)	(106)	(81)
As of June 30, 2025	<u>\$ 220,863</u>	<u>\$ 107,652</u>	<u>\$ 82,697</u>	<u>\$ 227,741</u>	<u>\$ 520</u>	<u>\$ 12,249</u>	<u>\$ 12,560</u>	<u>\$ 664,282</u>
Cost:								
As of January 1, 2024	\$ 220,863	\$ 108,545	\$ 80,156	\$ 208,175	\$ 2,876	\$ 11,952	\$ 13,283	\$ 645,850
Additions	-	767	2,804	9,376	-	423	124	13,494
Disposals and retirements	-	-	(89)	(519)	(1,524)	(436)	-	(2,568)
Transfers	-	(755)	(116)	5,488	-	997	-	5,614
Exchange differences	-	-	100	-	-	160	8	268
As of June 30, 2024	<u>\$ 220,863</u>	<u>\$ 108,557</u>	<u>\$ 82,855</u>	<u>\$ 222,520</u>	<u>\$ 1,352</u>	<u>\$ 13,096</u>	<u>\$ 13,415</u>	<u>\$ 662,658</u>
Accumulated depreciation and impairment:								
As of January 1, 2025	\$ -	\$ 45,405	\$ 70,747	\$ 177,334	\$ 399	\$ 9,813	\$ 9,745	\$ 313,443
Depreciation	-	1,330	2,545	8,941	52	304	1,060	14,232
Disposals and retirements	-	-	(448)	-	-	-	(86)	(534)
Exchange differences	-	-	127	-	-	(115)	(107)	(95)
As of June 30, 2025	<u>\$ -</u>	<u>\$ 46,735</u>	<u>\$ 72,971</u>	<u>\$ 186,275</u>	<u>\$ 451</u>	<u>\$ 10,002</u>	<u>\$ 10,612</u>	<u>\$ 327,046</u>
Accumulated depreciation and impairment:								
As of January 1, 2024	\$ -	\$ 43,668	\$ 67,455	\$ 159,368	\$ 2,512	\$ 10,449	\$ 8,125	\$ 291,577
Depreciation	-	1,313	2,353	9,765	135	341	1,056	14,963
Disposals and retirements	-	-	(87)	(43)	(1,524)	(412)	-	(2,066)
Exchange differences	-	-	99	-	-	141	53	293
As of June 30, 2024	<u>\$ -</u>	<u>\$ 44,981</u>	<u>\$ 69,820</u>	<u>\$ 169,090</u>	<u>\$ 1,123</u>	<u>\$ 10,519</u>	<u>\$ 9,234</u>	<u>\$ 304,767</u>
Net carrying amount as of:								
June 30, 2025	<u>\$ 220,863</u>	<u>\$ 60,917</u>	<u>\$ 9,726</u>	<u>\$ 41,466</u>	<u>\$ 69</u>	<u>\$ 2,247</u>	<u>\$ 1,948</u>	<u>\$ 337,236</u>
December 31, 2024	<u>\$ 220,863</u>	<u>\$ 62,247</u>	<u>\$ 11,859</u>	<u>\$ 47,240</u>	<u>\$ 121</u>	<u>\$ 2,413</u>	<u>\$ 3,007</u>	<u>\$ 347,750</u>
June 30, 2024	<u>\$ 220,863</u>	<u>\$ 63,576</u>	<u>\$ 13,035</u>	<u>\$ 53,430</u>	<u>\$ 229</u>	<u>\$ 2,577</u>	<u>\$ 4,181</u>	<u>\$ 357,891</u>

Please refer to Note 8 for more details on property, plant and equipment under pledge as of June 30, 2025, December 31, 2024, and June 30, 2024.

No interest was capitalized for the six months ended June 30, 2025 and 2024.

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(9) Intangible assets

	Software
Cost:	
As of January 1, 2025	\$ 243,901
Additions	1,663
Disposals and retirements	(801)
Transfers	659
Exchange differences	143
As of June 30, 2025	\$ 245,565
As of January 1, 2024	\$ 232,773
Additions	3,315
Disposals and retirements	(6)
Transfers	2,312
Exchange differences	104
As of June 30, 2024	\$ 238,498
Accumulated amortization and impairment:	
As of January 1, 2025	\$ 214,784
Amortization	8,545
Disposals and retirements	(801)
Exchange differences	143
As of June 30, 2025	\$ 222,671
As of January 1, 2024	\$ 200,157
Amortization	8,892
Disposals and retirements	(5)
Exchange differences	104
As of June 30, 2024	\$ 209,148
Net carrying amount as of:	
June 30, 2025	\$ 22,894
December 31, 2024	\$ 29,117
June 30, 2024	\$ 29,350

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The amortization expenses of intangible assets are as follows:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Operating costs	\$ 41	\$ 91	\$ 83	\$ 183
Selling expenses	\$ 30	\$ 30	\$ 60	\$ 66
Administrative expenses	\$ 376	\$ 384	\$ 753	\$ 735
Research and development expenses	\$ 3,798	\$ 3,818	\$ 7,649	\$ 7,908

(10) Other non-current assets

	June 30, 2025	December 31, 2024	June 30, 2024
Prepayments for equipment	\$ 9,906	\$ 2,192	\$ 3,135

(11) Short-term borrowings

The Group's unused short-term lines of credits amounted to NT\$542,103 thousand, NT\$537,527 thousand, and NT\$542,277 thousand as of June 30, 2025, December 31, 2024, and June 30, 2024, respectively.

Please refer to Note 8 for more details on the pledge or guarantee of the short-term loans of the Group.

(12) Provisions

	Warranties
As of January 1, 2025	\$ 2,346
Arising during the period	1,767
Unused provision reversed	(1,197)
Exchange differences	20
As of June 30, 2025	\$ 2,936
Current – June 30, 2025	\$ 2,936
Current – December 31, 2024	\$ 2,346
Current – June 30, 2024	\$ 2,423

Warranties

A provision is recognized for expected warranty claims on products sold, based on past experience, management's judgement and other known factors.

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(13) Other current liabilities

	June 30, 2025	December 31, 2024	June 30, 2024
Refund liabilities	\$ 5,981	\$ 7,492	\$ 8,843
Other current liabilities	5,862	3,140	3,137
Total	<u>\$ 11,843</u>	<u>\$ 10,632</u>	<u>\$ 11,980</u>

(14) Post-employment benefits

Defined contribution plan

Expenses under the defined contribution plan for the three months ended June 30, 2025 and 2024 were NT\$6,125 thousand and NT\$4,789 thousand, respectively. Expenses under the defined contribution plan for the six months ended June 30, 2025 and 2024 were NT\$10,961 thousand and NT\$9,493 thousand, respectively.

Defined benefit plan

Expenses under the defined benefit plan for the three months ended June 30, 2025 and 2024 were NT\$37 thousand and NT\$43 thousand, respectively. Expenses under the defined benefit plan for the six months ended June 30, 2025 and 2024 were NT\$74 thousand and NT\$86 thousand, respectively.

(15) Equity

A. Common stock

The Company's authorized capital as of June 30, 2025, December 31, 2024, and June 30, 2024 were NT\$900,000 thousand divided into 90,000 thousand shares, including 10,000 thousand shares reserved for exercise of employee stock options at each period. The Company's issued capital as of June 30, 2025, December 31, 2024, and June 30, 2024 were NT\$750,975 thousand, with a par value of NT\$10 each share, divided into 75,098 thousand shares.

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B. Capital surplus

	June 30, 2025	December 31, 2024	June 30, 2024
Additional paid-in capital	\$ 932,723	\$ 932,723	\$ 932,723
Expired stock options	2,503	2,503	2,503
Total	\$ 935,226	\$ 935,226	\$ 935,226

According to the Company Act, the additional paid-in capital shall not be used except for offsetting deficit of the company. When a company does not have deficit, it may distribute the additional paid-in capital derived from the issuance of new shares at premiums in excess of par or income from endowments received by the Company. The distribution could be made in cash to its shareholders in proportion to the number of shares being held by each of them.

C. Retained earnings and dividend policy

According to the Company's Articles of Incorporation, current year's earnings, if any, shall be distributed in the following order:

- a. reserve for tax payments;
- b. offset accumulated losses in previous years, if any;
- c. legal reserve, which is 10% of leftover profits;
- d. allocation or reverse of special reserves as required by law or government authorities;
- e. for the rest and the accumulated undistributed earnings, the board of directors programmed to make an earnings distribution proposal, and it shall be distributed after approved by a resolution of a shareholders' meeting.

The distributable dividends and bonuses in whole or in part are paid in cash after a resolution was adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution is submitted to the shareholders' meeting; if it is made by the way of issuing new shares, shall be distributed after approved by a resolution of a shareholders' meeting.

