

Wonderful Hi-Tech Co., Ltd. and  
Subsidiaries  
Consolidated Financial Statements and  
Independent Auditor's Report  
For the Nine Months Ended March 31, 2025  
and 2024 (Stock Code: 6190)

Company Address: No. 17, Beiyuan Rd., Zhongli  
Dist., Taoyuan City  
Tel : (03) 452- 7777

## Independent Auditors' Report

(2025) Cai-Shen-Bao-Zi No. 24007295

To the Board of Directors and Shareholders of Wonderful Hi-Tech Co., Ltd.

### Introduction

We have audited the accompanying consolidated financial statements of Wonderful Hi-Tech Co., Ltd. and its subsidiaries (the "Group"), which comprise the consolidated balance sheets for the three months ended March 31, 2025 and 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for January 1 to March 31, 2025 and 2024, and notes to the consolidated financial statements (including a summary of significant accounting policies). Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issues into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

### Scope of Review

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

## **Basis for Qualified Conclusion**

As stated in Notes 4(3) and 6(6) to the consolidated financial statements, the financial statements for the same period of some non-significant subsidiaries and some investments using the equity method included in the consolidated financial statements above have not been reviewed by accountants. The total assets of non-important subsidiaries as of March 31, 2025 and 2024 were NT\$871,256 thousand and NT\$1,648,836 thousand respectively, accounting for 12% and 28% of the total consolidated assets respectively; The total liabilities were NT\$170,844 thousand and NT\$386,861 thousand respectively, both accounting for 6% and 14% of the total consolidated liabilities; Its total comprehensive profit and loss from July 1 to March 31, 2025 and 2024 were respectively NT\$16,445 thousand and NT\$77,202 thousand, accounting for 10% and 38% of the total consolidated comprehensive profit and loss respectively; For investments using the equity method, the balances as of March 31, 2025 and 2024 were NT\$64,220 thousand and NT\$63,495 thousand respectively, both accounting for 1% of the total consolidated assets. The share of profits and losses recognized by affiliated enterprises and joint ventures using the equity method from July 1 to March 31, 2025 and 2024, the share of other comprehensive profits and losses were NT\$ (3,612) thousand and NT\$ (1, 651) thousand respectively. They accounted for (2%) and (1%) of the total consolidated comprehensive profit and loss respectively.

## **Qualified Conclusion**

Based on our reviews, except for the adjustments, if any, as might have been determined to be necessary had the financial statements of the non-significant subsidiaries as described in the preceding paragraph been reviewed, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the financial position of the Group as of March 31, 2025 and 2024, and of its consolidated financial performance and its consolidated cash flows for the three

months ended March 31, 2025 and 2024 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issues into effect by the Financial Supervisory Commission of the Republic of China.

P w C T a i w a n

Shu-Chiung Chang

Certified Public Accountant

Lea Yang

Approval Certificate Document No.: Jin-Guan-Zheng-Shen-Zi No. 0990042602

Approval Certificate Document No.: Jin-Guan-Zheng-Shen-Zi No. 1130350413

May 13, 2025

Wonderful Hi-Tech Co., Ltd. and Subsidiaries  
Consolidated Balance Sheet  
March 31, 2025, December 31 and March 31, 2024

Unite: NT\$ thousand

Assets			March 31, 2025		December 31, 2024		March 31, 2024	
			Amount	%	Amount	%	Amount	%
Current assets								
1100	Cash and cash equivalents	6(1)	\$ 663,367	10	\$ 838,373	12	\$ 504,371	9
1110	Financial assets measured at fair value through profit or loss	6(2)						
	- current		2,447	-	2,120	-	2,310	
1136	Financial assets measured at amortized cost - current	8	156,799	2	163,838	2	-	
1150	Notes receivable, net	6(4)	67,692	1	70,882	1	67,205	1
1170	Accounts receivable, net	6(4)	1,986,719	29	1,768,958	26	1,409,801	24
1180	Accounts receivable - related parties, net	7	18,303	-	25,596	-	25,938	-
1200	Other receivables		150,704	2	132,621	2	88,305	2
1210	Other receivables -related party	7	135	-	60	-	60	-
130X	Inventory	6(5)	1,560,962	22	1,591,727	23	1,499,173	25
1410	Prepayments		82,878	1	33,399	1	65,902	1
1476	Other financial assets - current		-	-	-	-	63,933	1
1479	Other current assets - others		11,993	-	10,557	-	32,997	1
11XX	Total current assets		4,701,999	67	4,638,131	67	3,759,995	64
Non-current assets								
1510	Financial assets measured at fair value through profit or loss	6(2)						
	-non-current		5,975	-	994	-	1,000	-
1517	Financial assets at fair value through other comprehensive income - non-current	6(3)	65,137	1	64,769	1	63,023	1
1550	Investment accounted for under the equity method	6(6) 、7 and 8	307,274	4	310,206	4	294,075	5
1600	Property, plant and equipment	6(7) and 8	1,294,834	18	1,226,821	18	1,147,037	19
1755	Right-of-use assets	6(8)	132,795	2	141,672	2	149,156	2
1760	Investment property, net	6(9) and 8	253,668	4	252,675	4	247,868	4
1780	Intangible assets	6(10)	157,000	2	156,220	2	156,178	3
1840	Deferred income tax assets		40,427	1	38,313	1	36,665	1
1990	Other non-current assets - others		58,830	1	43,522	1	41,941	1
15XX	Total non-current assets		2,315,940	33	2,235,192	33	2,136,943	36
1XXX	Total assets		\$ 7,017,939	100	\$ 6,873,323	100	\$ 5,896,938	100

(Continued)

Wonderful Hi-Tech Co., Ltd. and Subsidiaries  
Consolidated Balance Sheet  
March 31, 2025, December 31 and March 31, 2024

March 31, 2025, December 31 and March 31, 2024							Unite: NT\$ thousand	
Liabilities and equity		Note 1:	March 31, 2025		December 31, 2024		March 31, 2024	
			Amount	%	Amount	%	Amount	%
Current liabilities								
2100	Short-term borrowings	6(12)	\$ 974,256	14	\$ 1,032,645	15	\$ 689,200	12
2120	Financial liabilities measured at fair value through profit or loss - current	6(2)	3,252	-	6,042	-	2,051	-
2170	Accounts payable		567,283	8	556,914	8	454,198	8
2180	Accounts payable - related party	7	6,809	-	11,725	-	22,599	-
2200	Other payables		285,422	4	275,576	4	211,638	3
2220	Other accounts payable - related party	7	5,473	-	5,540	-	12,049	-
2230	Current income tax liabilities		66,168	1	99,229	1	74,807	1
2280	Lease liabilities - current	7	41,224	1	40,569	1	39,220	1
2320	Current portion of long-term borrowings	6(11)and(13)	566,107	8	792,043	11	40,010	1
2399	Other current liabilities - others		32,353	-	37,017	1	19,126	-
21XX	Total current liabilities		2,548,347	36	2,857,300	41	1,564,898	26
Non-current liabilities								
2530	Bonds payable	6(11)	-	-	-	-	769,438	13
2540	Long-term borrowings	6(13)	89,641	1	84,043	1	66,506	1
2570	Deferred income tax liabilities		271,717	4	250,352	4	211,592	4
2580	Lease liabilities - non-current	7	27,223	-	36,786	1	64,205	1
2640	Net defined benefit liabilities—non-current		49,876	1	50,795	1	46,382	1
2670	Other non-current liabilities - others		31,739	1	33,003	-	2,510	-
25XX	Total non-current liabilities		470,196	7	454,979	7	1,160,633	20
2XXX	Total liabilities		3,018,543	43	3,312,279	48	2,725,531	46
Equity								
Equity attributable to owners of parent company								
Share capital		6(16)						
3110	Common share capital		1,705,902	24	1,636,597	24	1,619,554	28
Capital surplus		6(17)						
3200	Capital surplus		707,320	10	503,459	8	393,107	6
Retained earnings		6(18)						
3310	Statutory reserves		165,014	3	165,014	2	140,530	2
3320	Special reserves		142,811	2	142,811	2	119,302	2
3350	Unappropriated earnings		674,615	10	558,478	8	507,185	9
Other equity								
3400	Other equity		149,352	2	118,995	2	55,049	1
3500	Treasury shares	6(16)	( 61,008)	( 1)	( 61,008)	( 1)	( 128,532)	( 2)
31XX	Total equity attributable to the owners of the parent company		3,484,006	50	3,064,346	45	2,706,195	46
36XX	Non-controlling interests	4(3)	515,390	7	496,698	7	465,212	8
3XXX	Total equity		3,999,396	57	3,561,044	52	3,171,407	54
Significant Contingent Liabilities and Unrecognized Commitments		9						
3X2X	Total liabilities and equities		\$ 7,017,939	100	\$ 6,873,323	100	\$ 5,896,938	100

The accompanying notes are an integral part of the consolidated financial statements; please refer to them altogether.

Chairman: Ming-Lieh Chang

Managerial Officer : Cheng-Ya Chang

Accounting Officer: Yu-Hsiu Hsu

Wonderful Hi-Tech Co., Ltd. and Subsidiaries  
Consolidated Statement of Comprehensive Income  
January 1 to March 31, 2025 and 2024

Unite: NT\$ thousand  
(Except for earnings per share in NT\$)

Item	Note 1:	January 1 to March 31, 2025		January 1 to March 31, 2024	
		Amount	%	Amount	%
4000 Operating revenue	6(19) and 7	\$ 2,262,346	100	\$ 1,705,276	100
5000 Operating cost	6(5)(24) and 7	( 1,890,324)	( 84)	( 1,438,055)	( 84)
5900 Gross profit		<u>372,022</u>	<u>16</u>	<u>267,221</u>	<u>16</u>
Operating expenses	6(24)				
6100 Selling expenses		( 94,483)	( 4)	( 84,187)	( 5)
6200 Administrative expenses		( 129,564)	( 6)	( 72,821)	( 4)
6300 Research and development expenses		( 15,710)	( 1)	( 12,610)	( 1)
6450 Expected credit impairment losses	12(2)	<u>8,413</u>	<u>1</u>	<u>( 814)</u>	<u>-</u>
6000 Total operating expenses		<u>( 231,344)</u>	<u>( 10)</u>	<u>( 170,432)</u>	<u>( 10)</u>
6900 Operating income		<u>140,678</u>	<u>6</u>	<u>96,789</u>	<u>6</u>
Non-operating income and expenses					
7100 Interest income	6(20)	5,377	-	4,124	-
7010 Other income	6(21) and 7	9,981	1	10,634	-
7020 Other gains and losses	6(22)	35,251	2	28,393	2
7050 Finance costs	6(23) and 7	( 14,638)	( 1)	( 11,890)	( 1)
7060 Share of profits and losses of affiliated enterprises and joint ventures using the equity method	6(6)	<u>( 4,986)</u>	<u>-</u>	<u>( 4,170)</u>	<u>-</u>
7000 Total non-operating incomes and expenses		<u>30,985</u>	<u>2</u>	<u>27,091</u>	<u>1</u>
7900 Net income before tax		171,663	8	123,880	7
7950 Income tax expense	6(25)	<u>( 43,622)</u>	<u>( 2)</u>	<u>( 37,798)</u>	<u>( 2)</u>
8200 Net income for the period		<u>\$ 128,041</u>	<u>6</u>	<u>\$ 86,082</u>	<u>5</u>

Wonderful Hi-Tech Co., Ltd. and Subsidiaries  
Consolidated Statement of Comprehensive Income  
January 1 to March 31, 2025 and 2024

Unite: NT\$ thousand  
(Except for earnings per share in NT\$)

Item		Note 1:	January 1 to March 31, 2025		January 1 to March 31, 2024	
			Amount	%	Amount	%
Other comprehensive profit and loss (net)						
Items not reclassified subsequently to profit or loss						
8312	Real estate revaluation appreciation		\$	-	-	\$ 85,235 5
8316	Unrealized equity instrument profit or loss measured at fair value through other comprehensive income	6(3)	(	10)	-	( 2,304) -
8320	Share of other comprehensive income of affiliated enterprises and joint ventures accounted for using equity method - Items not to be reclassified into profit or loss	6(3)		1,205	-	5,012 -
Items that may be reclassified subsequently to profit or loss						
8361	Exchange differences on translation of financial statements of foreign operations			40,677	2	32,819 2
8370	Share of other comprehensive income of affiliated enterprises and joint ventures accounted for using equity method - Items may be reclassified into profit or loss			2,276	-	2,665 -



Wonderful Hi-Tech Co., Ltd. and Subsidiaries  
Consolidated Statement of Comprehensive Income  
January 1 to March 31, 2025 and 2024

Unite: NT\$ thousand  
(Except for earnings per share in NT\$)

8399	Income tax related to items may be reclassified into profit or loss	6(25)	( 7,003 )	( 1 )	( 6,618 )	-
8300	<b>Other comprehensive profit and loss (net)</b>		<u>\$ 37,145</u>	<u>1</u>	<u>\$ 116,809</u>	<u>7</u>
8500	<b>Total comprehensive income for the period</b>		<u>\$ 165,186</u>	<u>7</u>	<u>\$ 202,891</u>	<u>12</u>
	Net income attributable to:					
8610	owners of the parent company		\$ 116,100	5	\$ 77,618	5
8620	Non-controlling interests		<u>11,941</u>	<u>1</u>	<u>8,464</u>	<u>-</u>
			<u>\$ 128,041</u>	<u>6</u>	<u>\$ 86,082</u>	<u>5</u>
	Total comprehensive income attributable to:					
8710	owners of the parent company		\$ 146,494	6	\$ 177,786	11
8720	Non-controlling interests		<u>18,692</u>	<u>1</u>	<u>25,105</u>	<u>1</u>
			<u>\$ 165,186</u>	<u>7</u>	<u>\$ 202,891</u>	<u>12</u>
	Earnings per share	6(26)				
9750	Basic earnings per share		<u>\$ 0.72</u>		<u>\$ 0.50</u>	
9850	Diluted earnings per share		<u>\$ 0.67</u>		<u>\$ 0.45</u>	

The accompanying notes are an integral part of the consolidated financial statements; please refer to them altogether.

Chairman: Ming-Lieh Chang

Managerial Officer : Cheng-Ya Chang

Accounting Officer: Yu-Hsiu Hsu

Wonderful Hi-Tech Co., Ltd. and Subsidiaries  
Consolidated Statement of Changes in Equity  
January 1 to March 31, 2025 and 2024

Unite: NT\$ thousand

Equity attributable to owners of parent company												
Note	Retained earning					Other equity						
	Common share capital	Capital surplus	Statutory reserves Surplus	Special reserves	Unappropriated earnings	Exchange differences on translation of financial statements of foreign operations	Unrealized financial assets profit or loss measured at fair value through other comprehensive income	Real estate revaluation appreciation	Treasury shares	Total	Non-controlling interests	Total
<u>January 1 to March 31, 2024</u>												
Balance as of January 1, 2024	\$ 1,617,912	\$ 388,880	\$ 140,530	\$ 119,302	\$ 429,567	(\$ 53,081 )	\$ 7,962	\$ -	(\$ 128,532 )	\$ 2,522,540	\$ 407,277	\$ 2,929,817
Net income for the period	-	-	-	-	77,618	-	-	-	-	77,618	8,464	86,082
Other comprehensive income/loss of the period 6(3)	-	-	-	-	-	26,476	4,114	69,578	-	100,168	16,641	116,809
Total comprehensive income for the period	-	-	-	-	77,618	26,476	4,114	69,578	-	177,786	25,105	202,891
Conversion of convertible bonds 6(11)												
(17)	1,642	3,812	-	-	-	-	-	-	-	5,454	-	5,454
Decrease in non-controlling interests 6(27)	-	-	-	-	-	-	-	-	-	-	32,830	32,830
Receiving gifts from shareholders 6(17)	-	415	-	-	-	-	-	-	-	415	-	415
Balance as of March 31, 2024	\$ 1,619,554	\$ 393,107	\$ 140,530	\$ 119,302	\$ 507,185	(\$ 26,605 )	\$ 12,076	\$ 69,578	(\$ 128,532 )	\$ 2,706,195	\$ 465,212	\$ 3,171,407
<u>January 1 to March 31, 2025</u>												
Balance as of January 1, 2025	\$ 1,636,597	\$ 503,459	\$ 165,014	\$ 142,811	\$ 558,478	\$ 42,276	\$ 7,141	\$ 69,578	(\$ 61,008 )	\$ 3,064,346	\$ 496,698	\$ 3,561,044
Net income for the period	-	-	-	-	116,100	-	-	-	-	116,100	11,941	128,041
Other comprehensive income/loss of the period 6(3)	-	-	-	-	-	28,037	2,357	-	-	30,394	6,751	37,145
Total comprehensive income for the period	-	-	-	-	116,100	28,037	2,357	-	-	146,494	18,692	165,186
Conversion of convertible corporate bonds 6(11)												
(17)	69,305	157,958	-	-	-	-	-	-	-	227,263	-	227,263
Disposal of investments by the equity method 6(3)	-	-	-	-	37	-	( 37 )	-	-	-	-	-
Share-based payment transaction 6(15)												
(17)	-	46,670	-	-	-	-	-	-	-	46,670	-	46,670
Net change in affiliated enterprises and joint ventures 6(17)												
accounted for under equity method	-	( 821 )	-	-	-	-	-	-	-	( 821 )	-	( 821 )
Receiving gifts from shareholders 6(17)	-	54	-	-	-	-	-	-	-	54	-	54
Balance as of March 31, 2025	\$ 1,705,902	\$ 707,320	\$ 165,014	\$ 142,811	\$ 674,615	\$ 70,313	\$ 9,461	\$ 69,578	(\$ 61,008 )	\$ 3,484,006	\$ 515,390	\$ 3,999,396

The accompanying notes are an integral part of the consolidated financial statements; please refer to them altogether.