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The Company shall take into consideration its environment and growth stage to meet the future fund requirements when making long-term financial planning and to satisfy the cash inflow requirement of the shareholders. The distribution of shareholders' dividend shall not be lower than 30% of the distributable earnings. The shareholders' dividends may be distributed in the form of shares or cash and cash dividends to be distributed may not be less than 10% of total dividends (cash dividends and stock dividends in total) to be distributed. However, if the total dividends paid in the current year are less than NT\$3 per share, the full stock dividends will be paid.

According to the Company Act, the Company needs to set aside amount to legal reserve unless where such legal reserve amounts to the total paid-in capital. The legal reserve can be used to offset the deficit of the Company. When the Company incurs no loss, it may distribute the portion of legal reserve which exceeds 25% of the paid-in capital by issuing new shares or by cash in proportion to the number of shares being held by each of the shareholders.

Pursuant to existing regulations, the Company is required to set aside additional special reserve equivalent to the net debit balance of the other components of shareholders' equity. For any subsequent reversal of other net deductions from shareholders' equity, the amount reversed may be distributed.

The distribution of earnings for 2024 regarding cash dividends and other earnings distribution items was resolved by the Board of Directors' meeting held on March 4, 2025 and the stockholders' meeting held on June 19, 2025, while the distribution of earnings for 2023 regarding cash dividends and other earnings distribution items was resolved by the Board of Directors' meeting held on March 11, 2024 and the stockholders' meeting held on June 18, 2024, respectively. The details of distribution are as follows:

	<u>Appropriation of earnings</u>		<u>Dividend per share (NT\$)</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Legal reserve	\$ 9,343	\$ 3,957		
Special reserve	(3,927)	(629)		
Common stock-cash dividends	45,059	25,974	\$ 0.60	\$ 0.35
Total	<u>\$ 50,475</u>	<u>\$ 29,302</u>		

Please refer to Note 6(19) for more details on employees' compensation and the remuneration to directors.

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D. Non-controlling interests

	Six months ended June 30,	
	2025	2024
Beginning balance	\$ 2,332	\$ 2,043
Net income attributable to non-controlling interests	168	198
Other comprehensive income attributable to non-controlling interests:		
Exchange differences on translation of foreign operations	(32)	(155)
Ending balance	\$ 2,468	\$ 2,086

(16) Operating revenue

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Revenue from contracts with customers				
Sale of goods	\$ 601,300	\$ 673,684	\$ 1,144,478	\$ 1,177,307
Rendering of services	22,271	27,426	42,815	50,643
Total	\$ 623,571	\$ 701,110	\$ 1,187,293	\$ 1,227,950

Analysis of revenue from contracts with customers for the six months ended June 30, 2025 and 2024 are as follows:

A. Disaggregation of revenue

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Sale of goods	\$ 601,300	\$ 673,684	\$ 1,144,478	\$ 1,177,307
Rendering of services	22,271	27,426	42,815	50,643
Total	\$ 623,571	\$ 701,110	\$ 1,187,293	\$ 1,227,950
Revenue recognition point:				
At a point in time	\$ 605,167	\$ 676,155	\$ 1,150,700	\$ 1,181,886
Satisfies the performance obligation over time	18,404	24,955	36,593	46,064
Total	\$ 623,571	\$ 701,110	\$ 1,187,293	\$ 1,227,950

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**B. Contract balances**

a. Contract assets – current

	June 30, 2025	December 31, 2024	June 30, 2024	January 1, 2024
Sales of goods	\$ 24,652	\$ 24,979	\$ 12,098	\$ 12,015

The significant changes in the Group's balances of contract assets for the six months ended June 30, 2025, and 2024 are as follows:

	<u>Six months ended June 30,</u>	
	<u>2025</u>	<u>2024</u>
The opening balance transferred to trade receivables	\$ (22,903)	\$ (12,015)
Change in the progress of completion	23,831	12,141
Recognition of impairment	(1,255)	(43)

b. Contract liabilities – current and noncurrent

	June 30, 2025	December 31, 2024	June 30, 2024	January 1, 2024
Contract liabilities	\$ 102,780	\$ 121,123	\$ 100,092	\$ 125,302
Current	\$ 61,417	\$ 79,178	\$ 63,466	\$ 87,676
Noncurrent	\$ 41,363	\$ 41,945	\$ 36,626	\$ 37,626

	June 30, 2025	December 31, 2024	June 30, 2024	January 1, 2024
Sales of goods	\$ 25,661	\$ 39,283	\$ 22,850	\$ 39,572
Rendering of services	77,119	81,840	77,242	85,730
Total	\$ 102,780	\$ 121,123	\$ 100,092	\$ 125,302

The significant changes in the Group's balances of contract liabilities for the six months ended June 30, 2025 and 2024 are as follows:

	<u>Six months ended June 30,</u>	
	<u>2025</u>	<u>2024</u>
Revenue recognized during the period that was included in the beginning balance	\$ (31,598)	\$ (39,831)
Increase in receipt in advance during the period (deducting the amount incurred and transferred to revenue during the period)	13,255	14,621

**C. Assets recognized from costs to fulfill a contract with customer: None.**

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(17) Expected credit losses (gains)

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Operating expenses-				
Expected credit losses				
(gains)				
Contract assets	\$ 1,157	\$ 36	\$ 1,255	\$ 43
Notes receivable	8	(13)	9	(17)
Trade receivables	1,822	38	(899)	(1,584)
Total	\$ 2,987	\$ 61	\$ 365	\$ (1,558)

Please refer to Note 12(4) for more details on credit risk.

The Group measures the loss allowance of its contract assets, receivables (including notes receivable, trade receivables and trade receivables from related parties) and finance lease receivable at an amount equal to lifetime expected credit losses. The assessments of the Group's loss allowance as of June 30, 2025, December 31, 2024, and June 30, 2024 are as follows:

- A. Finance lease receivables were not overdue and the expected credit loss rate was 0%. Details of carrying amounts are as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Finance lease receivable	\$ 3,448	\$ 3,713	\$ 3,602
Less: unearned finance income	(118)	(174)	(215)
Subtotal	3,330	3,539	3,387
Long-term finance lease receivable	2,968	5,165	6,970
Less: unearned finance income	(33)	(90)	(164)
Subtotal	2,935	5,075	6,806
Total	\$ 6,265	\$ 8,614	\$ 10,193

- B. Loss allowance of contract assets was measured by the expected credit loss rates. Details are as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Gross carrying amount	\$ 25,921	\$ 24,993	\$ 12,147
Expected credit loss rates	0%~50%	0%~10%	0%~2%
Loss allowance	(1,269)	(14)	(49)
Total	\$ 24,652	\$ 24,979	\$ 12,098

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C. Notes receivable were not overdue, and the loss allowance was measured by the expected credit loss rates. Details are as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Gross carrying amount	\$ 13,280	\$ 9,626	\$ 11,701
Expected credit loss rates	0%~0.25%	0%~0.25%	0%~0.25%
Loss allowance	(32)	(23)	(28)
Total	<u>\$ 13,248</u>	<u>\$ 9,603</u>	<u>\$ 11,673</u>

D. The Group considers the grouping of trade receivables by counterparties' credit rating, by geographical region and by industry sector, and its loss allowance is measured by using a provision matrix. Details are as follows:

As of June 30, 2025

	Not past due	Past due					Total
		Within 30 days	31-60 days	61-90 days	91-360 days	Over 361 days	
Gross carrying amount	\$ 397,644	\$ 45,879	\$ 6,800	\$ 2,443	\$ 5,027	\$ 544	\$ 458,337
Loss ratio	0%	0%-2%	2%-5%	5%-10%	25%-50%	50%-100%	
Lifetime expected credit losses	-	790	303	244	2,513	540	4,390
Total	<u>\$ 397,644</u>	<u>\$ 45,089</u>	<u>\$ 6,497</u>	<u>\$ 2,199</u>	<u>\$ 2,514</u>	<u>\$ 4</u>	<u>\$ 453,947</u>

As of December 31, 2024

	Not past due	Past due					Total
		Within 30 days	31-60 days	61-90 days	91-360 days	Over 361 days	
Gross carrying amount	\$ 387,200	\$ 53,506	\$ 6,102	\$ 2,848	\$ 5,586	\$ 1,273	\$ 456,515
Loss ratio	0%	0%-2%	2%-5%	5%-10%	25%-50%	50%-100%	
Lifetime expected credit losses	-	700	264	285	2,789	1,273	5,311
Total	<u>\$ 387,200</u>	<u>\$ 52,806</u>	<u>\$ 5,838</u>	<u>\$ 2,563</u>	<u>\$ 2,797</u>	<u>\$ -</u>	<u>\$ 451,204</u>

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As of June 30, 2024

	Not past due	Past due					Total
		Within 30 days	31-60 days	61-90 days	91-360 days	Over 361 days	
Gross carrying amount	\$ 508,277	\$ 46,907	\$ 10,988	\$ 4,549	\$ 3,142	\$ 1,111	\$ 574,974
Loss ratio	0%	0%-2%	2%-5%	5%-10%	25%-50%	50%-100%	
Lifetime expected credit losses	-	729	458	455	1,557	1,111	4,310
Total	\$ 508,277	\$ 46,178	\$ 10,530	\$ 4,094	\$ 1,585	\$ -	\$ 570,664

The movements in the provision for impairment of contract assets, notes receivable and trade receivables for the six months ended June 30, 2025 and 2024 are as follows:

	Contract assets	Notes receivable	Trade receivables
As of January 1, 2025	\$ 14	\$ 23	\$ 5,311
Allowance (reversal) for the current period	1,255	9	(899)
Exchange differences	-	-	(22)
As of June 30, 2025	\$ 1,269	\$ 32	\$ 4,390
As of January 1, 2024	\$ 6	\$ 45	\$ 5,858
Allowance (reversal) for the current period	43	(17)	(1,584)
Exchange differences	-	-	36
As of June 30, 2024	\$ 49	\$ 28	\$ 4,310

(18) Leases

A. The Group as lessee

The Group leases various properties, including real estate such as buildings and facilities, and transportation equipment. These leases have terms between 2 and 5 years.

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The effect that leases have on the financial position, financial performance and cash flows of the Group are as follows:

a. Amounts recognized in the balance sheet

(a) Right-of-use assets

The carrying amount of right-of-use assets

	June 30, 2025	December 31, 2024	June 30, 2024
Buildings and facilities	\$ 36,926	\$ 50,152	\$ 51,103
Transportation equipment	8,537	7,164	5,394
Total	<u>\$ 45,463</u>	<u>\$ 57,316</u>	<u>\$ 56,497</u>

During the six months ended June 30, 2025 and 2024, the additions to right-of-use assets of the Group amounted to NT\$4,268 thousand and NT\$292 thousand, respectively.

(b) Lease liabilities

	June 30, 2025	December 31, 2024	June 30, 2024
Lease liability	<u>\$ 55,198</u>	<u>\$ 69,179</u>	<u>\$ 70,392</u>
Current	<u>\$ 27,996</u>	<u>\$ 29,709</u>	<u>\$ 24,453</u>
Non-current	<u>\$ 27,202</u>	<u>\$ 39,470</u>	<u>\$ 45,939</u>

Please refer to Note 6(20)D for the interest on lease liabilities recognized during the six months ended June 30, 2025 and 2024, and refer to Note 12(5) for the maturity analysis for lease liabilities as of June 30, 2025, December 31, 2024, and June 30, 2024.

b. Amounts recognized in the statement of comprehensive income

Depreciation charge for right-of-use assets

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Buildings and facilities	\$ 6,328	\$ 6,451	\$ 12,852	\$ 12,806
Transportation equipment	722	518	1,418	1,088
Total	<u>\$ 7,050</u>	<u>\$ 6,969</u>	<u>\$ 14,270</u>	<u>\$ 13,894</u>

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c. Income and costs relating to leasing activities

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
The expense relating to short-term leases	\$ (887)	\$ (862)	\$ (1,841)	\$ (1,779)
Income from subleasing right-of-use assets	43	67	95	136
Lease modifications gains	-	2	-	2

d. Cash outflow relating to leasing activities

During the six months ended June 30, 2025 and 2024, the Group's total cash outflow for leases amounted to NT\$18,101 thousand and NT\$17,448 thousand, respectively.

B. The Group as lessor

The Group subleased a portion of the leased office under a finance lease with a lease term of 5 years. Information on profit or loss in relation to the lease contract is as follows:

The undiscounted lease payments to be received for the remaining years as of June 30, 2025, December 31, 2024, and June 30, 2024 are as follows:

	June 30, 2025	December 31, 2024	June 30, 2024
Lease income for finance leases			
Finance income on the net investment in the lease	\$ 95	\$ 253	\$ 136
	June 30, 2025	December 31, 2024	June 30, 2024
Not later than one year	\$ 3,448	\$ 3,713	\$ 3,602
Later than one year but not later than two years	2,968	3,861	3,745
Later than two years but not later than three years	-	1,304	3,225
Total undiscounted lease payments	6,416	8,878	10,572
Less: unearned finance income to finance leases	(151)	(264)	(379)
Less: loss allowance	-	-	-
Net investment in the lease (Finance lease receivables)	\$ 6,265	\$ 8,614	\$ 10,193
Current	\$ 3,330	\$ 3,539	\$ 3,387
Non-current	\$ 2,935	\$ 5,075	\$ 6,806

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(19) Employment costs

Summary statement of employee benefits, depreciation and amortization expenses by function:

Type of function Type of nature	Three months ended June 30,					
	2025			2024		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits						
Salaries	\$ 9,253	\$ 104,770	\$ 114,023	\$ 10,015	\$ 103,024	\$ 113,039
Labor and health insurance	1,103	10,006	11,109	1,098	10,176	11,274
Pension	393	5,769	6,162	435	4,397	4,832
Others (Note)	455	4,174	4,629	338	4,041	4,379
Depreciation	4,785	9,304	14,089	5,205	9,378	14,583
Amortization	41	4,204	4,245	91	4,232	4,323

Type of function Type of nature	Six months ended June 30,					
	2025			2024		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits						
Salaries	\$ 18,355	\$ 212,854	\$ 231,209	\$ 20,280	\$ 204,297	\$ 224,577
Labor and health insurance	2,139	20,499	22,638	2,188	20,218	22,406
Pension	775	10,260	11,035	893	8,686	9,579
Others (Note)	1,148	9,612	10,760	1,033	9,046	10,079
Depreciation	9,583	18,919	28,502	10,266	18,591	28,857
Amortization	83	8,462	8,545	183	8,709	8,892

Note: The amounts include group insurance expenses, training expenses, and employee benefits.

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According to the Company's Article of Incorporation, no lower than 5% of profit of the current year is distributable as employees' compensation (No less than 20% of the remuneration to employees referred to in this paragraph shall be distributed to entry-level employees.) and no higher than 2% of profit of the current year is distributable as remuneration to directors. However, before distributing employees' compensation and remuneration to directors, the Company's profit should offset its accumulated losses, if any. The Company may, by a resolution adopted by a majority vote at a meeting of Board of Directors attended by two-thirds of the total number of directors, have the profit distributable as employees' compensation in the form of shares or in cash; and in addition, there to a report of such distribution is submitted to the shareholders' meeting. Information on the Board of Directors' resolution regarding the employees' compensation and remuneration to directors can be obtained from the "Market Observation Post System" on the website of the TWSE.

The Company accrued employees' compensation and remuneration to directors based on 5% and 2%, respectively, of profit for the six months ended June 30, 2025. The amount of employees' compensation and remuneration to directors accrued for the three months ended June 30, 2025 were NT\$240 thousand and NT\$96 thousand, respectively. The amount of employees' compensation and remuneration to directors accrued for the six months ended June 30, 2025 were NT\$1,892 thousand and NT\$757 thousand, respectively. The aforementioned employees' compensation and remuneration to directors were accrued based on the profit of the current year and recognized as salary expenses. If the Board of Directors resolved to distribute employees' compensation in the form of stocks, then the number of stocks distributed as employees' compensation was calculated based on the closing price one day earlier than the date of resolution. If the estimated amounts differ from the actual distribution resolved by the Board of Directors, the Company will recognize the change as an adjustment in profit or loss of the subsequent year.

The Company accrued employees' compensation and remuneration to directors based on 5% and 2%, respectively, of profit for the six months ended June 30, 2024. The amount of employees' compensation and remuneration to directors accrued for the three months ended June 30, 2024 were NT\$2,105 thousand and NT\$842 thousand, respectively. The amount of employees' compensation and remuneration to directors accrued for the six months ended June 30, 2024 were NT\$2,898 thousand and NT\$1,159 thousand, respectively.

A resolution was approved in a meeting of the Board of Directors held on March 4, 2025 to distribute NT\$6,110 thousand and NT\$2,444 thousand in cash as employees' compensation and remuneration to directors, respectively. There were no significant differences between the aforementioned approved amounts and the amounts charged against earnings in 2024.

A resolution was approved in a meeting of the Board of Directors held on March 11, 2024 to distribute NT\$2,518 thousand and NT\$1,007 thousand in cash as employees' compensation and remuneration to directors, respectively. There were no significant differences between the aforementioned approved amounts and the amounts charged against earnings in 2023.