Chairman: Ming-Lieh Chang

Managerial Officer : Cheng-Ya Chang

Accounting Officer: Yu-Hsiu Hsu

Wonderful Hi-Tech Co., Ltd. and Subsidiaries  
Consolidated Statement of Cash Flow  
January 1 to March 31, 2025 and 2024

Unite: NT\$ thousand

	Note	January 1 to March 31, 2025	January 1 to March 31, 2024
<u>Cash flows from operating activities</u>			
Net income before income tax		\$ 171,663	\$ 123,880
Adjustments			
Income/expense items			
Amortization expenses	6(10)(24)	2,196	4,302
Depreciation expenses	6(7)(8)(24)	51,919	48,806
Expected credit impairment losses	12(2)	( 8,413 )	814
Interest income	6(20)	( 5,377 )	( 4,124 )
Dividend income	6(21)	( 687 )	( 575 )
Interest expenses	6(23)	14,638	11,890
Gains on disposal of property, plant and equipment	6(22)	( 1,921 )	122
Loss on disposal of Intangible assets	6(22)	-	19
Net gain on financial assets and liabilities at fair value through profit or loss	6(22)	675	1,527
Share of profits and losses of affiliated enterprises and joint ventures using the equity method	6(6)	4,986	4,170
Gains from disposals of investments	6(22)	( 14,194 )	-
Share-based payment transaction	6(15)	46,670	-
Change in assets/liabilities relating to operating activities			
Net changes in assets relating to operating activities			
Financial assets at fair value through profit or loss		3,069	3,232
Notes receivable		3,190	12,116
Accounts receivable		( 209,474 )	( 215,647 )
Accounts receivable related party		7,293	( 11,869 )
Other receivables		( 18,683 )	( 11,563 )
Other receivables - related Party		( 107 )	159
Inventory		30,765	( 136,267 )
Prepayments		( 49,479 )	( 32,188 )
Other current assets		( 1,066 )	( 4,285 )
Net changes in liabilities relating to operating activities			
Financial liabilities measured at fair value through profit or loss		( 6,861 )	( 1,758 )
Accounts payable		10,369	88,735
Accounts payable - related party		( 4,916 )	( 1,864 )
Other payables		7,314	( 20,586 )
Other accounts payable - related party		( 94 )	( 44 )
Other current liabilities		( 4,664 )	3,289
Other non-current liabilities		( 2,183 )	( 1,815 )
Cash inflow (outflow) from operating activities		26,628	( 139,524 )
Interests received		5,977	4,115
Dividends received		687	575
Interest paid		( 9,006 )	( 7,099 )
Income taxes paid		( 65,128 )	( 26,778 )
Net cash inflow (outflow) from operating activities		( 40,842 )	( 168,711 )

(Continued)

Wonderful Hi-Tech Co., Ltd. and Subsidiaries  
Consolidated Statement of Cash Flow  
January 1 to March 31, 2025 and 2024

Unite: NT\$ thousand

	Note	January 1 to March 31, 2025	January 1 to March 31, 2024
<u>Cash flows from investing activities</u>			
Decrease (increase) in other financial assets		\$ 7,039	( \$ 7,554 )
Proceeds from disposal of investments by equity method	6(6)	14,801	-
Acquisition of property, plant and equipment	6(28)	( 117,660 )	( 37,493 )
Proceeds from disposal of property, plant and equipment		4,617	1,709
Acquisition of intangible assets	6(10)	( 2,364 )	( 1,575 )
Acquisition of financial assets at fair value through profit or loss		( 4,981 )	
Increase in refundable deposits		( 370 )	( 1,601 )
Acquisition of investments by equity method		-	( 13,382 )
Decrease (increase) in other non-current assets		7,270	( 3,198 )
Net cash outflow from investing activities		( 91,648 )	( 63,094 )
<u>Cash flows from financing activities</u>			
Decrease in short-term borrowings	6(29)	( 58,389 )	( 24,178 )
Borrow of long-term borrowings	6(29)	42,535	-
Repayments of long-term borrowings	6(29)	( 38,712 )	( 14,667 )
Repaid principal of lease liabilities	6(29)	( 9,907 )	( 9,536 )
Changes in non-controlling interests	6(27)	-	32,830
Receiving gifts from shareholders	6(17)	54	415
Net cash outflow from investing activities		( 64,419 )	( 15,136 )
Exchange rate effects		21,903	32,923
Increase (decrease) in cash and cash equivalents for the period		( 175,006 )	( 214,018 )
Cash and cash equivalents at the beginning of the period		838,373	718,389
Cash and cash equivalents at the end of the period		\$ 663,367	\$ 504,371

The accompanying notes are an integral part of the consolidated financial statements; please refer to them altogether.

Chairman: Ming-Lieh Chang

Managerial Officer: Cheng-Ya Chang

Accounting Officer: Yu-Hsiu Hsu

Wonderful Hi-Tech Co., Ltd. and Subsidiaries  
Notes to Consolidated Financial Statements  
For the Nine Months Ended March 31, 2025

Unite: NT\$ thousand  
(unless otherwise specified)

I. Company History

Wonderful Hi-Tech Co., Ltd. (the "Company") was established in June 1978 under the former company name of "Wonderful Wire Cable Co., Ltd.". The name of the Company was changed to "Wonderful Hi-Tech Co., Ltd." and approved by the competent authority in August 2002. The Company's shares were officially listed on Taipei Exchange (TPEX) for trading on February 4, 1998. The main business of the Company and subsidiaries ("the Group") refers to the manufacturing, processing, purchase and sales and import/export business of various types of wires and cables.

II. Approval Date and Procedures of The Financial Statements

These consolidated financial statements were approved by the Board of Directors on May 13, 2025.

III. New Standards, Amendments and Interpretations Adopted

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards ("IFRSs") as endorsed by the Financial Supervisory Commission ("FSC")

New standards, interpretations and amendments endorsed by FSC and became effective from 2025 are as follows:

<u>New, Amended, or Revised Standards and Interpretations</u>	<u>Effective date announced</u>
Amendments to IAS 21, 'Lack of exchangeability'	January 1, 2025

The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

(2) Effect of not adopting new issuances or amendments to International Financial Reporting Standards ("IFRSs") endorsed by FSC

New standards, interpretations and amendments endorsed by the FSC effective from 2025 are as follows::

<u>New, Amended, or Revised Standards and Interpretations</u>	<u>Effective date announced</u>
Specific provisions of Amendments to IFRS 9 and IFRS 7, 'Amendments to the classification and measurement of financial instruments'	January 1, 2026

The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment..

(3) Effects of the IFRSs issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRS Accounting Standards as endorsed by the FSC are as follows:

<u>New, Amended, or Revised Standards and Interpretations</u>	<u>Effective date announced</u>
Amendments to IFRS 9 and IFRS 7, 'Amendments to the classification and measurement of financial Instruments'	January 1, 2026
Amendments to IFRS 9 and IFRS 7, 'Contracts referencing nature-dependent electricity'	January 1, 2026
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	Yet to be decided by IASB
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17 "Insurance Contracts"	January 1, 2023
Amendment to IFRS 17 "Initial application of IFRS 17 and IFRS 9 – Comparative information"	January 1, 2023
IFRS 18 "Presentation and Disclosures in Financial Statements"	January 1, 2027
IFRS 19, 'Subsidiaries without public accountability: disclosures'	January 1, 2027
Annual Improvements to IFRS Standards - Volume 11	January 1, 2026

Except for the following, the above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

IFRS 18, 'Presentation and disclosure in financial statements'

IFRS 18, 'Presentation and disclosure in financial statements' replaces IAS 1. The standard introduces a defined structure of the statement of profit or loss, disclosure requirements related to management-defined performance measures, and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes.

IV. Summary of Significant Accounting Policies

The principal accounting policies adopted are consistent with Note 4 in the consolidated financial statements for the year 2024. These policies have been

consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

1. The consolidated financial statements of the Group have been prepared in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and the International Accounting Standard 34, ‘Interim financial reporting’ that came into effect as endorsed by the FSC.
2. These consolidated financial statements are to be read in conjunction with the consolidated financial statements for the year ended December 31, 2024.

(2) Basis of Preparation

1. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:
  - (1) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
  - (2) Financial assets at fair value through other comprehensive income.
  - (3) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.
2. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC® Interpretations, and SIC® Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the “IFRSs”) requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of Consolidation

1. Basis for preparation of consolidated financial statements:  
The preparation principles of this consolidated financial report are the same as those of the 2024 consolidated financial report.
2. Subsidiaries included in the consolidated financial statements:

Name of investor	Subsidiary name	Business nature	Shareholding percentage (%)			Explanation
			March 31, 2025	December 31, 2024	March 31, 2024	
Wonderful Hi-Tech Co., Ltd. (Wonderful Hi-Tech)	Wonderful Holding (Cayman) Co., Ltd. (Wonderful Holding Cayman)	Holding company of investment	100	100	100	

Wonderful Hi-Tech	Lord Hero International Co., Ltd. (Lord Hero International)	"	81.63	81.63	74.63	
Wonderful Hi-Tech	Yi-Tai Technology Co., Ltd. (Yi-Tai Technology)	"	100	100	100	Note 3
Wonderful Hi-Tech	Wonderful Cabling Systems Corporation (Wonderful Cabling Systems)	Sales of wires and cables	80	80	80	Note 3
Wonderful Hi-Tech	Vietnam Wonderful Wire Cable Co., Ltd. (Vietnam Wonderful Wire Cable)	Sales of wires and cables	50	50	50	Note 4
Wonderful Hi-Tech	ABA Industry, Inc.	Sales of wires and cables	56.1	56.1	56.1	Note 3
Wonderful Hi-Tech	WHT International Llc.(WHT)	Real Estate Leasing	100	100	0	Note 1
Wonderful Holding Cayman	Wonderful International (Cayman) Co., Ltd. (Wonderful International Cayman)	Holding company of investment	100	100	100	
Wonderful International Cayman	Thai Wonderful Wire Cable Co., Ltd. (Thai Wonderful Wire Cable)	Sales and manufacturing of wires and cables	46.3	43.5	43.5	
Wonderful International Cayman	Wonderful Holding (Thailand) Co., Ltd. (Wonderful Holding Thailand)	Holding company of investment	100	100	100	Note 3
Wonderful International Cayman	ABA	Sales of wires and cables	43.9	43.9	43.9	Note 3
Wonderful Holding Thailand	Thai Wonderful Wire and Cable	Sales and manufacturing of wires and cables	27.2	30	30	



Thai Wonderful Wire and Cable	Vietnam Wonderful Wire and Cable	"	50	50	50	Note 4
Lord Hero International	Lord Hero Co., Ltd. (Lord Hero Hong Kong)	Sales of wires and cables	100	100	100	
Lord Hero Hong Kong	Wonderful Cabling Systems Co., Ltd.(Wonderful Cabling Systems)	Manufacturing and Sales of wires and cables	100	100	100	
Yi-Tai Technology	Shanghai Elitech Technology Co., Ltd. (Elitech Technology)	Computer software development, manufacturing and sales of own products and surveillance equipment	-	-	100	Note 2 Note 3
Wonderful Hi-Tech	ACTife Hi-Tech Co., Ltd. (ACTife Hi-Tech)	Sales of non- woven fabric processing products	100	100	100	Note 3
Wonderful Hi-Tech	Leading LOHAS International Trading Company (Leading LOHAS International)	"	100	100	100	Note 3

Note1: Wonderful Hi-Tech invested in WHT in the second quarter of 2024.

Note2: On August 31, 2024, the Group sold 100% equity interest in its subsidiary, Elitech Technology, resulting in the loss of control over the subsidiary.

Note3: It is not an important subsidiary of the Group, and its financial reports from January 1 to March 31,2025 and 2024 have not been reviewed by accountants.

Note4: It is not an important subsidiary of the Group, and its financial reports from January 1 to March 31,2024 have not been reviewed by accountants.

3. Subsidiaries not included in the consolidated financial statements: None.
4. Adjustments for subsidiaries with different accounting periods: None.
5. Significant restrictions: None.

## 6. Subsidiaries with significant non-controlling interest for the Group

The total non-controlling interests of the Group as of March 31, 2025, December 31, 2024 and March 31, 2024 were NT\$515,390, NT\$496,698 and \$465,212 respectively. The following provides information on the non-controlling interests and subsidiaries thereof having materiality on the Group:

Name of Subsidiary	Main operating location	Non-controlling interests		Non-controlling interests	
		March 31, 2025		December 31, 2024	
		Amount	Shareholding percentage	Amount	Shareholding percentage
Lord Hero International Thai Wonderful Wire and Cable	Hong Kong	\$ 137,631	18.37	\$ 135,422	18.37
	Thailand	358,625	26.50	342,947	26.50
Non-controlling interests					
Name of Subsidiary	Main operating location	March 31, 2024			
		Amount	Shareholding percentage		
Lord Hero International Thai Wonderful Wire and Cable	Hong Kong	\$ 139,659	19.51		
	Thailand	309,013	26.50		

### Summary of financial information of subsidiaries:

#### (1) Balance Sheet

	Lord Hero International Co., Ltd.		
	March 31, 2025	December 31, 2024	March 31, 2024
Current assets	\$ 636,608	\$ 635,827	\$ 623,177
Non-current assets	278,807	273,726	257,694
Current liabilities	( 165,552)	( 170,399)	( 119,996)
Non-current liabilities	( 645)	( 1,961)	( 618)
Total net assets	<u>\$ 749,218</u>	<u>\$ 737,193</u>	<u>\$ 760,257</u>

Thai Wonderful Wire Cable Co., Ltd.		
December 31,		
March 31, 2025	2024	March 31, 2024

Current assets	\$ 1,250,952	\$ 1,267,442	\$ 1,154,556
Non-current assets	1,099,488	1,016,838	903,919
Current liabilities	( 907,164)	( 895,487)	( 839,496)
Non-current liabilities	( 89,973)	( 94,654)	( 52,892)
Total net assets	<u>\$ 1,353,303</u>	<u>\$ 1,294,139</u>	<u>\$ 1,166,087</u>

(2) Statement of Comprehensive Income

	Lord Hero International Co., Ltd.	
	January 1 to March 31, 2025	January 1 to March 31, 2024
Revenue	<u>\$ 280,965</u>	<u>\$ 245,296</u>
Net profit (loss) before income tax	\$ 2,436	(\$ 10,389)
Income tax expense	( 674)	-
Net income (loss) of current period	1,762	( 10,389)
Other comprehensive income (net, after tax)	<u>10,263</u>	<u>106,814</u>
Total comprehensive income for the period	<u>\$ 12,025</u>	<u>\$ 96,425</u>
Total comprehensive income attributable to non-controlling interests	<u>\$ 2,209</u>	<u>\$ 17,713</u>
Non-controlling interests dividends paid	<u>\$ -</u>	<u>\$ -</u>

		Thai Wonderful Wire Cable Co., Ltd.	
		January 1 to March 31, 2025	January 1 to March 31, 2024
Revenue	\$	648,557	\$ 545,994
Net income before tax	\$	40,941	\$ 38,191
Income tax expense	(	142)	( 2,823)
Net income for the period		40,799	35,368
Other comprehensive income (net, after tax)		18,364	( 11,248)
Total comprehensive income for the period	\$	59,163	\$ 24,120
Total comprehensive income attributable to non-controlling interests	\$	15,678	\$ 6,392
Non-controlling interests dividends paid	\$	-	\$ -

### (3) Statement of Cash Flows

		Lord Hero International Co., Ltd.	
		January 1 to March 31, 2025	January 1 to March 31, 2024
Net cash inflow (outflow) from operating activities	(\$	24,673)	(\$ 46,140)
Net cash outflow from investing activities	(	5,080)	( 9,259)
Net cash inflow from financing activities		20,996	-
Effect of exchange rate changes on cash and cash equivalents		10,263	21,578
Increase (decrease) in cash and cash equivalents for the period		1,506	( 33,821)
Cash and cash equivalents at the beginning of the period		83,346	161,134
Cash and cash equivalents at the end of the period	\$	84,852	\$ 127,313

Thai Wonderful Wire Cable Co., Ltd.			
	January 1 to March 31, 2025		January 1 to March 31, 2024
Net cash inflow (outflow) from operating activities	\$	88,721	(\$ 103,771)
Net cash outflow from investing activities	(	49,834)	( 333)
Net cash inflow from financing activities	(	56,042)	103,064
Effect of exchange rate changes on cash and cash equivalents		22,751	( 5,943)
Increase (decrease) in cash and cash equivalents for the period		5,596	( 6,983)
Cash and cash equivalents at the beginning of the period		77,653	56,364
Cash and cash equivalents at the end of the period	\$	83,249	\$ 49,381

(4) Employee benefits

Pension cost for the interim period is calculated on a year-to-date basis by using the pension cost rate derived from the actuarial valuation at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events. Also, the related information is disclosed accordingly.

(5) Income tax

The interim period income tax expense is recognised based on the estimated average annual effective income tax rate expected for the full financial year applied to the pretax income of the interim period, and the related information is disclosed accordingly.

V. Significant Accounting Assumptions and Judgments, and Major Sources of Estimation Uncertainty

There are no major changes in this period. Please refer to Note 5 of the consolidated financial statements for the year 2024.

## VI. Description of Significant Accounts

### (1) Cash and cash equivalents

	March 31, 2025	December 31, 2024	March 31, 2024
Cash on hand and revolving funds	\$ 6,031	\$ 4,115	\$ 3,859
Checking deposits and demand deposits	522,709	658,061	425,757
Time deposits	<u>134,627</u>	<u>176,197</u>	<u>74,755</u>
	<u>\$ 663,367</u>	<u>\$ 838,373</u>	<u>\$ 504,371</u>

1. Since the Group corresponds with multiple financial institutions with good credit quality to diversify credit risks, the risk of default is expected to be low.
2. The Group has classified the cash and cash equivalents provided for security under the "other financial assets - current". Please refer to Note 8 for details.

### (2) Financial assets (liabilities) at fair value through profit or loss

<u>Item</u>	March 31, 2025	December 31, 2024	March 31, 2024
Current items:			
Financial assets compulsorily measured at fair value through profit or loss			
Equity instruments			
Shares listed on the stock exchange or the OTC market	\$ 3,669	\$ 3,669	\$ 3,669
Derivatives			
Forward exchange agreement (FXA)	-	-	387
- Convertible corporate bond redemption right	<u>12,819</u>	<u>18,660</u>	<u>20,116</u>
	16,488	22,329	24,172
Adjustments for change in value	<u>( 14,041)</u>	<u>( 20,209)</u>	<u>( 21,862)</u>
	<u>\$ 2,447</u>	<u>\$ 2,120</u>	<u>\$ 2,310</u>
Current items:			
Financial liabilities possessed for transaction			
Derivatives			

- Forward commodity	\$	-	(\$	3,069)	\$	-	
Forward exchange agreement (FXA)		(	3,252)	(	2,973)	(	2,051)
		(\$	3,252)	(\$	6,042)	(\$	2,051)

Non-current:

Financial assets compulsorily measured at fair value through profit or loss							
Debt instruments							
- Ordinary corporate bonds	\$	1,002	\$	1,002	\$	1,002	
Derivatives							
- Hybrid instruments		4,981		-		-	
		5,983		1,002		1,002	
Adjustments for change in value		(	8)	(	8)	(	2)
	\$	5,975	\$	994	\$	1,000	

1. Detail of the financial assets (liabilities) at fair value through profit or loss recognized under profit or loss is as follows:

	January 1 to March 31, 2025	January 1 to March 31, 2024
Financial assets and liabilities compulsorily measured at fair value through profit or loss		
Equity instruments		
Shares listed on the stock exchange or the OTC market	\$ 327	\$ 4
Debt instruments		
- Ordinary corporate bonds	-	( 1)
Derivatives		
- Forward commodity	1,525	2,279
Forward exchange agreement (FXA)	( 2,527)	( 3,809)
	(\$ 675)	(\$ 1,527)

2. The Group's handling of transactions and contracts of derivative financial assets (liabilities) to which hedge accounting is not applicable is described in the following:

March 31, 2025			
<u>Derivative financial assets</u>	<u>Contract amount (Item principal) (NT\$ thousand)</u>		<u>Contract period</u>
Current items:			
Derivative financial liabilities			
Forward commodity contract			
- Pre-purchase of copper	USD	488	2025.03.28~2025.06.25
Non-Current items:			
- Hybrid instruments			
Derivative financial assets	USD	150	2025.03.27~2030.03.27
Forward exchange agreement (FXA)			
-Sale of USD and purchase of NTD	USD	5,000	2024.12.19~2025.07.08
December 31, 2024			
<u>Derivative financial assets</u>	<u>Contract amount (Item principal) (NT\$ thousand)</u>		<u>Contract period</u>
Current items:			
Derivative financial assets			
Forward commodity contract			
- Pre-purchase of copper	USD	975	2024.10.08~2025.01.06
Forward exchange agreement (FXA)			
-Sale of USD and purchase of NTD	USD	5,400	2024.10.22~2025.04.23
March 31, 2024			
<u>Derivative financial assets</u>	<u>Contract amount (Item principal) (NT\$ thousand)</u>		<u>Contract period</u>
Current items:			
Derivative financial liabilities			
Forward commodity contract			
- Pre-purchase of copper	USD	869	2024.03.13~2024.06.11
Forward exchange agreement (FXA)			
-Sale of USD and purchase of NTD	USD	3,500	2024.01.18~2024.06.11

3.The forward exchange and commodity contracts signed by the Group were to hedge the exchange rate risk of (import) export and to hedge the price fluctuation of current positions; however, the hedge accounting was not applied.