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(20) Non-operating income and expenses

A. Interest income

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Financial assets measured at amortized cost	\$ 6,106	\$ 8,094	\$ 13,035	\$ 14,949
Interest income from financial leases	43	67	95	136
Total	\$ 6,149	\$ 8,161	\$ 13,130	\$ 15,085

B. Other income

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Rental income	\$ 76	\$ 66	\$ 146	\$ 135
Others	19	115	5,272	216
Total	\$ 95	\$ 181	\$ 5,418	\$ 351

C. Other gains and losses

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
(Losses) gains on disposal of property, plant and equipment	\$ -	\$ (19)	\$ -	\$ 17
Losses on disposal of intangible assets	-	(1)	-	(1)
Foreign exchange (losses) gains	(42,920)	4,925	(29,247)	18,966
Gains (losses) on financial assets at fair value through profit or loss	5,819	1,552	(2,255)	1,809
Gains on lease modifications	-	2	-	2
Other (losses) gains-others	(128)	(133)	(269)	1,368
Total	\$ (37,229)	\$ 6,326	\$ (31,771)	\$ 22,161

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D. Finance costs

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Interest expenses on				
lease liabilities	\$ 377	\$ 450	\$ 803	\$ 930
Others	9	26	10	26
Total	\$ 386	\$ 476	\$ 813	\$ 956

(21) Components of other comprehensive income

For the three months ended June 30, 2025

	Reclassification adjustments during the period	Other comprehensive income, before tax	Income tax (expense) income	Other comprehensive income, net of tax
Items that will not be reclassified subsequently to profit or loss:				
Unrealized gains (losses) from equity instrument investments measured at fair value through other comprehensive income	\$ 1,649	\$ -	\$ 1,649	\$ (330)
Items that may be reclassified subsequently to profit or loss:				
Exchange differences resulting from translating the financial statements of foreign operations	(31,324)	-	(31,324)	6,230
Total other comprehensive income	\$ (29,675)	\$ -	\$ (29,675)	\$ 5,900

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	Arising during the period	Reclassification adjustments during the period	Other comprehensive income, before tax	Income tax (expense) income	Other comprehensive income, net of tax
Items that will not be reclassified subsequently to profit or loss:					
Unrealized (losses) gains from equity instrument investments measured at fair value through other comprehensive income	\$ (2,894)	\$ -	\$ (2,894)	\$ 578	\$ (2,316)
Items that may be reclassified subsequently to profit or loss:					
Exchange differences resulting from translating the financial statements of foreign operations	798	-	798	(179)	619
Total other comprehensive income	<u>\$ (2,096)</u>	<u>\$ -</u>	<u>\$ (2,096)</u>	<u>\$ 399</u>	<u>\$ (1,697)</u>

For the six months ended June 30, 2025

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income, before tax	Income tax (expense) income	Other comprehensive income, net of tax
Items that will not be reclassified subsequently to profit or loss:					
Unrealized gains (losses) from equity instrument investments measured at fair value through other comprehensive income	\$ 1,920	\$ -	\$ 1,920	\$ (384)	\$ 1,536
Items that may be reclassified subsequently to profit or loss:					
Exchange differences resulting from translating the financial statements of foreign operations	(19,169)	-	(19,169)	3,828	(15,341)
Total other comprehensive income	<u>\$ (17,249)</u>	<u>\$ -</u>	<u>\$ (17,249)</u>	<u>\$ 3,444</u>	<u>\$ (13,805)</u>

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For the six months ended June 30, 2024

	Arising during the period	Reclassification adjustments during the period	Other comprehensive income, before tax	Income tax (expense) income	Other comprehensive income, net of tax
Items that will not be reclassified subsequently to profit or loss:					
Unrealized (losses) gains from equity instrument investments measured at fair value through other comprehensive income	\$ (6,841)	\$ -	\$ (6,841)	\$ 1,368	\$ (5,473)
Items that may be reclassified subsequently to profit or loss:					
Exchange differences resulting from translating the financial statements of foreign operations	9,017	-	9,017	(1,834)	7,183
Total other comprehensive income	<u>\$ 2,176</u>	<u>\$ -</u>	<u>\$ 2,176</u>	<u>\$ (466)</u>	<u>\$ 1,710</u>

(22) Income tax

A. The major components of income tax expense (income) are as follows:

Income tax expense recognized in profit or loss

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Current income tax expense:				
Current income tax payable	\$ 6,954	\$ 5,392	\$ 10,923	\$ 7,720
Adjustments in respect of current income tax of prior periods	(54)	9	(54)	9
Deferred tax expense (income):				
Relating to origination and reversal of temporary differences	(4,677)	3,411	(3,897)	5,507
Relating to origination and reversal of tax loss and tax credit	388	1,367	2,427	-
Total income tax expense	<u>\$ 2,611</u>	<u>\$ 10,179</u>	<u>\$ 9,399</u>	<u>\$ 13,236</u>

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Income tax recognized in other comprehensive income

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Deferred tax expense (income):				
Unrealized gains (losses)				
from equity instrument				
investments measured at				
fair value through other				
comprehensive income	\$ 330	\$ (578)	\$ 384	\$ (1,368)
Exchange differences				
resulting from translating				
the financial statements				
of foreign operations	(6,230)	179	(3,828)	1,834
Income tax relating to				
components of other				
comprehensive income	<u>\$ (5,900)</u>	<u>\$ (399)</u>	<u>\$ (3,444)</u>	<u>\$ 466</u>

**B. The assessment of income tax returns**

As of June 30, 2025, the assessment of the income tax returns of the Group is as follows:

	The assessment of income tax returns
The Company	Assessed and approved up to 2022
Subsidiaries-UTA	Filed up to 2023
Subsidiaries-UTI	Assessed and approved up to 2022
Subsidiaries-UTJ	Filed up to 2024
Subsidiaries-UTC	Filed up to 2024

**(23) Earnings per share**

Basic earnings per share amounts are calculated by dividing net profit for the period attributable to ordinary equity holders of the parent company by the weighted-average number of ordinary shares outstanding during the period.

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Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the parent company by the weighted-average number of ordinary shares outstanding during the period plus the weighted-average number of ordinary shares that would be issued assuming all the dilutive potential ordinary shares were converted into ordinary shares.

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
<b>A. Basic earnings per share</b>				
Profit attributable to ordinary equity holders of the parent	\$ 5,023	\$ 32,200	\$ 30,347	\$ 44,086
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	75,098	75,098	75,098	75,098
Basic earnings per share (NT\$)	\$ 0.07	\$ 0.43	\$ 0.40	\$ 0.59
	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
<b>B. Diluted earnings per share</b>				
Profit attributable to ordinary equity holders of the parent	\$ 5,023	\$ 32,200	\$ 30,347	\$ 44,086
Weighted average number of ordinary shares outstanding for basic earnings per share (in thousands)	75,098	75,098	75,098	75,098
Effect of dilution:				
Employee compensation (in thousands)	68	60	125	93
Weighted-average number of ordinary shares outstanding after dilution (in thousands)	75,166	75,158	75,223	75,191
Diluted earnings per share (NT\$)	\$ 0.07	\$ 0.43	\$ 0.40	\$ 0.59

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date the financial statements were authorized for issue.

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## 7. Related Party Transactions

Information of the related parties that had transactions with the Group during the financial reporting period is as follows:

### Name and nature of relationship of the related parties

<u>Name of the related parties</u>	<u>Relationship with the Group</u>
Unitech Computer Co., Ltd.	Parent company
Jingho Computer Co., Ltd.	Other related party
HI-JET INCORPORATION	Substantive related parties
Shiteh Organic Pharmaceutical Co., Ltd.	Substantive related parties
GMI Technology Inc.	Substantive related parties

### Significant transactions with the related parties

#### (1) Sales

	<u>Three months ended June 30,</u>		<u>Six months ended June 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Parent company	\$ 380	\$ 252	\$ 599	\$ 354
Substantive related parties	-	4	27	306
Total	<u>\$ 380</u>	<u>\$ 256</u>	<u>\$ 626</u>	<u>\$ 660</u>

General payment term:

Domestic: Month-end 30-120 days

Foreign: For those who have credit line, payment shall be made within 30-45 days after shipment; for those who don't have credit line, shipment can only be made after T/T payment.

The selling price of the parent company and the substantive related parties are based on related-party transaction pricing, the payment term is month-end 30-90 days.

#### (2) Purchases

	<u>Three months ended June 30,</u>		<u>Six months ended June 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Parent company	\$ 1,943	\$ 4,114	\$ 2,544	\$ 4,510
Other related party	440	274	639	388
Substantive related parties	-	-	45	121
Total	<u>\$ 2,383</u>	<u>\$ 4,388</u>	<u>\$ 3,228</u>	<u>\$ 5,019</u>

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General payment term:  
Domestic: Month-end 30-90 days  
Foreign: Month-end 60-90 days

The purchase price of the parent company, other related party and substantive related parties are based on related-party transaction pricing, the payment term is immediate payment to month-end 60 days.

(3) Trade receivables from related parties

	June 30, 2025	December 31, 2024	June 30, 2024
Parent company	\$ 20	\$ -	\$ 4
Substantive related parties			
Shiteh Organic Pharmaceutical Co., Ltd.	-	-	4
GMI Technology Inc.	-	56	-
Total	<u>\$ 20</u>	<u>\$ 56</u>	<u>\$ 8</u>

(4) Trade payables to related parties

	June 30, 2025	December 31, 2024	June 30, 2024
Parent company	\$ 1,020	\$ 202	\$ -
Other related party			
Jingho Computer Co., Ltd.	21	90	24
Substantive related parties			
GMI Technology Inc.	-	47	-
Total	<u>\$ 1,041</u>	<u>\$ 339</u>	<u>\$ 24</u>

(5) Other payables to related parties

	June 30, 2025	December 31, 2024	June 30, 2024
Parent company	\$ 19,811	\$ 1,807	\$ 11,028
Substantive related parties			
GMI Technology Inc.	5,735	-	3,306
Others	2,195	-	1,265
Other related party	-	44	-
Total	<u>\$ 27,741</u>	<u>\$ 1,851</u>	<u>\$ 15,599</u>

The Company declared cash dividends in the amount of NT\$18,023 thousand and NT\$10,390 thousand to the parent company, NT\$5,735 thousand and NT\$3,306 thousand to GMI Technology Inc., and NT\$2,195 thousand and NT\$1,265 thousand to other substantive related parties, which remained as dividend payables as of June 30, 2025 and 2024, respectively.

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(6) Manufacturing expenses from related parties

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Parent company	\$ 146	\$ 134	\$ 228	\$ 205

(7) Operating expenses from related parties

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Parent company	\$ 2,357	\$ 1,960	\$ 4,706	\$ 4,064
Other related party	-	176	-	176
Total	\$ 2,357	\$ 2,136	\$ 4,706	\$ 4,240

(8) Rental expenses

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Parent company	\$ 408	\$ 385	\$ 804	\$ 761

The Company leases warehouse and parking space from the parent company. The lease term and rental were both determined in accordance with mutual agreements. Rental is paid on a monthly basis.

(9) Other income

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Parent company	\$ 7	\$ 7	\$ 7	\$ 7

(10) Property transaction

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Parent company	\$ 371	\$ -	\$ 421	\$ 114

The Company entrusted the parent company to purchase machinery and equipment on behalf of the Company.

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(11) Key management personnel compensation

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Short-term employee benefits	\$ 5,576	\$ 8,423	\$ 16,691	\$ 17,025
Post-employment benefits	151	205	302	409
<b>Total</b>	<b>\$ 5,727</b>	<b>\$ 8,628</b>	<b>\$ 16,993</b>	<b>\$ 17,434</b>

**8. Assets Pledged as Collateral**

The following table lists assets of the Group pledged as collateral:

Items	Carrying Amount			Purpose of pledge
	June 30, 2025	December 31, 2024	June 30, 2024	
Financial assets measured at amortized cost-noncurrent	\$ 5,781	\$ 5,781	\$ 5,700	Guarantee for warranties
Financial assets measured at amortized cost-noncurrent	1,710	1,710	1,685	Performance guarantee
Property, plant and equipment-land and building	274,460	275,244	276,029	Loan pledge
<b>Total</b>	<b>\$ 281,951</b>	<b>\$ 282,735</b>	<b>\$ 283,414</b>	

**9. Significant Contingencies and Unrecognized Contractual Commitments**

- (1) As of June 30, 2025, the Group issued the letters of guarantee through financial institutions in the amount of NT\$3,000 thousand for customs duty and performance guarantee.
- (2) As of June 30, 2025, the Group issued promissory notes in the amount of NT\$7,319 thousand for performance guarantee.

**10. Losses Due to Major Disasters**

None.

**11. Significant Subsequent Events**

None.

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## 12. Others

### (1) Categories of financial instruments

#### Financial assets

	June 30, 2025	December 31, 2024	June 30, 2024
Financial assets at fair value through profit or loss:			
Mandatorily measured at fair value through profit or loss (Note 1)	\$ 106,228	\$ 4,260	\$ 7,950
Financial assets at fair value through other comprehensive income	24,110	22,190	22,452
Financial assets measured at amortized cost (Note 2)	1,322,064	1,501,605	1,502,877
<b>Total</b>	<b>\$ 1,452,402</b>	<b>\$ 1,528,055</b>	<b>\$ 1,533,279</b>

#### Financial liabilities

	June 30, 2025	December 31, 2024	June 30, 2024
Financial liabilities at fair value through profit or loss:			
Held for trading	\$ 203	\$ 41	\$ -
Financial liabilities at amortized cost:			
Trade payables (including related parties)	303,948	269,935	377,054
Other payables (including related parties)	170,188	160,290	131,212
Lease liabilities (including noncurrent)	55,198	69,179	70,392
Deposits received	300	329	325
<b>Total</b>	<b>\$ 529,837</b>	<b>\$ 499,774</b>	<b>\$ 578,983</b>

Note:

1. Includes trade receivables classified as financial assets measured at fair value through profit or loss in the amount of NT\$3,755 thousand, NT\$3,988 thousand, and NT\$6,692 thousand as of June 30, 2025, December 31, 2024, and June 30, 2024, respectively. Please refer to Note 6(6) for further explanation.

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2. Includes cash and cash equivalents (excluding cash on hand), financial assets measured at amortized cost (including noncurrent), receivables (including related parties), other receivables (excluding VAT refund receivable), finance lease receivable (including long-term) and refundable deposits.

(2) Financial risk management objectives and policies

The Group's principal financial risk management objective is to manage the market risk, credit risk and liquidity risk related to its operating activities. The Group identifies, measures and manages the aforementioned risks based on the Group's policy and risk exposures.

The Group has established appropriate policies, procedures and internal controls for financial risk management. Before entering into significant transactions, due approval process by the Board of Directors must be carried out based on related protocols and internal control procedures. The Group complies with its financial risk management policies at all times.

(3) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in market prices. Market risk comprise currency risk, interest rate risk and other price risk (such as equity instruments).

In practice, it is rarely the case that a single risk variable will change independently from other risk variables; there are usually interdependencies between risk variables. However, the sensitivity analysis disclosed below does not take into account the interdependencies between risk variables.

Foreign currency risk

The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense are denominated in a different currency from the Group's functional currency) and the Group's net investments in foreign subsidiaries.

The Group has certain foreign currency receivables denominated in the same foreign currency with certain foreign currency payables, therefore natural hedge is achieved. The Group also uses forward contracts to hedge the foreign currency risk on certain items denominated in foreign currencies. Hedge accounting is not applied as they did not qualify for hedge accounting criteria. Furthermore, as net investments in foreign subsidiaries are for strategic purposes, they are not hedged by the Group.

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The foreign currency sensitivity analysis of the possible change in foreign exchange rates on the Group's profit is performed on significant monetary items denominated in foreign currencies as of the end of the reporting period. The Group's foreign currency risk is mainly related to the volatility in the exchange rates for USD. The information of the sensitivity analysis is as follows:

When NTD appreciates/depreciates against USD by 1%, the profit for the six months ended June 30, 2025 and 2024 would decrease/increase by NT\$3,243 thousand and NT\$3,695 thousand, respectively.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's bank deposit at variable interest rates. Therefore, the cash flow risks from interest rate fluctuations is very low.

Other risk

The Group's investment of funds and unlisted equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group's investment of funds and unlisted equity securities are classified as financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. The Group manages the equity price risk through diversification. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The Group's Board of Directors reviews and approves certain equity investments according to level of authority.

A change of 1% in the price of the funds would increase/decrease the Group's investment of funds for the six months ended June 30, 2025 and 2024 by NT\$1,000 thousand and NT\$0 thousand, respectively.

Please refer to Note 12(9) for sensitivity analysis information of other equity instruments whose fair value measurement is categorized under Level 3 of the fair value hierarchy.

(4) Credit risk management

Credit risk is the risk that a counterparty will not meet its obligations under a contract, leading to a financial loss.

The Group is exposed to credit risk from operating activities (primarily for contract assets, trade and notes receivables) and from financing activities (primarily for bank deposits and other financial instruments).

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Credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to credit risk management. Credit limits are established for all counterparties based on their financial position, rating from credit rating agencies, historical experience, prevailing economic condition and the Group's internal rating criteria, etc. Certain counterparties' credit risk will also be managed by taking credit enhancing procedures, such as requesting for prepayment or insurance.

Credit risk from balances with banks, fixed income securities and other financial instruments is managed by the Group's treasury in accordance with the Group's policy. The Group only transacts with counterparties approved by the internal control procedures, which are banks and financial institutions, companies and government entities with good credit rating. Consequently, there is no significant credit risk for these counterparties.

(5) Liquidity risk management

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of cash and cash equivalents. The table below summarizes the maturity profile of the Group's financial liabilities based on the contractual undiscounted payments and contractual maturity. The payment amount includes the contractual interest. The undiscounted payment relating to payment with variable interest rates is extrapolated based on the estimated interest rate yield curve as of the end of the reporting period.