4. The Group has not pledged any financial assets measured at fair value through profit or loss.
5. Please refer to Notes 12(2) for information relating to credit risk of financial assets (liabilities) at fair value through profit or loss.
- (3) Financial assets at fair value through other comprehensive income

<u>Item</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Non-current:			
Equity instruments			
Shares not traded on the stock exchange, the OTC market, or the emerging stock market	\$ 61,498	\$ 61,279	\$ 55,822
Adjustments for change in value	<u>3,639</u>	<u>3,490</u>	<u>7,201</u>
	<u>\$ 65,137</u>	<u>\$ 64,769</u>	<u>\$ 63,023</u>

1. The Group chose to classify its strategic investment equity instruments as the financial assets at fair value through other comprehensive income, and the fair value of such investment as of March 31, 2025, December 31, 2024 and March 31, 2024 were amounted to NT\$65,137, NT\$64,769 and NT\$63,023 respectively.
2. Financial assets at fair value through other comprehensive income recognized in profit and loss/comprehensive income are as follows:

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
<u>Equity instruments at fair value</u>		
Changes in fair value recognized in other comprehensive income - the Group	\$ 1,152	(\$ 898)
Changes in fair value recognized in other comprehensive income - investment accounted for under the equity method	1,205	5,012
Changes in fair value recognized in other comprehensive income - non-controlling interests	( 1,162)	( 1,406)

Accumulated benefits transferred to retained earnings due to delisting	( 37)	-
	<u>\$ 1,158</u>	<u>\$ 2,708</u>

Financial assets at fair value through other comprehensive income

4. Please refer to Notes 12(2) for information relating to credit risk of financial assets at fair value through other comprehensive income.

(4) Notes and accounts receivable

	March 31, 2025	December 31, 2024	March 31, 2024
Notes receivable	\$ 67,692	\$ 70,882	\$ 67,205
Less: Allowance for bad debt	-	-	-
	<u>\$ 67,692</u>	<u>\$ 70,882</u>	<u>\$ 67,205</u>
Accounts receivable	\$ 2,014,475	\$ 1,804,998	\$ 1,445,849
Less: Allowance for bad debt	( 27,756)	( 36,040)	( 36,048)
	<u>\$ 1,986,719</u>	<u>\$ 1,768,958</u>	<u>\$ 1,409,801</u>

1. The aging analysis of accounts receivable (including related party) and notes receivable is as follows:

	March 31, 2025		December 31, 2024	
	Accounts receivable (including related party)	Notes receivable	Accounts receivable (including related party)	Notes receivable
Not overdue	\$ 1,962,874	\$ 67,692	\$ 1,739,300	\$ 70,882
Within 30 days	42,580	-	49,152	-
31~90 days	5,436	-	9,482	-
Above 91 days	21,891	-	32,663	-
	<u>\$ 2,032,781</u>	<u>\$ 67,692</u>	<u>\$ 1,830,597</u>	<u>\$ 70,882</u>

	March 31, 2024	
	Accounts receivable (including related party)	Notes receivable
Not overdue	\$ 1,383,740	\$ 67,205
Within 30 days	42,275	-
31~90 days	13,051	-
Above 91 days	32,722	-
	<u>\$ 1,471,788</u>	<u>\$ 67,205</u>

The above aging schedules were based on the number of days past the due date.

2. As of March 31, 2025, December 31, 2024, March 31, 2024 and January 1, 2024, the balances of receivables (including notes receivable) from contracts of the Company with customers amounted to NT\$2,100,473, NT\$1,901,479, NT\$1,538,993 and NT\$1,323,593, respectively.
3. The Company does not hold any collaterals as security.
4. Without taking into account the collateral or other credit enhancements held, the notes receivable of the Group are most representative of the highest credit risk as of March 31, 2025, December 31, 2024, and March 31, 2024. The accident insurance amounts are \$67,692, \$70,882 and \$67,205 respectively; The maximum exposure amounts that best represent the credit risk of the Group's accounts receivable on March 31, 2025, December 31, 2024, and March 31, 2024 were \$2,005,022, \$1,794,554, and \$1,435,739 respectively.
5. Credit risks associated with accounts receivable and notes receivable are stated in Note 12(2).

(5) Inventory

	March 31, 2025		
	Costs	Allowance for inventory valuation	Carrying amount
Raw materials	\$ 353,892	(\$ 31,869)	\$ 327,023
Works in process	377,627	( 8,948)	368,679
Finished products	504,860	( 25,100)	479,760
Merchandise inventory	354,974	( 40,673)	314,301
Inventory in transit	71,199	-	71,199
	<u>\$ 1,667,552</u>	<u>(\$ 106,590)</u>	<u>\$ 1,560,962</u>

  

	December 31, 2024		
	Costs	Allowance for inventory valuation	Carrying amount
Raw materials	\$ 288,385	(\$ 19,729)	\$ 268,656
Works in process	305,918	( 6,546)	299,372
Finished products	602,366	( 23,496)	578,870
Merchandise inventory	338,007	( 39,119)	298,888
Inventory in transit	145,941	-	145,941
	<u>\$ 1,680,617</u>	<u>(\$ 88,890)</u>	<u>\$ 1,591,727</u>

	March 31, 2024		
		Allowance for inventory valuation	Carrying amount
	Costs		
Raw materials	\$ 384,398	(\$ 25,820)	\$ 358,578
Works in process	348,616	( 10,123)	338,493
Finished products	474,843	( 24,952)	449,891
Merchandise inventory	362,658	( 63,915)	298,743
Inventory in transit	53,468	-	53,468
	<u>\$ 1,623,983</u>	<u>(\$ 124,810)</u>	<u>\$ 1,499,173</u>

The inventory costs recognized as expenses by the Group in the current period:

	January 1 to March 31, 2025	January 1 to March 31, 2024
Cost of inventory sold	\$ 1,903,073	\$ 1,447,016
Income from sale of scrap and waste materials	( 30,684)	( 19,566)
Inventory valuation losses	17,700	5,871
Loss (gain) on physical inventory and loss of scrap	235	4,734
	<u>\$ 1,890,324</u>	<u>\$ 1,438,055</u>

(6) Investment accounted for under the equity method

1. Detail is as follows:

	March 31, 2025	December 31, 2024	March 31, 2024
Associates:			
Wanshih Electronic Co., Ltd. (Wanshih Electronic) (Note 4)	\$ 284,741	\$ 284,160	\$ 274,448
Wan Shih (Hong Kong) Co., Ltd. (Wan Shih Hong Kong)	18,333	20,279	19,654
Suzhou Wanshih Optical Communication Co., Ltd. (Suzhou Wanshih) (Note 5)	-	11,380	11,380
Inga Nano Technology Co., Ltd. (Inga Nano Technology) (Note 1)	29,647	30,295	36,356
ALPHA TREASURE INVESTMENTS LIMITED (ALPHA)(Note 2)	5,908	3,200	4,002
HONG YI Co., Ltd. (HONG YI)(Note 3)	11,969	11,992	-
	348,961	363,373	349,323
Accumulated impairment loss	( 41,687)	( 53,167)	( 55,248)
	<u>\$ 307,274</u>	<u>\$ 310,206</u>	<u>\$ 294,075</u>

Note 1: In 2024, the company participated in the cash capital increase of Inga Nano Technology totaling \$8,400, and the shareholding ratio remained unchanged.

Note 2: In 2024, the company participated in the cash capital increase of ALPHA Company totaling \$4,982, and the shareholding ratio remained unchanged.

Note 3: To expand into the Indian market, the Company invested NT\$12,000 in HONG YI in the fourth quarter of 2024, acquiring a 40% equity stake..

Note 4: In the first quarter of year 2025, the corporate bonds issued by Wanshih Electronic were gradually converted into common shares. Additionally, the company disposed of 40,000 shares of Wanshih Electronic, a material associates of the Group in the first quarter of year 2025, the disposal price is \$1,274 and its investment has not lost its significant influence, so it is prorated

transfer the amount previously recognized in other comprehensive profit or loss and recognize it in "Other gains and losses Loss-disposal of investment interests" totaling \$667.

Note 5: The company disposed of 409,000 shares of Suzhou Wanshih, a material associates of the Group in the first quarter of year 2025, the disposal price is \$13,527 and lost all of the influence. Because of the impairment loss had already been fully recognized, so record "Other gains and losses Loss-disposal of investment interests" totaling \$13,527.

2. Share of profit or loss of associates accounted for using equity method:

	January 1 to March 31, 2025	January 1 to March 31, 2024
Wanshih Electronic	(\$ 1,245)	(\$ 1,872)
Wan Shih Hong Kong	( 2,267)	( 170)
Inga Nano Technology	( 648)	( 1,297)
ALPHA	( 803)	( 831)
HONG YI	( 23)	-
	<u>(\$ 4,986)</u>	<u>(\$ 4,170)</u>

3.The investments held by the Group using the equity method - Wan Shih Hong Kong, Inga Nano Technology, Saga YesFamily and ALPHA are recognized based on the evaluation of the invested companies' self-prepared financial statements for the same period.

4. (1) The basic information of material associates of the Group is as follows:

Company name	Main operating location	Shareholding percentage		Nature of relationship	Measurement method
		March 31, 2025	December 31, 2023		
Wanshih Electronic	Taiwan	20.31%	20.55%	Strategic investment	Equity method

  

Company name	Main operating location	Shareholding percentage		Nature of relationship	Measurement method
		March 31, 2024			
Wanshih Electronic	Taiwan	24.11%		Strategic investment	Equity method

(2) The summary on the financial information of material associates of the Group is as follows:

## Balance Sheet

	Wanshih Electronic		
	March 31, 2025	December 31, 2024	March 31, 2024
Current assets	\$ 287,307	\$ 307,514	\$ 244,475
Non-current assets	992,339	879,526	900,877
Current liabilities	( 253,831)	( 173,989)	( 129,353)
Non-current liabilities	( 62,920)	( 65,269)	( 266,906)
Total net assets	<u>\$ 962,895</u>	<u>\$ 947,782</u>	<u>\$ 749,093</u>
Proportion of net assets of associate held by the Company	\$ 195,564	\$ 194,769	\$ 180,605
Goodwill	<u>47,490</u>	<u>47,604</u>	<u>49,975</u>
Associate carrying value	<u>\$ 243,054</u>	<u>\$ 242,373</u>	<u>\$ 230,580</u>

## Statement of Comprehensive Income

	Wanshih Electronic	
	January 1 to March 31, 2025	January 1 to March 31, 2024
Revenue	\$ 133,374	\$ 129,669
Net loss for the period	(\$ 6,128)	(\$ 7,765)
Other comprehensive income (net, after tax)	<u>16,365</u>	<u>29,137</u>
Total comprehensive income for the period	<u>\$ 10,237</u>	<u>\$ 21,372</u>
Dividends received from associate	<u>\$ -</u>	<u>\$ -</u>

- (3) The summary on the share of individual non-material associate's carrying amount and operating result of the Group is as follows:

As of March 31, 2025, December 31, 2024, March 31, 2024, the total of the carrying amount of individual non-material associate of the Group were NT\$64,220, NT\$67,833 and NT\$63,495 respectively.

	January 1 to March 31, 2025	January 1 to March 31, 2024
Net loss for the period	(\$ 3,741)	(\$ 2,298)
Other comprehensive income (net, after tax)	<u>129</u>	<u>647</u>
Total comprehensive income for the period	<u>(\$ 3,612)</u>	<u>(\$ 1,651)</u>

5. The Group's material associate Wanshih Electronic had the quoted price, and its fair value as of March 31, 2025, December 31, 2024, March 31, 2024 was NT\$374,945, NT\$481,684 and NT\$349,071 respectively.
6. (1) Due to the operating loss of the investment under the equity method - Wanshih Electronic, for Wanshih Electronic and its subsidiary, the Group used the fixed asset useful value as the recoverable amount during the impairment test, and the impairment loss amount of NT\$47,175 was recognized in 2024. In addition, due to the Group's disposal of Wanshih Electronic's shares in the first quarter of 2025, the cumulative impairment was excluded. As of March 31, 2025, the cumulative amount of impairment was \$41,687.
- (2) For the investment accounted for under the equity method - Suzhou Wanshih, held by the Group, due to the recoverable amount being lower than the carrying value, the impairment loss for the previous years were recognized in full at an amount of NT\$11,380, and disposed in the first quarter of year 2025.
7. The Company is the largest single shareholder of Wanshih Electronic and holds shares representing 20.31% of the voting rights. However, since the shareholding percentage of other top 10 major shareholders (non-related parties) is higher than that of the Company, and since there are no agreements for negotiation or group decision among the shareholders, the Company has no actual capability in directing material decisions. Accordingly, it is determined that the Company has no control power on the associate.
8. Please refer to Note 8 for information on collaterals provided for investments under equity method.

(7) Property, plant and equipment

	2025					
	Land	Buildings and structures	Machinery and equipment	Office equipment	Others	Total
January 1						
Costs	\$ 194,045	\$ 635,913	\$ 2,004,746	\$ 82,198	\$ 549,156	\$ 3,466,058
Accumulated depreciation and impairment	<u>-</u>	<u>( 334,596)</u>	<u>( 1,477,595)</u>	<u>( 62,021)</u>	<u>( 365,025)</u>	<u>( 2,239,237)</u>
	<u>\$ 194,045</u>	<u>\$ 301,317</u>	<u>\$ 527,151</u>	<u>\$ 20,177</u>	<u>\$ 184,131</u>	<u>\$ 1,226,821</u>
January 1	\$ 194,045	\$ 301,317	\$ 527,151	\$ 20,177	\$ 184,131	\$ 1,226,821
Addition	-	1,118	3,207	731	90,310	95,366
Disposal	-	-	( 2,449)	-	( 247)	( 2,696)
Transfer (Note 2)	-	-	1,107	798	( 1,905)	-
Depreciation expenses	-	( 8,048)	( 24,710)	( 1,678)	( 7,349)	( 41,785)



Net exchange differences	<u>2,336</u>	<u>3,890</u>	<u>7,717</u>	<u>432</u>	<u>2,753</u>	<u>17,128</u>
March 31	<u>\$ 196,381</u>	<u>\$ 298,277</u>	<u>\$ 512,023</u>	<u>\$ 20,460</u>	<u>\$ 267,693</u>	<u>\$ 1,294,834</u>

March 31						
Costs	\$ 196,381	\$ 645,990	\$ 2,024,350	\$ 85,279	\$ 639,020	\$ 3,591,020
Accumulated depreciation and impairment	<u>-</u>	<u>( 347,713)</u>	<u>( 1,512,327)</u>	<u>( 64,819)</u>	<u>( 371,327)</u>	<u>( 2,296,186)</u>
	<u>\$ 196,381</u>	<u>\$ 298,277</u>	<u>\$ 512,023</u>	<u>\$ 20,460</u>	<u>\$ 267,693</u>	<u>\$ 1,294,834</u>

2024						
	Land	Buildings and structures	Machinery and equipment	Office equipment	Others	Total
January 1						
Costs	\$ 186,588	\$ 601,927	\$ 1,900,159	\$ 71,549	\$ 446,624	\$ 3,206,847
Accumulated depreciation and impairment	<u>-</u>	<u>( 295,791)</u>	<u>( 1,363,943)</u>	<u>( 54,371)</u>	<u>( 332,230)</u>	<u>( 2,046,335)</u>
	<u>\$ 186,588</u>	<u>\$ 306,136</u>	<u>\$ 536,216</u>	<u>\$ 17,178</u>	<u>\$ 114,394</u>	<u>\$ 1,160,512</u>
January 1	\$ 186,588	\$ 306,136	\$ 536,216	\$ 17,178	\$ 114,394	\$ 1,160,512
Addition	977	91	5,986	1,110	22,270	30,434
Disposal	-	-	( 1,725)	( 29)	( 77)	( 1,831)
Transfer	-	( 3,724)	4,746	29	( 4,880)	( 3,829)
Depreciation expenses	-	( 6,176)	( 24,851)	( 1,345)	( 6,500)	( 38,872)
Net exchange differences	<u>( 1,873)</u>	<u>1,386</u>	<u>1,430</u>	<u>41</u>	<u>( 361)</u>	<u>623</u>
March 31	<u>\$ 185,692</u>	<u>\$ 297,713</u>	<u>\$ 521,802</u>	<u>\$ 16,984</u>	<u>\$ 124,846</u>	<u>\$ 1,147,037</u>
March 31						
Costs	\$ 185,692	\$ 590,682	\$ 1,893,675	\$ 72,163	\$ 460,129	\$ 3,202,341
Accumulated depreciation and impairment	<u>-</u>	<u>( 292,969)</u>	<u>( 1,371,873)</u>	<u>( 55,179)</u>	<u>( 335,283)</u>	<u>( 2,055,304)</u>
	<u>\$ 185,692</u>	<u>\$ 297,713</u>	<u>\$ 521,802</u>	<u>\$ 16,984</u>	<u>\$ 124,846</u>	<u>\$ 1,147,037</u>

1. For information on the pledge of property, plant and equipment, please refer to Note 8 for details.
2. In 2024, some houses and buildings were transferred from self-use to rental, and from real estate plants and equipment to investment real estate. The book amount of the houses and buildings on the date of change of use was \$4,314, and the fair value was \$89,549.

(8) Lease transactions - lessee

1. The underlying assets of the Group's lease include lands, buildings, machinery equipment and company vehicles. The lease contract durations are typically for 3 to 8 years. Lease contracts are agreed upon individually and contain different terms and conditions. Except for leased assets shall not be used as collaterals, and are not restricted in any way.
2. The information on the carrying amount of the right-of-use asset and the recognized depreciation expense is as follows:

	Carrying amount		
	March 31, 2025	December 31, 2024	March 31, 2024
Land	\$ 65,156	\$ 65,268	\$ 46,011
Buildings	65,929	74,182	99,177
Transportation equipment (company vehicles)	1,710	2,222	3,968
	<u>\$ 132,795</u>	<u>\$ 141,672</u>	<u>\$ 149,156</u>

	Depreciation expenses	
	January 1 to March 31, 2025	January 1 to March 31, 2024
Land	\$ 629	\$ 431
Buildings	8,984	8,686
Transportation equipment (company vehicles)	521	817
	<u>\$ 10,134</u>	<u>\$ 9,934</u>

3. The Group's right-of-use asset increased by NT\$0 and NT\$1,035 for 2025 and January 1 to March 31, 2024, respectively.
4. Profit or loss items in relation to lease contracts are as follows:

	January 1 to March 31, 2025	January 1 to March 31, 2024
<u>Items that affect profit or loss</u>		
Interest expense of lease liabilities	\$ 255	\$ 363
Expenses attributable to short-term lease contracts	598	982

5. The Group's total cash used in lease contracts were NT\$10,760 and \$10,881 for 2025 and January 1 to June 30, 2024, respectively.
6. Option of lease extension and option of lease termination
  - (1) The lease subject matters classified as the building lease among the lease contracts of the Group is approximately 23%, including the option of extension that can be executed by the Group. The signing

of such clause in the lease contract is to enhance the flexible operational management of the Group.

- (2) During the determination of lease period, the Group considers all of the facts and conditions related to economic incentives that may be generated due to exercise of the option of extension. When material event is assessed to occur due to exercise of the option of extension or non-exercise of the option of termination, the lease period will be re-evaluated.