Non-derivative financial liabilities

	Less than 1 year	1 to 3 years	4 to 5 years	Later than 5 years	Total
As of June 30, 2025					
Trade payables	\$ 303,948	\$ -	\$ -	\$ -	\$ 303,948
Other payables	170,188	-	-	-	170,188
Lease liabilities	29,055	27,460	214	-	56,729
Deposits received	-	300	-	-	300
As of December 31, 2024					
Trade payables	\$ 269,935	\$ -	\$ -	\$ -	\$ 269,935
Other payables	160,290	-	-	-	160,290
Lease liabilities	31,064	40,297	-	-	71,361
Deposits received	-	329	-	-	329
As of June 30, 2024					
Trade payables	\$ 377,054	\$ -	\$ -	\$ -	\$ 377,054
Other payables	131,212	-	-	-	131,212
Lease liabilities	25,889	47,072	159	-	73,120
Deposits received	-	325	-	-	325

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Derivative financial liabilities

	Less than 1 year	1 to 3 years	4 to 5 years	Later than 5 years	Total
As of June 30, 2025					
Inflow	\$ 14,607	\$ -	\$ -	\$ -	\$ 14,607
Outflow	(14,810)	-	-	-	(14,810)
Net	<u>\$ (203)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (203)</u>
As of December 31, 2024					
Inflow	\$ 11,140	\$ -	\$ -	\$ -	\$ 11,140
Outflow	(11,181)	-	-	-	(11,181)
Net	<u>\$ (41)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (41)</u>
As of June 30, 2024					
Inflow	\$ -	\$ -	\$ -	\$ -	\$ -
Outflow	-	-	-	-	-
Net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The disclosure of derivative financial liabilities in the above table is expressed by undiscounted total cash flows.

(6) Reconciliation of liabilities arising from financing activities

Reconciliation of liabilities for the six months ended June 30, 2025:

	Lease liabilities	Deposits received	Total liabilities from financing activities
As of January 1, 2025	\$ 69,179	\$ 329	\$ 69,508
Cash flows			
Outflow	(15,457)	-	(15,457)
Non-cash flows	1,476	(29)	1,447
As of June 30, 2025	<u>\$ 55,198</u>	<u>\$ 300</u>	<u>\$ 55,498</u>

Reconciliation of liabilities for the six months ended June 30, 2024:

	Lease liabilities	Deposits received	Total liabilities from financing activities
As of January 1, 2024	\$ 81,984	\$ 309	\$ 82,293
Cash flows			
Outflow	(14,739)	-	(14,739)
Non-cash flows	3,147	16	3,163
As of June 30, 2024	<u>\$ 70,392</u>	<u>\$ 325</u>	<u>\$ 70,717</u>

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(7) Fair values of financial instruments

A. The methods and assumptions applied in determining the fair value of financial instruments:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used by the Group to measure or disclose the fair values of financial assets and financial liabilities:

- a. The carrying amount of cash and cash equivalents, financial assets measured at amortized cost, receivables, other receivables, payables and other payables approximate their fair value due to their short maturities.
- b. For financial assets and liabilities traded in an active market with standard terms and conditions, their fair value is determined based on market quotation price (including listed equity securities, beneficiary certificates, bonds and futures, etc.) at the reporting date.
- c. Fair value of equity instruments without market quotations, such as private company equity securities, are estimated using the income approach. The income approach is based on evaluating the flow of future profits created by the underlying investment and through the process of discounting the flow of future profits into the value of the underlying investment. The future cash flow is calculated by the underlying investment's financial forecast and future long-term stable growth rate. The fair value is calculated by using the Weighted Average Cost of Capital as the discount rate.
- d. Fair value of debt instruments without market quotations, finance lease receivable, lease liabilities, refundable deposits, and deposits received are determined based on the counterparty prices or valuation method. The valuation method uses discounted cash flow analysis as a basis, and the assumptions such as the interest rate and discount rate are primarily based on relevant information of similar instruments (such as yield curves published by the Taipei Exchange, average prices for Fixed Rate Commercial Paper published by Reuters and credit risk, etc.).
- e. The fair value of derivatives which are not options and without market quotations, is determined based on the counterparty prices or discounted cash flow analysis using interest rate yield curve for the contract period.

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B. Fair value measurement hierarchy for financial instruments

Please refer to Note 12(9) for fair value measurement hierarchy for financial instruments of the Group.

(8) Derivative financial instruments

The related information for derivative financial instruments not qualified for hedge accounting and not yet settled as of June 30, 2025, December 31, 2024, and June 30, 2024 are as follows:

Forward exchange contracts

The Group entered into forward exchange contracts to manage its exposure to financial risk, but these contracts were not designated as hedging instruments. The table below lists the information related to forward exchange contracts:

Items	Contract amount	Maturity period
As of June 30, 2025		
Forward exchange contracts	Sell EUR 1,218 thousand	From July 7, 2025 to September 19, 2025
Forward exchange contracts	Sell JPY 108,000 thousand	From July 8, 2025 to September 19, 2025
As of December 31, 2024		
Forward exchange contracts	Sell EUR 940 thousand	From February 10, 2025 to March 21, 2025
Forward exchange contracts	Sell JPY 98,000 thousand	From February 10, 2025 to March 21, 2025
As of June 30, 2024		
Forward exchange contracts	Sell EUR 921 thousand	From July 8, 2024 to August 16, 2024
Forward exchange contracts	Sell JPY 116,800 thousand	From July 8, 2024 to August 16, 2024

The Group entered into forward exchange contracts to hedge foreign currency risk of net assets or net liabilities. As there will be corresponding cash inflows or outflows upon maturity and the Group has sufficient operating funds, the cash flow risk is insignificant.

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(9) Fair value measurement hierarchy

A. Fair value measurement hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole. Level 1, 2 and 3 inputs are described as follows:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 – Unobservable inputs for the asset or liability

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization at the end of each reporting period.

B. Fair value measurement hierarchy of the Group's assets and liabilities

The Group does not have assets that are measured at fair value on a non-recurring basis. Fair value measurement hierarchy of the Group's assets and liabilities measured at fair value on a recurring basis is as follows:

As of June 30, 2025

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Financial assets:				
Financial assets at fair value through profit or loss				
Funds	\$ 100,040	\$ -	\$ -	\$ 100,040
Forward exchange contracts	-	2,433	-	2,433
Financial assets at fair value through other comprehensive income				
Preferred stock	-	-	24,110	24,110
Financial liabilities:				
Financial liabilities at fair value through profit or loss				
Forward exchange contracts	-	203	-	203

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As of December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at fair value				
through profit or loss				
Forward exchange contracts	\$ -	\$ 272	\$ -	\$ 272
Financial assets at fair value through				
other comprehensive income				
Preferred stock	-	-	22,190	22,190
Financial liabilities:				
Financial liabilities at fair value				
through profit or loss				
Forward exchange contracts	-	41	-	41

As of June 30, 2024

	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at fair value				
through profit or loss				
Forward exchange contracts	\$ -	\$ 1,258	\$ -	\$ 1,258
Financial assets at fair value through				
other comprehensive income				
Preferred stock	-	-	22,452	22,452

Transfers between Level 1 and Level 2 during the period

During the six months ended June 30, 2025 and 2024, there were no transfers between Level 1 and Level 2 fair value measurements.

Movements of fair value measurement in Level 3 on recurring basis

Reconciliation for fair value measurements in Level 3 of the fair value hierarchy for movements during the period is as follows:

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	Assets
	At fair value through other comprehensive income
	Preferred stocks
As of January 1, 2025	\$ 22,190
Total gains recognized:	
Amount recognized in other comprehensive income (presented in “unrealized gains (losses) from equity instrument investments measured at fair value through other comprehensive income”)	1,920
As of June 30, 2025	\$ 24,110

	Assets
	At fair value through other comprehensive income
	Preferred stocks
As of January 1, 2024	\$ 29,293
Total losses recognized:	
Amount recognized in other comprehensive income (presented in “unrealized gains (losses) from equity instrument investments measured at fair value through other comprehensive income”)	(6,841)
As of June 30, 2024	\$ 22,452

Information on significant unobservable inputs to valuation

Description of significant unobservable inputs to valuation of recurring fair value measurements categorized within Level 3 of the fair value hierarchy is as follows:

As of June 30, 2025

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets:					
At fair value through other comprehensive income					
Preferred stock	Income approach	Discount for lack of marketability	16.67%	The higher the discount for lack of marketability, the lower the fair value estimated	5% increase (decrease) in the discount for lack of marketability would result in decrease/increase in the Group’s equity by NT\$(1,102)/NT\$1,102 thousand

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As of December 31, 2024

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets:					
At fair value through other comprehensive income					
Preferred stock	Income approach	Discount for lack of marketability	16.19%	The higher the discount for lack of marketability, the lower the fair value estimated	5% increase (decrease) in the discount for lack of marketability would result in decrease/increase in the Group's equity by NT\$(1,009)/NT\$1,009 thousand

As of June 30, 2024

	Valuation techniques	Significant unobservable inputs	Quantitative information	Relationship between inputs and fair value	Sensitivity of the input to fair value
Financial assets:					
At fair value through other comprehensive income					
Preferred stock	Income approach	Discount for lack of marketability	22.41%	The higher the discount for lack of marketability, the lower the fair value estimated	5% increase (decrease) in the discount for lack of marketability would result in decrease/increase in the Group's equity by NT\$(1,157)/NT\$1,157 thousand

Valuation process used for fair value measurements categorized within Level 3 of the fair value hierarchy

The Group validates the fair value measurements and ensures that the results of the valuation are in line with market conditions, based on independent and reliable inputs which are consistent with other information, and represent exercisable prices. The Group analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies at each reporting date.

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(10) Significant assets and liabilities denominated in foreign currencies

Information regarding the significant assets and liabilities denominated in foreign currencies is listed below:

	As of June 30, 2025		
	Foreign currencies (thousand)	Foreign exchange rate	NT\$ (thousand)
<u>Financial assets</u>			
Monetary items:			
USD	\$ 14,533	29.85	\$ 433,808
AUD	126	19.54	2,461
 <u>Financial liabilities</u>			
Monetary items:			
USD	\$ 3,670	29.85	\$ 109,553

	As of December 31, 2024		
	Foreign currencies (thousand)	Foreign exchange rate	NT\$ (thousand)
<u>Financial assets</u>			
Monetary items:			
USD	\$ 15,545	32.78	\$ 509,567
JPY	14,808	0.2101	3,111
AUD	98	20.41	1,991
 <u>Financial liabilities</u>			
Monetary items:			
USD	\$ 3,757	32.78	\$ 123,139

	As of June 30, 2024		
	Foreign currencies (thousand)	Foreign exchange rate	NT\$ (thousand)
<u>Financial assets</u>			
Monetary items:			
USD	\$ 15,007	32.43	\$ 486,672
JPY	4,497	0.2018	907
AUD	57	21.53	1,234
 <u>Financial liabilities</u>			
Monetary items:			
USD	\$ 3,612	32.43	\$ 117,124

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As there are several types of foreign currency transactions within the Group, it is not practical to disclose the exchange gains and losses of monetary financial assets and liabilities by each significant asset and liability denominated in foreign currencies. The foreign exchange (losses) gains were NT\$(42,920) thousand and NT\$4,925 thousand for the three months ended June 30, 2025 and 2024, respectively. The foreign exchange (losses) gains were NT\$(29,247) thousand and NT\$18,966 thousand for the six months ended June 30, 2025 and 2024, respectively.

The above information is disclosed based on the carrying amount of foreign currency (after conversion to functional currency).

(11) Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust dividend payment to shareholders, return capital to shareholders or issue new shares.

### 13. Other disclosure

(1) Information related to significant transactions

- A. Financing provided to others for the six months ended June 30, 2025: None.
- B. Endorsement/Guarantee provided to others for the six months ended June 30, 2025: None.
- C. Significant securities held as of June 30, 2025: Please refer to Attachment 1.
- D. Related party transactions for purchases and sales amounts exceeding the lower of NT\$100 million or 20 percent of the capital stock for the six months ended June 30, 2025: Please refer to Attachment 2.

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- E. Receivables from related parties with amount exceeding the lower of NT\$100 million or 20 percent of the capital stock as of June 30, 2025: None.
- F. Other: Intercompany relationships and significant intercompany transactions: Please refer to Attachment 3.

(2) Information on investees

Names, locations, main business activities, original investment amount, shareholding at the end of the period, net income or loss for the period, and recognized investment income or loss of investees over which the Company has direct or indirect significant influence or control (excluding information on investment in Mainland China): Please refer to Attachment 4 and Attachment 4-1.

(3) Information on investments in Mainland China

- A. Investee company name, main business activities, total amount of capital, method of investment, accumulated inflows and outflows of investments from Taiwan, percentage of ownership, investment income (loss), carrying amount of investments, accumulated inward remittance of earnings and limits on investment in Mainland China: Please refer to Attachment 5.
- B. The significant transactions with investee companies in the Mainland Area, either directly or indirectly through a third area:
  - a. The amount and percentage of sales and the balance and percentage of the related receivables with Xiamen Unitech Co., Ltd. at the end of the period:
    - (a) The sales amounted to NT\$12,433 thousand representing 1.20% of the net sales. (Note)
    - (b) The receivables amounted to NT\$13,841 thousand representing 2.98% of the net receivables. (Note)

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b. The amount and percentage of purchases and the balance and percentage of the related payables with Xiamen Unitech Co., Ltd. at the end of the period:

(a) The purchases amounted to NT\$39,001 thousand representing 5.20% of the net purchases. (Note)

(b) The payables amounted to NT\$17,823 thousand representing 5.89% of the net payables. (Note)

Note: The aforementioned ratios were calculated based on the individual financial statements of Unitech Electronics Co., Ltd.

c. The amount of property transactions and the amount of the resultant gains or losses: None.

d. The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes: None.

e. The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds: None.

f. Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receiving of services: None.

#### **14. Segment information**

(1) The Group principally engaged in the development, manufacture and sale of automatic identification data capture products and related businesses. The chief operating decision maker reviews the overall operating results to make decisions about resources to be allocated to and evaluates the overall performance. Therefore, the Group is aggregated into a single segment.

## Attachment 1

Significant securities held as of June 30, 2025 (excluding the portion held due to investment in a subsidiary or an associate, and the portion held due to an interest in a joint venture) (Amounts in Thousands of New Taiwan Dollars)

Held Company Name	Securities Type	Securities Name	Relationship with the Company	Financial Statement Account	Balances as of June 30, 2025				Note
					Shares/Units	Carrying Amount	Percentage of Ownership (%)	Fair Value	
The Company	Preferred Stock	Artilux Corporation Series A-1 Preferred Stocks	Substantive related party	Financial assets at fair value through other comprehensive income-noncurrent	769,231	\$ 24,110	0.98%	\$ 24,110	-
The Company	Fund	Chi-Hsiang Money Market Fund	-	Financial assets at fair value through profit or loss, current	1,823,719	30,013	-	30,013	-
The Company	Fund	Jih Sun Money Market Fund	-	Financial assets at fair value through profit or loss, current	1,283,359	20,006	-	20,006	-
The Company	Fund	FSITC Taiwan Money Market Fund	-	Financial assets at fair value through profit or loss, current	1,243,626	20,008	-	20,008	-
The Company	Fund	Franklin Templeton Sinoam Money Market Fund	-	Financial assets at fair value through profit or loss, current	2,762,278	30,013	-	30,013	-

Related party transactions for purchases and sales amounts exceeding NT\$100 million or 20 percent of the capital stock (Eliminated when preparing the consolidated financial statements)

(Amounts in Thousands of New Taiwan Dollars)

Company Name	Counterparty	Nature of Relationships	Transaction Details				Abnormal Transaction		Notes/Trade Receivables (Payables)		Note
			Purchase/ Sales	Amount	Percentage of Total Purchases/Sales (Note)	Payment Terms	Unit Price	Payment Terms	Ending Balance	Percentage of Total Notes/Trade Receivables (Payables)(Note)	
The Company	Unitech America Inc. ("UTA")	Investments accounted for using the equity method	Sales	\$ 119,140	11.52%	30 days after invoice date	Based on related- party transaction pricing	For those who have credit line, payment shall be made within 30-45 days after shipment; for those who don't have credit line, shipment can only be made after T/T payment. The selling price of the subsidiary: UTA is based on related-party transaction pricing, the payment term is 30 days after invoice date.	\$ 33,220	7.16 %	-
The Company	Unique Technology Europe B.V. ("UTI")	Investments accounted for using the equity method	Sales	145,512	14.07%	Month-end 90 days	Pricing based on related-party transactions	For those who have credit line, payment shall be made within 30-45 days after shipment; for those who don't have credit line, shipment can only be made after T/T payment. The selling price of the subsidiaries: UTI is based on related-party transaction pricing, the payment term is month-end 90 days.	63,554	13.71 %	-

Note: The above ratios are calculated based on the purchases/sales company's individual financial statements.

Intercompany relationships and significant intercompany transactions (all have been written off in the consolidated financial statements)

(Amounts in Thousands of New Taiwan Dollars)

Number (Note 1)	Company Name	Counterparty	Relationship (Note 2)	Transaction status			
				Accounts	Amount	Transaction terms	Percentage of Consolidated Net Sales or Total Assets (Note 3)
0	The Company	UTA	1	Operating revenue	\$ 119,140	30 days after invoice date	10.03%
"	"	"	"	Trade receivables	33,220	"	1.31%
"	"	UTI	1	Operating revenue	145,512	Month-end 90 days	12.26%
"	"	"	"	Trade receivables	63,554	"	2.51%
"	"	UTJ	1	Operating revenue	77,065	Month-end 90 days	6.49%
"	"	"	"	Trade receivables	29,007	"	1.15%
"	"	UTC	1	Operating revenue	12,433	Month-end 90 days	1.05%
"	"	"	"	Trade receivables	13,841	"	0.55%
"	"	"	"	Operating cost	39,001	Month-end 30 days	3.28%
"	"	"	"	Trade payables	17,823	"	0.70%

Note 1: The business relationship between the parent company and its subsidiaries shall be indicated in the number field, which shall be filled in as follows:

- (1) The parent company is coded 0.
- (2) The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

Note 2: Relationships are categorized into the following three types. Please specify the type:

- (1) Parent company to subsidiaries.
- (2) Subsidiaries to sub-subsidiaries.
- (3) Subsidiaries to subsidiaries.