(9) Investment property

	2025	2024
January 1	\$ 252,675	\$ 158,319
Transfer of self-occupied real estate	-	89,549
Net exchange differences	993	-
March 31	<u>\$ 253,668</u>	<u>\$ 247,868</u>

1. Rental income from investment property and direct operating expenses arising from the investment property:

	January 1 to March 31, 2025	January 1 to March 31, 2024
Rental income from investment property	<u>\$ 2,963</u>	<u>\$ 2,657</u>
Direct operating expenses arising from the investment property generating rental income in the current period	<u>\$ 512</u>	<u>\$ 265</u>
Direct operating expenses arising from the investment property generating rental income in the current period	<u>\$ -</u>	<u>\$ -</u>

2. Investment property fair value basis

The investment properties held by the Group are mainly located at Wugu District, New Taipei City and Kowloon Bay, Hong Kong. Fair price refers to the valuation result of independent valuation expert, and the valuation uses the equity method in order to perform assessment based on the rent of similar real properties at the relevant neighborhood areas of the assets. The main appraisal report information used is as follows:

- (1.) The locations of investment properties of the Group and the appraisal method used are summarized in the following:

Year	Subject property	Location	Appraisal method	Appraiser	Appraiser firm	Appraisal base date
March 31, 2025	Wugu Building	Wugu District, New Taipei City	Income approach	Wei-Han Sun	Xianjian	March 31, 2025
March 31, 2025	Hong Kong Building	Kowloon Bay, Hong Kong	Income approach	Guo-jun Hsu	Zhongliang	March 31, 2025
December 31, 2024	Wugu Building	Wugu District, New Taipei City	Income approach	Wei-Han Sun	Xianjian	December 31, 2024
December 31, 2024	Hong Kong Building	Kowloon Bay, Hong Kong	Income approach	Guo-jun Hsu	Zhongliang	December 31, 2024
March 31, 2024	Wugu Building	Wugu District, New Taipei City	Income approach	Wei-Han Sun	Xianjian	March 31, 2024
March 31, 2024	Hong Kong Building	Kowloon Bay, Hong Kong	Income approach	Guo-jun Hsu	Zhongliang	March 31, 2024

Note: We have obtained the valuer's statement on the validity of the Wugu Building valuation report on March 31, 2025 and March 31, 2024. The Hong Kong Building was reclassified as investment real estate on March 31, 2024, and a valuation report on March 31, 2024 and validity statement on March 31, 2025.

- (2) For the individual case using the income approach, the income value estimation adopts the discounting cash flow analysis method. The cash inflow refers to the annual rent income, and the cash outflow includes land value tax, house tax, insurance fee, management and maintenance fee, replacement allowance and other relevant operating expenses. The main parameters used are as follows:

Year	Location	Period	Discount rate (Note 1)	Income capitalization rate (Note 2)
March 31, 2025	Wugu District, New Taipei City	10	2.875%	3.875%
March 31, 2025	Kowloon Bay, Hong Kong	10	5.750%	3.750%
December 31, 2024	Wugu District, New Taipei City	10	2.875%	3.750%
December 31, 2024	Kowloon Bay, Hong Kong	10	5.750%	3.750%
March 31, 2024	Wugu District, New Taipei City	10	2.750%	3.750%
March 31, 2024	Kowloon Bay, Hong Kong	10	5.750%	3.750%

Note 1: For the discount rate, based on the consideration of the product type and risk factors of this case, the risk premium approach is used to determine the discount rate.

Note 2: The Income capitalization rate uses the investment return

plus the risk premium of 1% of the real property value after 10 years.

Year	Cash inflow item	Local rent status	Similar comparable subject property in the market
March 31, 2025	Rental income (dollar/square meter/month)	Approximately \$706~\$804	Approximately \$735~\$829
March 31, 2025	Rental income (dollar/square foot/month)	Approximately \$79.4~\$79.6	Approximately \$72.3~\$136.1
December 31, 2024	Rental income (dollar/square meter/month)	Approximately \$706~\$804	Approximately \$735~\$829
December 31, 2024	Rental income (dollar/square foot/month)	Approximately \$79.4~\$79.6	Approximately \$72.3~\$136.1
March 31, 2024	Rental income (dollar/square meter/month)	Approximately \$763~\$797	Approximately \$740~\$767
March 31, 2024	Rental income (dollar/square foot/month)	Approximately \$77.5~\$77.8	Approximately \$68.3~\$83.5

3. Please refer to Note 12(3) for information on investment property fair value.
4. Please refer to Note 8 for Information on the restricted assets that were pledged to others as collateral.

(10) Intangible assets

	2025			
	Goodwill	Customer relations	Computer software	Total
January 1				
Costs	\$ 129,108	\$ 75,630	\$ 78,259	\$ 282,997
Accumulated amortization and losses	- ( 75,630)	( 51,147)	( 126,777)	
	<u>\$ 129,108</u>	<u>\$ -</u>	<u>\$ 27,112</u>	<u>\$ 156,220</u>
January 1	\$ 129,108	\$ -	\$ 27,112	\$ 156,220
Addition—acquired independently	-	-	2,364	2,364
Amortization expenses	-	- ( 2,196)	( 2,196)	
Net exchange differences	-	-	612	612
March 31	<u>\$ 129,108</u>	<u>\$ -</u>	<u>\$ 27,892</u>	<u>\$ 157,000</u>
March 31				
Costs	\$ 129,108	\$ 75,630	\$ 82,269	\$ 287,007
Accumulated amortization and losses	- ( 75,630)	( 54,377)	( 130,007)	
	<u>\$ 129,108</u>	<u>\$ -</u>	<u>\$ 27,892</u>	<u>\$ 157,000</u>
	2024			
	Goodwill	Customer relations	Computer software	Total
January 1				
Costs	\$ 129,108	\$ 75,630	\$ 61,028	\$ 265,766
Accumulated amortization and losses	- ( 64,825)	( 41,648)	( 106,473)	
	<u>\$ 129,108</u>	<u>\$ 10,805</u>	<u>\$ 19,380</u>	<u>\$ 159,293</u>
January 1	\$ 129,108	\$ 10,805	\$ 19,380	\$ 159,293
Addition—acquired independently	-	-	10,012	10,012
Disposal	-	- ( 19)	( 19)	

Amortization expenses	-	( 2,701)	( 1,601)	( 4,302)
Net exchange differences	-	-	( 369)	( 369)
March 31	<u>\$ 129,108</u>	<u>\$ 8,104</u>	<u>\$ 18,966</u>	<u>\$ 156,178</u>
March 31				
Costs	\$ 129,108	\$ 75,630	\$ 61,157	\$ 265,895
Accumulated amortization and losses	-	( 67,526)	( 42,191)	( 109,717)
	<u>\$ 129,108</u>	<u>\$ 8,104</u>	<u>\$ 18,966</u>	<u>\$ 156,178</u>

1. Details of the intangible assets amortization were as follows:

	January 1 to March 31, 2025	January 1 to March 31, 2024
Operating cost	\$ 2,091	\$ 1,479
Selling expenses	4	2,705
Administrative expenses	97	118
Research and development expenses	4	-
	<u>\$ 2,196</u>	<u>\$ 4,302</u>

2. Goodwill is allocated to the Group's cash generating unit identified according to the operating segments:

	March 31, 2025	December 31, 2024	March 31, 2024
U.S.A.	<u>\$ 129,108</u>	<u>\$ 129,108</u>	<u>\$ 129,108</u>

(11) Bonds payable

	March 31, 2025	December 31, 2024	March 31, 2024
Bonds payable	\$ 503,500	\$ 732,900	\$ 790,100
Less: Bonds payable discount	( 4,692)	( 9,931)	( 20,662)
	\$ 498,808	\$ 722,969	\$ 769,438
Less: Current portion or exercise of putoptions	( 498,808)	( 722,969)	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 769,438</u>

1. The Company issued the sixth time of domestic unsecured convertible bonds (referred to as "domestic fifth convertible bonds) on October

31, 2022, with the issuance total amount of NT\$800,000, and issued at 101% of par value. The main issuance criteria are as follows:

(1) Issuance period: 3 years, from October 31, 2022 to October 31, 2025 for maturity.

(2) Coupon rate: fixed annual interest rate of 0%

(3) Redemption method:

Unless the Company has redeemed, repurchased and canceled it in advance or the holders of the Sixth Convertible Bonds have exercised their conversion rights, the Sixth Convertible Bonds will be converted by the Company on the maturity date based on the Sixth Convertible Bonds. This sixth convertible bond will be redeemed at a yield plus an annual interest rate of 0.0% per face amount.

(4) Conversion period:

Except that the sixth convertible bonds have been redeemed or repurchased early, or the suspension of transfer period prescribed in the law and specified in the trust contract, up to the end of the next day when the issuance of the sixth convertible bonds has reached three full months, the holders of the sixth convertible bonds may request the Company to convert the sixth convertible bonds into common shares newly issued by the Company.

(5) Conversion price:

The conversion price of the sixth convertible bonds is 101.63% of the reference price, i.e. NT\$36.20. The reference price is determined based on the closing price of NT\$35.62 of the common shares price listed at TPEx on the business day one day before the base date specified by the Company. Since the Company has executed the cash capital increase, and according to Article 11 of the Regulations for Issuance and Conversion of Bonds, the conversion price shall be adjusted, the conversion price was adjusted to NT\$33.10 from NT\$34.10, when the share payments are made in full starting from July 15, 2024.

(6) Callable right:

Under the following conditions, the Company may redeem the fifth convertible bonds early:

A. From the next day when the issuance has reached three full months to the date of 40 days before the maturity of the issuance period, if the closing price of the common shares of the Company in Taiwan continues to reach more than 30% of the conversion price at that time for thirty business days, the Company may redeem all of the sixth convertible bonds early based on the early redemption amount.

B. From the next day when the issuance has reached three full



months to the date of 40 days before the maturity of the issuance period, if the balance of the outstanding fifth convertible bonds is lower than 10% of the original total issuance amount, the Company may redeem all of the sixth convertible bonds early based on the early redemption amount.

(7) As of March 31, 2025, December 31, 2023, and March 31, 2024, the unconverted balances were \$503,500, \$732,900, and \$790,100, respectively.

2. During the issuance of the convertible bonds of the Group, according to the regulations of IAS 32 "Financial Instruments: Presentation", the conversion right of equity nature is separated from the liability component, which is recognized under the "Capital surplus - subscription right" at an amount of NT\$65,027. In addition, with regard to the embedded callable right, according to IFRS 9 "Financial Instruments", since it is not closely related to the economic characteristic and risk of the debt instruments of the main contract, it is handled separately, and its net value is recognized under the "financial assets at fair value through profit or loss".
3. From January 1 to March 31, 2025, and 2024 the sixth convertible corporate bonds with a face value of \$229,400 and \$5,600 were converted into 6,930,477 shares and 164,222 shares of common stock, with a conversion price of NT\$33.1 and NT\$34.1 per share.

#### (12) Short-term borrowings

	March 31, 2025	December 31, 2024	March 31, 2024
Secured bank loans	\$ 328,563	\$ 468,434	\$ 94,735
Unsecured bank loans	645,693	564,211	594,465
	<u>\$ 974,256</u>	<u>\$ 1,032,645</u>	<u>\$ 689,200</u>
Interest rate range	1.89%~4.8%	1.87%~4.80%	1.65%~7.90%

1. The interest expenses for the long and short term borrowings recognized from January 1 to March 31, 2025 and 2024 were NT\$11,254 and NT\$8,276, respectively.
2. Please refer to Note 8 for details of the collaterals provided for the short-term borrowings of the Group.

#### (13) Long-term borrowings

<u>Nature of borrowings</u>	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Long-term bank loans			
Secured loan	\$ 86,821	\$ 92,218	\$ 66,516
No guarantee	70,119	60,899	40,000

Less: Current portion of long-term borrowings	( <u>67,229</u> )	( <u>69,074</u> )	( <u>40,010</u> )
	<u>\$ 89,641</u>	<u>\$ 84,043</u>	<u>\$ 66,506</u>
Interest rate range	1.798%~5.9%	2.1%~5.9%	1.953%~4.25%

1. The repayment period for secured loans is from 2021 to 2042, and the repayment period for the unsecured loans is from the 2023 to 2030.
2. The Company signed the credit extension contract with the Taipei Branch, Bangkok Bank of Thailand, which requested the financial report of the Company to satisfy the following key performance:
  - (1) The current ratio of the annual consolidated financial statements shall not be less than 100% during the duration of the credit extension contract, and the debt-to-net worth ratio shall not be greater than 250% during the duration of the credit extension contract.
  - (2) In case where the Company breaches the aforementioned commitment, the Bangkok Bank of Thailand will suspend the Company's application of new loans, and unless the consent of the Bangkok Bank of Thailand is obtained, no amount can be further drawn.
3. Detail of the loan credit not yet drawn by the Group is as follows:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Unused amount	<u>\$ 614,351</u>	<u>\$ 366,507</u>	<u>\$ 366,931</u>

4. Please refer to Note 8 for details of the collaterals provided for the long-term borrowings of the Group.

#### (14) Pension

- 1.(1) By adhering to the requirements set forth in the Labor Standards Act, the Company has established its own defined retirement benefits plan, which is applicable both to the service years of all regular employees rendered before the enforcement of the Labor Pension Act on July 1, 2005, and to the service years of all employees who elected to continue applying the Labor Standards Act after the implementation of the Labor Pension Act. Pensions for employees qualified for retirement are calculated based on their servicing years and their average salaries of the 6 months prior to their retirement. Two bases are given for each full year of service rendered within 15 years (inclusive). But for the rest of the years over 15 years, one base is given for each full year of service rendered. The total number of bases shall be no more than 45. The

Company contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, under the name of the Independent Retirement Fund Committee. In addition, the Company estimates the balance of the said designated pension account before the end of year. If the balance calculated in the manner specified above is not sufficient to cover the amount to be paid to all employees qualifying the retirement conditions next year, a lump-sum deposit will be made before of the end of March of the following year to cover the difference.

- (2) Thai Wonderful Wire and Cable chooses to adopt the confirmed pension payment method according to the local law, and relevant pension expense is appropriated according to the expected unit payment method.
  - (3) The pension costs of the Group recognized according to the aforementioned pension regulations from January 1 to March 31, 2025 and 2024 were NT\$2,062 and NT\$2,253 respectively.
  - (4) Expected contributions to the defined benefit pension plans of the Group for 2025 amounts to NT\$799.
2. (1) Since July 1, 2005, the Company and Wonderful Photoelectricity have established their own pension regulations applicable to Taiwanese nationals in accordance with the Labor Pension Act. For employees of the Company that choose to apply the Labor Pension Act, the Company makes a contribution equal to 6% of the monthly salary to their individual retirement account with the Bureau of Labor Insurance. Employee pensions may be paid in monthly installments or in lump-sum payment based the accumulated amount in the employee's individual retirement account.
- (2) Wonderful Photo Electricity Dongguan, Elitech Technology and Wan Shih Hong Kong contribute a certain ratio of total amount of local employee salaries for the social insurance fund according to the social insurance system specified by the People's Republic of China (PRC). The pension for employees is managed independently by the government. Except for making a monthly contribution, the Group has no further obligation.
  - (3) ABA provides the Employee 401(K) Retirement Saving Plan, and the 401(K) plan adopts the confirmed appropriation system. During the employment period of employees, a certain ratio of the

salary is appropriated to the personal pension account periodically according to the regulations.

(4) For the rest of overseas subsidiary, no retirement regulations and relevant policies have been established.

(5) The pension costs of the Group recognized according to the aforementioned pension regulations from January 1 to March 31, 2025 and 2024 were NT\$5,258 and NT\$4,811 respectively.

(15) Share-based payment

1. Up to March 31, 2025, the Group's share-based payment arrangements were as follows:

Type of arrangement	Grant date	Quantity granted	Vesting conditions
Treasury stock transferred to employees	March 12, 2025	2,600,000	Immediately

The restricted stocks issued by the Company cannot be transferred during one year from March 12, 2025.

Among the share-based payment arrangements above, are settled by equity.

2. The fair value of stock options granted on is measured using the Black-Scholes option-pricing model. Relevant information is as follows:

Type of arrangement	Grant date	Stock Price(NT)	Exercise Price(NT)	Expected price volatility	Expected Option life	Expected dividends	Risk-free interest rate	Fair value per unit (NT)
Treasury stock transferred to employees	March 12, 2025	\$33.57	\$15.64	34.22%	0.121	\$ -	1.1510%	17.95

Note: Expected price volatility rate was estimated by using the stock prices of 1 year before grant date, and the standard deviation of return on the stock during this period.

3. Expenses incurred on share-based payment transactions are shown below:

	January 1 to March 31, 2025
Equity-settled	\$ <u>46,670</u>

(16) Share capital

1. Up to March 31, 2025, the Company's authorized capital equal was NT\$3,000,000, paid-in capital equal was NT\$1,705,902, at par value of

NT\$10 per share. All proceeds for share subscription of the Company were collected in full.

Adjustments in the number of the Company's ordinary shares outstanding (in thousand shares) are as follows:

	2025	2024
January 1	160,045	154,176
Conversion of convertible corporate bonds	6,930	164
March 31	<u>166,975</u>	<u>154,340</u>

## 2. Treasury shares

(1) Reason of recovering shares and quantity change status (thousand shares):

Name of company holding shares	Reason of recovering shares	March 31, 2025	
		Number of shares	Carrying amount
The Company	For transfer of shares to employees	<u>3,614 thousand shares</u>	<u>\$ 61,008</u>

Name of company holding shares	Reason of recovering shares	December 31, 2024	
		Number of shares	Carrying amount
The Company	For transfer of shares to employees	<u>3,614 thousand shares</u>	<u>\$ 61,008</u>

Name of company holding shares	Reason of recovering shares	March 31, 2024	
		Number of shares	Carrying amount
The Company	For transfer of shares to employees	<u>7,614 thousand shares</u>	<u>\$ 128,532</u>

(2) According to the regulations of Securities and Exchange Act, the buyback ratio of the outstanding shares of a company shall not exceed 10% of the issued shares of the company, and the total amount of the buyback shares must not exceed the retained earnings plus the premium of the issued shares and the realized capital reserve amount.

(3) The treasury shares held by the Company, in accordance with Securities and Exchange Act, shall not be pledged and shall not

enjoy the shareholders' right before transfer.

- (4) According to the regulations of the Securities and Exchange Act, the shares bought back for transfer to employees shall be transferred within 5 years from the buyback date. If transfer is not completed by such time-limit, it shall be deemed that the Company has not issued such shares, and the registration of share cancellation must be made. In addition, for the shares bought back for the purpose of protecting the credit of the Company and the shareholders' equity, the registration of share cancellation must be made within 6 months from the buyback date.
  - (5) In 2024, the Company transferred 4,000 thousand treasury shares to employees, collecting a total of \$66,999 in share proceeds. As of March 31, 2025, a total of 3,614 thousand shares .
3. The number of shares held by associates of the Company as of March 31, 2025, December 31, 2024 and March 31, 2024 were 5,490 thousand shares, 4,970 thousand shares and 4,200 thousand shares respectively.

#### (17) Capital surplus

Under the Company Act, capital surplus arising from shares issued at premium or from donation may be used for offsetting deficit. Furthermore, if the Company has no accumulated loss, capital surplus may be used for issuing new shares or distributing cash in proportion to shareholders' original shareholding percentage. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalized mentioned above should not exceed 10% of the paid-in capital each year. The Company may use capital surplus to offset loss only when the amount of reserves is insufficient to offset the loss.