Note 3: Regarding the calculation of the ratio of the transaction amount to total consolidated revenue or total assets, it is calculated based on the ratio of the ending balance to total consolidated assets for balance sheet items; and based on the ratio of interim accumulated amount to total consolidated revenue for profit or loss items.

Note 4: The significant transactions in this table may be determined by the Company according to the principle of materiality.

Relevant information of investees over which the Company has direct or indirect significant influence or control, or jointly control (excluding investees in Mainland China) (Amounts in Thousands of New Taiwan Dollars/Foreign Currencies in Dollars)

Investor Company	Investee Company (Note 1.2)	Location	Main Businesses	Original Investment Amount		Balance as of June 30, 2025			Net Income (Loss) of the Investee (Note 2)	Investment Income (Loss) Recognized (Note 2)	Note
				Ending balance	Beginning balance	Shares	Percentage of Ownership	Carrying Amount			
The Company	Unitech America Ventures Inc. ("UAV")	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands	Investment business such as financial trust holding	USD 5,383,592	USD 5,383,592	10,000	100.00 %	\$ 188,934	\$ 5,100	\$ 4,294	
	Unitech Europe Ventures Inc. ("UEV")	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands	Investment business such as financial trust holding	EUR 1,905,659	EUR 1,905,659	10,000	100.00 %	93,799	4,548	4,857	
	Unitech Japan Holding Inc. ("UJH")	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands	Investment business such as financial trust holding	JPY 42,774,910	JPY 42,774,910	10,000	100.00 %	57,527	4,030	3,644	
	Unitech Japan Co., Ltd. ("UTJ")	Tohsei Bldg. 3F, 18-10 Hakozaki-cho, Nihonbashi, Chuo-ku, Tokyo, 103-0015 Japan	Selling of automatic data capture products in Japan	TWD 5,384	TWD 5,384	152	10.86 %	7,504	4,710	511	
	Unitech Asia Ventures Inc. ("UCV")	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands	Investment business such as financial trust holding	USD 3,497,358	USD 3,497,358	16,057	100.00 %	27,665	4,255	4,140	

Note 1: If a public company is equipped with an overseas holding company and takes consolidated financial report as the main financial report according to the local law rules, it can only disclose the information of the overseas holding company about the disclosure of related overseas investee information.

Note 2: If situation does not belong to Note 1, fill in the columns according to the following regulations:

- (1) The columns of "Investee Company", "Location", "Main business", "Original investment amount", and "Shares held as of June 30, 2025" should fill orderly in the Company's (public company's) information on investees and every directly or indirectly controlled investee's investment information, and note the relationship between the Company (public company) and its investee each (ex. direct subsidiary or indirect subsidiary) in the 'footnote' column.
- (2) The "Net profit (loss) of the investee for this period" column should fill in amount of net profit (loss) of the investee for this period.
- (3) The "Investment income (loss) recognized by the Company for the six months ended June 30, 2025" column should fill in the Company (public company) recognized investment income (loss) of its direct subsidiary and recognized investment income (loss) of its investee accounted for under the equity method for this period. When filling in recognized investment income (loss) of its direct subsidiary, the Company (public company) should confirm that direct subsidiary's net profit (loss) for this period has included its investment income (loss) which shall be recognized by regulations.

Relevant information of investees over which the Company has direct or indirect significant influence or jointly control (excluding investees in Mainland China)

(Amounts in Thousands of New Taiwan Dollars/Foreign Currencies in Dollars)

Investor Company	Investee Company (Note 1.2)	Location	Main Businesses	Original Investment Amount		Balance as of June 30, 2025			Net Income (Loss) of the Investee (Note 2)	Investment Income (Loss) Recognized (Note 2)	Note
				Ending balance	Beginning balance	Shares	Percentage of Ownership	Carrying Amount			
Unitech America Ventures Inc. ("UAV")	Unitech America Holding Inc. ("UAH")	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands	Investment business such as financial trust holding	USD 5,383,592	USD 5,383,592	10,000	100.00 %	USD 6,327,703	USD 170,673	USD 152,863	
Unitech America Holding Inc. ("UAH")	Unitech America Inc. ("UTA")	6182 Katella Ave Cypress, CA 90630, USA	Selling of automatic data capture products in America	USD 5,383,592	USD 5,383,592	100,000	100.00 %	USD 6,327,703	USD 170,673	USD 152,863	
Unitech Europe Ventures Inc. ("UEV")	Unitech Europe Holding Inc. ("UEH")	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands	Investment business such as financial trust holding	EUR 1,905,659	EUR 1,905,659	10,000	100.00 %	EUR 2,672,894	EUR 131,853	EUR 140,857	
Unitech Europe Holding Inc. ("UEH")	Unique Technology Europe B.V. ("UTT")	Ringbaan Noord 91 5046 AA Kapitein Hatterasstraat 19,5015	Selling of automatic data capture products in Europe	EUR 1,905,659	EUR 1,905,659	135,948	100.00 %	EUR 2,672,894	EUR 131,853	EUR 140,857	
Unitech Japan Holding Inc. ("UJH")	Unitech Japan Co., Ltd. ("UTJ")	Tohsei Bldg. 3F, 18-10 Hakozaki-cho, Nihonbashi, Chuo-ku, Tokyo, 103-0015 Japan	Selling of automatic data capture products in Japan	JPY 42,774,910	JPY 42,774,910	1,198	85.57 %	JPY 277,028,746	JPY 22,141,055	JPY 17,204,604	
Unitech Asia Ventures Inc. ("UCV")	Unitech Industries Holding Inc. ("UIH")	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands	Investment business such as financial trust holding	USD 4,474,767	USD 4,474,767	13,785.52	100.00 %	CNY 6,628,890	CNY 992,414	CNY 968,144	

Note 1: If a public company is equipped with an overseas holding company and takes consolidated financial report as the main financial report according to the local law rules, it can only disclose the information of the overseas holding company about the disclosure of related overseas investee information.

Note 2: If situation does not belong to Note 1, fill in the columns according to the following regulations:

- (1) The columns of "Investee Company", "Location", "Main business", "Original investment amount", and "Shares held as of June 30, 2025" should fill orderly in the Company's (public company's) information on investees and every directly or indirectly controlled investee's investment information, and note the relationship between the Company (public company) and its investee each (ex. direct subsidiary or indirect subsidiary) in the 'footnote' column.
- (2) The "Net profit (loss) of the investee for this period" column should fill in amount of net profit (loss) of the investee for this period.
- (3) The "Investment income (loss) recognized by the Company for the six months ended June 30, 2025" column should fill in the Company (public company) recognized investment income (loss) of its direct subsidiary and recognized investment income (loss) of its investee accounted for under the equity method for this period. When filling in recognized investment income (loss) of its direct subsidiary, the Company (public company) should confirm that direct subsidiary's net profit (loss) for this period has included its investment income (loss) which shall be recognized by regulations.

## Information on investments in Mainland China

(Amounts in Thousands of New Taiwan Dollars/Foreign Currencies in Dollars)

Investee Company	Main Businesses	Total Amount of Paid-in Capital	Method of Investment (Note 1)	Accumulated Outflow of Investment from Taiwan as of January 1, 2025	Investment Flows		Accumulated Outflow of Investment from Taiwan as of June 30, 2025	Net Income (Loss) of the Investee Company	Direct or Indirect Percentage of Ownership	Investment Income (Loss) Recognized	Carrying Amount as of June 30, 2025	Accumulated Inward Remittance of Earnings as of June 30, 2025
					Outflow	Inflow						
Xiamen Unitech Co., Ltd.	Selling of automatic data capture products in China	USD 3,419,200	(Note 1 (2)) Unitech Industries Holding Inc.	USD 3,560,132	\$ -	\$ -	USD 3,560,132	\$ 4,255	100.00%	\$ 4,140 CNY 968,142 (Note 2 (2)C)	\$ 27,612 CNY 6,616,273 (Note 2 (2)C)	\$ 31,038 USD 977,409

Accumulated Investment in Mainland China as of June 30, 2025	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
\$ 106,270 USD (3,560,132)	\$ 135,446 USD (4,537,541)	\$ 1,111,659

Note 1: There are three types of investments labeled by the respective number:

- (1) Direct investment in Mainland China.
- (2) Indirect investment in Mainland China through a third country (please specify the investment company in the third country).
- (3) Other ways.

Note 2: Recognized as gains or losses on investment in current period:

- (1) Please note if the investee is still under preparation and there was no investment gain or loss.
- (2) The basis of recognition of investment income is classified into following three types, which should be marked out.
  - A. The financial statements were reviewed by an international certified public accounting firm in cooperation with an R.O.C. accounting firm.
  - B. The financial statements were reviewed by the auditors of the parent company.
  - C. Others: Financial statements were not reviewed by accountants.

Note 3: Amounts are listed in New Taiwan Dollars. For foreign currency conversion are converted by the exchange rate at reporting date.