	2025								
	Issue premium	Treasury shares Trading	Employee Restricted shares	Receiving gifts from shareholders	Corporate debt options	Actual acquisition or disposal of subsidiary equity or difference in book value	Recognition of changes in all equity interests in subsidiaries	Changes in net equity value of affiliated companies	Total
January 1	\$321,862	\$ 72,510	\$ -	\$ 415	\$ 59,573	\$ 11,990	\$ 4,345	\$ 32,764	\$ 503,459
Share-based payment			46,670						46,670
Receiving gifts from shareholders	-	-		54	-	-	-	-	54
Conversion of convertible corporate bonds	176,604	-		-	( 18,646)	-	-	-	157,958
Recognition of change in equity associates in portion to the Group's	-	-	-	-	-	-	-	( 821)	( 821)
September 30	<u>\$498,466</u>	<u>\$ 72,510</u>	<u>\$ 46,670</u>	<u>\$ 469</u>	<u>\$ 40,927</u>	<u>\$ 11,990</u>	<u>\$ 4,345</u>	<u>\$ 31,943</u>	<u>\$ 707,320</u>

	Issue premium	Treasury shares Trading	Receiving gifts from shareholders	Corporate debt options	Actual acquisition or disposal of subsidiary equity or difference in book value	Recognition of changes in all equity interests in subsidiaries	Changes in net equity value of affiliated companies	Total
January 1	<u>\$ 274,140</u>	\$19,835	\$ -	\$ 64,677	\$ 11,990	\$ 4,345	\$ 13,893	\$ 388,880
Receiving gifts from shareholders	-	-	415	-	-	-	-	415
Conversion of convertible corporate bonds	<u>4,267</u>	<u>-</u>	<u>-</u>	<u>( 455)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,812</u>
September 30	<u>\$ 278,407</u>	<u>\$19,835</u>	<u>\$ 415</u>	<u>\$ 64,222</u>	<u>\$ 11,990</u>	<u>\$ 4,345</u>	<u>\$ 13,893</u>	<u>\$ 393,107</u>

### (18) Retained earnings

1. According to the Articles of Incorporation of the Company, when the Company has a profit after the closing account of a fiscal year, amount shall be appropriated to pay tax and make up losses for the preceding years first, followed by setting aside a legal reserve of 10% thereof. For the remaining amount, in addition to the distribution of dividends, If there is still remaining surplus, the distribution of shareholders' dividends shall be determined according to the resolution of the shareholders' meeting.
2. According to the dividend policy of the Company, the factors of profit status, financial plan, future development of the Company and shareholders' interests are comprehensively considered, and the Board of Directors then establishes the dividend distribution proposal annually according to the law, and the distribution amount shall not be less than 50% of the earnings after tax of the current year, and at least 10% of the cash dividends is distributed among the dividends distributed for the current year.
3. Except for covering accumulated deficits or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of the legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the balance of the reserve exceeds 25% of the Company's paid-in capital.
4. According to law, the Company may appropriate earnings only after it has provided special reserve under the debit balance of other equity on the balance sheet date. If subsequently the debit balance of other equity is reversed, the reversed amount may be used as appropriable earnings.
5. The 2023 earnings distribution proposal of the Company resolved by the shareholders' meeting on June 12, 2024 was as follows:

	2023	
	Amount	Dividends Per Share (In Dollars)
Statutory reserves	\$ 24,484	
Special reserves	23,509	
Cash dividends	185,013	\$ 1.20
	<u>\$ 233,006</u>	

6. The 2024 earnings distribution proposal of the Company submitted to the Board of Directors on March 12, 2025 for resolution was as follows:

	2024	
	Amount	Dividends Per Share (In Dollars)
Statutory reserves	\$ 36,192	
Special reserves	( 41,959)	
Cash dividends	320,091	\$ 2.00
	<u>\$ 314,324</u>	

The aforementioned 2024 earnings distribution proposal has not yet been resolved by the shareholder's meeting.

#### (19) Operating revenue

	January 1 to March 31, 2025	January 1 to March 31, 2024
Revenue from contracts with customers	<u>\$ 2,262,346</u>	<u>\$ 1,705,276</u>

#### Details of revenue from contracts with customers

The Group's revenue derived from transfer of goods at a particular point of time are classified into the following categories:

	January 1 to March 31, 2025	January 1 to March 31, 2024
LAN cables	\$ 753,134	\$ 571,855
Electronic cables	549,139	453,580
Automotive wires	242,946	158,674
Paige cables	218,773	81,777
E Beam	106,380	71,314
Power cables	32,665	34,804
Computer cables	44,240	21,439
RF wires	6,715	19,733
Others	308,354	4,106
	<u>\$ 2,262,346</u>	<u>\$ 1,705,276</u>



(20) Interest income

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Interest income from bank deposits	\$ 4,237	\$ 3,427
Other interest income	<u>1,140</u>	<u>697</u>
	<u>\$ 5,377</u>	<u>\$ 4,124</u>

(21) Other income

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Rental income	\$ 6,890	\$ 5,166
Dividend income	687	575
Other income—others	<u>2,404</u>	<u>4,893</u>
	<u>\$ 9,981</u>	<u>\$ 10,634</u>

(22) Other gains and losses

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Foreign exchange gain	\$ 19,813	\$ 30,100
Gains on disposal of investments	14,194	-
Gains on disposal of property, plant and equipment	1,921	( 122)
Loss on disposal of intangible assets	-	( 19)
Financial assets at fair value through profit or loss	( 675)	( 1,527)
Other benefits	<u>( 2)</u>	<u>( 39)</u>
	<u>\$ 35,251</u>	<u>\$ 28,393</u>

(23) Finance costs

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Interest expenses	\$ 11,281	\$ 8,216
Convertible bonds	3,102	3,311
Interest expense of lease liabilities	<u>255</u>	<u>363</u>
	<u>\$ 14,638</u>	<u>\$ 11,890</u>

(24) Depreciation, amortization and employee benefit expenses

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Salary expense	\$ 168,029	\$ 141,297
Share-based payment	46,670	-
Labor and health insurance expense	8,490	7,851
Pension expense	7,320	7,064
Other personnel expense	8,076	7,481
Depreciation expenses	51,919	48,806
Amortization expenses	2,196	4,302

1. According to the Articles of Incorporation of the Company, when the Company has a profit for a fiscal year, 2% to 4% of the profit before tax and before the deduction of the distribution of remunerations of employees and directors shall be set aside as the remuneration of employees and no higher than 2% thereof shall be set aside as the remuneration of directors. However, when the Company has accumulated losses, the amount shall be reserved for making up the accumulated losses first.
2. The estimated remunerations of employees and directors of the Company are as follows.

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Remuneration of employees	\$ 4,500	\$ 4,798
Remuneration of directors	<u>2,250</u>	<u>2,399</u>
	<u>\$ 6,750</u>	<u>\$ 7,197</u>

- (1) The remuneration of employees and the remuneration of directors for January 1 to March 31, 2025 were estimated at 4% and 2%, respectively according to the profit status up to the current period.
- (2) The difference between the employee remuneration of \$15,513 and directors' remuneration of \$7,757 in 2024 approved by the board of directors and the employee remuneration of \$15,000 and director's remuneration of \$7,500 recognized in the financial report of 2024 was an underestimation of \$770, which has been adjusted to the profit and loss in the first quarter of 2025.
- (3) The remuneration of employees and the remuneration of

directors according to the resolution of the board of directors' meeting on March 12, 2025 were NT\$15,513 and NT\$4,824 respectively, and the remuneration of employees is to be distributed in the form of cash.

- (4) Relevant information of the remunerations of employees and directors of the Company as resolved by the board of directors is available at the Market Observation Post System" (MOPS) website for inquiries.

(25) Income tax

1. Income tax expense

(1) Income tax components:

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Current income tax:		
Tax attributable to \$	29,887	\$ 30,181
taxable income of the period		
Additional Tax on	2,380	-
Undistributed Earnings		
Prior year income tax (	893)	-
Total current income tax	<u>31,374</u>	<u>30,181</u>
Deferred income tax:		
Deferred income tax on temporary differences originated and reversed	12,248	7,617
Income tax expense	<u>\$ 43,622</u>	<u>\$ 37,798</u>

(2) Income tax associates with other comprehensive income:

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Translation difference (\$	6,553)	(\$ 6,086)
of foreign operations		
Other comprehensive (	450)	( 532)
income of associates		

2. The Company's profit-seeking income tax has been approved by the taxation authority through 2020.

(26) Earnings per share

	January 1 to March 31, 2025		
	After-tax amount	Weighted average number of shares outstanding (in thousands)	Earnings per share (NT\$)
<u>Basic earnings per share</u>			
Net profit attributable to owners of the parent company	\$ 116,100	161,007	\$ 0.72
<u>Diluted earnings per share</u>			
Net profit attributable to owners of the parent company	\$ 116,100	161,007	
Dilutive effects of the potential common shares			
Remuneration of employees	-	441	
Convertible bonds	2,482	15,211	
Effects of net profit attributable to owners of the parent company and potential common shares	\$ 118,582	176,659	\$ 0.67
	January 1 to March 31, 2024		
	After-tax amount	Weighted average number of shares outstanding (in thousands)	Earnings per share (NT\$)
<u>Basic earnings per share</u>			
Net profit attributable to owners of the parent company	\$ 77,618	154,177	\$ 0.50
<u>Diluted earnings per share</u>			
Net profit attributable to owners of the parent company	\$ 77,618	154,177	
Dilutive effects of the potential common shares			
Remuneration of employees	-	311	
Convertible bonds	2,649	23,170	
Effects of net profit attributable to owners of the parent company and potential common shares	\$ 80,267	177,658	\$ 0.45

(27) Non-controlling interests

1. Subsidiary capital increase

The Group's Thai subsidiary, Thai Wonderful Wire and Cable, issued new shares through a cash capital increase on March 25, 2024. The Group subscribed for 73.5% of its shareholding ratio, and the remaining 26.5% of the capital increase was subscribed by non-controlling interests. Therefore, the Group's interest in Thai Wonderful Wire and Cable equity remains unchanged, and the transaction increases non-controlling equity by NT\$32,830.

(28) Additional Information on Cash Flows

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Acquisition of property, plant, and equipment	\$ 95,366	\$ 30,434
Add: Opening balance of payable on equipment	3,275	2,329
Prepayments for business facilities at end of period	44,571	24,333
Less: Prepayments for business facilities at beginning of period	( 21,993)	( 16,451)
Ending balance of payable on equipment	<u>( 3,559)</u>	<u>( 3,152)</u>
Cash paid in the period	<u>\$ 117,660</u>	<u>\$ 37,493</u>

(29) Changes in liabilities arising from financing activities

	2025				
	Short-term borrowings	Long-term borrowings (including portion matured in one year or one operating cycle)	Lease liabilities	Bonds payable	Total liabilities from financing activities
January 1	\$ 1,032,645	\$ 153,117	\$ 77,355	\$ 722,969	\$ 1,986,086
Changes in cash flow from financing activities	( 58,389)	3,823	( 9,907)	-	( 64,473)
Other non-monetary changes	-	-	999	( 224,161)	( 223,162)
March 31	<u>\$ 974,256</u>	<u>\$ 156,940</u>	<u>\$ 68,447</u>	<u>\$ 498,808</u>	<u>\$ 1,698,451</u>

	2024				
	Short-term borrowings	Long-term borrowings (including portion matured in one year or one operating cycle)	Lease liabilities	Bonds payable	Total liabilities from financing activities
January 1	\$ 713,378	\$ 121,183	\$ 108,042	\$ 771,581	\$ 1,714,184
Changes in cash flow from financing activities	( 24,178)	( 14,667)	( 9,536)	-	( 48,381)
Other non-monetary changes	-	-	4,919	( 2,143)	2,776
March 31	<u>\$ 689,200</u>	<u>\$ 106,516</u>	<u>\$ 103,425</u>	<u>\$ 769,438</u>	<u>\$ 1,668,579</u>

## VII. Related party transactions

### (1) Name and Relationship of Related Party

<u>Related party name</u>	<u>Relationship with the Group</u>
Wanshih Electronic Co., Ltd. (Wanshih Electronic)	Associate
Dongguan Humen Wanshih Electronics Co., Ltd. (Dongguan Humen)	"
Suzhou Wanshih Optical Communication Co., Ltd. (Suzhou Wanshih)	"
Hong Yi Co., Ltd. (Hong Yi)	"
Wan Shih (Hong Kong) Co., Ltd. (Wan Shih Hong Kong)	"
Inga Nano Technology Co., Ltd. (Inga Nano Technology)	"
Vietnam Wanshih Optical Communication Co., Ltd. ( Vietnam Wanshih)	"
Alpha Treasure Investments Limited	"
Shanghai Elitech Technology Co., Ltd. (Elitech Technology)	Associate (Note)
Ming-Lieh Chang	Key management
Wonderful Wire Cable Co., Ltd. (Wonderful Wire Cable)	Other related parties
JBC LLC	"
Sheng-Yi Tsai	"
Ming-Dui Zhang	"

Note: The Group lost control over Elitech Technology in the third quarter

of 2024 but still retains significant influence. Therefore, starting from the third quarter of 2024, Elitech Technology is classified as an associate of the Group.

(2) Significant Transactions with Related Party

1. Operating revenue

	January 1 to March 31, 2025	January 1 to March 31, 2024
Sale of goods:		
— Associates	\$ 12,013	\$ 19,861
Key management	-	52
Other related parties	-	1
	<u>\$ 12,013</u>	<u>\$ 19,914</u>

There were no relevant transactions for the sales price of the Group to the aforementioned related parties, and the transaction terms were determined based on the negotiation of both parties. The payment receipt period of the Group from the related parties was 90~145 days, and the payment receipt period for non-related parties was 3~120 days.

2. Purchase

	January 1 to March 31, 2025	January 1 to March 31, 2024
Purchase of goods:		
— Associates	<u>\$ 4,297</u>	<u>\$ 3,065</u>

There were no relevant transactions for the purchase price of the Group from the aforementioned related parties, and the transaction terms were determined based on the negotiation of both parties. The payment period of the Group from the related parties was 90~105 days, and the payment period for non-related parties was 30~105 days.

3. Receivables from related parties

	March 31, 2025	December 31, 2024	March 31, 2024
Accounts receivable			
— Associates	\$ 18,306	\$ 25,599	\$ 25,939
Less: Allowance for bad debt	( 3)	( 3)	( 1)
	<u>\$ 18,303</u>	<u>\$ 25,596</u>	<u>\$ 25,938</u>

4. Payables to related parties:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Accounts payable			
— Associates	<u>\$ 6,809</u>	<u>\$ 11,725</u>	<u>\$ 22,599</u>

5. Other receivables from and payables to related parties

(1) Receivables from related parties

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Other receivables:			
— Associates	\$ 195	\$ 120	\$ 120
Less: Allowance for bad debt	( 60)	( 60)	( 60)
	<u>\$ 135</u>	<u>\$ 60</u>	<u>\$ 60</u>

(2) Other payables to related parties

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Other payables			
— Associates	<u>\$ 165</u>	<u>\$ 232</u>	<u>\$ 49</u>

6. Borrowings from related parties

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Other payables:			
Ming-Lieh Chang	<u>\$ 5,308</u>	<u>\$ 5,308</u>	<u>\$ 5,308</u>

	<u>January 1 to March 31, 2025</u>	<u>January 1 to March 31, 2024</u>
Interest expenses:		
Ming-Lieh Chang	<u>\$ 27</u>	<u>\$ 60</u>

The terms of borrowings from Ming-Lieh Chang was repayment on the due day, and interest was collected at the annual interest rate of 2% and interest was paid on the due day.



## 7. Rental income

The Group lease the following assets to the related parties, and the details are as follows:

Leasing party	Subject property	Lease term	Rental income	
			January 1 to March 31, 2025	January 1 to March 31, 2024
Associates - Wanshih Electronic	Office at 3F to 5F of Wugu District, New Taipei City	January 1, 2023 to December 31, 2027	\$ 2,113	\$ 2,091

The Group leases office to related parties, and rent is determined according to the general rent standard of the location of the lease property and the area of use, and the rent is collected on a monthly basis.

## 8. Lease transactions - lessee

(1) The Group leases office from related parties, and rent is determined according to the general rent standard of the location of the lease property and the area of use, and the rent is paid on a monthly basis.

(2) Acquisition of right-of-use assets

The Group signed the lease contract with JBC LLC in 2021, for a lease period of 5 years, and the monthly rent of approximately NT\$1,936. When the contract was signed, it was stated that the rent could be adjusted due to fluctuations in the consumer price index, so the monthly rent has increased to approximately \$2,733 since 2025.

(3) Lease liabilities

A. Ending balance

	March 31, 2025	December 31, 2024	March 31, 2024
Lease liabilities- current:			
— other related party - JBC LLC	\$ 35,391	\$ 34,458	\$ 32,244
Lease liabilities - non-current:			
— other related party - JBC LLC	\$ 20,693	\$ 28,896	\$ 51,795

B. Interest expenses

	January 1 to March 31, 2025	January 1 to March 31, 2024
— other related party - JBC LLC	\$ 193	\$ 278

## 9. Other income

The incomes for providing information processing service and other support services to the associate - Wanshih Electronic from January 1 to March 31, 2025 and 2024 were also NT\$323.

## 10. Property Transaction

The Group disposed of the following properties to related parties, with details as follows:

Related party name	Account	shares	Item	Price	January 1 to March 31, 2025 Disposal loss
Wanshih Electronic	Investment accounted for under the equity method	409,000	Equity of Suzhou Wanshih	<u>\$ 13,527</u>	<u>\$ 13,527</u>

## (3) Key management compensation information

	January 1 to March 31, 2025	January 1 to March 31, 2024
Salaries and short-term employee benefits	\$ 7,980	\$ 7,111
Post-retirement benefits	249	291
Share-based payment	<u>4,398</u>	<u>-</u>
	<u>\$ 12,627</u>	<u>\$ 7,402</u>

## VIII. Pledged Assets

The Group's assets pledged as collateral are as follows:

Asset item	Carrying value			Purpose of collateral
	March 31, 2025	December 31, 2024	March 31, 2024	
Financial assets measured at amortized cost - current	\$ 1,570	\$ -	\$ -	Mortgage guarantee
Investment accounted for under the equity method	52,395	52,123	47,235	Loan security

Property, plant and equipment	1,045,380	989,732	894,531	"
Investment property	<u>161,480</u>	<u>161,480</u>	<u>158,319</u>	"
	<u>\$ 1,260,825</u>	<u>\$ 1,203,335</u>	<u>\$ 1,100,085</u>	

IX. Significant Contingent Liabilities and Unrecognized Commitments

(1) Contingencies

None.

(2) Commitments

Capital expenditures committed but not yet incurred:

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
Property, plant and equipment	<u>\$ 31,081</u>	<u>\$ 83,954</u>	<u>\$ 139,983</u>

X. Losses Due to Major Disasters

None.

XI. Significant Subsequent Events

None.

XII. Others

(1) Capital Management

There are no major changes in this period. Please refer to Note 12 of the consolidated financial statements for the year 2024.

(2) Financial Instrument

1. Categories of financial instruments

	<u>March 31, 2025</u>	<u>December 31, 2024</u>	<u>March 31, 2024</u>
<u>Financial assets</u>			
Financial assets at fair value through profit or loss			
Financial assets	\$ 8,422	\$ 3,114	\$ 3,310
compulsorily measured at fair value through profit or loss			
Financial assets at fair value through other comprehensive income			
Investment in equity instruments of which the fair	65,137	64,769	63,023

value is designated to be  
recognized in other  
comprehensive income

Cash and cash equivalents	663,367	838,373	504,371
Financial assets/loans and receivables at amortized cost	156,799	163,838	-
Notes receivable	67,692	70,882	67,205
Accounts receivable	1,986,719	1,768,958	1,409,801
Accounts receivable - related party	18,303	25,596	25,938
Other receivables	150,704	132,621	88,305
Other receivables - related Party	135	60	60
Other financial assets - current	-	-	63,933
Deposit of margin (account "Other non-current assets - Others")	11,869	11,499	14,471
	<u>\$ 3,129,147</u>	<u>\$ 3,079,710</u>	<u>\$ 2,240,417</u>

	March 31, 2025	December 31, 2024	March 31, 2024
<u>Financial liabilities:</u>			
Financial liabilities measured at fair value through profit or loss			
Financial liabilities possessed for transaction	\$ 3,252	\$ 6,042	\$ 2,051
Financial liabilities at amortized cost			
Short-term borrowings	974,256	1,032,645	689,200
Accounts payable	567,283	556,914	454,198
Accounts payables to related parties	6,809	11,725	22,599
Other payables	285,422	275,576	211,638
Other accounts payable - related party	5,473	5,540	12,049
Bonds payable due to one year	498,808	722,969	769,438
Long-term borrowings due to one year	156,940	153,117	106,516
	<u>\$ 2,498,243</u>	<u>\$ 2,764,528</u>	<u>\$ 2,267,689</u>
Lease liabilities - current	\$ 41,224	\$ 40,569	\$ 39,220
Lease liabilities - non-current	27,223	36,786	64,205
	<u>\$ 68,447</u>	<u>\$ 77,355</u>	<u>\$ 103,425</u>

## 2. Risk management policy

There are no major changes in this period. Please refer to Note 12 of the consolidated financial statements for the year 2024.

## 3. Nature and Degree of Significant Financial Risks

### (1) Market risk

#### Exchange rate risk

- A. The Group operates internationally and is exposed to foreign exchange risk arising from the transactions of the Company and its subsidiaries used in various functional currency, primarily with respect to the USD. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities.
- B. The Group's management has formulated a relevant policy to require entities within the Group to manage the foreign exchange risks associated with their functional currency. The companies are required to hedge their entire foreign exchange risk exposure with the financial department of the Group. The measurement of exchange rate risk is based on the expected transactions that are very likely to generate USD expenses, and to use forward exchange contracts in order to reduce the impacts of exchange rate fluctuation on the expected transactions.
- C. The Group used forward exchange transactions to hedge the exchange rate risk; however, the hedge accounting was not applied. Please refer to Notes 6(2) for information on recognition of financial assets or liabilities at fair value through profit or loss.
- D. The Group's businesses involve some non-functional currency operations such that they can be affected by the exchange rate fluctuation. The information on assets and liabilities denominated in foreign currencies whose values are materially affected by the exchange rate fluctuations is as follows:

March 31, 2025				
<b>(Foreign currency: functional currency)</b>	Foreign currency amount (In Thousands)		Exchange Rate	Carrying amount NT\$ thousand
<u>Financial assets</u>				
<u>Monetary items</u>				
USD : NTD	\$	25,586	33.205	\$ 849,583
USD : THB		4,008	33.738	133,086
USD : VND		13,573	25,380	450,691
USD : HKD		3,409	7.780	113,196

<u>Non-monetary items</u>			
USD : NTD	681	33.205	22,604
<u>Financial liabilities:</u>			
<u>Monetary items</u>			
USD : NTD	3,703	33.205	122,958
USD : THB	861	33.738	28,590
USD : VND	2,848	25,380	94,568
December 31, 2024			
<b>(Foreign currency: functional currency)</b>	Foreign currency amount (In Thousands)	Exchange Rate	Carrying amount NT\$ thousand
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	\$ 21,673	32.785	\$ 710,549
USD : THB	2,850	34.069	93,437
USD : VND	10,087	25,251	330,702
USD : HKD	4,485	7.765	147,041
<u>Non-monetary items</u>			
USD : NTD	779	32.785	25,546
<u>Financial liabilities:</u>			
<u>Monetary items</u>			
USD : NTD	4,272	32.785	140,058
USD : THB	1,580	34.069	51,800
USD : VND	2,164	25,251	70,947
USD : HKD	147	7.765	4,819
March 31, 2024			
<b>(Foreign currency: functional currency)</b>	Foreign currency amount (In Thousands)	Exchange Rate	Carrying amount NT\$ thousand
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	\$ 15,306	32.000	\$ 489,792
USD : THB	2,810	36.199	89,920
USD : VND	9,170	24,970	293,440
USD : RMB	2,803	7.288	89,696
USD : HKD	2,407	7.826	77,024
<u>Non-monetary items</u>			

USD : NTD	848	32.000	27,139
<u>Financial liabilities:</u>			
<u>Monetary items</u>			
USD : NTD	5,252	32.000	168,064
USD : THB	687	36.199	21,984
USD : VND	1,899	24,970	60,768
USD : HKD	1,169	7.826	37,408
E. The total exchange gain (loss) (including realized and unrealized) arising from significant foreign exchange variation on the monetary items held by the Group from January 1 to March 31, 2025 and 2024, amounted to profit of NT\$19,813 and NT\$30,100 respectively.			
F. Foreign exchange risks arising from significant exchange rate changes that the Group is exposed to are as follows:			

January1 to March 31, 2025			
Sensitivity Analysis			
		Effect on other comprehensive income	
(Foreign currency: functional currency)	Fluctuation	Effects on P/L	
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	1%	\$ 8,496	-
USD : THB	1%	1,331	-
USD : VND	1%	4,507	-
USD : HKD	1%	1,132	-
<u>Financial liabilities:</u>			
<u>Monetary items</u>			
USD : NTD	1%	1,230	-
USD : THB	1%	286	-
USD : VND	1%	946	-

January1 to March 31, 2024			
Sensitivity Analysis			
		Effect on other comprehensive income	
(Foreign currency: functional currency)	Fluctuation	Effects on P/L	
<u>Financial assets</u>			
<u>Monetary items</u>			
USD : NTD	1%	\$ 4,898	-
USD : THB	1%	899	-
USD : VND	1%	2,934	-

USD : HKD	1%	770	-
<u>Financial liabilities:</u>			
<u>Monetary items</u>			
USD : NTD	1%	1,681	-
USD : THB	1%	220	-
USD : VND	1%	608	-
USD : HKD	1%	374	-

Price risk

- A. The Group is exposed to equity securities price risk due to the financial assets and available-for-sale financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income held and accrued by the Group. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.
- B. The Group mainly invests in equity instruments issued by a domestic or foreign company. The price of such equity instruments can be affected by changes in future value of their investment targets. If the prices of these equity instruments had increased/decreased by 1% with all other variables held constant, the profit or loss of the equity instruments measured at fair value through profit or loss for the net income after tax of 2025 and January 1 to March 31 2024, would have increased or decreased by NT\$24 and NT\$19 respectively; and for other comprehensive income of 2025 and January 1 to March 31 2024 classified as the equity instrument measured at fair value through comprehensive income, the profit or loss would have increased or decreased by NT\$651 and NT\$630 respectively.

Cash flow and fair value interest rate risk

- A. The borrowing interest rate risk of the Group mainly came from the short-term borrowings. Due to the borrowings at floating interest rate, the Group borne the cash flow interest rate risk, and a portion of the risk was being offset by the cash and cash equivalents held. The borrowing according to the fixed interest rate caused the Group to be under the fair value interest rate risk.
- B. The borrowing of the Group was measured at amortized cost, and re-pricing was performed according to the annual interest rate specified in the contract. Therefore, the Group is exposed to the risk of future market interest rate change.
- C. When the borrowing interest rate in NTD increases or decreases by 1%, with other variables remain constant, the net income after tax for 2025 and January 1 to March 31 2024 will also decrease or increase by NT\$2,828 and NT\$1,989, respectively,



which is mainly due to changes in interest expense caused by borrowings bearing a floating interest rate.

(2) Credit risk

- A. The Company's credit risk refers to the risk of financial loss to the Company arising from default by the clients or transaction counterparties of financial instruments on the contract obligations. Such risk is mainly due to the counterparties cannot repay the accounts payable according to the payment terms, classified as the contract cash flow.
- B. The Group establishes a framework for managing credit risks from a group's perspective. As the internal credit approval policy stipulates, an operating entity within the Group shall manage and analyze the credit risk of a new client before proposing terms and conditions pertaining to payments and delivery of goods. Internal risk control is achieved by evaluating a client's credit quality against the client's financial position, credit records, and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board of directors. The utilization of credit limits is regularly monitored.
- C. The Group adopts IFRS 9 to provide preliminary assumption, and when the payment specified according to the contract term has exceeded 90 days, a breach of contract is deemed to have occurred.
- D. The Group adopts IFRS 9 to provide the following preliminary assumption, in order to use it as the basis for determining whether the credit risk of financial instruments has increased significantly since the original recognition:  
If the contract payments are past due over 30 days based on the terms, it is deemed that there has been a significant increase in credit risk on that instrument since initial recognition.
- E. The Group classifies accounts receivable due from clients according to the characteristics of trading credit risk, and adopts the simplified approach that measures expected credit losses based on the preparation matrix.
- F. (A) The expected loss rate of customers in the related party group is 0.02%. Accounts receivable as of March 31, 2025, December 31, 2024, and March 31, 2024 - total book value of related parties and allowance for losses. They are NT\$18,306 and NT\$3, NT\$25,599 and NT\$3, NT\$25,939 and NT\$1 respectively.  
(B) Based on historical experience, the Group uses individual assessments to calculate expected credit losses for customers with higher credit risks. The total book value and allowance losses as of March 31, 2025, December 31, 2024, and March

30, 2024 were NT\$0 and NT\$0, NT\$0 and NT\$0, and NT\$9,068 and NT\$4,361 respectively.

(C) By including the forward-looking consideration on the global economic information, the Group adjusts the expected credit loss rate that was established based on historical or present information, so as to estimate the preparation matrices of the loss allowance for the accounts and notes receivable as follows:

	Not overdue	Overdue within 30 days	Overdue 60 days	Overdue 90 days	Overdue 90 days	Total
March 31, 2025						
Expected loss (%)	0.03%~0.22%	0.03%~4.55%	0.04%~18.48%	1.98%~52.25%	100%	
Total carrying amount	<u>\$ 2,012,260</u>	<u>\$ 42,580</u>	<u>\$ 4,782</u>	<u>\$ 654</u>	<u>\$ 21,891</u>	<u>\$2,082,167</u>
Allowance for loss	<u>\$ 4,352</u>	<u>\$ 864</u>	<u>\$ 432</u>	<u>\$ 217</u>	<u>\$ 21,891</u>	<u>\$ 27,756</u>
December 31, 2024	Not overdue	Overdue within 30 days	Overdue 60 days	Overdue 90 days	Overdue 90 days	Total
Expected loss (%)	0.03%~1.00%	0.03%~13.97%	0.04%~41.28%	1.98%~70.81%	100%	
Total carrying amount	<u>\$ 1,784,483</u>	<u>\$ 49,152</u>	<u>\$ 5,019</u>	<u>\$ 4,463</u>	<u>\$ 32,663</u>	<u>\$1,875,880</u>
Allowance for loss	<u>\$ 823</u>	<u>\$ 945</u>	<u>\$ 258</u>	<u>\$ 1,351</u>	<u>\$ 32,663</u>	<u>\$ 36,040</u>
March 31, 2024	Not overdue	Overdue within 30 days	Overdue 60 days	Overdue 90 days	Overdue 90 days	Total
Expected loss (%)	0.02%~1.28%	0.5%~16.69%	6.64%~46.80%	24.81%~77.96%	100%	
Total carrying amount	<u>\$ 1,425,006</u>	<u>\$ 42,275</u>	<u>\$ 9,401</u>	<u>\$ 625</u>	<u>\$ 26,679</u>	<u>\$ 1,503,986</u>
Allowance for loss	<u>\$ 1,911</u>	<u>\$ 1,241</u>	<u>\$ 1,496</u>	<u>\$ 360</u>	<u>\$ 26,679</u>	<u>\$ 31,687</u>

G. The loss allowance change table for accounts and notes receivable (including related party) of the Group is as follows:

	2025
January 1	\$ 36,043
Impairment losses recognized	( 8,445)
Exchange rate effects	161
March 31	<u>\$ 27,759</u>

	2024
January 1	\$ 34,977
Impairment losses recognized	915
Exchange rate effects	157
March 31	<u>\$ 36,049</u>

Note: Please refer to the details in Note IV(3) Basis of Consolidation.

The impairment losses recognized for notes receivable and accounts (including related parties) arising from customer contracts from January 1 to March 31, 2025 and 2024 were NT(\$8,445) and NT\$915 respectively, and other receivable (including related parties) arising were NT\$32 and NT(\$101).

(3) Liquidity risk

- A. Cash flows forecast is done by each operating entity; the Financial Department of the Group is responsible only for summarizing the results. The financial department of the Group monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs.
- B. The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date for non-derivative financial liabilities. Derivative financial liabilities were analyzed based on the balance sheet date to the retaining period at the expected maturity date. The table below disclosed the contractual cash flows not discounted.

March 31, 2025

<u>Non-derivative financial liabilities:</u>	<u>Within 1 year</u>	<u>Over 1 year</u>
Short-term borrowings	\$ 974,256	\$ -
Accounts payable (including related party)	574,092	-
Other payables (including related party)	290,895	-
Lease liabilities	41,287	28,885
Bonds payable	503,500	-
Long-term borrowings (including portion matured in one year or one operating cycle)	67,299	89,641
<u>Derivative financial liabilities</u>	<u>Within 1 year</u>	<u>Over 1 year</u>
Forward exchange agreement (FXA)	\$ 3,252	\$ -

December 31, 2024

<u>Non-derivative financial liabilities:</u>	<u>Within 1 year</u>	<u>Over 1 year</u>
Short-term borrowings	\$ 1,032,645	\$ -
Accounts payable (including related party)	568,639	-
Other payables (including related party)	281,116	-
Lease liabilities	40,871	38,330
Bonds payable	732,900	-
Long-term borrowings (including portion matured in one year or one operating cycle)	69,074	84,043
<u>Derivative financial liabilities</u>	<u>Within 1 year</u>	<u>Over 1 year</u>
Forward commodity contract	\$ 3,069	\$ -
Forward exchange agreement (FXA)	2,973	-

March 31, 2024

<u>Non-derivative financial liabilities:</u>	<u>Within 1 year</u>	<u>Over 1 year</u>
Short-term borrowings	\$ 689,200	\$ -
Accounts payable (including related party)	476,797	-
Other payables (including related party)	223,687	-
Lease liabilities	39,731	65,167
Bonds payable	-	790,100
Long-term borrowings (including portion matured in one year or one operating cycle)	40,010	66,506
<u>Derivative financial liabilities</u>	<u>Within 1 year</u>	<u>Over 1 year</u>
Forward exchange agreement (FXA)	\$ 2,051	\$ -

### (3) Fair Value Information

- Below are the definitions assigned to each level of valuation technique used to measure the fair value of financial and non-financial assets.

Level 1      Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed shares is included in Level 1.

- Level 2      Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's investment in most of the derivatives is included in Level 2.
- Level 3      Level 3: Unobservable inputs for the asset or liability. The Group's investments in equity instrument investment of non-active market and investment properties are included in Level 3.

## 2. Financial instruments not measured at fair values

Except for the ones listed in the table below, including cash and cash equivalents, notes receivable, accounts receivable, other accounts receivable, other financial assets, long/short-term borrowings, notes payable, accounts payable and other accounts payable, their book values are approximate to the reasonably close values of fair values:

March 31, 2025				
Carrying amount	Fair value			
	Level 1	Level 2	Level 3	
Financial liabilities:				
Bonds payable	<u>\$ 498,808</u>	<u>\$ -</u>	<u>\$ 497,781</u>	<u>\$ -</u>

December 31, 2024				
Carrying amount	Fair value			
	Level 1	Level 2	Level 3	
Financial liabilities:				
Bonds payable	<u>\$ 722,969</u>	<u>\$ -</u>	<u>\$ 721,084</u>	<u>\$ -</u>

March 31, 2024				
Carrying amount	Fair value			
	Level 1	Level 2	Level 3	
Financial liabilities:				
Bonds payable	<u>\$ 769,438</u>	<u>\$ -</u>	<u>\$ 767,208</u>	<u>\$ -</u>

## 3. Financial and non-financial assets at fair value are classified by nature, characteristic, risk, and fair value level, stated as follows:

- (1) The Group classifies its assets and liabilities by their function;

stated as follows:

March 31, 2025	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
<u>Recurring fair value</u>				
Financial assets at fair value through profit or loss				
Equity instruments	\$ 2,447	\$ -	\$ -	\$ 2,447
Ordinary corporate bonds	994	-	-	994
Hybrid instruments	4,981	-	-	4,981
Financial assets at fair value through other comprehensive income				
Equity instruments	-	-	65,137	65,137
Investment property	-	-	253,668	253,668
	<u>\$ 8,422</u>	<u>\$ -</u>	<u>\$ 318,805</u>	<u>\$ 327,227</u>
<b>Liabilities</b>				
<u>Recurring fair value</u>				
Financial liabilities measured at fair value through profit or loss				
Forward exchange agreement (FXA)	<u>\$ -</u>	<u>\$ 3,252</u>	<u>\$ -</u>	<u>\$ 3,252</u>
 December 31, 2024				
	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
<u>Recurring fair value</u>				
Financial assets at fair value through profit or loss				
Equity instruments	\$ 2,120	\$ -	\$ -	\$ 2,120
Ordinary corporate bonds	994	-	-	994
Financial assets at fair value through other comprehensive income				
Equity instruments	-	-	64,769	64,769
Investment property	-	-	252,675	252,675
	<u>\$ 3,114</u>	<u>\$ -</u>	<u>\$ 317,444</u>	<u>\$ 320,558</u>
<b>Liabilities</b>				
<u>Recurring fair value</u>				
Financial liabilities measured at fair value through profit or loss				

Forward commodity	\$	-	\$	3,069	\$	-	\$	3,069
Forward exchange agreement (FXA)		-		2,973		-		2,973
	<u>\$</u>	<u>-</u>	<u>\$</u>	<u>6,042</u>	<u>\$</u>	<u>-</u>	<u>\$</u>	<u>6,042</u>

March 31, 2024	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
<u>Recurring fair value</u>				
Financial assets at fair value through profit or loss				
Equity instruments	\$ 1,923	\$ -	\$ -	\$ 1,923
Forward commodity	-	387	-	387
Ordinary corporate bonds	1,000	-	-	1,000
Financial assets at fair value through other comprehensive income				
Equity instruments	-	-	63,023	63,023
Investment property	-	-	247,868	247,868
	<u>\$ 2,923</u>	<u>\$ 387</u>	<u>\$ 310,891</u>	<u>\$ 314,201</u>

## **Liabilities**

### Recurring fair value

Financial liabilities measured at fair value through profit or loss

Forward exchange agreement (FXA)	<u>\$ -</u>	<u>\$ 2,051</u>	<u>\$ -</u>	<u>\$ 2,051</u>
----------------------------------	-------------	-----------------	-------------	-----------------

(2) The techniques and assumptions used by the Group to measure fair value are stated as follows:

- A. For the equity-based securities that the Group used the market quoted price as the fair value (i.e. level 1 inputs), the market quoted price refers to the closing price on the balance sheet date.
- B. Except for financial instruments with an active market, the fair value of other financial instruments is obtained either based on the valuation technique or by reference to the quotes from counter-parties. The fair value of financial instruments measured by using valuation techniques can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date (such as the reference yield curve of TPEx, Reuters commercial paper interest rate average price).

- C. When assessing non-standard and low-complexity financial instruments, such as forward exchange and forward commodity, the Group adopts the valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.
  - D. For high-complexity financial instruments, the Group measures the fair value by using self-developed valuation model based on the valuation method and technique widely used within the same industry. Such type of valuation model is normally applied to derivative financial instruments, embedded derivative debt instruments or securitized commodities. Certain inputs used in such type of valuation model are not observable at market, and the Group must make reasonable estimates based on its assumptions. For the impacts of non-market observable parameters on financial instrument valuation, please refer to Notes 12(3)-8 for details.
  - E. The valuation of derivative financial Instrument is based on the valuation model widely used and accepted by users in the market, such as discount method and option pricing model. Forward exchange agreement is typically evaluated based on the current forward exchange rate.
  - F. The fair value valuation technique for investment property at fair value adopted by the Group complies with the provisions of the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and the fair value is determined according to the valuation result of independent expert. Please refer to Note 6(9) for details.
  - G. Outputs from the valuation models are estimates and valuation techniques may not be able to reflect all relevant factors of the financial and non-financial instruments held by the Group. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments in the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.
4. For 2025 and January 1 to March 31 2024, there was no transfer between Level 1 and Level 2.
  5. The following table shows the change of Level 3 from January 1 to



March 31, 2025 and January 1 to March 31, 2024.

	2025		
	Equity instruments	Investment property	Total
January 1	\$ 64,769	\$ 252,675	\$ 317,444
Recognized in P/L	( 10)	-	( 10)
Exchange rate effects	378	993	1,371
September 30	<u>\$ 65,137</u>	<u>\$ 253,668</u>	<u>\$ 318,805</u>

	2024		
	Equity instruments	Investment property	Total
January 1	\$ 65,878	\$ 158,319	\$ 224,197
Recognized in comprehensive income	( 2,304 )	85,235	82,931
Transfer in this period	-	4,314	4,314
Exchange rate effects	( 551)	-	( 551)
September 30	<u>\$ 63,023</u>	<u>\$ 247,868</u>	<u>\$ 310,891</u>

6. There were no transfers in or out from the Level 3 from January 1 to March 31, 2025 and January 1 to March 31, 2024.
7. For the investment property of the Group, it is assumed that the Group has retained an external appraiser to perform appraisal according to the valuation method and parameter announced by the FSC. The financial department establishes the financial instrument and investment property fair value valuation policy, valuation procedure and verifies the compliance with requirements of relevant International Financial Reporting Standards.
8. The significant non-observable input value quantified information and significant non-observable input value change sensitivity analysis for the valuation model used in relation to the Level 3 fair value measurements are as follows:

	March 31, 2025 Fair value	Valuation technique	Significant unobservable inputs	Range (weighted average)	Input value and fair value relationship
Investment property - Wugu Building	\$ 161,480	Cash flow discount method	Discount rate	2.875%	The higher the discount rate, the lower the fair value

Investment property - Hong Kong Building	92,188	Cash flow discount method	Discount rate	5.750%	The higher the discount rate, the lower the fair value
Non-derivative equity instruments-stocks not listed in the stock exchange or the OTC market	-	Cash flow discount method	Discount rate	5.180%	The higher the discount rate, the lower the fair value
Non-derivative equity instruments-stocks not listed in the stock exchange or the OTC market	20,960	Public company comparables	Enterprise value to operating revenue ratio	0.3931~0.7457	The higher the value multiples, the higher the fair value
Non-derivative equity instruments-stocks not listed in the stock exchange or the OTC market	12,641	Public company comparables	Price-book ratio (PBR)	0.4727~0.5199	The higher the value multiples, the higher the fair value
Non-derivative equity instruments-stocks not listed in the stock exchange or the OTC market	31,536	Public company comparables	Price-book ratio (PBR)	1.7406~2.6261	The higher the value multiples, the higher the fair value
- Convertible corporate bond redemption right	2,627	Least-squares Monte Carlo simulation approach	Volatility	36.080%	The higher the volatility, the higher the fair value

	December 31, 2024 Fair value	Valuation technique	Significant unobservable inputs	Range (weighted average)	Input value and fair value relationship
Investment property - Wugu Building	\$ 161,480	Cash flow discount method	Discount rate	2.875%	The higher the discount rate, the lower the fair value
Investment property - Hong Kong Building	91,195	Cash flow discount method	Discount rate	5.750%	The higher the discount rate, the lower the fair value
Non-derivative equity instruments-stocks not listed	-	Cash flow discount method	Discount rate	5.180%	The higher the discount rate, the lower the fair value

in the stock  
exchange or the  
OTC market

Non-derivative equity instruments- stocks not listed in the stock exchange or the OTC market	22,902	Public company comparables	Enterprise value to operating revenue ratio	0.4169~0.8626	The higher the value multiples, the higher the fair value
Non-derivative equity instruments- stocks not listed in the stock exchange or the OTC market	16,648	Public company comparables	Price-book ratio (PBR)	0.7478~0.5195	The higher the value multiples, the higher the fair value
Non-derivative equity instruments- stocks not listed in the stock exchange or the OTC market	25,219	Public company comparables	Price-book ratio (PBR)	1.2201~2.6496	The higher the value multiples, the higher the fair value
- Convertible corporate bond redemption right	-	Least- squares Monte Carlo simulation approach	Volatility	34.530%	The higher the volatility, the higher the fair value

	March 31, 2024 Fair value	Valuation technique	Significant unobservable inputs	Range (weighted average)	Input value and fair value relationship
Investment property	\$ 158,319	Cash flow discount method	Discount rate	2.750%	The higher the discount rate, the lower the fair value
Investment property - Hong Kong Building	89,549	Cash flow discount method	Discount rate	5.750%	The higher the discount rate, the lower the fair value
Non-derivative equity instruments- stocks not listed in the stock exchange or the OTC market	-	Cash flow discount method	Discount rate	5.180%	The higher the discount rate, the lower the fair value
Non-derivative equity instruments- stocks not listed in the stock	20,155	Public company comparables	Enterprise value to operating revenue ratio	0.4289~1.6664	The higher the value multiples, the higher the fair value

exchange or the  
OTC market

Non-derivative equity instruments-stocks not listed in the stock exchange or the OTC market	22,209	Public company comparables	Price-book ratio (PBR)	0.9250~1.2339	The higher the value multiples, the higher the fair value
Non-derivative equity instruments-stocks not listed in the stock exchange or the OTC market	20,659	Public company comparables	Price-book ratio (PBR)	1.9584~2.8907	The higher the value multiples, the higher the fair value
- Convertible corporate bond redemption right	-	Least-squares Monte Carlo simulation approach	Volatility	29.660%	The higher the volatility, the higher the fair value

### XIII. Other Disclosures

#### (1)Information on Significant Transactions

1. Loaning funds to others: Please refer to Table 1.
2. Provision of endorsements and guarantees: Please refer to Table 2.
3. Marketable securities held at the end of the period (excluding investment in subsidiaries, affiliated companies, and the control portion in a joint venture): Please refer to Table 3.
4. Transaction with related party reaching NT\$100 million or 20% of paid-in capital or more: Please refer to Table 4.
5. Receivables due from related party reaching NT\$100 million or 20% of paid-in capital or more: Please refer to Table 5.
6. Business relationship, significant transactions, and significant transaction amount between parent and subsidiaries, or among subsidiaries: Please refer to Table 6.

#### (2)Information on Investees

Name and location of investees (excluding those in Mainland China): Please refer to Table 7.

#### (3)Information on investments in Mainland China

1. Basic Information: Refer to Table 8.
2. Significant transactions with investees in Mainland China that are

invested by the Company directly or Indirectly through another third region entity: Please refer to Table 6.

#### XIV. Operating Segment Information

##### (1)General Information

The Group management has determined the operating segments based on the reports reviewed by the operating decision maker that are used to make strategic decisions. The operating decision maker of the Group operates business according to the region and performs the sale of various types of wires and cables as the main source of income. Taiwan, China, and Hong Kong, Thailand are the main regions for the manufacturing and sales activities of the Group. The Group provides the individual operation result indicated in the consolidated statements to the operating decision maker for review and approval, in order to evaluate the performance of the segment.

##### (2)Segment Information

The Company and subsidiaries report the net income or loss before tax of each region to the main operating decision maker, and the income and expenses indicated in the income statement adopts consistent measurement method. In addition, the performance of each operating segment is evaluated according to the net income and loss before tax. The Company and subsidiaries have not provided the amounts of the total assets and total liabilities to the operating decision maker to make operational decisions.

The relevant regional financial information of the Group for 2025 and January 1 to March 31, 2024 is as follows:

January1 to March 31, 2025							
	Taiwan	China and Hong Kong	Thailand	Vietnam	U.S.A.	Adjustment and write-off	Total
Revenue from external customers	\$ 740,562	\$ 270,277	\$ 599,864	\$ 374,320	\$ 277,323	\$ -	\$ 2,262,346
Inter-segment transactions	224,174	10,689	48,693	254,994	-	( 538,550)	-
Segment revenue	<u>\$ 964,736</u>	<u>\$ 280,966</u>	<u>\$ 648,557</u>	<u>\$ 629,314</u>	<u>\$ 277,323</u>	<u>(\$ 538,550)</u>	<u>\$ 2,262,346</u>
Net income before tax of segment	<u>\$ 149,128</u>	<u>\$ 2,436</u>	<u>\$ 37,986</u>	<u>\$ 70,723</u>	<u>\$ 11,743</u>	<u>(\$ 100,353)</u>	<u>\$ 171,663</u>

January1 to March 31, 2024							
	Taiwan	China & Hong Kong	Thailand	Vietnam	U.S.A.	Adjustment and write-off	Total
Revenue from external customers	\$ 512,938	\$ 189,144	\$ 505,964	\$ 257,654	\$ 239,576	\$ -	\$ 1,705,276
Inter-segment transactions	243,375	74,599	40,029	178,918	-	( 536,921)	-

Segment revenue	<u>\$ 756,313</u>	<u>\$ 263,743</u>	<u>\$ 545,993</u>	<u>\$ 436,572</u>	<u>\$ 239,576</u>	<u>(\$ 536,921)</u>	<u>\$ 1,705,276</u>
Net income before tax of segment	<u>\$ 103,822</u>	<u>(\$ 13,071)</u>	<u>\$ 38,191</u>	<u>\$ 60,924</u>	<u>\$ 1,413</u>	<u>(\$ 67,399)</u>	<u>\$ 123,880</u>

### (3)Reconciliation of Segment Profit or Loss

Since the operating decision maker evaluates the segment performance and determines the allocation of resources based on the segment revenue and segment net operating income or loss, adjustment of the profit or loss of the segment is not required.

### (4)Reportable Reconciliation of Segment Profit or Loss

The Company reports the net income or loss after tax of each region to the operating decision maker, and the income and expenses indicated in the statement of comprehensive income adopt a consistent measurement method. The Company has not provided the amounts of the total assets and total liabilities to the operating decision maker to make operational decisions. Since there is no difference between the statements provided to the operating decision maker to make segment operational decisions and the segment income statement, adjustment is not required.

Wonderful Hi-Tech Co., Ltd. and Subsidiaries

Loaning funds to others

January 1 to March 31, 2025

Table 1

Unit: NT\$ thousand; thousand shares  
(unless otherwise specified)

<u>No.</u> <u>(Note 1)</u>	<u>Lending company</u>	<u>Borrower</u> <u>(Note 9)</u>	<u>Current items</u> <u>(Note 2)</u>	<u>Whether related</u>	<u>Current maximum amount</u> <u>(Note 3)</u>	<u>Ending balance</u> <u>(Note 8)</u>	<u>Actually paid</u>	<u>Interest</u> <u>rate range</u>	<u>Loan nature</u> <u>(Note 4)</u>	<u>Current</u> <u>amount</u> <u>(Note 5)</u>	<u>Reason for short-</u> <u>term financing</u> <u>(Note 6)</u>	<u>Allowa</u> <u>nce for</u> <u>loss</u>	<u>Security</u> <u>Name</u> <u>Value</u>	<u>Loan limit for</u> <u>specific borrower</u> <u>(Note 7)</u>	<u>Total loan</u> <u>limit</u> <u>(Note 7)</u>	<u>Remarks</u>
0	Wonderful Hi-Tech Co., Ltd.	Thai Wonderful Wire Cable Co., Ltd.	Financing funds receivable	Yes	66,410	66,410	-	4.0%	2	-	Working capital	-	Promissory note USD 2,000	100,000	511,771	

Note 1: Instruction for the number column is as follows:

(1) Fill in 0 for the issuer.

(2) The investees are numbered in order starting from number 1.

Note 2: Accounts receivable from related companies, receivable from related parties, shareholder current account, advance payments, temporary payments... or any other items of loan nature must be filled in this field.

Note 3: The maximum balance of funds lent in the current year.

Note 4: The loan nature shall be specified as business payment or short-term financing.

(1) For business payment, please fill in 1.

(2) For short-term financing, please fill in 2.

Note 5: If the loan is a business payment, the amount should be filled in. The amount of business payment refers to the amount of the business transaction between the lending company and the borrower in the recent one year.

Note 6: If the loan is a short-term financing, the reason for the loan and use by the borrower shall be specified, such as repayment of loans, purchase of equipment, business turnover... etc..

Note 7: (1) For companies or firms that do business with Wonderful Hi-Tech Co., Ltd., the total loan amount shall not exceed 30% of the lower of the paid-up capital and net value of Wonderful Hi-Tech Co., Ltd., with individual loan amount not exceeding the amount of business transactions between the two parties in the recent one year, and shall not exceed NT\$100 million based on risk considerations.

For companies or firms that need short-term financing, the total loan amount shall not exceed 30% of the lower of the paid-up capital and net value of Wonderful Hi-Tech Co., Ltd., with the individual loan amount not exceeding NT\$100 million.

Note 8: If the public offering company proposes the loan to the board of directors one by one in accordance with paragraph 1 of Article 14 of the Standards for the Treatment of Capital Loan and Endorsement Guarantee of Public Offering Company, the amount approved by the resolution of the board of directors shall be filled in to disclose the risk taking even though it is not yet paid; however, in case of subsequent repayment, the balance after repayment shall be disclosed to reflect the adjustment of risks. However, if the funds are subsequently repaid, the balance after repayment should be disclosed to reflect the risk adjustment. If a publicly issued company authorizes the chairman of the board of directors by resolution of the board of directors to allocate loans in installments or use them on a recurring basis within a certain amount and within a period of one year in accordance with Article 14, Paragraph 2 of the Treatment Guidelines. Fill in "The balance of loss of each subsidiary directly reinvested in the current period shall still be the loan limit approved by the board of directors. Although the funds may be repaid later, considering the loan may be granted again, the amount approved by the board of directors shall still be listed as the balance.

Wonderful Hi-Tech Co., Ltd. and Subsidiaries  
Provision of Endorsements and Guarantees  
January 1 to March 31, 2025

Table 2

Unit: NT\$ thousand  
(unless otherwise specified)

No. (Note 1)	Endorsement and guarantee provider	Company name	Relations (Note 2)	Limit of	Current maximum	Ending balance of	Actually paid (Note 6)	Amount of endorsement and guarantee secured by property	Ratio of accumulated amount of endorsement and guarantee to the net value of the most recent financial statement	Maximum limit of endorsement and guarantee (Note 3)	Endorsement	Endorsement	Endorsement	Remarks
				endorsement and guarantee for a single enterprise (Note 3)	balance of endorsement and guarantee (Note 4)	endorsement and guarantee (Note 5)					and guarantee provided by the parent company to a subsidiary company (Note 7)	and guarantee provided by a subsidiary company to the parent company (Note 7)	and guarantee provided to the mainland China (Note 7)	
1	Thai Wonderful Wire Cable Co., Ltd.	Vietnam Wonderful Wire Cable Co., Ltd.	2	135,330	39,846	39,846	2,461	-	2.94%	541,321	N	N	N	
1	Thai Wonderful Wire Cable Co., Ltd.	Vietnam Wonderful Wire Cable Co., Ltd.	2	135,330	19,923	19,923	19,923	-	1.47%	541,321	N	N	N	
1	Thai Wonderful Wire Cable Co., Ltd.	Vietnam Wonderful Wire Cable Co., Ltd.	2	135,330	59,769	59,769	20,195	-	4.42%	541,321	N	N	N	
2	Lord Hero Co., Ltd.	Wonderful Photoelectricity (Dongguan) Co. Ltd.	4	749,218	68,250	68,250	-	-	9.11%	749,218	N	N	Y	
2	Lord Hero Co., Ltd.	Wonderful Photoelectricity (Dongguan) Co. Ltd.	4	749,218	68,250	68,250	-	-	9.11%	749,218	N	N	Y	
2	Lord Hero Co., Ltd.	Wonderful Photoelectricity (Dongguan) Co. Ltd.	4	749,218	45,500	45,500	-	-	6.07%	749,218	N	N	Y	
2	Lord Hero Co., Ltd.	Wonderful Photoelectricity (Dongguan) Co. Ltd.	4	749,218	68,250	68,250	-	-	9.11%	749,218	N	N	Y	

Note 1: Instruction for the number column is as follows:

- (1) Fill in 0 for the issuer.
- (2) The investees are numbered in order starting from Arabic digit 1.

Note 2: There are 7 types of relationship between the endorser and the endorsed as follows, fill in the code:

- (1) A company having business dealings with the Company.
- (2) A company in which the Company directly or indirectly holds more than 50% of shares with voting rights.
- (3) A company that directly or indirectly holds more than 50% of shares with voting rights of the Company.
- (4) Between companies where the Company directly or indirectly holds more than 90% of shares with voting rights.
- (5) Companies of the same trade or joint manufactures that are mutually endorsed for the needs of the contracted works.
- (6) A company endorsed and guaranteed by all the contributing shareholders in accordance with their shareholding ratio due to the joint investment relationship.
- (7) Joint and several performance guarantee of the same trade for pre-sale house sales contracts in accordance with the consumer protection law.

Note 3: (1) The total amount of external endorsement and guarantee provided by Thai Wonderful Wire Cable Co., Ltd. shall not exceed 40% of the current net value of Thai Wonderful Wire Cable Co., Ltd., and the limit of endorsement and guarantee for a single enterprise shall not exceed 20% of the current net value of Thai Wonderful Wire Cable Co., Ltd. if it is a subsidiary that Thai Wonderful Wire Cable Co., Ltd. directly holds more than 90% of the equity of common shares, and 10% for others.  
Subsidiaries with more than 90% common stock equity shall not exceed 20% of the current net worth, and the remaining subsidiaries shall not exceed 10% of the current net worth of Thai Wonderful Wire and Cable Co., Ltd.  
For those provided with endorsement and guarantee due to business relationship with Thai Wonderful Wire Cable Co., Ltd., in addition to the foregoing limit, the amount of individual endorsement or guarantee shall not exceed the amount of business transaction between the two parties.  
The net value shall be subject to the most recent financial statement audited or reviewed by an accountant.



For those provided with endorsement and guarantee due to business relationship with Thai Wonderful Wire Cable Co., Ltd., in addition to the foregoing limit, the amount of individual endorsement or guarantee shall not exceed the amount of business transaction between the two parties.

- (2) The total amount of external endorsement and guarantee provided by Lord Hero Co., Ltd., shall not exceed 40% of the current net value of Lord Hero Co., Ltd., and the limit of endorsement and guarantee for a single enterprise shall not exceed 10% of the current net worth of Lord Hero Co., Ltd.,.

But the company which holds 100% of the equity of common shares by the company directly or indirectly, the amount of external endorsement and guarantee provided shall not exceed the net worth of the current net value of Lord Hero Co., Ltd.,.

Note 4: The maximum balance of endorsement and guarantee provided for others in the current year.

Note 5: The amount approved by the board of directors shall be disclosed. However, if the board of directors authorizes the Chairman to determined the amount in accordance with paragraph 8 of Article 12 of the Standards for the Treatment of Capital Loan and Endorsement Guarantees of Public Offering Company, it refers to the amount decided by the Chairman.

Note 6: The actual amount used by the endorsed or guaranteed within the balance of the endorsement and guarantee amount.

Note 7: Fill in Y for endorsement and guarantee provided by the listed parent company to a subsidiary, or provided by a subsidiary to the parent company, or provided to the mainland China.

Wonderful Hi-Tech Co., Ltd. and Subsidiaries

Marketable Securities Held at the End of the Period (Excluding Investment in Subsidiaries, Affiliated Companies, and the Control Portion in a Joint Venture)

March 31, 2025

Table 3

Unit: NT\$ thousand  
(unless otherwise specified)

<u>Holding company</u>	<u>Type and name of marketable securities</u> (Note 1)	<u>Relationship with the</u> <u>issuer</u> (Note 2)	<u>Account</u>	<u>Number of</u> <u>shares (in</u> <u>thousands)</u>	<u>Carrying</u> <u>amount</u> (Note 3)	<u>Shareholding</u> <u>percentage</u>	<u>Fair value</u>	<u>Remarks</u> (Note 4)
Wonderful Hi-Tech Co., Ltd.	Sanitar Co., Ltd.	-	Financial assets measured at fair the consideration through profit or loss - current	51.00	\$ 2,430	-	\$ 2,430	-
	NT Pharma Group Co., Ltd. (Hong Kong Stock)	-	Financial assets measured at fair the consideration through profit or loss - current	17.00	17	-	17	-
	Taiwan Semiconductor Manufacturing Co., Ltd. 2023	-	Financial assets measured at fair the consideration through profit or loss - current	10.00	994	-	994	-
	The second tranche of unsecured ordinary corporate bonds Class A (P12 TSMC 2A)	-						
	Asahi Malaysia Co., Ltd.	-	Financial assets at fair the consideration through other comprehensive income - non-current	1,900.00	20,960	9.40	20,960	-
	M-Mobility Co. Ltd.	-	Financial assets at fair the consideration through other comprehensive income - non-current	0.67	-	4.53	-	-
	Sunpower Energy Technology Co., Ltd.	-	Financial assets at fair the consideration through other comprehensive income - non-current	774.28	31,536	2.43	31,536	-
Thai Wonderful Wire Cable Co., Ltd.	Focuz Manufacturing Company Ltd.	-	Financial assets at fair the consideration through other comprehensive income - non-current	58.82	12,641	4.69	12,641	-
ABA Industry Inc.	CITIGROUP GLOBAL MKTS HLDGS LKD TO SPXDPUI/17333HT95		Financial assets at fair the consideration through profit or loss - non-current	-	4,981	-	4,981	
	UNITED STATES TREASURY BILL		Financial assets measured at amortized cost - current	-	103,096	-	103,096	

Note 1: The "marketable securities" in this table refer to stocks, bonds, beneficiary certificates and securities derived from the above items falling within IFRS No. 9 "Financial Instruments".

Note 2: If the issuer of marketable securities is not a related party, this column can be left blank.

Note 3: If measured at fair value, please fill in the book balance after the adjustment of fair value evaluation and deducting the accumulated impairment in the carrying amount column; if it is not measured at fair value, please fill in the book balance of original acquisition cost or amortized cost minus accumulated impairment in the carrying amount column.

Note 4: If the marketable securities are subject to restricted use due to the provision of guarantee, pledge loan or others agreed upon, the number of shares guaranteed or pledged, the amount of guarantee or pledge and the restricted use shall be indicated in the remarks column.

Wonderful Hi-Tech Co., Ltd. and Subsidiaries  
Transaction with related party reaching NT\$100 million or 20% of paid-in capital or more.  
January 1 to March 31, 2025

Table 4

Unit: NT\$ thousand  
(unless otherwise specified)

			<u>Transaction</u>		<u>The circumstances and reasons why the terms of transaction are different from those of ordinary transactions</u> (Note 1)				<u>Bills receivable (payable), accounts</u>		
<u>Involved company</u>	<u>Name of Counterparty</u>	<u>Relationship</u>	<u>Transaction</u>	<u>Amount</u>	<u>Ratio to total transaction</u>	<u>Period of credit granting</u>	<u>Unit price</u>	<u>Period of credit granting</u>	<u>Balance</u>	<u>Ratio to total bills receivable (payable) and accounts</u>	<u>Remarks</u> (Note 2)
Wonderful Hi-Tech Co., Ltd.	ABA Industry Inc.	Subsidiary	Sales	\$ (187,296)	20%	90 days	\$ -	-	\$ 327,625	29%	None
Wonderful Hi-Tech Co., Ltd.	Vietnam Wonderful Wire Cable Co., Ltd.	Subsidiary	Purchase	255,073	36%	90 days	-	-	( 257,959)	49%	None

Note 1: If the related party transaction conditions are different from the general transaction conditions, the situation and reasons for the difference shall be stated in the field of unit price and credit granting period.

Note 2: If any payment is received (paid) in advance, the reasons, terms agreed, amount and the difference from the general transaction type shall be stated in the remarks column.

Note 3: The sale and purchase between Wonderful Hi-Tech Co., Ltd. and its subsidiaries is equivalent to the purchase and sale between the subsidiaries and Wonderful Hi-Tech Co., Ltd., so the relative transactions will not be disclosed separately.

Wonderful Hi-Tech Co., Ltd. and Subsidiaries

Receivables due from related party reaching NT\$100 million or 20% of paid-in capital or more.

March 31, 2025

Table 5

Unit: NT\$ thousand

(unless otherwise specified)

<u>Company disclosing</u>		<u>Name of Counterparty</u>	<u>Relationship</u>	<u>Balance of receivables</u> <u>due from related</u>		<u>Turnover rate</u>	<u>Overdue Receivables due from</u> <u>related parties</u>		<u>Amount recovered</u> <u>after the payment</u> <u>period of</u> <u>receivable from</u> <u>related parties</u>		<u>Allowance for loss</u>
<u>receivables</u>				<u>(Note 1)</u>			<u>Amount</u>	<u>Accounting</u> <u>treatment method</u>			
Wonderful Hi-Tech Co., Ltd.	ABA Industry Inc.		Subsidiary	\$	327,625	2.34	\$	-		\$ 31,900	\$ -
Vietnam Wonderful Wire Cable Co., Ltd.	Wonderful Hi-Tech Co., Ltd.		Parent Company		257,959	5.43		-		88,089	-

Note 1: Please fill in separately according to the accounts receivable, bills, other receivables... etc.

Note 2: Paid-in capital refers to the paid-in capital of the parent company. If the issuer's shares have no par value or the par value of each share is not NT\$10, the transaction amount requirement of 20% of the paid-in capital shall be calculated at 10% of the equity attributable to the owner of the parent company in the balance sheet.

Note 3: The post-payment period ends on May 8th, 2025

Wonderful Hi-Tech Co., Ltd. and Subsidiaries

Business relationship, significant transactions, and significant transaction amount between parent and subsidiaries, or among subsidiaries.

January 1 to March 31, 2025

Table 6

Unit: NT\$ thousand  
(unless otherwise specified)

			<u>Transaction circumstance</u>				<u>Ratio to total consolidated revenue or total assets</u>
<u>No.</u> <u>(Note 1)</u>	<u>Name of trader</u>	<u>Counterparty</u>	<u>Relationship with the trader</u> <u>(Note 2)</u>	<u>Item</u>	<u>Amount</u>	<u>Conditions</u>	<u>(Note 3)</u>
0	Wonderful Hi-Tech Co., Ltd.	Wonderful Cabling Systems.	1	Sales revenue	21,255	Note 4	1%
0	Wonderful Hi-Tech Co., Ltd.	ABA Industry Inc.	1	Sales revenue	187,296	Note 4	8%
0	Wonderful Hi-Tech Co., Ltd.	ABA Industry Inc.	1	Accounts receivable	327,625	Note 4	5%
0	Wonderful Hi-Tech Co., Ltd.	Vietnam Wonderful Wire Cable Co., Ltd..	1	Purchase	255,073	Note 4	11%
0	Wonderful Hi-Tech Co., Ltd.	Vietnam Wonderful Wire Cable Co., Ltd..	1	Accounts payable	257,959	Note 4	4%
0	Wonderful Hi-Tech Co., Ltd.	Thai Wonderful Wire Cable Co., Ltd..	1	Purchase	48,421	Note 4	2%
0	Wonderful Hi-Tech Co., Ltd.	Thai Wonderful Wire Cable Co., Ltd..	1	Accounts payable	48,443	Note 4	1%
0	Lord Hero Co., Ltd.	Wonderful Photoelectricity (Dongguan) Co. Ltd.	3	Purchase	63,755	Note 4	3%

Note 1: The business transaction information between the parent company and its subsidiaries shall be indicated in the number column respectively, details are as follows:

(1) Fill in 0 for the parent company.

(2) The subsidiaries are numbered in order starting from number 1.

Note 2: There are 3 types of relationship with counterparties as follows, fill in the code:

(1) The parent company to a subsidiary.

(2) A subsidiary to the parent company.

(3) Among subsidiaries.

Note 3: The ratio of transaction amount to total consolidated revenue or total assets shall be calculated by the ending balance as a percentage of the consolidated total assets for assets and liabilities items; for profit and loss items, it shall be calculated by the cumulative amount as a percentage of the consolidated total revenue.

Note 4: In accordance with the general sales method.

Note 5: Individual transaction with an amount less than 1% of the consolidated total revenue and consolidated total assets will not be disclosed.

Wonderful Hi-Tech Co., Ltd. and Subsidiaries  
Name and location of investees (excluding those in Mainland China).  
January 1 to March 31, 2025

Table 7

Unit: NT\$ thousand  
(unless otherwise specified)

<u>Name of investor</u>	<u>Name of investee</u> (Note 1, Note 2)	<u>Location</u>	<u>Main business items</u>	<u>Original investment amount</u>		<u>Shareholding at the end of the period</u>		<u>Carrying amount</u>	<u>Current gain</u>	<u>Investment gains</u>	<u>Remarks</u>
				<u>At the end of the period</u>	<u>At the end of last year</u>	<u>Number of shares</u>	<u>Ratio</u>		<u>and loss of the investee</u> (Note 2(2))	<u>and losses recognized in the current period</u> (Note 2(3) and 3)	
Wonderful Hi-Tech Co., Ltd.	Wonderful Holding (Cayman) Co., Ltd.	Cayman Islands	Holding company of investment	\$ 363,273	\$ 363,273	12,256,479	100.00	\$ 1,162,685	\$ 33,964	\$ 33,964	Subsidiary of the Company.
Wonderful Hi-Tech Co., Ltd.	Wanshih Electronic Co., Ltd.	Taiwan	Assembly of distribution lines	266,249	266,889	16,627,272	20.31	243,054	( 6,128)	( 1,245)	The investee evaluated by the equity method.
Wonderful Hi-Tech Co., Ltd.	Lord Hero International Co., Ltd.	BBritish Virgin Islands	Holding company of investment	461,167	461,167	16,326	81.63	610,653	1,762	1,438	Subsidiary of the Company.
Wonderful Hi-Tech Co., Ltd.	Yi-Tai Technology Co., Ltd.	Hong Kong	Holding company of investment	83,120	83,120	21,377,348	100.00	-	-	-	Subsidiary of the Company.
Wonderful Hi-Tech Co., Ltd.	Wonderful Cabling Systems Corporation	Taiwan	Sales of wires and cables	12,800	12,800	2,000,000	80.00	75,281	4,027	3,183	Subsidiary of the Company.
Wonderful Hi-Tech Co., Ltd.	Vietnam Wonderful Wire Cable Co., Ltd.	Vietnam	Sales and manufacturing of wires and cables	217,101	217,101	-	50.00	489,856	61,280	30,640	Subsidiary of the Company.
Wonderful Hi-Tech Co., Ltd.	Wan Shih (Hong Kong) Co., Ltd.	Hong Kong	Assembly of distribution lines	28,541	28,541	3,067,500	17.04	18,333	( 13,304)	( 2,267)	The investee evaluated using the equity method.
Wonderful Hi-Tech Co., Ltd.	HONG YI Co., Ltd.	Taiwan	Sales of wires and cables	12,000	12,000	1,200,000	40.00	11,969	( 59)	( 23)	The investee evaluated using the equity method.
Wonderful Hi-Tech Co., Ltd.	Inga Nano Technology Co., Ltd.	Taiwan	Other Textile Products Manufacturing	42,725	42,725	3,010,000	28.00	29,647	( 813)	( 648)	The investee evaluated using the equity method.
Wonderful Hi-Tech Co., Ltd.	ABA Industry Inc.	U.S.A.	Sales of wires and cables	171,766	171,766	92,000	56.10	233,130	9,057	5,082	Subsidiary of the Company.
Wonderful Hi-Tech Co., Ltd.	ACTife Hi-Tech Co., Ltd.	Taiwan	Sales of non-woven fabric processing products	68,000	68,000	2,000,000	100.00	( 7,116)	8	8	Subsidiary of the Company.
Wonderful Hi-Tech Co., Ltd.	Leading LOHAS International Trading Company	Taiwan	Sales of non-woven fabric processing products	1,000	1,000	100,000	100.00	665	-	-	Subsidiary of the Company.
Wonderful Hi-Tech Co., Ltd	Wht International LLC.	U.S.A.	Real states rental	648	648	-	100.00	89	( 532)	( 532)	Subsidiary of the Company.

Wonderful Hi-Tech Co., Ltd.	Alpha Treasure Investments Limited	Republic of Seychelles	Holding company of investment	15,105	10,123	507,500	35.00	4,271	( 2,293)	( 803)	The investee evaluated using the equity method.
Wonderful Holding (Cayman) Co., Ltd.	Wonderful International (Cayman) Co., Ltd.	Cayman Islands	Holding company of investment	363,273	363,273	12,256,479	100.00	1,162,685	33,964		Note 3 Sub-subsidiary of the Company.
Wonderful International (Cayman) Co., Ltd.	ABA Industry Inc.	U.S.A.	Sales of wires and cables	20,909	20,909	72,000	43.90	168,884	9,057		Note 3 Subsidiary of the Company.
Wonderful International (Cayman) Co., Ltd.	Wonderful Holding (Thailand) Co., Ltd.	Thailand	Holding company of investment	47	47	490	100.00	368,178	11,098		Note 3 Sub-subsidiary of the Company.
Wonderful International (Cayman) Co., Ltd.	Thai Wonderful Wire Cable Co., Ltd.	Thailand	Sales and manufacturing of wires and cables	215,407	215,407	992,892	46.30	626,580	40,799		Note 3 Great-subsidiary of the Company.
Wonderful Holding (Thailand) Co., Ltd.	Thai Wonderful Wire Cable Co., Ltd.	Thailand	Sales and manufacturing of wires and cables	103,781	103,781	583,372	27.20	368,098	40,799		Note 3 Great-subsidiary of the Company.
Thai Wonderful Wire Cable Co., Ltd.	Vietnam Wonderful Wire Cable Co., Ltd.	Vietnam	Sales and manufacturing of wires and cables	226,415	226,415	-	50.00	495,206	61,280		Note 3 Subsidiary of the Company.
Lord Hero International Co., Ltd.	Lord Hero Co., Ltd.	Hong Kong	Sales of wires and cables	245,513	245,513	41,401,000	100.00	749,211	1,762		Note 3 Sub-subsidiary of the Company.

Note 1: If the public offering company has a foreign holding company and the consolidated financial report is the main financial report according to the local law, the disclosure of information about the foreign investee may be disclosed only to the information about the holding company.

Note 2: For persons other than those mentioned in Note 1, fill in the following:

- (1) The columns of "the investee's name", "location", "main business items", "original investment amount" and "ending shareholding situation" shall be filled out in accordance with the reinvestment situation of the (publicly issued) company and the reinvestment of the investee directly or indirectly under control. Indicate in the remarks column the relationship between each investee and the (public offering) company (if it is a subsidiary or a great -subsidiary).
- (2) The "current profit and Loss of investees" shall be fill in the amount of current profit and loss of each investee.
- (3) The column "investment profit and loss recognized in the current period" is only required to fill in the profit and loss of the subsidiaries recognized by the (public offering) company for direct reinvestment and that of the investee evaluated by the equity acquisition method. The rest is not required. When filling in the "current profit and loss amount of each subsidiary recognized as direct reinvestment", it should be confirmed that the current profit and loss amount of each subsidiary has included the investment profit and loss that should be recognized by its reinvestment in accordance with regulations.

Note 3: The investment profit and loss listed in the current period only discloses the part recognized by Wonderful Hi-Tech Co., Ltd., and the rest is exempted from completion according to regulations.

Wonderful Hi-Tech Co., Ltd. and Subsidiaries  
Information on investments in Mainland China - Basic Information  
January 1 to March 31, 2025

Table 8

Unit: NT\$ thousand  
(unless otherwise specified)

<u>Name of investee in</u> <u>Mainland China</u>	<u>Main business items</u>	<u>Paid-in capital</u>	<u>Form of investment</u> <u>(Note 1)</u>	<u>Accumulated</u> <u>investment remitted</u> <u>from Taiwan at the</u> <u>beginning of the</u> <u>period</u>	<u>Investment remitted or</u> <u>recovered in the current</u> <u>period</u>		<u>Accumulated</u> <u>investment remitted</u> <u>from Taiwan at the</u> <u>end of the period</u>	<u>Current gain</u> <u>and loss of</u> <u>the investee</u>	<u>The Company's</u> <u>shareholding in</u> <u>direct or indirect</u> <u>investment</u>	<u>Recognize</u> <u>investment</u> <u>gains and losses</u> <u>in the current</u> <u>period</u> <u>(Note 2)</u>	<u>Carrying</u> <u>amount of</u> <u>investment at</u> <u>the end of the</u> <u>period</u>	<u>Repatriated</u> <u>investment</u> <u>income as</u> <u>of the</u> <u>current</u> <u>period</u>	<u>Remarks</u>
Suzhou Wanshih Optical Communication Co., Ltd.	Assembly of distribution lines	\$ 520,584	1	\$ 11,380	<u>Remitted</u> \$ -	<u>Recovered</u> \$ 11,380	\$ -	\$ 1,982	0.00%	\$ -	\$ -	\$ 16,388	Note 3
Wonderful Photoelectricity (Dongguan) Co., Ltd.	Sales and manufacturing of wires and cables	177,616	2	50,624	-	-	50,624	2,618	81.63%	2,137 (2) B	221,420	-	
<u>Company name</u>	<u>Cumulative investment remitted</u> <u>from Taiwan to the mainland China</u> <u>at the end of the period</u>	<u>The investment approved</u> <u>by</u> <u>the Ministry of Economic</u> <u>Affairs</u>	<u>Investment to the</u> <u>Mainland China</u> <u>approved by the</u> <u>Ministry of Economic</u> <u>Affairs</u>										
Wonderful Hi-Tech Co., Ltd.	\$ 50,624	\$ 85,669	\$ 2,399,638										

Note 1: Investments are made in the following four ways, fill in the code:

- (1) Direct investment in mainland China.
- (2) Re-investment in Mainland company through a third region company (please specify the third region company).
  - A. Reinvestment in Wonderful Photoelectricity (Dongguan) Co., Ltd. through Lord Hero International Co., Ltd.

Note 2: In the investment profit and loss recognized in the current period:

- (1) Please specify if it is in preparation and there is no investment gain or loss.
- (2) Investment profit and loss are recognized on the following three basis, which should be specified.
  - A. Financial statements audited by an international accounting firm in partnership with a Republic of China accounting firm.
  - B. Financial statements audited by certified accountants of the parent company in Taiwan.
  - C. Financial statements prepared and not verified by accountants for the corresponding period

Note 3: Suzhou Wanshih Optical Communication Co., Ltd., an investee held by the Company under the equity method, was disposed of in first quarter 2025, amount is \$13,527.